

Ecotourism in Northern Kenya Policy Brief



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Background

This policy brief focuses on ecotourism in north-eastern Kenya and is based on the analysis of two key existing ecotourism industry models in Laikipia and Isiolo. The purpose of the work was to provide the Government of Kenya (GoK) policymakers and private sector investors with a deeper understanding of the eco-tourism industry already established in the region.

As highlighted, the study is based on two different ecotourism models (and four enterprises) in pro-pastoral communities in Laikipia and Isiolo using a framework of common qualitative measures of analysis. The enterprises selected represent a variety of operating tourism models for further discussion in north-eastern Kenya and include both community owned and joint-venture (hybrid) models.

Specifically, the brief reports on the analysis of the following factors:

1. Describe how the eco-tourism enterprise is formed, financed and managed; and
2. Assess the socio-cultural, economic and environmental impacts of the model.

Additionally, the policy brief presents a critical analysis of the constraints and opportunities for pro-pastoral ecotourism enterprises more broadly in the enabling environment, including the developing Vision 2030 policy and the private sector climate.

The study was supported by the diversification of livelihoods technical working group of the Enhanced Livelihoods in the Manderu Triangle (ELMT) programme. The ELMT Programme seeks to increase the self-reliance and resiliency of the pastoral population in drought prone pastoral areas of the Manderu Triangle in Ethiopia, Kenya and Somalia. CARE Kenya leads the ELMT consortium (including CARE, VSF and Save the Children partners in Ethiopia, Somalia and Kenya) in the technical area of the diversification of livelihoods.

In presenting this policy brief, it is important to highlight that numerous ecotourism studies, reports and handbooks, workshops and conferences, have been developed and have provided invaluable guidance for any individual, organisation or community interested in establishing a tourism enterprise in Kenya. Each enterprise is different and in this publication, amongst many others can help guide interested parties with respect to what are the key questions for establishing an enterprise, market opportunities and/or socio-cultural assessments at a community level:

- Ashley, C. 2001. *Handbook for Assessing the Economic and Livelihood Impacts of Wildlife Enterprise* is intended to provide conservation and development users with a process for assessing the socio-economic of ecotourism enterprises. African Wildlife Foundation
- Walpole, M. and Thouless, C. 2005. *Increasing the value of wildlife through non-consumptive use? Deconstructing the myths of ecotourism and community-based tourism in the tropics*. People and Wildlife: Conflict or Coexistence? Eds. Woodruffe, R., Thirgood, S. and Rabinowitz, A. Cambridge University Press.

- Watkin, J. 2002. *The Evolution of Ecotourism in East Africa: From an idea to an industry*. Summary of the Proceedings of the Ecotourism Conference on Ecotourism.
- Mallaret-King, D. and Hatfield, R. 2008. *Assessment of the Costs and Benefits of the Lekuruki Community Conservancy (Local and PA Levels)*. CARE International.

The key threats common to the pastoralist communities of north-eastern Kenya include: insecure tenure of their land and resources, marginalization from national development agendas, breakdown of traditional adaptations to climate variability, low literacy and under representation politically. These threats are confounded by poor governance inherent to the majority of developing countries resulting in greater socio-economic and environmental ramifications.

As a premise to reading this brief, it is critical to take note that ecotourism is perceived by many to be a 'panacea' for many communities in Kenya in helping them to diversify their livelihoods. However, this to date has not always been the case. Although some communities have benefitted considerably, numerous others are geographically isolated and/or resource poor in comparison. Therefore, ecotourism should always be considered as only one possible opportunity to diversifying livelihoods in north-eastern Kenya, and the country as a whole.

Case Study Analysis

This analysis highlights the four enterprises visited from two different ecotourism models (community and joint-venture) in the Laikipia and Isiolo areas as case studies for identifying possible opportunities or constraints for pro-pastoral ecotourism enterprises in north-eastern Kenya. Presented are the summarised findings from each of the case studies with respect to the key questions (below), followed by an overview of the enterprise opportunities and constraints, especially in light of north-eastern Kenya.

1. Describe how the eco-tourism enterprise is formed, financed and managed; and
2. Assess the socio-cultural, economic and environmental impacts of the model.

The specific ecotourism ventures analysed are:

- The Sanctuary at Ol Lentille, Kijabe Group Ranch
- Ol Gaboli Community Lodge, Il Motiok Group Ranch
- Il Ngwesi Lodge, Il Ngwesi Group Ranch
- Ngare Ndare Forest Trust

Development of Ecotourism Enterprises

1.1. Enterprise Partnership Arrangement – Agreement

1.1.1. The Sanctuary at Ol Lentille

Prior to the construction phase of the enterprise, a Memorandum of Understanding (MoU) was signed between Regenesis Ltd and the Kijabe Group Ranch with the understanding that before the completion of the construction a formal legally binding agreement between the parties will be agreed. The delayed time in signing the legal agreement allowed for all parties to consult with each other more often and seek outside advice on the formulation of a fair and equitable agreement.

Hon. Mr. F.X. ole Kaparo (the former Speaker of the Kenyan National Assembly), and as Chairman of the Kijabe Trust, played a critical role in bringing his community to the table for the negotiations. His desire for an appropriate and best possible agreement for the community with a private partner was centred by African Wildlife Foundation's (AWF) conservation agenda and interest in sustainable livelihoods for those in the Group Ranch.

The Group Ranch entered into a 25 year agreement with Regenesis Ltd to manage its tourism business and its conservation area. The management agreement is legally binding and clauses throughout protects both parties. Note that there is no concession on land - the community itself has designated and protects its conservation area.

At the centre of the management agreement, Regenesis Ltd insisted on 100% management control of the business and the conservation area on which it was located – this **was an observed failing of some up market ventures elsewhere**. Additionally, due to the niche nature of the venture, Regenesis Ltd requested they maintain the right to employ the best people for the positions (merit based), rather than only local community members.

All benefits (fees) are payable to the Kijabe Group Ranch under the management agreement and since January 2006 they have been receiving a steady income from this commercial enterprise. As part of the agreement, all guests at the Sanctuary pay a Community Conservation Fee (see financial benefit arrangement section). This income is split between the Kijabe Group Ranch and The Kijabe Trust.

Below are highlighted a few key components (clauses) of the management agreement which are applicable to either party:

- Regenesis Ltd have the right to transfer the management agreement to another investor but not within the first three years
- Regenesis Ltd have the right to sell equity within its company to others in order to build capital
- The Kijabe Group Ranch is required to set aside a minimum of 5,000 acres for the conservation area which must be a total livestock exclusion area with no grazing access – pure preservation area available for eco-tourism activities only. N.B. The conservation

area is now 14,500 acres with neighbouring Nkiloriti Group Ranch also donating a proportion of their land for a share of the benefits

- The Kijabe Group Ranch are required to “assist and support wildlife and cultural heritage and as such help the lodge be successful”
- The lodge and conservation area must have “quiet possession and enjoyable use” therefore no unauthorized entry from the members is permitted without prior arrangement
- The Kijabe Group Ranch must ensure activities and disbursement of benefits are equitable and transparent to all members
- Regenesys Ltd is required to manage the tourism enterprise, its resources, the conservation area and development projects to support the Kijabe Group Ranch. In doing so, they will be given total management rights to the lodge and conservation area, right to approve other potential tourism ventures, provide training to all employees at own expense, second specialist staff to the enterprise, all Human Resource management and coordination of staff, and as appropriate, promote Group Ranch members to staff.
- Regenesys Ltd is required to properly maintain and market the venture

Importantly for the Kijabe Group Ranch, there is no legal separation in the management agreement between land and buildings, however all fixed assets developed or constructed become the property of the Kijabe Group Ranch when the management agreement is finished – note that there is a right of extending the agreement if parties are interested.

Regenesys Ltd report quarterly to the Group Ranch through a local community meeting (baraza) on the management and activities of the lodge and conservation area, providing no direct support to how best the benefits received to the community should be disbursed/allocated. For transparency, there is a specific clause in the agreement which seeks the Group Ranch to have an open and transparent process of how any funds will be disbursed.

1.1.2. OI Gaboli Community Lodge

OI Gaboli Community Lodge and Rift Valley Adventures (RVA) have had a 5-year history of working collaboratively together. Initially, RVA camped on the same site as the current lodge prior to its erection. OI Gaboli indicated that RVA approached them to create a partnership for use of the lodge under an agreement whereby support to its management and marketing would be part of it. The community highlighted initial concerns with regard to a partnership with an outsider as it was perceived by many that the land was essentially being sold to a ‘foreigner’ and thus considerable discussions were held amongst the community to assure them of the agreement and its benefits.

The agreement deal between OI Gaboli and RVA was negotiated directly between the two parties although guidance was provided by Mpala Ranch and LWF, in particular with regards to meetings support, documentation, business advice, etc. The community felt strongly that the negotiations should be led by the community themselves so that they do not feel influenced or pressured into making any decisions.

During the establishment of the enterprise, LWF facilitated a number of exchange visits for the community members to see how other like-minded communities had established tourism enterprises and arrangements on their land, including Il Ngwesi, Namunyak and Tassia.

An initial MoU was signed by OI Gaboli and RVA during the lodge construction phase. After the first full field season for RVA, a lease agreement was signed between the two parties for a 2-year period. RVA initially wanted a 5-year lease although the community indicated that they wanted a two year lease.

The lease agreement comprised of RVA leasing 1,000 acres from Il Motiok Group Ranch, the land set aside by the community for the OI Gaboli. RVA essentially managed the lodge (during the times which they occupied the camp) under the provision of the lodge manager. RVA was required to inform the lodge regarding planned visits, numbers, access to cultural village, etc.

The lease took considerable time to negotiate due to a combination of conflict amongst the community over the concept of leasing and adequate benefit sharing

The agreement clearly stated that 70% of all benefits received from RVA will go directly to the women's group while the remaining 30% go to the Il Motiok Group Ranch to be disbursed as decided by the committee but for direct social benefits such as school bursaries, health fees, employment and cultural practices (circumcision). This agreement forms the basis of all support provided to the lodge and its activities, with the percentages of disbursement agreed by the community.

The OI Gaboli-RVA lease agreement was not legally binding, more accurately described as a "developed" MoU from what they had originally developed. The community feel that any future arrangement be more water tight with regards to payments, breaches of contract, specific items to be agreed e.g. replacements of fixed and non-fixed equipment, etc.

The agreement did not last the 2-year period with each party indicating breaches in contract by the other.

1.1.3. Il Ngwesi Lodge

The lodge is registered as a business under the name Il Ngwesi Company Ltd, a separate entity from the Il Ngwesi Group Ranch consisting of a Board of Directors who are elders from the Il Ngwesi Group Ranch.

The lodge was originally established as an exclusively booked self-catering venture, running as such from December 1996 and up until 2002. From 2002 the lodge evolved into a fully catered mid-market enterprise.

