



# **BANKING ON PROTECTED AREAS: PROMOTING SUSTAINABLE PROTECTED AREA TOURISM TO BENEFIT LOCAL COMMUNITIES**

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# KEY MESSAGES

1. Countries should promote sustainable protected area tourism to recover from the economic fallout of the pandemic, and promote economic development and biodiversity conservation
2. Managing protected areas to deliver these benefits requires policies interventions and investments, including to manage costs to local communities
3. Comprehensive assessments of benefits of protected area tourism are needed and can help maximize impact





# OUTLINE

- 1 CONTEXT
- 2 APPROACH
- 3 FINDINGS
- 4 POLICY  
RECOMMENDATIONS





# OUTLINE

1 CONTEXT

2 APPROACH

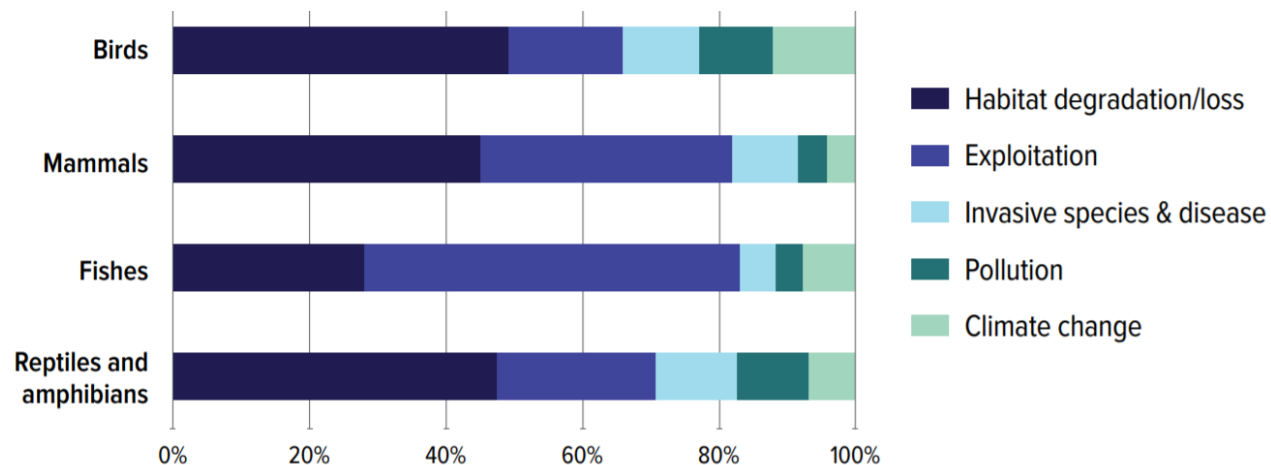
3 FINDINGS

4 POLICY  
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# BIODIVERSITY AND PLANETARY HEALTH ARE AT RISK

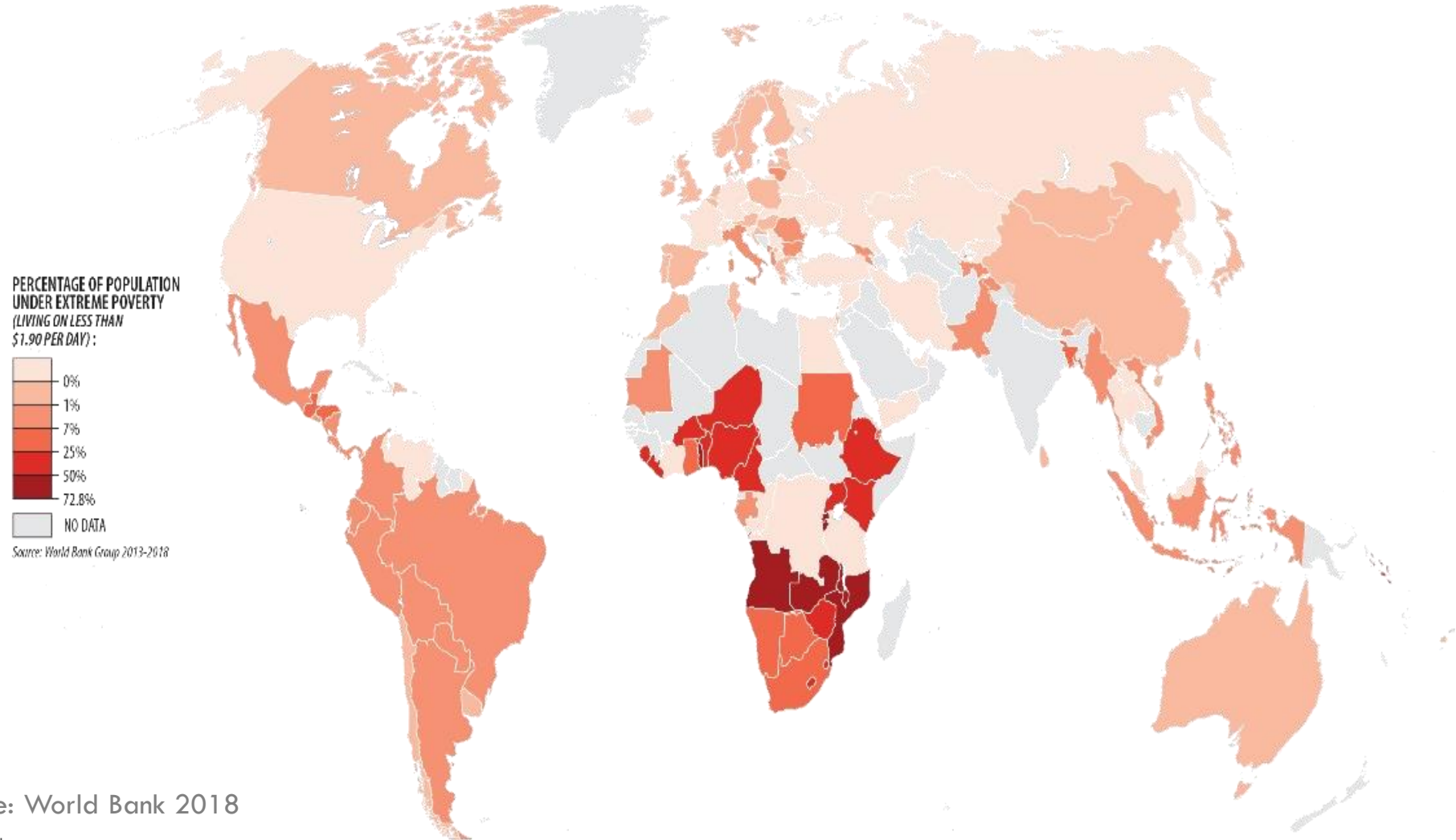
2020 Living Planet Index: 68 % average decline in birds, amphibians, mammals, fish, and reptiles since 1970; 1/3 terrestrial protected areas and 2/3 of marine protected areas under threat



