

Article

Community-based tourism in Bolivia: projects and perspectives

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Abstract

This article summarizes and discusses the views of some key players in Bolivia's tourism industry, along with case studies of three successful projects. Although Bolivia's natural and cultural diversity offers great potential for tourism, the country's tourism industry currently lags behind those of its neighbors. The government seeks to stimulate growth and alleviate poverty primarily through community-based projects. These are more likely to succeed if based on partnerships between communities and private tour operators, with support from Non-Governmental Organizations, institutions such as the IDB, and the public sector. Some of the key players interviewed for this article suggest that the government should do more to utilize the expertise of private tour operators in developing and promoting community-based tourism, and that a perceived hostility towards the private sector could place severe constraints on growth.

Background

Bolivia ranks close to bottom among South American nations in terms of GNP per capita and other measures of wealth. However, it has vast untapped resources. Among these, environmental and cultural assets have great potential for international tourism. Bolivia's 22 national parks and protected areas cover about 16% of the total area, and are extremely rich in biodiversity; and 60% of Bolivia's population is indigenous, maintaining a rich and colorful culture. According to the Plan Nacional de Turismo 2006-2011 (Viceministerio, 2006), citing the ADB, Bolivia has the potential to attract 12 million tourists per year. Yet in 2005, the country attracted only about half a million foreign tourists, compared to over two million visiting Chile and almost one and a half million visiting Peru (UNWTO, 2008). Moreover, many of the tourists who come to Bolivia do so as an extension of their trip to Peru, via Titicaca, rather than with Bolivia as their main destination; and over 90% are low-spending Free Independent Travelers (Viceministerio, 2007).

Furthermore, while Titicaca, Eduardo Avaroa Reserve and Salinas y Lagunas receive a substantial number of foreign visitors, the rest of this enormous country is largely ignored. For example, in 2005, Lago Titicaca attracted about 75,000 international tourists,

around five times as many as Madidi National Park (Viceministerio, 2006).

There are various reasons for Bolivia's relatively small share of the international tourist market. One factor is that Bolivia's attractions are not yet widely known compared to Macchu Picchu or Galápagos, for example. Another is the relatively poor infrastructure level. Only three airports are properly equipped to handle international flights, and fares to Bolivia are more expensive than to its neighbors (Viceministerio, 2006). Over half of Bolivia's roads are in poor condition, and many rural areas are not served by the highway network. In addition, Bolivia suffers from political and social instability, with frequent – and sometimes violent – demonstrations and highway blockades.

While some conservationists, aware of the damage that mass tourism has done elsewhere on the continent – in Cancún, for example – may see these barriers as a form of protection, others suspect that only tourism can save Bolivia's biodiversity from the many threats it faces, including energy companies, cattle barons and the coca industry. By harnessing the world's biggest industry, they hope to generate enough income to convince local communities and their representatives in municipal, regional and national governments to declare Bolivia's forests and other imperiled landscapes completely off-limits to ecologically harmful economic activities. The potential of ecotourism to alleviate rural poverty has also been recognized by development NGOs, government agencies, funding organizations and the communities themselves.

Although there is an apparent divergence of views between the various actors as to how tourism should be managed, the current strategy focuses on community-based tourism (CBT). This may be defined or characterized in various ways, but it refers essentially to tourism that is managed by or on behalf of the local community. There are between 60 and 80 such projects in Bolivia, but it would appear that very few of them are financially viable, and many now exist only on paper, having become defunct due to mismanagement, neglect or the failure to attract visitors. Despite this, however, the government of Evo Morales has called for many more to be established.

Our informants suggest that there is a fundamental difference between the view of the government and that of the private sector concerning the role of the latter. The government apparently regards private tour operators as little more than parasites, contributing little or nothing to the communities in which they operate. While exploitation – a highly subjective term – may indeed be rife, the tour operators argue that neither the government nor local communities have the slightest idea how to create and market an internationally competitive tourism product. The tourism chain is only as strong as its weakest link, and without the experience and expertise of established tour operators such as those interviewed for this study, CBT in Bolivia has little chance of gaining a foothold in the international ecotourism market. Several respondents also pointed out that the government has been, at best, half-hearted in its support for the tourism industry at international tourism fairs. This makes it more difficult for tour operators to sell Bolivian tours, but it also makes them even more indispensable for the success of the struggling CBT operations that are sprinkled around Bolivia, and ultimately, for the protection of the nation's natural heritage. The involvement of private enterprise can be identified as one of the key elements behind the success of the community-based tourism projects introduced

below. On the other hand, relations between communities and tour operators are somewhat delicate, and a great deal of patience and understanding is required on both sides during the initial phases of planning, training, capacity building and preliminary marketing.

Chalalán

Chalalán Ec lodge is regarded as one of the more successful CBT projects in Bolivia, attracting 1136 tourists in 2006 (Viceministerio 2007). It is located in Rurrenabaque, a region that was visited almost exclusively by adventurous but low-spending Free Independent Tourists and was thus of minimal interest to major tour operators. After several decades of unplanned and unprofitable tourism, members of the nearby community of San Jose de Uchupiamonas, located inside what was later to become Madidi National Park, decided to take control of their own destiny. In 1994, they applied to the Inter-American Development Bank for funds with which to build an ec lodge. Their initial request – for \$100,000 – was considered by the IDB to be too small. Conservation International, which had already identified the area as a top priority for conservation with considerable tourism potential, intervened and negotiated a much larger grant, to be augmented by further funds from CI's partners and with labor and materials to be supplied by the community. The funding actually covered two projects, the other being related to sustainable farming. Feasibility studies were carried out, and the project was formulated, with provisions for training and marketing. The IDB was not convinced of the project's feasibility, but saw in it an opportunity to create a model project for sustainable development centered on ecotourism, sustainable agriculture and micro-enterprises such as handicraft production (USAID).