As part of the agreement in establishing the ecotourism enterprise and conservation area, the Group Ranch collectively developed numerous by-laws (and continue to do so) - all approved by community members at AGMs. The majority of the by-laws are focused on the conservation area and its buffer zone in which the lodge is located. The core conservation area, set up as part of this agreement, consists of a 5km² 'no go' zone around the lodge which has been set

aside as a key wildlife area with no grazing access. Around this and still in the larger conservation area, is a buffer zone which has by-laws establishing for certain use in certain conditions.

Other by-laws agreed by the Group Ranch members include:

- No dogs are allowed in the core conservation area
- No matches are allowed in the core conservation area
- No poaching across the Group Ranch

The open and transparent nature in the creation of these by-laws appears to work well with the members come together to actively enforce the by-laws.

Currently, Il Ngwesi is entertaining the possibility of a joint-venture agreement after years of being community owned and managed. Due to recent unstable economic times and the downward trend in tourist numbers to Kenya, Il Ngwesi has entertained three approaches to date, all of which have been turned down in favour of self-management. However, it is feared that in the long-term any capacity developed within the community would be lost and as such a loss to all. The Group Ranch continue to discuss possibilities and NRT have offered to help facilitate any joint-venture which the Group Ranch might entertain

1.1.4. Ngare Ndare Forest Trust

The ecotourism venture of the Ngare Ndare Forest Trust begun as a need to try and help 'sustain' the organisation whilst also hoping to provide social benefits for the forest's adjacent communities. As an umbrella organisation the Trust realized the importance to diversify into other areas, as well as the importance of generating income to support local community development needs including education, health and infrastructure to name a few.

The focus of its developing ecotourism ventures is adventure tourism, and the partnership (under negotiation) with RVA is a natural evolution. Both organisations have been collaborating for a number of years with RVA utilizing the forest for a range of their activities and only naturally are they interested in partnering with them on the new enterprise.

All current tourism arrangements with external partners such as RVA are informal with no legal agreements. Although much of the enterprise infrastructure is in the final stages of development, the Trust indicated that due to the nature of the enterprise, it is important to discuss specifics of the partnerships and in turn appropriate benefit sharing as soon as possible. The returns for this enterprise may be lower compared to many of the lodges in the region, but it is envisaged that it will attract potentially higher numbers of users with minimal impact.

The Trust have a formal agreement (signed by the Board) – historically a MoU, with the Kenya Forest Service (KFS) on behalf of the communities (each community consisted of User Groups of the forest which came together to form a representative Community Based Organization) to manage the forest under a 'Community Forest Agreement' (CFA).

As a requirement, the Trust with the CBOs developed a Forest Management Plan, have paid a concession fee and essentially through the CFA manage the forest and its resources (aside from wildlife) semi-autonomous. Access to resources such as honey, firewood, water, etc. is critical components in the management plan and which each (and collectively) the CBOs (and their individual User Groups within them) manage sustainably. Each of the CBOs have developed their own regulations to use and access of resources in the forests but nothing has been formally recorded or documented.

1.2. Enterprise Partnership Arrangement – Financial Benefits

1.2.1. The Sanctuary at Ol Lentille

It is important to note that no individual dividends are paid to Kijabe Group Ranch members from the enterprise.

The value of management agreement negotiated was based on the present value of future cash flows and profitability for the enterprise as determined by Regenesys Ltd although reviewed by the Kijabe Group Ranch and AWF. In essence, there are two types of benefit payments to the Kijabe Group Ranch – a “Rights Fee” and “Bed Night Levy”:

- “Rights Fee” for management which includes total freedom to manage the conservation area and for use and living in it. This is essentially risk free rent for the Kijabe Group Ranch and can be loosely equated to a base fee payment to the Kijabe Group Ranch.
- A bed night levy is charged to all guests at the lodge.
 - With regards to the bed night levy, 70% goes directly to the Kijabe Trust, 24% to the Kijabe Group Ranch and 6% to the Nkiloriti Group Ranch

The Kijabe Group Ranch felt that the negotiations are favorable, especially with the ‘Rights Fee’ benefit arranged – the critical deal breaker. The ‘Rights Fee’ benefit is not being paid in many (if any) other joint-venture agreements in Kenya.

1.2.2. Ol Gaboli Community Lodge

It is important to note that no individual dividends are paid to Ol Motiok Group Ranch members from the enterprise.

The construction phase of the lodge begun under the initial loose agreement RVA had with Ol Gaboli, with the community receiving direct payments from RVA based on a per person bed night levy. The RVA lease fee was paid quarterly and directly to the women’s group (which was a considerable cause of conflict within the community, especially amongst the men), as opposed to the bed night levy which was paid to the Group Ranch. Additionally, RVA provided additional direct financial support through cultural activities and visits to the local manyatta’s.

Supposedly, the initial agreement negotiations were proposed by RVA (says Ol Gaboli) although finally a financial payment considerably less was finally agreed upon by both parties as a flat base rate, plus an additional Kshs. 200 per person/ per night bed levy per guest. RVA negotiated not to pay any additional conservation fee as part of this arrangement.

In the first 12 months of their lease agreement, RVA provided OI Gaboli with Kshs. 2.2 million worth of revenue at a rate of approximately 20% occupancy. Unfortunately, the lease survived just over 1-year although RVA continue to use the OI Gaboli facilities under a new arrangement – Kshs. 23,000/night for the entire camp regardless of numbers (5-40 people).

OI Gaboli hope that once the new upgrade of the lodge is complete they will have the presence to come back to RVA and discuss new arrangements - especially considering their current rack rates are Kshs. 2000/pp/pd self catering plus an additional Kshs. 400 conservation fee.

1.2.3. II Ngwesi Lodge

It is important to note that no individual dividends are paid to II Ngwesi Group Ranch members from the enterprise.

From when the lodge opened in 1996 to 2002, it operated as a self-catering entity and very little 'real' profit was made with the majority of money supporting staff salaries. Since 2002, a gradual yearly increase in profit (until 2008 when the tourism down town and economic crisis hit) was observed.

Occupancy in a good year has averaged 60%, approximately 900 bed nights per year. In 2007 the lodge hosted approximately 970 bed nights raising more than US\$170,000 or Kshs.10-11 million in revenue. However, profit from the lodge, especially in the last few years, has been greatly reduced and not at the level to maintain long-term development projects in the Group Ranch.

Current accommodation rates are inclusive of a US\$40 conservation fee which goes into the Group Ranch Community Trust Fund for development projects.

As part of their role to share experiences with other communities in Kenya, II Ngwesi charges a nominal exchange visit facilitation and conservation fee to groups who come to discuss their operational model and activities. For those groups affiliated with the Northern Rangeland Trust (NRT), which the Group Ranch is a member, the fee is US\$100, while it is US\$200 for others. All monies go towards the Group Ranch Community Trust Fund. The majority of exchange visits are day guests who come to meet and discuss issues with the elders, lodge staff and security members.

1.2.4. Ngare Ndare Forest Trust

Currently no financial benefit arrangement has been signed or agreed upon between the Trust and RVA.

Initial discussions amongst the Trust and six partner CBOs have highlighted that no direct payments will go to individuals in the communities (aside from those directly employed) but any revenue/profit made channelled to develop social projects within the communities. The Trust has identified that the maintenance of the ventures and more specifically their infrastructure will be high, and of great importance for safety and operation.

Therefore, they have proposed that 40% of all revenue be ploughed back into a combination of salaries, maintenance and other recurrent expenditures, and the remaining 60% into the community development fund. Disbursement of the funds accrued in the community development fund will be allocated through management meetings involving the six CBOs, whereby proposals will be presented by interested parties and discussed for them to be brought before the Board for potential funding allocation.

To date, tourists (RVA, Lewa Conservancy, Borana, etc.) making use of the Ngare Ndare Forest have been encouraged to bring in their own equipment, including tents, when camping. Those who come and undertake activities in the forest are expected to pay a conservation fee of US\$20 per person. As yet a camping fee has not been decided because of the basic site offered. For those who the Trust has ongoing relationships with, a discount arrangement for the conservation fee has been discussed on a case by case basis.

Essentially, the new ecotourism venture in the Ngare Ndare Forest hopes to attract clients paying a set conservation fee, an activity fee and if camping, a camping fee.

1.3. Enterprise Partnership Arrangement – Business/Management Support

1.3.1. The Sanctuary at Ol Lentille

Regenesi Ltd was and continues to be legally advised regarding the management agreement with Kijabe Group Ranch by its lawyers. As the enterprise sought to have a long-term involvement in the area and importantly provide benefits to empower and build livelihoods of the local community, the social benefits were deemed an important negotiation factor by Regenesi Ltd.

The Kijabe Group Ranch did not have any specific business advisor during the negotiations although AWF provided business and legal support, as well as acted as a bi-partisan broker between the parties. Additionally, Hon. Mr. F.X. ole Kaparo provided advice and support throughout the agreement negotiations with his community.

The Kijabe Trust was set up by the community with support from AWF. The Trust manages the Ol Lentille Conservancy, attracts donor, social and conservation investor funds, and applies these funds for the benefit of the community. The Group Ranch has three Trustees who, along with three nominees of Regenesi Ltd, a nominee of AWF, and the current Chairman, Hon. Mr. F.X. ole Kaparo, make up the Board of Trustees.

As for the Group Ranch itself, it is a legally registered entity in Kenya with an elected Committee to manage the Group Ranch affairs. Additionally, there are sub-committees for Grazing and Conservation, and a growing Women's Group. The Group Ranch adopted its first formal written Constitution in November 2006 and it is now developing a Community Investment Plan with AWF to guide decision-making and to provide for accountability and transparency on the use of the income from Regenesi Ltd and other community enterprises.

Since early 2006 the many women's groups on the Group Ranch have come together, developed a written constitution, appointed post holders and completed the complex process of

opening different bank accounts to start up diverse economic projects e.g. an organized bead making project, an egg project and building of the cultural manyatta.

1.3.2. OI Gaboli Community Lodge

The agreement deal between OI Gaboli and RVA was negotiated directly between the two parties although guidance/support was provided by Mpala Ranch and Laikipia Wildlife Forum (LWF), in particular with respect to enterprise design, meetings, documentation, business advice, proposal writing, etc. The community felt strongly that the negotiations be led by themselves so as not to feel that they were influenced or persuaded by anyone.

Mpala Ranch, LWF and other interested neighbours came together to develop the OI Gaboli Management Committee (OMC) to support in all areas of business and management. Although the OMC was largely dormant during the lease agreement period with RVA, it has since increased involvement due to the lack of current enterprise support/business resulting from RVAs departure.

RVA was not on the OMC, but provided considerable in-kind support during the development of the lodge. Despite RVA running OI Gaboli during their trips, as they required a certain standard, they did provide limited training opportunities to local community members.

The II Motiok Group Ranch have a Management Committee consisting of 10 people, not including the Chief and Councillor who both sit as ex-official. The committee holds an AGM with new Board members proposed each year, as appropriate. There are no current working committees under the Group Ranch Management Committee, although these have been proposed as part of their involvement in the larger Naibunga Conservancy. As such, there are currently no laid down policies and procedures to the Group Ranches management of natural resources or development support.