Source: WWF 2018

Biodiversity matters because of its intrinsic worth, and because ecosystems (which depend on biodiversity) underpin human welfare and support economic activity

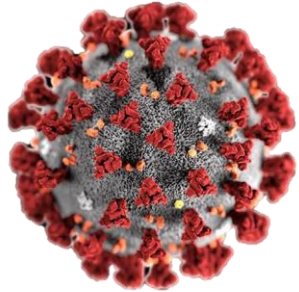
# BIODIVERSITY HOTSPOTS COINCIDE WITH POCKETS OF POVERTY, PROVIDING AN OPPORTUNITY...



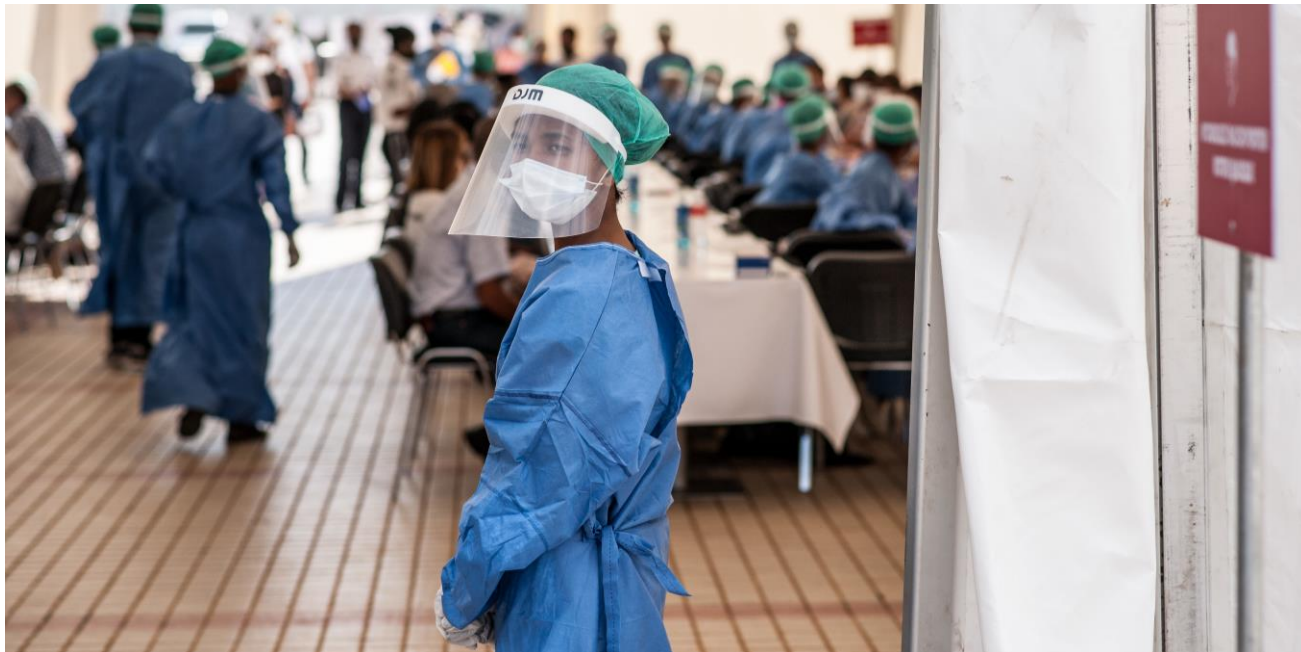
Source: World Bank 2018



# INTERSECTING CRISES



A pandemic at a time of biodiversity loss, and persistent development challenges requires countries to address these problems together





# HOW CAN COUNTRIES ADDRESS INTERSECTING CRISES?

**Promoting sustainable tourism in protected areas is beneficial for biodiversity and the economy, and a sound green recovery strategy**





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# STUDY OBJECTIVES



To assess the economic impact of protected area tourism on local economies



To estimate the benefits of tourism for local communities



Make the economic case for investment in protected area management



# CASE STUDIES

## Criteria for Site Selection

- Tourism numbers sufficient for sampling
- Site formally designated as protected area or in process of registration
- Government buy-in and/or recommendation
- Manageable logistics for site visits