1.3.3. II Ngwesi Lodge

The II Ngwesi Company Ltd Board of Directors consists of six elected individuals (all elders) from the seven neighbourhoods (one member represents two neighbourhoods). Initially, those elected to the Board were involved in ecotourism exchange (learning) visits to learn about ecotourism opportunities, as well as many had complimentary skills and experience to assist with the development of the conservancy e.g. building skills, worked on safaris, etc.

The II Ngwesi Group Ranch Management Committee consists of nine representatives who are elected each for a two-year period, with a possible extension if the community allows. The committee governs and represents the interests of the Group Ranch members and is comprised of representative elders from each of the 'neighbourhoods'. The II Ngwesi Company Ltd reports directly to the Group Ranch management committee, while all relevant committees and the Community Trust Fund all feed information into and receive feedback/management support from this overarching committee.

The Group Ranch has developed and adopted a constitution which highlights the duties of each of the appointed committee positions and the member's responsibilities as a whole. Minor amendments have (and will continue) to be subject to change by the approval of all members at an AGM.

A Natural Resources and Community Development Committee was developed to support the coordination and management of community development initiatives (schools, health, roads, etc.), security, water, wildlife and grazing resources, and ensure that bylaws governing protection of the conservation area are adhered to.

Il Ngwesi Group Ranch has been a member of the Northern Rangelands Trust (NRT) since 2004 – a community led initiative which involves conservancies, private ranches and the local authorities. The NRT solicits funds for conservancies and their activities.

Lewa Conservancy have provided considerable support from the initial concept through to current activities. In particular, the support for security has been invaluable and as such beneficial to Lewa Conservancy as the efforts increased. A KWS vet is based on Lewa Conservancy which assists wildlife management issues on the Group Ranch, whilst Lewa Conservancy support marketing, fundraising and administration of the enterprise – this has been invaluable.

1.3.4. Ngare Ndare Forest Trust

To date, the Trust's Board and 'friends' have been invaluable in helping prepare proposal submissions for funds which they have obtained.

Management support, initial office space and ongoing advice have been invaluable from neighbours including Lewa Conservancy and Borana, as well as the support it receives from the LWF and NRT. The Trust has an in-house accountant who facilitates the fluid administration of the organisation.

As an example of management within each of the CBOs, a Grazing Committee has been established for each to discuss the establishment of informal rules and regulations and subsequently monitoring of the community use.

1.4. Enterprise Partnership Arrangement – Dispute Resolution

1.4.1. The Sanctuary at Ol Lentille

No specific dispute resolution process was specified in the management agreement. To date, if any disputes have occurred then Regenesys Ltd has dealt directly with the Kijabe Group Ranch management committee with the support, and as appropriate, from Kijabe Trust and/or AWF and/or LWF. However, in saying that, within the management agreement there are some specific cases whereby if any breach is made by either party then consultation, meetings and resolutions are held to best understand the issue and resolve it rather than nullification of the agreement.

Although there may be no specific court of appeal for any breach of the agreement, a case could be brought before a court of law. However, this process would not only be timely but costly for all concerned as such should be avoided.

1.4.2. OI Gaboli Community Lodge

There was no formal dispute resolution mechanism established or highlighted in the agreement between OI Gaboli and RVA. Due to their previous working engagement and the predominant nature of tourism on Group Ranches in Kenya, such 'fluid' arrangements are not unusual. Initially, if any dispute or concern was raised, both parties sat and discussed the issue, working it out amicably.

However, the community expressed concern that they had little capacity to change anything in the relationship and were at the 'whims' of RVA, whilst RVA felt that they were working with a community who kept trying to shift the 'goal posts'. Therefore, once things got to a point between both when it was hard to discuss the issues, it was decided that the partnership should be terminated.

RVA felt that the 'revolving door' of lodge managers and Board members on the OMC, specifically the men, did little to create a strong and lasting relationship between both parties. In particular, it was felt that new lodge managers and its Board members had little if any respect for any prior agreements and demanded benefits (predominately money) which were not agreed and as such not viable.

1.4.3. II Ngwesi Lodge

With respect to the enterprise and Group Ranch, dispute resolution is conducted during formal member meetings of the Group Ranch whereby each member has the capacity to air their thoughts and concerns.

If the dispute pertains to an individual community member committing an offence on the Group ranch or in particular within the conservation area, then appropriate actions are taken as per the by-laws created. For example, with respect to illegal grazing under the by-laws, a first offence results in a fine of one goat, a second offence is a fine of two goats or a calf, whilst a third offence results in the individual being arrested and prosecuted, as appropriate.

1.4.4. Ngare Ndare Forest Trust

With respect to the Trust and the developing enterprise, dispute resolution is at a CBO level with members discussing issues amongst themselves. If these issues are of greater concern over the forest or others activities within it, then the Chair of the relevant CBO can bring the concern to the Trust management meeting and then onto the Board, as appropriate.

It should be noted that a number of community members initially expressed concern over the establishment of some ecotourism ventures in the Ngare Ndare Forest, especially as the surrounding neighbours are not homogenous in nature with some being pastoralists, others agriculturalists, etc. and therefore access rights for some potentially limited.

2. Financing of Ecotourism Enterprises

2.1. The Sanctuary at Ol Lentille

The construction cost of the lodge was approximately US\$1.5 million. Financing was enabled with support from donors and the private investor Regenesis Ltd, including a sizeable 'loan':

- AWF through a grant from USAID, provided lodge construction funding.
- Regenesis Ltd was successful in attracting for the Group Ranch one of the largest ever grants from the EU's Tourism Trust Fund for the expansion and completion of the lodge.
- Regenesis Ltd invested significant personal capital.
- Regenesis Ltd loaned capital to the Kijabe Trust with no interest or specific payback terms.

Kijabe Group Ranch also enjoys some financial assistance through the Naibunga Conservancy from the IBAR programme of the African Union using UN GEF funds. Additionally, Regenesis Ltd has donated financial support and encouraged others, many of which have been guests, to support community initiatives or provide business and/or community/economic development expertise to support the Kijabe Group Ranch.

To date Regenesis Ltd has invested further capital into the enterprise and this is critical as it is a requirement of their agreement to properly maintain and market the venture appropriately. In light of the current economic climate, Regenesis Ltd are discussing the need for co-investors in the enterprise for the remainder of its 25 year management agreement through any variety of means e.g. sale of preference shares (no voting rights to the holder), sale of equitable shares (voting rights to the holder).

2.2. Ol Gaboli Community Lodge

Ol Gaboli Community Lodge has no loans or mortgages from the capital investment in the lodge as all funds were provided through donor support with no repayment necessary.

LWF applied to the European Union Community Development Trust Fund (CDTF) through their Biodiversity Conservation Program on behalf of Ol Gaboli for funding support to build the lodge, which was approved in December 2003. The grant was applied for under the banner that Ol Gaboli was unique in being the only tourism facility owned by an all-women's pastoralist group in Sub-Saharan Africa

As part of the CDTF support, five bandas, a lounge, library and an equipped kitchen were constructed. Additionally, funding for a Toyota Land Cruiser was purchased for the lodge. Other support as part of the grant was for business training, although lodge management has been replaced and therefore this provided limited impact for the enterprise.

Additionally, support to the women's group was provided with respect to establishing, designing and making of local artefacts and curios for sale. Kenya Wildlife Service provided training to the scouts (security) of the lodge as part of the support.

Considerable in-kind support was provided Mpala, RVA and LWF through the design, construction and subsequent management of the lodge. Also, Mpala support the employment of one scout each to be employed for OI Motiok, whilst SNC and Karisia Ltd (both neighbouring ranches) have offered to support the employment of one scout each in the future. Princeton University employ a scout from the community during the time they are out at Mpala and working in the area.

In January 2005, Princeton University initiated two solar energy projects to help the lodge: a battery based lighting system charged from solar panels and a water filtration system for the lodge's swimming pool powered by solar energy.

Most recently, interested donors have been in contact with OI Gaboli, some through LWF with regards to funding an upgrade of the lodge. Other donors are interested in providing marketing services, equipping of an office and upgrading the kitchen. The processes to channel support to OI Gaboli appear to be hampered by community issues regarding the management of the lodge.

2.3. Il Ngwesi Lodge

Il Ngwesi lodge has no loans or mortgages from the capital investment in the lodge (or conservation area) as all funds were provided through donor support with no repayment requirements.

Initial support for the construction of the tourism lodge came via initiatives facilitated by the KWS and Lewa Conservancy, in particular as it was highlighted as a key pilot project in Kenya. Funds were obtained through the former USAID Conservation of Biodiverse Resource Areas (COBRA) project for approximately Kshs. 5 million and an additional Kshs. 4 million or so raised from other supporters. In total Kshs. 9.8 million was obtained to fund the capital investment required to develop the lodge.

Additionally, in 1998 the Global Environment Fund (GEF) provided Kshs. 5 million in support for capacity building, in particular for areas of catering and hospitality, as well as general management over a 5-year period. In 2001 the European Union Community Development Trust Fund (CDTF) provided Kshs. 2 million for establishing a security camp headquarters and a holding pen for wildlife before release into the wild. In 2004 the European Union, through the Tourism Trust Fund (TTF) provided Kshs. 7 million in support of major renovations of the lodge and the purchase of a lodge vehicle.

Currently, Il Ngwesi Group Ranch is in discussion with donors to obtain support for the building of a new Il Ngwesi conference centre on its southern border, next to Borana Ranch. This diversification of its current practices is set to increase business opportunities for the Group Ranch in the area.

2.4. Ngare Ndare Forest Trust

The Trust's ecotourism ventures have no loans or mortgages for the capital investment established as all funds were provided through donor support with no repayment necessary. To

date, funding support has been obtained for tourism infrastructure development from the EU TTF and from the European Union Biodiversity Conservation Program for a vehicle.

Funding support has also been obtained for the campsite upgrade, road network, and zipline from the GEF Small Grant Fund. The Constituency Development Fund (CDF) provided partial support for the development of the Canopy Walkway. Lewa Conservancy provided skilled labour for the maintenance of the forest fence and played an important role in the establishment of the Trust and initially hosting its Secretariat on Lewa.

3. Management of Ecotourism Enterprises

3.1. The Sanctuary at Ol Lentille

Regenesis Ltd has total control over all management of the enterprise – strategic, financial and operational. This management right was a condition of the agreement and perceived to be important for Ol Lentille to monitor and maintain a high quality service.

Important to note that although Regenesis Ltd has sole management rights and responsibilities, they maintain ongoing communication and build trust with the Kijabe Group Ranch through community meetings, awareness raising activities, etc.

The 'in-house' standards of service for the lodge are set by Regenesis Ltd, based on the Aman Resorts <http://www.amanresorts.com/> operating manual, which run their ventures with a light approach, a process which focuses on standardized procedures rather than detailed staff management.