**BRAZIL**



**FIJI**



**NEPAL**



**ZAMBIA**



**Collaboration with students from nearby universities to survey communities**

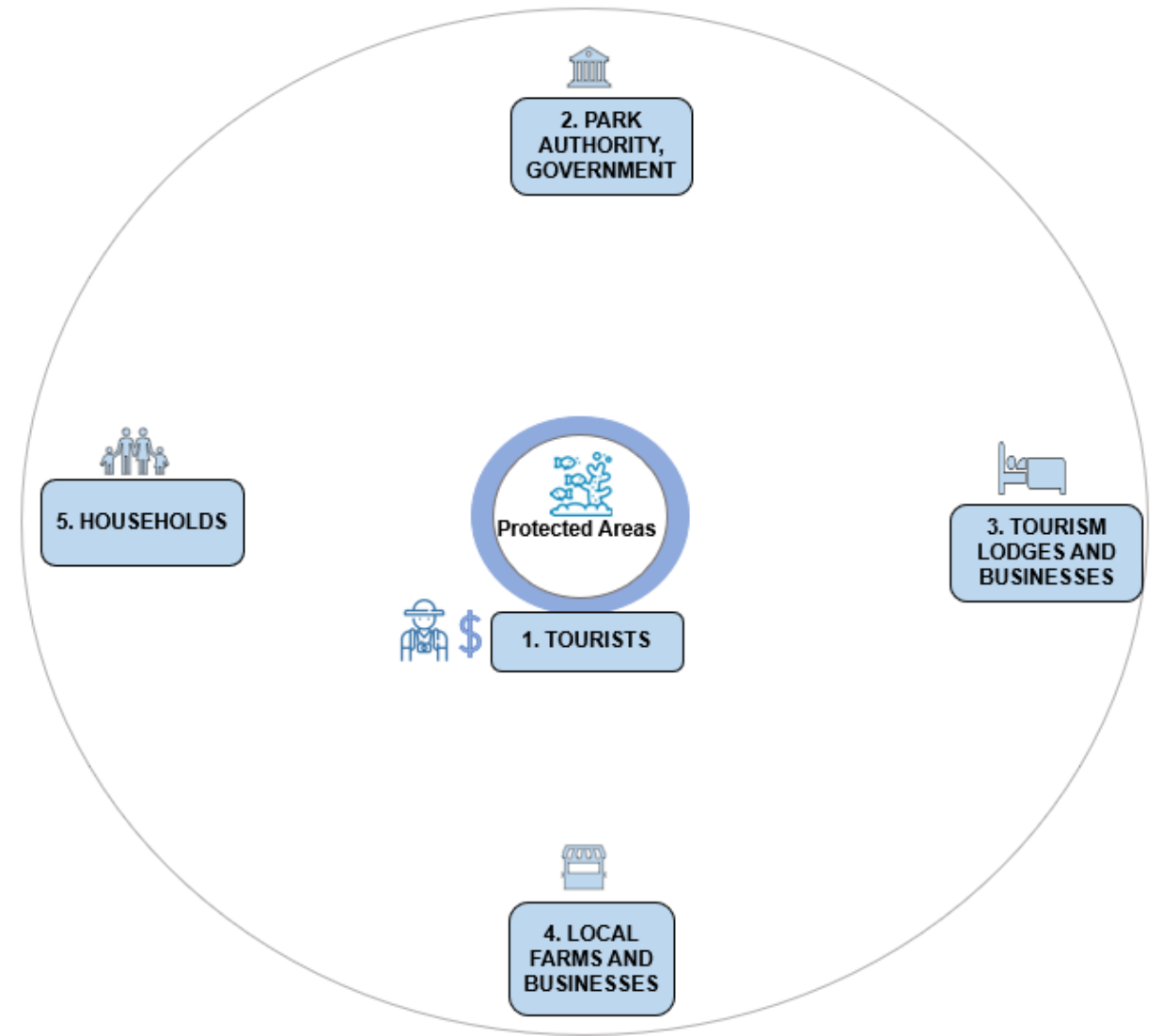


# METHODOLOGY:

## LOCAL ECONOMY-WIDE IMPACT EVALUATION (LEWIE)

Creates a snapshot of economic transactions within a local economy using micro-survey data from-

- Tourists
- Park Authority/ government
- Tourism Lodges and Businesses
- Local Farms and Businesses
- Households



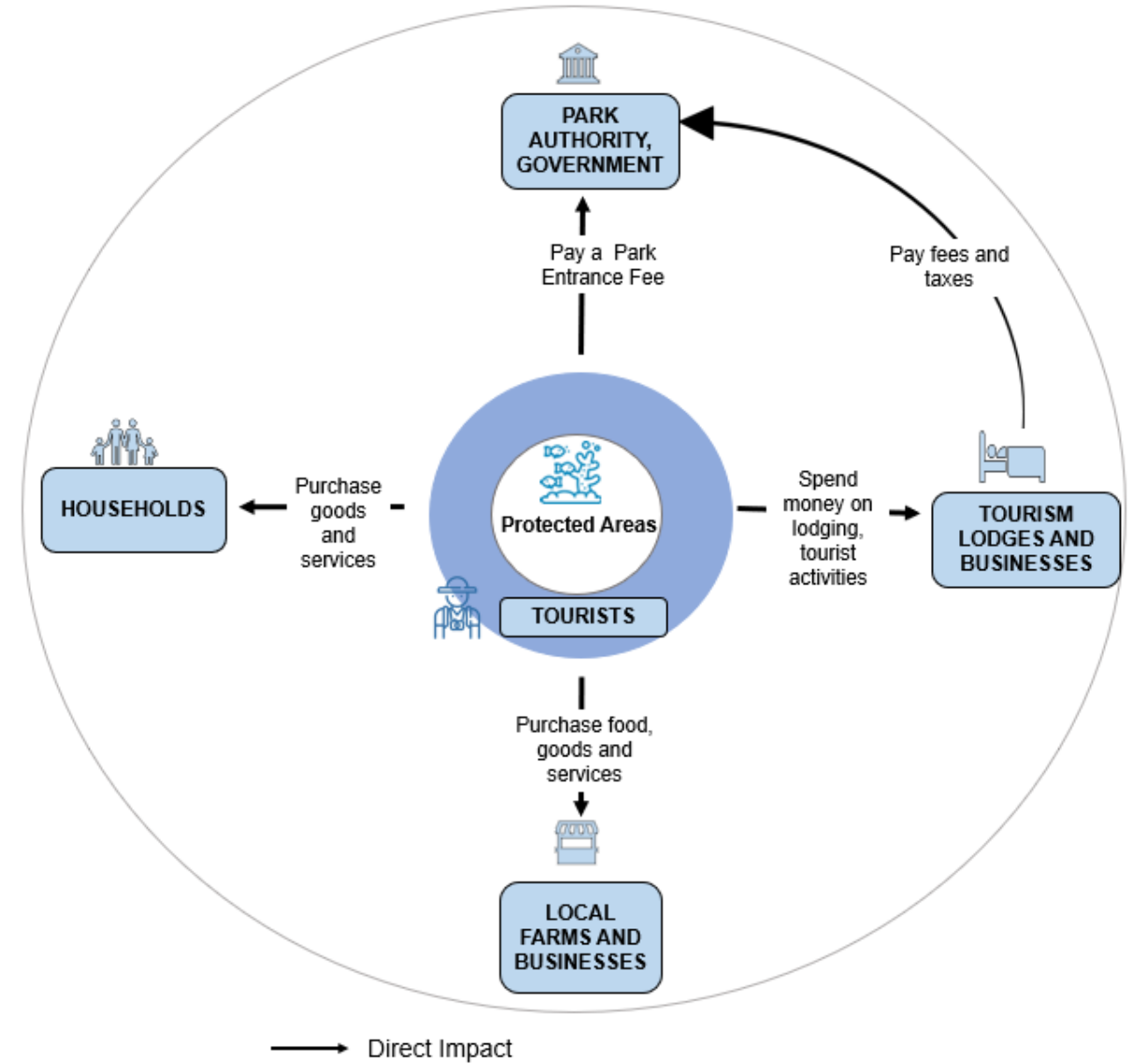
Adapted from Taylor and Filipski (2014), *Beyond experiments in development economies*



# METHODOLOGY:

## LOCAL ECONOMY-WIDE IMPACT EVALUATION (LEWIE)

*The impact of a cash transfer/infusion on the local economy surrounding an MPA*

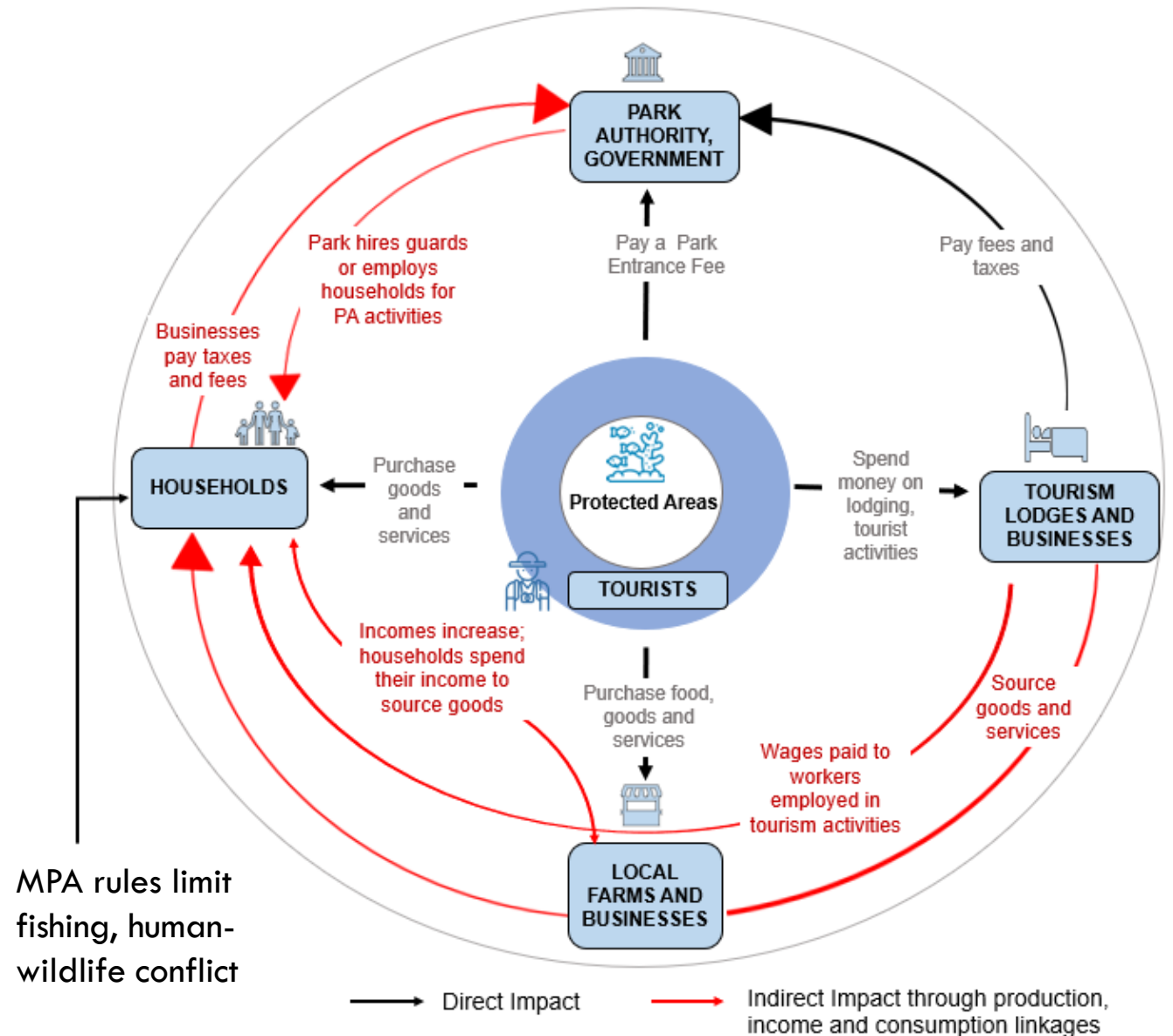


Adapted from Taylor and Filipksi (2014), *Beyond experiments in development economies*



# METHODOLOGY: LOCAL ECONOMY-WIDE IMPACT EVALUATION (LEWIE)

- Captures direct and indirect impacts
- Allows for simulation of policies and interventions to improve income multipliers



Adapted from Taylor and Filipksi (2014), *Beyond experiments in development economies*