Regenesis Ltd highlighted that staff are key to the successful running of the venture and pride themselves on not yet having any member of staff leave. Aside from good training and benefits, the staff are fortunate to receive relatively large 'tips' from high net worth value guests who stay at Ol Lentille. Many of the guests comment on the quality of the staff and *how it is such a pleasure to feel so welcome in Kenya.*

3.2. Ol Gaboli Community Lodge

Ol Gaboli Management Committee (OMC) consists of 12 women from the Women's Group with one of them as the chairlady. Additionally, the committee consists of the lodge manager – who oversees the day-to-day management of the lodge, and partners (LWF, Mpala, Karisia and SNC conservancy) – the partners providing advice and support as requested on business, financial, land and enterprise management.

Each year a member driven AGM is held to approve budgets, lodge investment for the coming year, elections for representatives (as appropriate), dividends declared, and the community discuss how to best disburse any dividends e.g. social development programs associated with education, health, infrastructure, etc.

3.3. *Il Ngwesi Lodge*

The lodge manager oversees the day-to-day running of the enterprise and reports on a quarterly basis to the Board of Directors. The Group Ranch employs a community manager who sits in Nanyuki at the office and responsibility for the implementation of all agreed development projects e.g. school bursaries, environmental education, etc fall under his coordination.

Each year a member driven AGM is held to approve budgets, lodge investment for the coming year, elections for representatives (as appropriate), dividends declared, and the community discuss how to best disburse any dividends e.g. social development programs associated with education and health, business expansion such as acquisition of more land, acquisition of investment properties, etc.

3.4. *Ngare Ndare Forest Trust*

The small scale ecotourism enterprise currently in operation and the new developments being undertaken are/will be managed by the Trust.

Currently, for the Rock Climbing activities which have commenced, the Trust provides a guide/security person who accompanies RVA on their day trips. As there is no legal agreement or MoU between the Trust and RVA for the enterprise arrangement, management is currently limited. On completion of the Zipline and Canopy Walkway, a manager will need to be employed to coordinate the venture, including maintenance and day-to-day management oversight of tourists/partners.

The Trust reports to both its Board but also to the Management Group which consists of the Chairs from each of the six CBOs who are its members – a reporting line which is both up and down. In turn the CBO Chairs are representatives of their communities.

4. Marketing and Public Relations

4.1. *The Sanctuary at Ol Lentille*

Regenesi Ltd undertook a market assessment of the ecotourism industry in East and Southern Africa before choosing to develop Ol Lentille, seeking the assistance of an external consultant in the process. In brief, the findings revealed that the niche market for ecotourism in the US\$500-600 per night range was saturated, whilst two areas were underserved: US\$200-250 and >US\$700. Regenesi Ltd decided that developing something at the top end of the market would limit their competition in Kenya and enable the company to make a lifestyle choice for its owners.

Regenesi Ltd have a business plan which seeks to market the product to high net value and high net worth customers who are discerning and well travelled, as well as have an interest in conservation and Africa. Additionally, a pro bono assessment was undertaken for Regenesi Ltd on who, where and how many potential high net value and high net worth customers there are in the world to help in targeting their marketing. It was found that there are between 5-10 million people who would be possibly interested in coming to such an up market venture which in turn helps Regenesi Ltd to target there audience.

OI Lentille receives 65% of their enquiries through industry channels – through an agent or travel designer. 20% are from personal networks of Regenesis Ltd and 15% directly through the OI Lentille website – this is a sizeable percentage.

Regenesis Ltd has a business relationship with up to ten top end travel designers (agents) in each major geographical market including the USA, UK, Russia, as well as German and French speaking European countries. To date South America, and the Middle or Far East have not been targeted. OI Lentille is also a member of “The Net”, an exclusive network of travel designers.

Regenesis Ltd uses marketing representatives in North America and UK (for the rest of the world) who provide support in selling the product, promoting it to agents, distribute brochures and obtain feedback and statistics on the market opportunities.

Regenesis Ltd normally only promote OI Lentille once a year at the annual International Luxury Travel Market held in the south of France although they have been invited to ‘PURE Life Experiences’, the world's first travel trade exhibition focused on organizing productive business meetings between the finest Private Travel Designers and suppliers from the exploding industry of Experiential Travel.

Regenesis and The Kijabe Trust are members of the LWF, one of the leading conservation organisations in East Africa. No marketing or public relation activities are undertaken by the Kijabe Group Ranch directly although they have been very helpful and have photogenic sceneries that can be used in developing materials to help sell the venture.

Although not seemingly a large marketing effort, OI Lentille has ventured to new PR opportunities including the use of the social network site Facebook. Additionally, OI Lentille marketing opportunities which they may or may not have been aware of but appear online through a simple Goggle search, and include promotion on numerous websites.

4.2. OI Gaboli Community Lodge

OI Gaboli has and does undertake very limited marketing and/or public relations work. The lodge acknowledges its limited capacity and high reliance on others. It is looking at the development of an independent website to help promote itself through donor support. The manager highlighted that a key component to its future marketing and PR is local communications (phone and internet) connectivity at the lodge, including relevant office equipment.

However, there was no discussion on whether the development of communications and website would help the lodge manage its own bookings. The question of capacity in managing these tools appropriately must be considered. OI Gaboli and the OMC recognize the limited marketing capacity and therefore it was thought best to try and partner with someone else to enable the business to grow and for the community to learn from such a partnership.

RVA has undertaken the lion's share of marketing for OI Gaboli as it was critical to its business development and selling of its adventure products. RVAs market is predominantly school groups

and organisations seeking outdoor activities which are adventure based and therefore with a captive market from Kenya, the region and abroad, RVAs marketing is niche.

The EU CDTF funding consisted of initial support for OI Gaboli to undertake development of marketing materials e.g. brochures, however there was an apparent budget shortfall and no materials were developed.

As a member of LWF, OI Gaboli has and continues to be promoted through its website and tourism office based in Nanyuki. It appears that a limited number of 'other' visitor numbers have used OI Gaboli during the RVA lease period although LWF has been making recent concerted efforts to promote the enterprise whilst word-of-mouth from local players are also making some use of its facilities.

Aside from the above key marketing and PR avenues, OI Gaboli lodge has been able to promote itself locally to neighbouring ranches and communities which has provided small-scale tourist use to date. In particular, the lodge has been used by research groups, for local workshops, sporting activities and development workers e.g. World Vision, undertaking activities in the area.

Additionally, OI Lentille marketing opportunities which they may or may not have been aware of but appear online through a simple Goggle search, and include promotion on numerous websites.

4.3. II Ngwesi Lodge

Initially, word of mouth was one the greatest of marketing strengths for II Ngwesi Lodge with numerous repeat visitors and a solid support base from Kenyan residents and expatriates. Considerable marketing support was provided by Lewa Conservancy and their international networks – website, overseas presentations and marketing events. In 2006, II Ngwesi contracted the development of their own website to support their self-sustainability and independence, whilst increasing marketing potential.

II Ngwesi initially had an office on Lewa Conservancy which provided invaluable communications and email access for marketing and booking. In early 2000s, they decided to establish an independent office in Nanyuki employing an office manager and accountant. Currently, the lodge is in the process of establishing an office on site with computer and email access to facilitate greater communication.

II Ngwesi staff has undertaken marketing trips to the World Travel Market on three occasions to increase the profile and awareness of the lodge whilst yearly local tourism development efforts are undertaken at local fairs in Nairobi.

As a member of LWF, II Ngwesi have benefited from LWF's many years of promoting the II Ngwesi Lodge and activities through its tourism office and online through its website.

II Ngwesi is assessing the possibility of teaming up with individuals or organisations that will help to market the lodge better. This may be a potentially expense effort but hopefully the

experience and market reached will be greater. Currently, Il Ngwesi has a limited network around the world with its Kenya market being the backbone of its business.

Additionally, Ol Lentille marketing opportunities which they may or may not have been aware of but appear online through a simple Google search, and include promotion on numerous websites.

4.4. Ngare Ndare Forest Trust

Currently, the majority of the Trust's targeted marketing efforts have been channelled through the LWF and partnerships with Lewa Conservancy, Borana and RVA. These key enterprises make greatest tourist use of the forest and opportunities are continued to be developed. As RVA is intended to be the largest 'user' of the enterprises initially, they will undertake considerable marketing of their product which will include promotion and use of the Trust's facilities.

The Trust is building a relationship with Ecotourism Kenya to help promote the new enterprise, coupled with local promotion through goodwill, media and visits from local parliamentarians and other key stakeholders.

Once the infrastructure for the ventures is complete, the Trust indicated that it will develop a targeted website, produce brochures and promote the ecotourism opportunities available at local Kenyan trade fairs.

The Trust is a member of the LWF, one of the leading conservation organisations in East Africa, and will benefit from its marketing capacity. Additionally, it is a member of NRT and in time will benefit accordingly.

5. Enterprise Partnership Arrangement – Socio-cultural Impact

5.1. The Sanctuary at Ol Lentille

The Group Ranch appears to be comfortable with the majority of the management agreement and its benefits, although of course elements within the community have been impacted, including loss of access to grazing land which they feel would be great to open up in the hard times of drought. However, in light of the benefits to the Group Ranch as a whole, the loss of grazing area in light of economics is minimal.

Additionally, there appears to be a consequence of improving livelihoods through this venture, with the Group Ranch possibly becoming a little dysfunctional as a result of individuals trying to obtain the 'lion's share' of the benefits. During the initial two-year period of the agreement the Group Ranch had issues within its committee and a number of internal breaches of conduct were reported.

In essence, many of the community's social norms are shifting. There is a perceived negative effect (and positive – dependent on who you talk to within the community) on the traditional pastoral way of life in the Group Ranch. Although the management agreement and associated activities have brought increased monetary support and in turn what many term improved local

livelihoods within the community, an observed weakening (or erosion) of traditional lifestyles is evident.

Interestingly, the role of women and their place within the local Maasai culture in the Group Ranch (and further afield) is changing more rapidly than many others. Their traditional day-to-day roles have shifted as a result of better access to resources through training and capacity building efforts, and ultimately earnings achieved through the sale of items and working at the cultural manyatta.

Importantly, as a result of employing local members as game scouts for security, the number of incursions and incidences on the Group Ranch has significantly – this is seen as invaluable. The feeling of heightened security alone is seen to be the greatest impact (and benefit) from tourism and the management agreement.

Access to resources such as vehicles for town trips and health emergencies, as well as business and management support e.g. preparation of proposals and local community projects support, has been invaluable and very appreciative by the community. Additionally, Regensis Ltd have initiated a development fund which is supported by the guests at OI Lentille, and to date provided invaluable support e.g. development of local education facilities and resources, including a new school building, improved teacher training (8 local teachers in 5 local schools) and curriculum advice.