1 CONTEXT

2 APPROACH

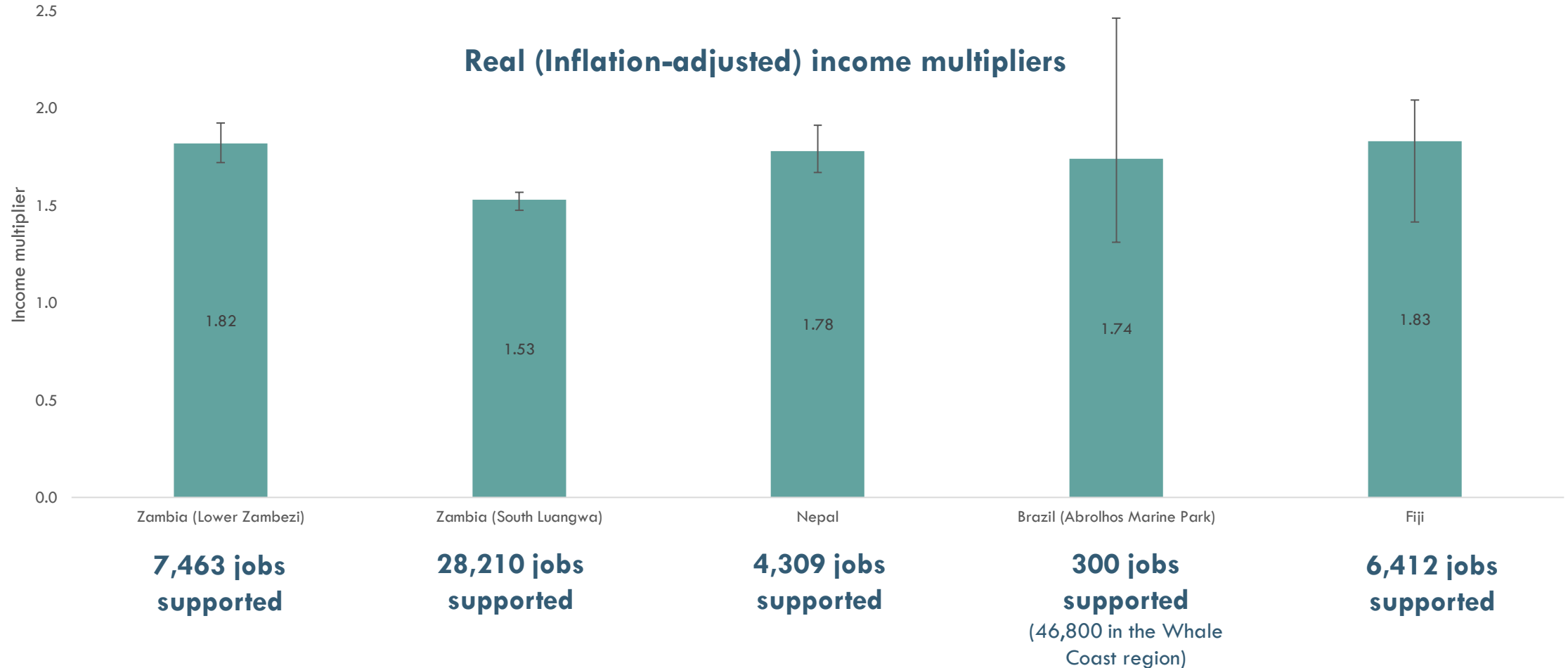
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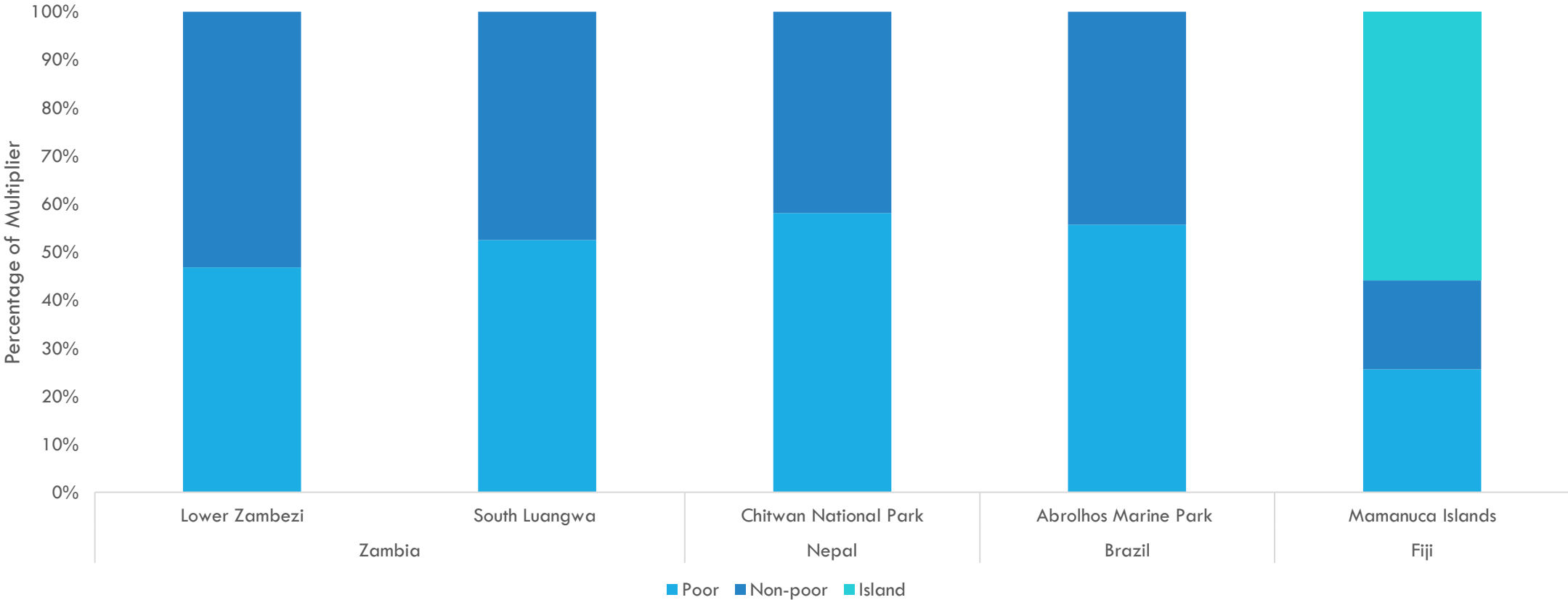
# PROTECTED AREA TOURISM IS GOOD FOR DEVELOPMENT AND CONSERVATION





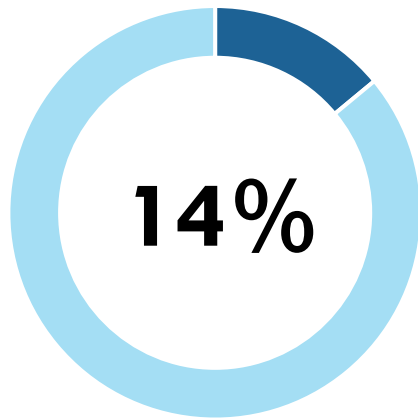
# BENEFITS ARE BROAD AND HELP THE POOR

Share of Multipliers Across Poor and Non-poor Populations



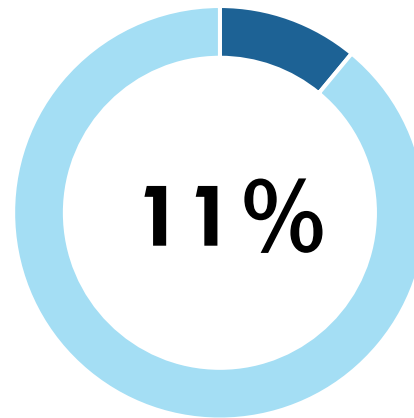
# COSTS TO COMMUNITIES MUST BE MANAGED

In 2019, wildlife caused crop losses of:



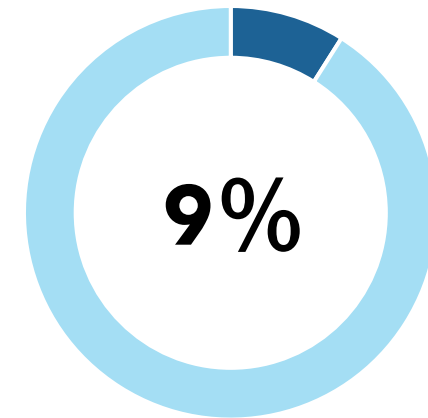
around Lower Zambezi National Park in Zambia, totaling

US\$ 1.8 million



around South Luangwa National Park in Zambia, totaling

US\$ 1.2 million



around Chitwan National Park in Nepal, totaling

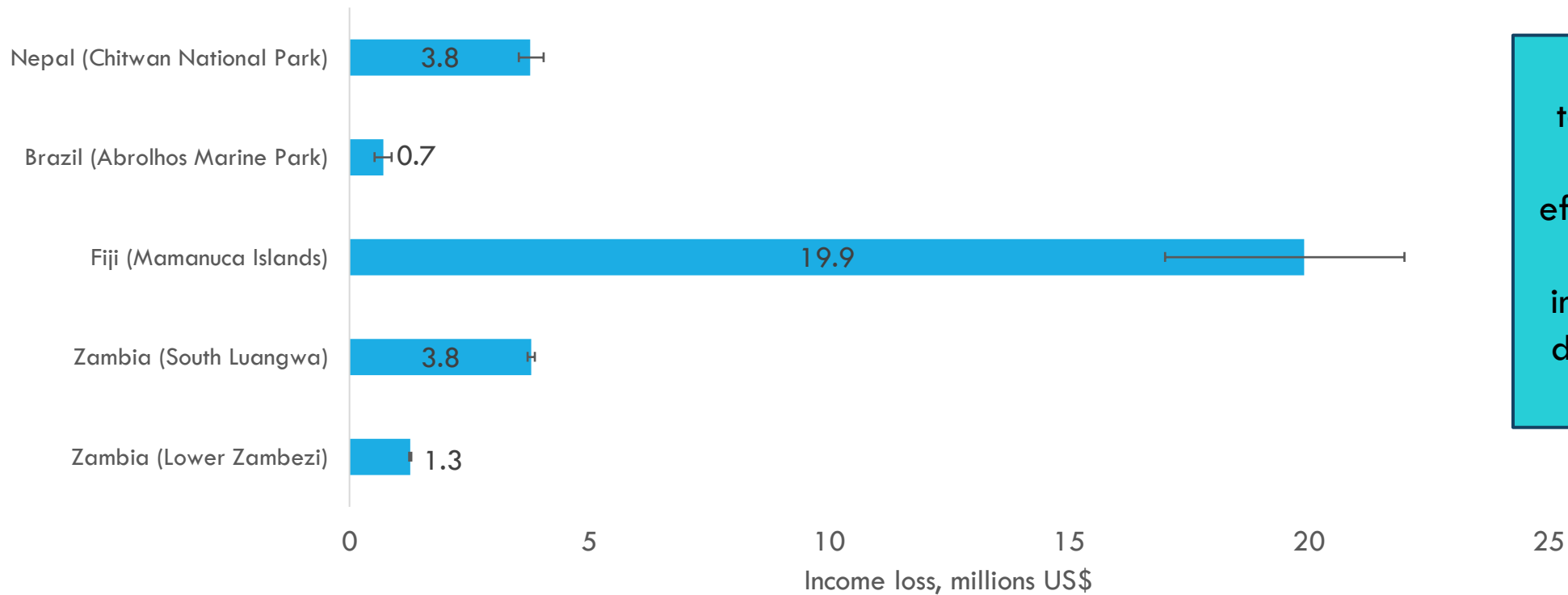
US\$ 2.9 million

*In marine protected areas, short-term income loss can come from restricted fishing, a major means of livelihood.*