Development of a community investment plan with the support of AWF is currently in train. The community investment plan has a strong budget base to it so as it is realistic and practical. It is hoped that this plan will help the community better manage all elements of the benefits received from the enterprise agreement.

5.2. OI Gaboli Community Lodge

The lodge seeks to promote conservation, generate an income, unify the community, and empower the local women. The initially fragmented community has created a local committee to make decisions concerning not only the lodge but the entire community as well.

There have been some cultural/social shifts within the community away from a total reliance on pastoralist livelihoods with a percentage of the community becoming more sedentary, building more permanent houses, selling livestock, etc.

Essentially the Maasai culture is being eroded and commercialized with many of the people only wearing traditional dress at 'cultural centres' and lodges for tourist attractions. Furthermore, respect for elders which has been the cornerstone of the communities' social network is becoming less and less due to lifestyle shifts.

OI Gaboli under Naibunga Conservancy and support from all the various conservation stakeholders such as NRT, AWF and LWF will enable greater economy of scales for security and monitoring. These were key social drivers for the community.

The community have received considerable direct and indirect benefits. RVA has helped to build school classes, greater access to local health dispensary as well as transportation to hospitals through vehicle availability; the community have had exposure to people and ideas from outside the community and region; they are socially proud of their achievements with the lodge and what it offers; and, importantly are building up their status as a key conservation community.

The lodge has empowered local women economically through the revenues. In the process, they have also acquired new skills in negotiation and partnership-building, honey commercialization, improved bead production and range rehabilitation.

However, from a negative perspective, the community has had to forego grazing land for conservation, there have been increased human-wildlife conflict due to increased wildlife populations in the conservation area (no human fatalities but loss of livestock with no direct compensation to individuals), and political tensions have arisen with respect to resource allocation/use of the funds obtained from the enterprises success – in fighting amongst community members, and factions within the community

It must be noted that not all in the Group Ranch see eye to eye on the management of the lodge – historic and current, and therefore some level of disagreement amongst members of the community exists. LWF have had concerns over the community disputes and the OMC capacity to move forward and feel they can only offer continued support if they are in turn provided some return on their investments e.g. functional lodge and OMC.

5.3. Il Ngwesi Lodge

Since 1996 up until present the Il Ngwesi Group Ranch members have seen many benefits from the creation of a conservation area and associated lodge, and as such the benefits are the primary reason why the enterprise still exists today. Additional to the direct financial benefits for individual employees at the lodge, the building and equipping of schools, access to bursaries by students for secondary and tertiary education, teacher training, and access to health initiative including vehicles for transport to hospital for sick/injure people.

There have also been considerable environmental benefits including increased pasture for wildlife through better management of the land and increased wildlife numbers as a result of reduced poaching. However, and most importantly, the community feels that increased security is the greatest benefit.

The development of skills for a range of Group Ranch members involved in the lodge and other conservancy operations has been highly beneficial. From hospitality to marketing, building to management, and guiding to security, the enterprise is helping to achieve development and conservation objectives at the same time.

Before the creation of the conservation area and lodge, no schools occurred on the Group Ranch, however with the benefits from the lodge four primary schools have been built. However, it is important to note that support to school initiatives was perceived by some members of the

Group Ranch not to be benefitting all as not everyone had school going children. Therefore, the disbursement of benefits is sometimes not perceived to be equal.

Health programs in the community, some of which are externally funded, have focused initially on awareness creation around HIV/AIDS amongst the members, and also helped build a small clinic. The Voluntary Service Organisation (VSO) India has provided support to women's groups in each of the neighbourhoods with respect to developing small income generating opportunities such as handicrafts. This project is part of a 5-year partnership which started in 2007.

5.4. Ngare Ndare Forest Trust

The communities living around the Ngare Ndare Forest have considerable pride in the forest and its resources, and deeply understand that without it they would not be able to survive – the forest is central to their lives. However, as expected, there appears to be a shift in the social norms, attitudes and activities of community members with a change in livelihoods. This is a double-edged sword causing conflict within the communities. One of the many issues expressed with respect to this was the influence tourists bring to the youth who are highly influenced by peer group pressure and social inclusion e.g. smoking.

As a result of the shifting livelihoods, the nomadic pastoralist lifestyle of the people in and around the forest is slowly eroding. Coupled with this is of course controlled access to the forest which further impacts on nomadic pastoralist livelihoods, a concern expressed by the relevant communities although in essence are in agreement with the broader mandate of appropriate monitoring/control of the forest.

Issues over community insecurity and cattle raiding of those living around the forest have been greatly reduced since the CFA was established – an impact from the Trust support through establishing a security team. Additionally, as the reliance on the forest by the community is significant, the security in and around it is improving with all key stakeholders acting as informants.

To date, short-term social infrastructure development in the community has been limited and ad hoc, predominantly with donor support, but the medium- to long-term benefits are encouraging. It is hoped that with the establishment of the tourism enterprise that increased benefits can be achieved through revenue into community programs such as education, health, infrastructure, etc.

6. Enterprise Partnership Arrangement – Economic Impact

6.1. The Sanctuary at Ol Lentille

Currently, the tourism venture is not profitable or economically viable in the short-term. The business is only 2.5 years old and during this period Kenya has suffered some significant downturn in the tourism industry as a result of the violence that erupted in 2007/08 and the global financial crisis.

Currently, and as an average since the business opened, the lodge has been running at around 27% occupancy, which is below the projected minimum of approximately 30% occupancy required for the enterprise to break even. As such, the venture is 'bleeding' Regenesi s Ltd a little. It is likely that future occupancy will increase however, due to the nature of the product i.e. individual villas; it seems unlikely that occupancy rates would ever exceed 60%.

Regenesi s Ltd estimates that since OI Lentille opened, the Kijabe Group Ranch's total economic gain has been to the tune of approximately US\$550,000 when the Rights Fee, bed night levies, salaries, social support and programmes, and donations are taken into account.

Regenesi s Ltd is looking at a minimum 10-year timeframe for the enterprise to making initial profits although this plan is now more flexible based on the above described impacts on the Kenyan tourism market.

The economic benefit to the Group Ranch is considerable as very little monetary support was brought into the community prior to the establishment of the tourism enterprise. With regards to the community specifically, and aside from the direct benefits paid to the Kijabe Group Ranch and Trust by Regenesi s Ltd, approximately 100 Kijabe Group Ranch residents were employed in the construction of the lodge. Additionally, the lodge employs a total of 28 staff, with all but nine from the local community. Furthermore, the Kijabe Trust employs 15 local community members who work as security across the conservation area.

With support, the women of the Group Ranch have been developing numerous small-scale enterprises including small craft business and a Maasai "cultural manyatta" – all focused on developing women's livelihoods. Regenesi s Ltd has and continues to help the women with accessing training, bringing guests and in selling their products, adding considerable (relative) economic benefits cash to the family income.

The cultural *manyatta* (Village) serves to preserve traditions, and to educate both the new generation and guests to OI Lentille. The cultural manyatta venture is extremely economically viable considering its very low break even cost – especially as it received donor support for its establishment. However, it is solely dependent at the moment on guests from OI Lentille and therefore access to other markets is currently limited, but this is something they are considering for the future.

Currently, the only guests to the cultural manyatta come from OI Lentille. To date, Kshs. 4 million has been earned from the purchase of goods. As part of the enterprise, guests pay an entry fee of Ksh. 3,000 per person as well as the handicrafts are made and sold. Additionally, guests can spend an evening at the cultural manyatta at a further Kshs. 5,000 per person.

Additional to the Regenesi s Ltd and OI Lentille, AWF has been integrally involved in a range of micro-enterprises across the Kijabe Group Ranch and surrounding areas. One of these, a chicken farm for egg production on neighbouring Nkiloriti Group Ranch, was established with funding support through AWF. Eighty chickens were obtained and a purpose built house erected with technical advice and training to the community provided by Kenchic.

Initially the business worked well with a business contracted for the supply of eggs to businesses in Nanyuki, as well as supply to OI Lentille. Unfortunately, a lack of reliable transport, high fuel costs and a slip in production quality resulted in this contract being cancelled. Subsequently, OI Lentille has suspended their support to the business recently due to other members from the Nkiloriti Group Ranch illegally grazing cattle in the conservation area.

Future sources of economic benefit are being assessed by Regenesi Ltd which may provide further dividends to the Group Ranch and the conservation of the area as a whole. Regenesi Ltd is currently undertaking vegetation and soil analysis assessments with the support from the Danish Embassy to obtain a baseline for potential carbon trading opportunities. Infiltration rates inside and outside the conservation area are being assessed as there has been interest from international partners to offset their carbon emissions and as such conservation efforts benefit.

6.2. *OI Gaboli Community Lodge*

The community took a lot of hope from the partnership agreement with RVA but felt that the economic benefit which arose was not as beneficial as they had hoped. It appears that the costs of running an enterprise was not fully calculated (or understood) by the community and numerous payments not calculated for have caused a burden on them e.g. vehicle repairs and running costs a prime example.

The community through the manager felt that they would be better off without the partnership with RVA, in particular the social component of being self-reliant on managing it themselves. Control of the lodge is a large social empowerment opportunity but of course easier said than done. The comment "*better to have less money with less problems*" was highlighted but of course it is a balancing act to make it viable for the community.

An economic concern of the enterprise noted was that no monies gained from the agreement with RVA went back into the upgrade and/or maintenance of the lodge, despite it being a new enterprise. It is hoped that in the not too distant future, and once lodge staff capacity is built, appropriate marketing will be developed and subsequent revenue earned, which can then be ploughed back into the upkeep of the lodge. However, this seems a long-term plan with the reliance of the lodge on future donor support to fund the upgrade of the lodge more likely.

The OMC does not have an accountant managing its books and therefore possible concern with financial management, accountability and transparency due to the limited capacity it has in this area is real.

Despite the partnership souring, OI Gaboli highlighted that they are not averse to discussing future lease agreements with a partner; however, they feel they are now better informed regarding their needs and those of a partner. Additionally, they feel that now since they have managed the lodge by themselves (for approximately 12 months); they have seen improvements within its management and the community perception of the lodge.

6.3. *II Ngwesi Lodge*

For the majority of Group Ranch members, direct income is limited. However, the perception of benefitting significantly from increased security, improved rangeland management, infrastructural development and access to education is all important. In essence, the lodge has created a stronger social cohesion amongst members of the Group Ranch.

Over the last two years the numbers of clients visiting the enterprise has been greatly reduced as a direct result of the 2007 election upheaval and the global financial crisis, resulting to lay-offs of a number of staff. The recent lower than average occupancy rate of around 30% has resulted in greatly reduced revenue fed back to the Community Development Trust also with the predominant amount of revenue paying staff salaries and general operational upkeep of the lodge. Although this impact has been shared with the community, a number of members have expressed concern to whether the Group Ranch should keep maintaining such an enterprise with little or no direct benefits at the expense of valuable grazing land for their livestock.