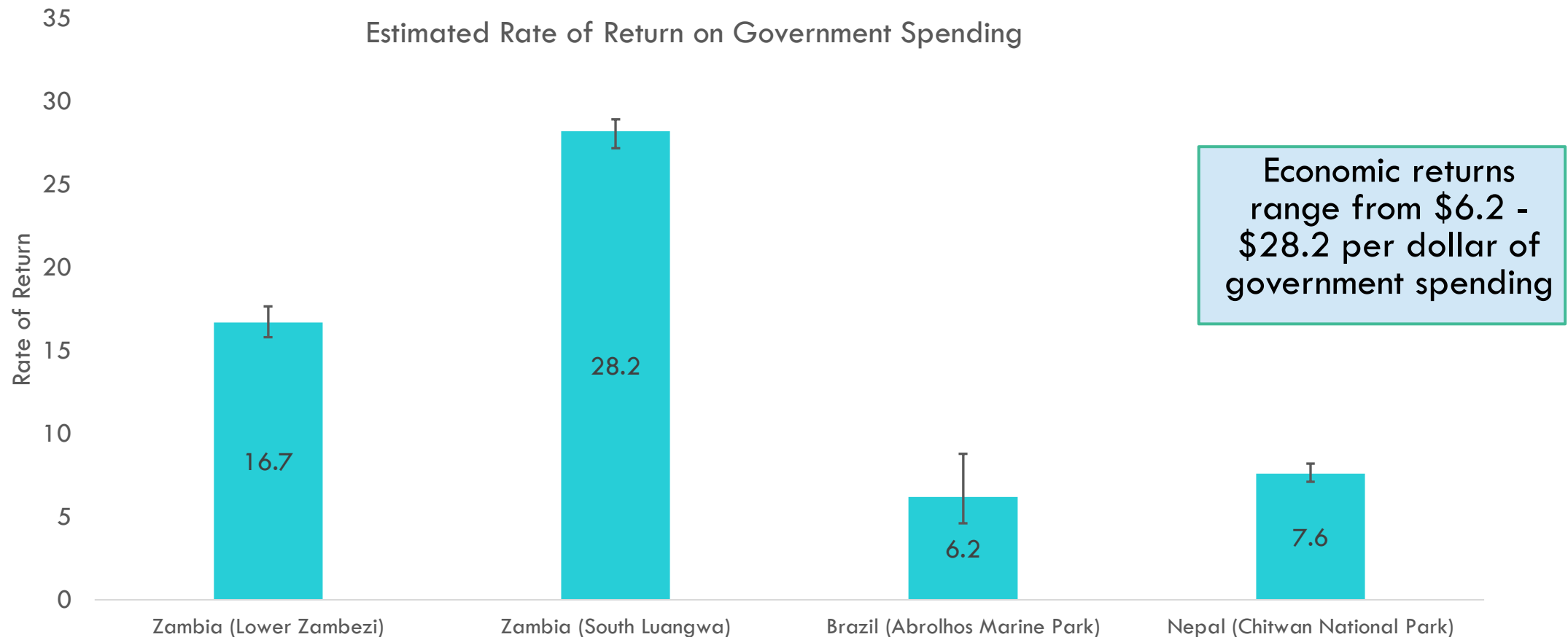
# COVID-19 LOSSES IMPACT THE WHOLE COMMUNITY

Monthly loss of local economy incomes from no tourism



Just as increases in tourist spending have positive multiplier effects, negative shocks produce negative impacts on households directly and indirectly involved in tourism

# RETURN ON INVESTMENT IS AT LEAST SIX TIMES THE COST





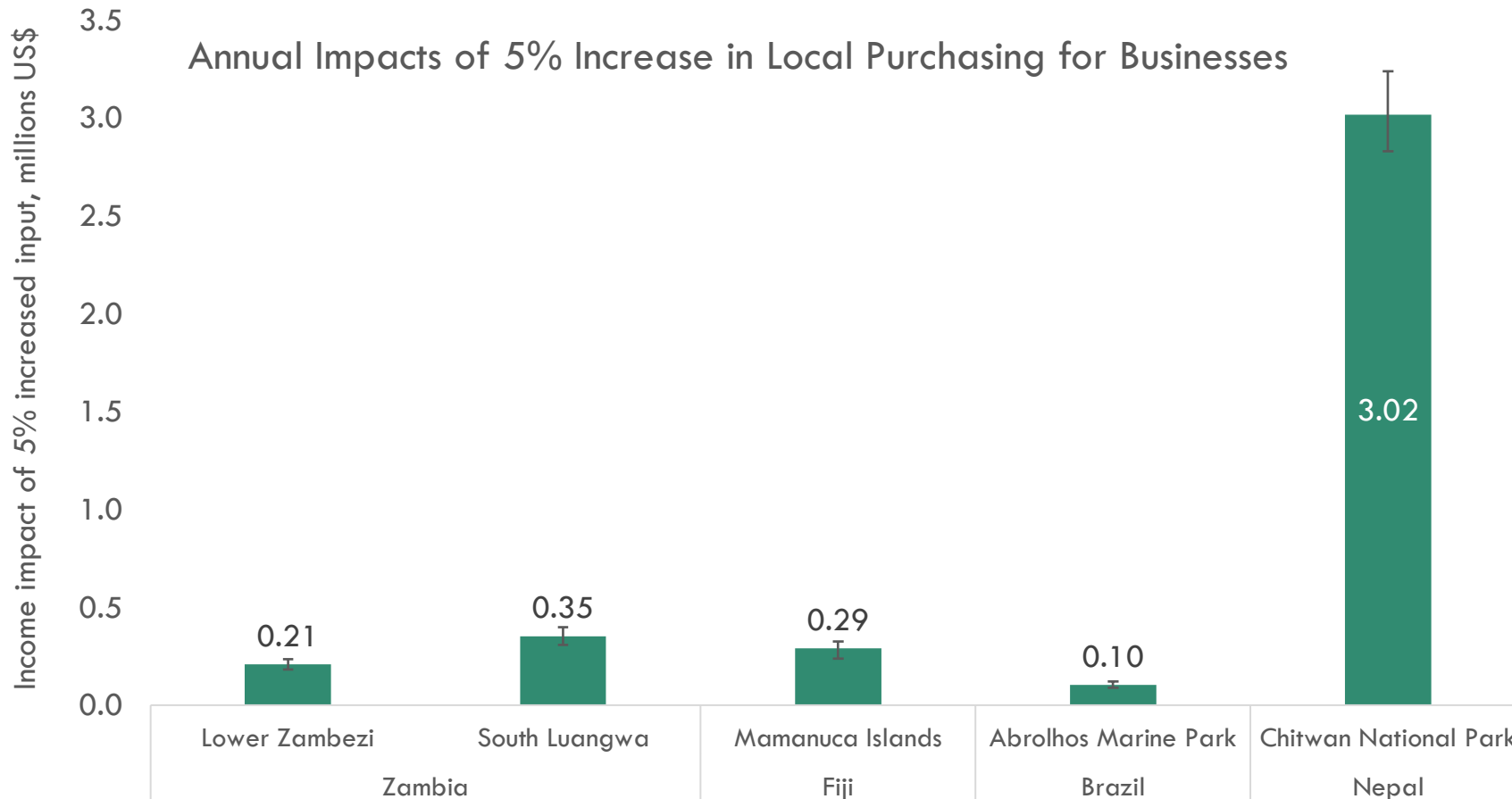
# HIRING RANGERS LOCALLY IS A GOOD INVESTMENT

Park employment multipliers are even larger than tourist spending multipliers because wages go directly to local households without leakage

**Annual Effect of Government Hiring a Local Laborer (US\$)**

	Zambia		Nepal	Brazil
Changes in local economy incomes	Lower Zambezi National Park	South Luangwa National Park	Chitwan National Park	Abrolhos Marine Park
Real Income	1,479	1,038	6,799	24,045
Poor households	911	668	912	9,875
Non-poor households	567	370	5,887	14,170
Cost to hire additional worker	978	669	2,442	8,963

# SOURCING GOODS LOCALLY BOOSTS ECONOMIES



In all four countries, poor households benefit less overall than non-poor ones due to their lesser capacity to take advantage of economic opportunities



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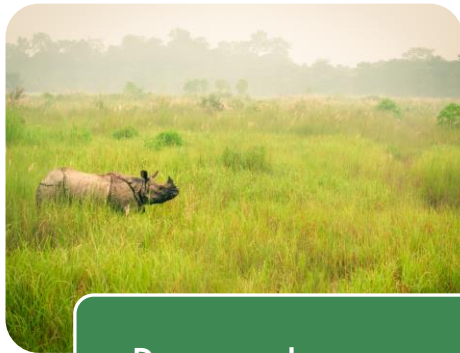
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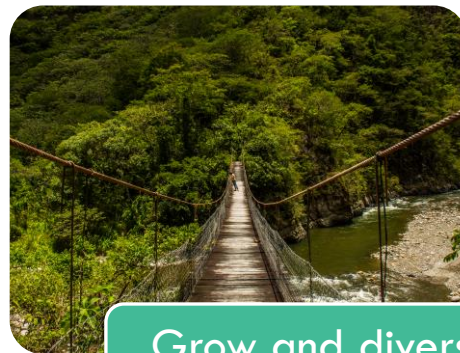
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# POLICY RECOMMENDATIONS



Protect the natural asset



Grow and diversify the business sustainably



Share the benefits



# PROTECT THE NATURAL ASSET

*To promote biodiversity conservation and secure the natural assets that can attract visitors, it is critical that protected areas be preserved, enhanced to reverse degradation, and well managed*

1. *Formalize Protected Areas*
2. *Increase Investment in Protected Area Management*
3. *Build Capacity of Protected Area Managers*
4. *Monitor Visitors and Impacts*



Protect the natural  
asset

# GROW AND DIVERSIFY THE BUSINESS

*For protected areas to generate revenue and economic benefits for local communities, they need to attract visitors. Visitors in turn demand services that tourism businesses can provide.*

1. *Diversify Tourism Offerings*
2. *Develop Concessions Policies*



Grow and diversify  
the business  
sustainably



# SHARE THE BENEFITS

*Ensuring that benefits from protected area tourism are shared with local communities helps reach development goals and incentivizes communities to support conservation*

- 1. Formalize Benefit Sharing*
- 2. Strengthen Income Multipliers*
- 3. Mitigate and Compensate for Human-Wildlife Conflict*

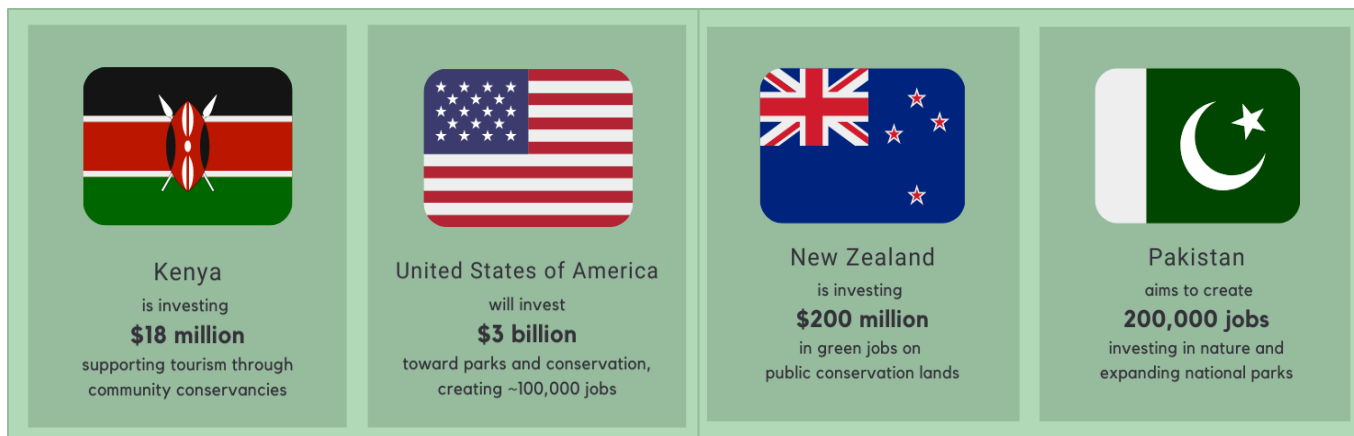


Share the benefits

# POLICY RECOMMENDATION – IN TIMES OF COVID-19

## Protected Area Tourism is a Green Economic Recovery Initiative

- » Can generate significant jobs
- » Creates high income multipliers
- » Generates high returns on public investment





A large whale shark is swimming horizontally across the upper half of the frame in clear blue water. In the lower foreground, a scuba diver is swimming horizontally, facing away from the camera. The water is filled with small bubbles and light rays filtering down from the surface.

# THANK YOU!

*The study authors are grateful to the country teams, reviewers, and management, and local partners in Zambia, Nepal, Brazil, and Fiji.*

<https://www.worldbank.org/en/topic/environment/publication/banking-on-protected-areas-promoting-sustainable-protected-area-tourism-to-benefit-local-communities>