Some members have highlighted a true lack of accountability and transparency on behalf of the Group Ranch Management Committee, which is something reported since the lodge was established. In particular and possibly misunderstood, with a drop in revenue from the lodge in the past two years some members have indicated that less money appears to be going into the development projects (true) and therefore some individuals must be benefitting (wrong).

The Il Ngwesi Community Trust was formed in 2003 as a legal identity, just before the inception of the NRT, to assist in fundraising for activities across the Group Ranch. In particular, the Trust's focus is on obtaining support for capital investment, social and conservation development projects. Now working closely with NRT, support has been obtained to help fund the security program from White Oak zoo – funds are channelled through NRT.

A small scale project to empower some members of local community, and in particular women through the development of small scale handicraft business selling their wares at the cultural *boma* and lodge, has been very beneficial for them. The cultural village/*boma* nearby the Il Ngwesi Lodge includes cultural manyatta's, dancing, promotion of traditional way of life, and traditional dinners. The cultural *boma* is commercially viable without any support or subsidies; however, its viability is dependent predominantly on guests visiting the lodge and a few additional visitors from Lewa Conservancy and Borana Ranch.

As the first and largely only purely community lodge, Il Ngwesi has been able to promote its lessons learned to other interested communities from within Kenya and across the region. Numerous exchange visits, similar to what the elders from the Group Ranch went on in the mid 1990s, are hosted by Il Ngwesi in support of others interested in establishing similar initiatives.

6.4. *Ngare Ndare Forest Trust*

Community expectations are high for increased economic improvement although many acknowledge that the benefits already received through CBO rights and activities in the forest are invaluable. At this stage it is very difficult to project the economic benefits from this enterprise due to the current down turn in tourism numbers in the country, as well as the new nature of the adventure business. However, RVA appears to be riding the economic crisis well

and if the majority of people the enterprise come from them, then positive economic benefits should be forthcoming.

The development of a cultural boma was presented to the former EU TTF. Although approved, the EU TTF was shut down soon after and any funds allocated for this project were lost with this action. However, there is a possibility to re-erect this concept and propose it to another potential partner. Although it would be a valuable women's empowerment initiative, it which would seek to involve all members of the community in which the cultural boma was to be developed.

The Kenya Forest Service have now borrowed the well-respected community forest agreement arrangement established for the Ngare Ndare Forest and are trying to replicate and/or adapt it in other sites throughout the country. There appears to be a lot of interest, and similarly to the community ecotourism model for exchange visits, Ngare Ndare currently host similar exchanges for community forest associations. To date the Trust has not charged any fee as it has been all about increasing awareness but they have thought about charging a nominal fee to future Associations who visit – potentially similar to what Il Ngwesi currently charges.

7. Enterprise Partnership Arrangement – Environmental Impact

7.1. The Sanctuary at Ol Lentille

The Ol Lentille Conservancy, while small in relative terms at 14,500 acres (initially 5,000 acres set aside by the Kijabe Group Ranch), is a vital keystone in the protection of the Laikipia and greater Ewaso Nyiro ecosystems. Observing community conservation in action, neighbouring Nkiloriti Group Ranch has added 1500 acres to the conservation area, Tiemamut Group Ranch a further 3500 acres (and appointed volunteers rangers trained by Ol Lentille), and under agreement the Kijabe Trust also manages a further 4500 acres for a neighbouring Samburu community. To the east, work on a management plan with Morupusi Group Ranch has also begun to help them secure their designated but unprotected 15,000 acre conservation area.

For five years with the support and encouragement of AWF, the Kijabe community has excluded its own livestock from the area. More recently, and with support from Regenesys Ltd and The Kijabe Trust, it has been increasingly successful in excluding livestock arriving from neighbouring areas, and in attracting and holding an increasing population of wildlife including a significant number of endangered species. Vegetation has recovered from the over-grazing of the past and damaging erosion halted.

When the Group Ranch set aside its conservation area (a full one third of its grazing and settlement land for conservation), it also zoned the remainder of the Group Ranch into grazing areas and settlement areas. It is attempting to further concentrate settlement to free up more grazing lands, over which it is implementing a pattern of seasonal grazing rotation and livestock improvement – Holistic Management. Simultaneously, the Group Ranch is undertaking a radical de-stocking of livestock, cutting by two-thirds the numbers of cattle, sheep and goats on the land. The results are expected to be beneficial both in economic development and in conservation terms. Already, beneficial effects on grazing quality and sustainability, tree preservation and erosion can be seen.

Most significantly, it appears that many of the environmental attitudes formed by the community are a result of economics – financial benefit received for setting aside the conservation area. In economic terms, the opportunity cost for the community to set aside the conservation area was equated at Kshs. 300/head per month, which if extrapolated for the number of livestock is far less than the Rights Fee paid to the community.

With respect to conflict over land and access for grazing in the conservation area, the Samburu neighbours to the north have caused greatest conflict. Some of the conflict stems from the northern neighbours not currently fully incorporated into the community conservation initiative (and as such no incentives to change), however a small voluntary security team and training on their Group Ranch has been established with support from the Kijabe Trust.

The conservation area has not been grazed for a number of years and the difference between it and the adjacent land is remarkable. There has been a marked increase in vegetation cover, small and large mammal numbers and diversity. The environment appears to be very resilient and with appropriate management, including proposed holistic management advice for cattle grazing, hopefully the vegetation will improve throughout the Group Ranch and wildlife continues to increase. Holistic management is a key tool to further explore as the community sees direct benefit (and social benefit) from increased pasture.

7.2. OI Gaboli Community Lodge

Conservation is driven by economic benefits – Il Motiok Group Ranch is an example of that. When it works well, it works well; otherwise if not then holes appear.

The Il Motiok Group Ranch set aside grazing land totalling 5,000 acres as a conservation area that includes the OI Gaboli Community Lodge. The community is dedicated to sustaining the environmental integrity of the conservation area and to care and protect wildlife together.

However, RVA did highlight that during their agreement period that cattle incursions in to the conservation area were frequent. Fortunately, this did not detract from the experience RVA provided the majority of their clientele; however, it was symptomatic of issues and lack of management within the Il Motiok Group Ranch.

Additionally, and although essentially halted in the conservation area compared to the rest of the Group Ranch, an increase in the development of tree cutting and charcoal burning has been observed over the last few years. Initially, invited people from Meru community were asked to 'thin' the vegetation for increased livestock ranching which over time led to local people involvement, income generation and in some circumstances, loss of valuable habitat for wildlife.

The community has benefited from a World Vision supported water project which enables water to be pumped from the river up to a central tank for easier access by members of the community, in particular supporting women who undertake this activity in the community. Importantly, this project has helped to reduce human-wildlife conflict by not having to venture to the river to collect water and coming into direct contact with elephants and other wildlife.

Holistic Management trials supported by LWF are currently being undertaken to expose communities to new and innovative methods of managing their livestock together to help improve pastures and land conservation for long-term sustainable use of the Group Ranch.

However, from a negative perspective, the community has had to sacrifice grazing land for conservation, increased human-wildlife conflict due to increased wildlife populations in the conservation area (no human fatalities but loss of livestock with no direct compensation to individuals), and community political tensions have arisen with respect to resource allocation/use of the funds obtained from the enterprises success – in fighting amongst community members, and factions within the community. The community has expressed an interest in future, and once profitable, to rent grazing lands from neighbours to enable access to greater quality graze.

7.3. *Il Ngwesi Lodge*

The community underscored its key contribution to conservation as enhancing awareness on endangered wildlife species, improved capacity to integrate livestock/wildlife management and reduced security against livestock theft and historical tribal rivalries. As a result these efforts have enhanced tourism within the area due to enhanced security for both wildlife and people. In context, little or no conservation efforts were conducted prior to the lodge and as a result the land was in poor condition.

The conservation impacts of the lodge stem from both the direct livelihood benefits that change the cost-benefit of conservation, and result in enhanced Group Ranch capacity and land tenure. These combined are helping to change attitudes positively in favour of conservation.

With respect to specific conservation efforts, the Lodge has rehabilitated approximately 100 acres of bare ground with grass seed close to the lodge in a great small success story, whilst larger trees are becoming more predominant across the Group Ranch.

Additionally, a dedicated Rhino Sanctuary has been established, and home to the only black rhino Sanctuary on community land in Kenya. Heightened security is required for this Sanctuary which holds three individuals (two white rhino) and is monitored around the clock by local community security scouts.

Grazing rights for Il Ngwesi Group Ranch livestock have been negotiated on Lewa Conservancy under a Memorandum of Understanding (MoU), in particular for dry season graze. This MoU and subsequent agreements are negotiated harmoniously between the Grazing Committee of Il Ngwesi (under the Natural Resources and Development Committee) and the Lewa Conservancy.

Holistic management is on trial at Il Ngwesi with LWF providing opportunities for the Group Ranch to be involved and in turn hopefully help to better manage their land for livestock production.

NRT and Lewa Conservancy are undertaking a pilot livestock project whereby cattle are sold for a higher price to them rather than a local buyer and then brought onto Lewa Conservancy for

fattening, subsequent quarantine and sold to market. Although a great initiative, there is a current delay in funds of 4-5 months reaching individual community members because of the delayed process – this may affect community member's involvement if it does not change.

With respect to human-wildlife conflict, no direct compensation is paid to individuals. Concern exists over the different grazing regimes with some allowing their livestock to roam freely while others are guided. Therefore, regardless of the grazing regime or whether it is a genuine case or not, it was collectively decided not to pay compensation.

A larger conservation area has been touted whereby it would be combined with Lewa Conservancy, Borana Ranch and Il Ngwesi. However, there are numerous points of disagreement which first need to be settled before moving forward.

7.4. Ngare Ndare Forest Trust

The communities already have strong environmental consciousness which is only expected to increase with greater economic benefits and more importantly, continued access to the use of natural resources in the forest.

One of the outputs from the management discussions of the forest was the need for greater access to firewood and timber as the self imposed firewood regulation (by-law) limits the collection of wood which is dead and fallen, and no dead standing trees, being removed. As a result, a number of Eucalyptus plantations have been established on privately owned land outside of the forest as it was identified that continued use of forest resources for firewood was not sustainable. As Eucalyptus species are fast growing, they are a valuable resource, and it was entrepreneurial of some individuals to establish this. Importantly, the plantations are not developed in primary water catchment areas which may otherwise impact on the areas land management.

A historical wildlife corridor exists between Mt Kenya, through Ngare Ndare Forest and towards the north, however due to increased human population and fencing much of the movement has ceased. Conservation efforts are at foot to open up this area in support of wildlife movements using an electric fence and tunnels to encourage wildlife to move through an ideally 5-10km wide stretch with much of the land 'donated' by landowners to support this initiative.

Holistic management approach has recently been discussed and tried with various CBOs and their communities surrounding the Ngare Ndare Forest (not the core conservation area). This appears to have worked well and received considerable support. The next steps for this are under discussion but with the possibility of improved rangeland and forage availability, communities are very supportive.

Overview of the Enterprise Opportunities and Constraints

The success of many community based tourism enterprises demonstrates that ecotourism can be used as a tool to empower the community. However, it is not a panacea and many constraints need to be assessed if the golden egg is to be found.

1. Enterprise Partnership Arrangement – Agreement

The importance of a clear, negotiated and ‘fair’ agreement is the solid basis to any enterprises success. The origin of the partnership arrangement is important in the sense that the community and/or private investor needs to be brought along on the process, regardless of who is driving it. Community meetings, exchange visits, business advice and ongoing communications are the key for anyone establishing a potential new enterprise and greater community understanding of the opportunities and constraints.

Each agreement takes time, many following a similar path, especially in the early stages when community reactions to the concept are governed by suspicion or lack of information. Many communities fear that the ecotourism approach is the ‘thin wedge’ and a mechanism to steal the land, and therefore the key to moving forward is time, information, building capacity and integration within the community.

In north-eastern Kenya, the likelihood in the short-term of a large scale private investor through a joint venture agreement is unlikely considering lack of infrastructure and security concerns. However, the opportunity of small-scale enterprise to organically develop is very possible; especially in the southern section of the north-eastern region e.g. Garissa’s Bour-Algi Giraffe Sanctuary or the lower Tana River area.

An overarching constraint for tourism ventures in north-eastern Kenya is the land tenure concern – no legal ‘Conservancy’ approach like those of Southern Africa exist. Currently legislated as ‘Trust Land’, it is more difficult for community and/or private investors to obtain full management rights over an agreed area in north-eastern Kenya. This is not impossible but considerable negotiation with local community elders is a key starting point before solid relations are built with the County Councils to designate land for the proposed enterprise and in turn for what duration e.g. similar to a lease.

Concern has been expressed over the lack of clear guidelines (and potentially policies) for joint-venture business arrangements. It was indicated that there was a lack of transparency and accountability by the private operator and NGOs involved in the region. Communities are being supported by donor organisations; however, there is a lack of understanding as to the benefits the NGOs are receiving – this should be more transparent.

Recommendation: Clear, negotiated and fair agreements should be developed collaboratively between all partners with appropriate representation and guidance throughout the entire process. More transparent partnerships between communities, NGOs and donors established with regards to partnership development and implementation of projects. Additionally, and at a national level, policy reforms regarding communal management of natural resources and

associated land tenure of Trust Lands should be discussed to assist communities benefit appropriately from potential enterprise partnerships.

2. Enterprise Partnership Arrangement – Financial Benefits

At the core of enterprise development are financial gains – whether it is net profit for a private investor or benefits communally distributed through targeted development projects.

It is important that with any joint-venture partnership that equity is struck with respect to revenue. However, it is also important to understand that the private investor is there to seek profit and may not be as committed to the communities' social development as a community would like.

There are various formulas for sharing enterprise revenue or profits which needs to be explored more closely on a case by case scenario, including specifics of local employment, conservation fees, bed night levy, conservation lease or rent of individual land, etc. All of the formulas should be obtained from partner/like-minded organisations.

Paying direct benefits to individuals in the community is not recommended based on the models observed with revenue earned be ploughed back into the community through targeted social development programmes. For individuals working directly in the enterprise e.g. lodge, campsite, security, etc., they should first be paid directly whilst re-investment back into lodge through maintenance and upkeep should be better undertaken.

As a recommendation, a community development trust or something similar should be established to manage any revenue brought about from the enterprise. The role and structure of this trust is critical and many examples exist within Kenya. Important to develop in any potential structure are the management roles and responsibilities, representativeness from the community, criteria for disbursing funds, transparency of the fund disbursement and board of the trust, holding of AGMs to present use of benefits, etc. to name a few.

For enterprises that involve a joint-venture with a private partner, an ideal benefit would be payment of a base fee to community for renting the land – an opportunity which would provide secure revenue per year. Additionally, and more prone to fluctuations in revenue with varying tourism numbers, are bed night levies and conservation fees. It is important to note that any or all of these arrangements may not always be appropriate depending on the scale and market of the tourism enterprise being developed.

Separately, many forms of sport hunting are currently prohibited in Kenya; communities in north-eastern Kenya should assess the possibility of bird-hunting tourism – a niche market that could compliment pastoral livelihoods in the region. This enterprise is popular in other areas of Kenya (and Africa) and could help to bring in a greater share of the market if infrastructure and security improved.

There was a growing feeling that NGOs which receive financial support from donors to undertake collaborative work with communities should put all financial support on the table so

that everyone is aware of how the funds are being used e.g. clearly outline who is to do what, where, for how much, managed by whom, etc. and to support capacity building/enhancement, it was felt that NGOs should not be drafting and submitting funding applications on the communities behalf but train local members, expose them to what is being requested, how it is to be managed, etc – very critical to true development support.

Recommendation: The financial benefits to all parties should be clear and equitable, independent of the nature of the enterprise. Ideally, and enterprise dependent, communities should seek to benefit from a base fee for rental of land, bed night levy and conservation fee. For transparency, communities should establish community development trusts, or similar, to facilitate disbursement and monitoring of potential benefits.

3. Enterprise Partnership Arrangement – Management/Business Support

Regardless of the enterprise proposed, external management and business support is invaluable and can help facilitate many arrangements which the community and/or private investor may have not considered.

A solid understanding of the broader community's needs and wants from any potential enterprise is critical; however, this too must be balanced with realistic expectations and opportunities both internally and with respect to the interests of a private investor. The AWF, LWF, NRT and SNV, to name but a few, are organisations which are working with both communities and private investors as facilitators and advisors for various ecotourism and conservation initiatives. The support, knowledge and experience they bring is invaluable and highly recommended to tap into if and when an enterprise agreement is being sought.

Essential also to the community's interest is the support from influential local community members who may have moved away from the area but have a vested interest in their community's development. Whether they are politicians or business men, the influence and support provided can help solidify disparate concerns whilst providing a level head.

Recommendation: Develop or seek support during all stages of management and business establishment be it through developing or garnering internal capacity (often influential community members) or from external assistance.

4. Enterprise Partnership Arrangement – Dispute Resolution

It is recommended that formal dispute resolutions arrangements be developed and outlined between all parties involved in the enterprise, whether they are joint-ventures or solely community initiated. The specifics of an arrangement will differ from location to location, from community to community, as well as between enterprises. However, it is advised that a solid structure embedded in the agreement be established which provides for support to either party(s) if a dispute occurs, and as appropriate, a neutral third party co-opted to assist with the process.

Recommendation: Dispute resolution agreements between all parties should be developed and outlined rather than left to chance, regardless of enterprise developed or communal or joint-venture partnership.

5. Financing of Ecotourism Enterprises

All of the case study enterprises had private and/or donor financial support to assist in their infrastructure development. To enable community ventures to break even and see benefits from their first year, this is invaluable. With respect to joint-ventures, this is not as necessary for a private investor who is looking for a long-term commitment (and subsequent greater gain), and as such hopes to make a profit on investment after year 'x' – three to five years, appears reasonable.

For small scale ecotourism ventures in north-eastern Kenya, support from the various community and constituency development funds, NGOs and other international agencies may present opportunities for them to develop infrastructure, seek support for exchange visits to model community enterprise initiatives, capacity training, develop partnership linkages and business management training.

All of these would enable the enterprise to start with a solid base upon which it will be more likely to succeed while also appreciating the true opportunities and constraints of such an enterprise. Additionally, if a relationship was built directly with a Kenyan (or international based) tourism operator who would use the facilities, then the possibilities of seeking financial support or assistance in grant proposal writing from them for the enterprises development and management would be a viable option.

Recommendation: More sustainable models need to be developed due to the current strong reliance on donor support. Capacity of community should seek to be developed, as appropriate, for seeking and developing strong financial models working with joint-ventures and/or seeking other consistency development funds as an example. Importantly, re-investment back into the enterprise should be encouraged for sustainability.

6. Management of Ecotourism Enterprises

Depending on the nature of the enterprise, especially if it is a joint-venture partnership, appropriate management (business, marketing, customer care, activities, etc.) and understanding of an enterprise is critical to its success.

In the case of a high-end enterprise, total management rights and capacity may be demanded by the private partner enabling them to manage the venture to a certain standard and in the best keeping of the profitability and management of the operation. Although this restricts the involvement of the community in the enterprise highest level management, it does place considerable onus on the private operator to succeed and as such the community may demand greater benefits compared to a smaller venture.

Of importance to the community, all tourism enterprises created should seek to employ and train predominantly local community members to run aspects of the venture at all levels – from cleaners to cook to managers. The only exception to this may be a high-end operation which requires chefs and managers who have considerable experience in catering for a certain clientele.

It is a question of balance, the community appreciating why they want to establish an enterprise and what they want to achieve from it, while all in line with them reaching their collective goals – economic, social and/or environmental empowerment.

Recommendation: Development of local capacity is critical for sustainability and therefore should be encouraged and promoted as part of any partnership. However, it is important to note that each partnership (internal or external) is different and dependent on the requirements of the market and subsequent benefits, all should be negotiable.

7. Marketing and Public Relations

Marketing is critical to the success of the business and something which requires a good amount of understanding, partnership development and resources, if done appropriately. Additionally, for any enterprise to succeed in north-eastern Kenya marketing assistance and support from the Kenyan government and relevant tourism authorities is critical – marketing requires a whole country effort.

Targeted marketing is essential and is dependent on your market. For a high-end enterprise the marketing costs and resources required are far greater, compared to a small local enterprise. Attending local and/or international tourism fairs may be important to increase the profile of the organisation, whilst also establishing good connections with a supportive dealer/agent e.g. Let's Go Travel in Nairobi. Marketing is critical to the success of any potential enterprise and considerable support should be obtained to assist with this if the capacity is limited.

The development of a dedicated and well maintained website which can attract bookings through it is valuable and cannot be underestimated. Concern exists over accessibility in much

of north-eastern Kenya to fast and reliable internet and therefore an agent may be required (or office established) in a town where this is more reliable.

The use of new and innovative marketing mechanism should also be considered e.g. Facebook and Twitter, as it is resource limited and potentially opportunity rich.

Recommendation: Marketing, Marketing, marketing – key to the enterprises success and cannot be underestimated. Developing strong partnerships is critical and dependent on market, developed from local to international through personal relationships, websites and networks.

8. Enterprise Partnership Arrangement – Socio-cultural Impact

Importantly, promoting conservation does not have to be at the expense of human development. Ecotourism is just one way in which both can progress together, but it is not the only means by which community members generate funds.

The socio-cultural impacts from the establishment of an ecotourism (or any other) enterprise can be both positive and negative. Advantages and disadvantages have and will continue to arise from diversifying pastoralist livelihoods, as there is an increased need (and desire) to join the larger cash economy and a need to support families during harsh climatic periods.

On a positive note, diversifying livelihoods enables communities to not be as reliant on their traditional ways which may becoming restrictive with increased population growth, loss or fragmentation of traditional grazing areas, and of course variance in climatic conditions.

Sadly, erosion of social values is a significant disadvantage which is becoming more and more prevalent across pastoralist communities across the world, let alone Kenya.

Ultimately, it is the decision of the community on how great the impact will be on their socio-cultural values with the understanding that the desire to diversify livelihoods becomes greater and more pressured.

9. Enterprise Partnership Arrangement – Economic Impact

The benefits obtained from the enterprise can be significant in helping to diversify livelihoods of pastoralist communities and, as appropriate, the joint-venture partner. Understanding the purpose of establishing an enterprise and the financial goals it hopes to achieve is important to help understand the potential benefits within a community. Individuals may benefit from the enterprise if they work at the lodge, campsite, or as security, but otherwise all revenue should be used for collective social development programs in the community – education, health, infrastructure, etc.

Initial cash injections from donors (or private investors) help communities to get on the front foot from the beginning but of course this may not be viable for all enterprises. For the establishment of a mid-range to higher end market this is essential for any community as the capital outlay would be beyond their reach. Small enterprises which require limited capital and high demand e.g. cultural manyatta's adjacent to a tourist lodge, seem to provide great economic gains for women groups in particular.

However, as discussed, such economic benefits and diversification of livelihoods must be considered in light of shifting cultural norms and activities – this is often the trade off. Additionally, expectations of communities must be realistic, and mechanisms for control and management of finances clear and transparent. Considerable support with respect to establishing such enterprises should be sought from local experts and advisors in the field to help better understand all of the above.

10. Enterprise Partnership Arrangement – Environmental Impact

Although important to the success of a true ecotourism enterprise, especially so depending on the target market and associated activities, the environmental impacts are best described as economically driven – benefits to community from an enterprise provide the emphasis for the community to keep conserving the land.

However, it is important to note that pastoralist communities have a very close tie with and understanding of their land. Unfortunately, these ties are being eroded due to changes in livelihoods and as such the impacts on the environment are starting to show – especially during hard times. Tree harvesting for charcoal, overgrazing, land degradation and illegal hunting are some of the major environmental impacts facing north-eastern Kenya

An identified concern from many pastoral stakeholders was the loss of grazing land and seasonal access if the community as a whole decided to set aside land for conservation as part of the enterprise. If this occurs, of course some community members may be affected and hopefully appropriate benefits arise from the enterprise ‘linked’ with this land.

Tourism, Vision 2030 and pro-pastoralist livelihoods in north-eastern Kenya

Tourism accounts for approximately 10% of the country's GDP, 9% of total formal employment and is one of the leading foreign exchange earners for the country (US\$800 million in 2006). Interestingly, the tourism sector has been one of the fastest-growing industries in Kenya, although since the 2007 elections tourist numbers have significantly dropped and slowly these trends are reversing – an added impact of the current global financial crisis.

The tourism products which Kenya offers are varied, from coastal tourism to premium parks, whilst the demand for niche products such as community and eco-based tourism is increasing. Vision 2030 highlights numerous challenges and opportunities to exploiting the growth opportunity in the tourism sector, and pertinent to north-eastern Kenya, highlight the expansion of product choices and destinations, improved infrastructure and security, and better coordination and collaboration amongst the private and public sector players.

One of the flagship projects and key tourism initiatives highlighted in Vision 2030, to be undertaken in collaboration with local and international investors and delivered by 2012, is the construction of a resort city in Isiolo – one of three identified in Kenya. The establishment of Isiolo as a resort city was highlighted as an opportunity to optimise the rich tourism potential presented by Mt Kenya, Meru National Park, the Aberdares and Samburu National Park.

Feedback from various community, private and public sector stakeholders indicate that the establishment of Isiolo as a resort city would be premature. With limited infrastructure in and around the town, expansion of road development only beginning and significant insecurity issues in the town and region as a whole, the proposed development of Isiolo as a resort city may not be a wise economic investment in the short-term. These are significant stumbling blocks to developing north-eastern Kenya as a key tourism destination at this moment in time.

The perceived and/or reality of insecurity in north-eastern Kenya is significant, impacting greatly on the potential of sustainable tourism products to support livelihood development in the region. The proximity to Somalia, regular influx of refugees, ongoing cattle rustling and tension of border conflicts are concerns to any potential investor, let alone international (or domestic) tourist.

However, and this must be seen in the perspective of long-term goals, potential for niche tourism products in the region has the greatest potential. If the establishment of the proposed Lamu port gets underway, and the subsequent development of a good road network through north-eastern Kenya to Isiolo and onward to Moyale (southern Ethiopia - and in future to South Sudan) follows, then the possibility of capturing the tourism dollar throughout this region is greatly enhanced.

In support, the interest in developing parks and tourism opportunities in the lower Tana River has been highlighted in Vision 2030, and something which is being supported on the ground by local and international support across a range of sectors. The area offers the potential of great niche product markets, connectivity to the coast and untouched wildlife opportunities.

Encouraging support, infrastructure, increased security and tourism opportunities in this part of the region in the short- to medium-term would be recommended and importantly help to conserve the areas valuable natural resources (water, wildlife, vegetation) whilst providing a nature tourism product and opportunity for enhancing livelihoods for those living in the area.

As a first leg in connecting the coast to the north, this area offers a natural opportunity. As infrastructure potentially develops and security concerns alleviated, the linkage from the Kenyan coast through to Garissa, Meru Conservation Area, Isiolo (and Laikipia) and further afield will evolve and investment opportunities flow from private and public sector.

In light of this and in perspective of pastoral livelihoods and Vision 2030, the development of niche tourism products i.e. ecotourism and cultural tourism, in north-eastern Kenya align most closely with pro-pastoral livelihoods. Vision 2030 focuses on enabling and supporting increased tourism products and employment opportunities. However, attracting the lion's share of the market would conflict with the small scale niche tourism product which would support the diversification of a pro-pastoral ecotourism industry in north-eastern Kenya.

As highlighted, concern arises over the constraints which face the development of a pro-pastoral ecotourism industry in north-eastern Kenya, and specifically issues of security, infrastructure, accessibility, and marketing, linkages with other tourism areas and products and capacity of community.

These constraints require considerable thought and attention if as a whole the development of a pro-pastoral ecotourism industry in north-eastern Kenya is to occur. However, in light of these constraints which will naturally limit tourist numbers, opportunities and as such economic benefits, communities would need to identify what their major interest (benefit) would be by establishing an ecotourism or similar enterprise. The social value of establishing such a venture, the possibility of more secure land tenure and the preservation of a culture or way of life may be far greater than any economic benefit can ever offer.

Although Vision 2030 targets key areas and opportunities, some of which may compliment the pastoral livelihoods of those in north-eastern Kenya, nothing specific was identified to support communities in this region develop opportunities outside of the major towns or National Parks.

The majority of private stakeholders highlighted that the potential for tourism opportunities in north-eastern Kenya are limited in the short-term, with little interest in investing in opening up the area for potential gains. From an economic perspective, large scale investment in north-eastern Kenya may be risky at the current time with the numerous constraints highlighted. Return on investment for a private sector investor is largely geared towards short- to medium-term gains which in the current climate in north-eastern Kenya would not be forthcoming. Therefore, public sector must assess the possibility of working collaboratively with the development community, if appropriate, to find ways to assess and support tourism opportunities that may have the possibility of becoming sustainable.

Understandably elements of the public and development sector are keen to assist communities diversify their livelihoods so as total dependence on their pastoral livelihoods is alleviated.

Today's changing economy requires families to have access to money for payment of education, food and other resources, whilst persistent droughts, increasing human population growth and insecurity result in cumulative impacts on individuals and subsistence communities.

All is not lost. A targeted tourism market and product assessment of north-eastern Kenya supported by the public and private sector should be undertaken – possibly using a combination of fresh external and knowledgeable internal experts. A number of potential stakeholders highlighted that the current tourism products are limited; environments under pressure from high numbers of tourism and limiting Kenya's possibility of attracting repeat visitors back after the key attractions have been visited. The need to search for and develop new opportunities is critical, and this includes north-eastern Kenya.

Opportunities may include linking with private sector although unlikely that the private sector investor would invest large capital in the development of an enterprise considering the uncertainty. Small-scale private sector partners, similar to partnerships undertaken at OI Gaboli Community Lodge and Ngare Ndare Forest Trust in Laikipia/Isiolo should be assessed.

Additionally, an appropriate assessment of a joint private-public venture or community-private-public venture opportunity in the ecologically rich Malka Mari National Park in far north-eastern Kenya should be undertaken. Although currently a limited opportunity, this valuable park has been touted as part of the world biodiversity hotspots and therefore a target of any future ecotourism expansion plans in Kenya.

The likelihood of attracting an equivalent private sector partner which Kijabe Group Ranches have been able to do is highly unlikely considering the current tourism market potential in north-eastern Kenya. Investment of large sums of money supported by international donors and private investors are more likely to concentrate efforts in 'known' areas with locations and infrastructure that support access and security of an enterprise, whilst providing important benefits back to the community in the various manners.

A solely community driven initiative is more likely to succeed in north-eastern Kenya, especially if the priorities are for diversifying their livelihoods and maintaining a pro-pastoral enterprise rather than purely revenue making. The Garbatulla community, north of the Meru Conservation Area, is one example of a community coming together collectively to assess what the needs are of the people, how they match with their current livelihoods and importantly how any benefits can help them to secure their culture and the land on which they reside, whilst also possibly bringing in some money to support collective community development e.g. education, infrastructure, etc.

Another example is the Garissa community who initiated a community Bour-Algi Giraffe Sanctuary which both help to conserve these poorly understood animals but also brings the community together to manage the land and its resources more appropriately. The potential social development benefits for the community in both of these initiatives are still to be realised although they are driven from within.

Finally, ecotourism in north-eastern Kenya is confounded by the lack of clear links with existing or draft policies, many of which contradict each other or provide counter efforts to assisting those in marginalized areas. For example, the draft Arid and Semi-Arid Lands (ASAL) policy highlights the support of government for pastoralism as a livelihood system.

This is complimented by the Poverty Reduction Strategy Paper and the Economic Recovery Strategy, but are they similarly complimented in other policies which are currently undergoing reform e.g. National Disaster Management Policy, National Drought Contingency Fund, Wildlife Bill and National Water Policy to name a few. All of the above have the potential to support the development of pastoralist livelihoods in north-eastern Kenya if mutually complimentary and work effectively in practice.

Vision 2030 efforts should attempt to address greater linkage of Kenyan policies to support marginalized pastoral communities, and in a way which is clear, coherent and supporting. Additionally, and not only in support of pastoral communities of north-eastern Kenya, but a need to address the lack of current legislation supporting community (and private) conservancies to manage for and benefit from natural resources. This apparent 'gap' in the legislation has and will continue to limit the growth and development of Kenyans, whilst comparative legislation in southern Africa has considerably improved the socio-economic lives of their communities across the region.

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