Construction of the ec lodge began in 1995, and the whole project took three years. Meanwhile, in 1997, Conservation International hired a team of consultants to support the project. They spent twenty days in the community every month for two years. Two of them, Jazmin Caballero García and David G. Ricalde Ríos, provided training in accounting, lodge management, cooking, natural history, sales and other activities. Twenty community members received six months training. Two took a formal guide training course with a Peruvian operator and others attended a 15- day course in Santa Cruz. The workforce included English-speaking guides, a rarity outside of the Titicaca area. Ms Caballero García, who had experience of running her own travel agency, was later hired to market the lodge nationally and internationally. A target market was identified, prices set and an itinerary, logo and brochure were created. The prices raised eyebrows: while the existing market of FITs was estimated at \$9 per person per day, Chalalán proposed to charge \$115 for four days. Operators in La Paz were skeptical, but GAP Adventures of Canada sent several pioneering groups in 1998, soon after Chalalán opened for business. While Chalalán benefited from the experience, GAP quit, as a result of misunderstandings concerning reservations and payment schedules (USAID).

Madidi was established as a national park in 1995, with a core of 1,271,500 hectares and an Integrated Management Area of 624,250 hectares. This attracted attention thanks

to a series of documentaries shown on television in Bolivia and elsewhere, and two issues of National Geographic. In addition, Chalalán was promoted at the Latin American Travel Marts of 1999 and 2000, and through familiarization trips arranged by Conservation International for American and European tour operators. In 2000, Chalalán raised its prices by 40% and made its first operating profit: \$20,000 (US AID), proving the effectiveness of targeting well-off ecotourists instead of backpackers. In 2005, it was recognized by National Geographic as one of the world's top 20 ecotourism destinations. In 2006, it welcomed 1136 tourists (Viceministerio).

Chalalán is regarded as a successful model of sustainable development, achieving both conservation and poverty alleviation. In addition to focusing attention on Madidi that eventually led to the establishment of the national park in 1995 and the cancellation of a major logging concession in 2000, it resulted in the first business in Bolivia to be owned by indigenous people (USAID), raising living standards for 74 families, as shareholders and employees (16 permanent and 34 temporary), in a previously neglected and isolated rural area, and stimulating other enterprises such as handicraft production. It benefits not only the local community: according to Mamani et al., Chalalán generates in Rurrenabaque an average annual turnover of \$100,000, from the sale of food and drinks, fuel, plane tickets, supplies and hotel accommodation. It also inspired projects elsewhere, such as Mapajo Lodge and San Miguel del Bala.

Chalalán's success may be attributed to various factors. One is the spectacular wildlife of the surrounding area. Tourists have a very good chance to photograph turtles, capybaras, alligators and numerous monkey species each time they travel on the river. So far, tourist numbers have been small enough to avoid having a significant impact on the wildlife. Another factor behind Chalalán's success is the fact that the community was generally supportive and already had previous experience of tourism. Women and young returning migrants proved especially eager to take on new challenges and risks. While most of the men demanded payment for attending training in La Paz, the women were eager to start right away, without any thought of payment. Chalalán was not merely initiated by the community; since 2001, it has actually belonged to and been managed by the local families who are its shareholders. The business model was an important development. Chalalán was registered as a *sociedad anónima*, with half of the shares held by a representative body and the rest owned by some 74 individual families (Mamani et al.).

The decision to engage local consultants with a private sector background to facilitate the process of capacity-building and marketing was also a key factor. In addition, the efforts of America Tours to promote Chalalán in travel guides and to attract international tour operators played a major role in establishing Chalalán and Madidi on the global market. Indeed, partnerships between communities, organizations such as Conservation International and private operators such as America Tours are probably an essential element in ensuring the success of any new community-based ecotourism project.

While not involved initially, the government also played a key role, by recognizing the land rights of indigenous inhabitants of the Original Community Territories (USAID) and by establishing Madidi National Park. Following the International Year of Ecotourism in

2002, the government also organized a series of events dedicated to ecotourism, including 5 National Days, a National Community Workshop and two National Summits. In addition, the government cooperated in the establishment of a 720-hour training program run by SERNAP, the National Service for Protected Areas.

Among other factors, our informants emphasized the importance of long-term engagement by the support organizations. It is not enough to build a lodge, train staff and then leave within a couple of years. Unexpected problems arise, such as the resignation of key staff, sloppy bookkeeping and political wrangling among the community; and having a respected representative of the original consultants on hand to provide advice can help keep a project on track until the local management develop the competence and confidence to resolve their own problems.

Tomarapi

The success of Tomarapi Ecolodge is somewhat surprising, given its location on the dry and barren altiplano more than 4 hours drive from La Paz. Other than the imposing Mount Sajama and a small hot spring, at first glance there is little to attract tourists. Yet in 2006, Tomarapi had an average occupancy rate of around 60%, with about 900 visitors and an income of \$30,000. This is even more surprising when one considers the fact that very few tourists stay longer than one night.

The ecolodge was planned, built and financed by two German organizations, KfW and GTZ, with support from MAPZA, representing the National Park Service, which covered the initial expenditure of \$150,000 in the first phase of the project. Attention was paid to cultural integrity, regional development and environmental protection in planning and implementing the project. It was located three kilometers from the nearest community, the tiny Aymara village of Caripe, rather than close to the larger community of Sajama, in order to prevent cultural impacts. The aim was for it to eventually be owned and run by the local community, as indeed it now is. Tomarapi has a legal status as a “Sociedad de Responsabilidad Limitada” (limited liability society). Decisions are made collectively at monthly communal assemblies.

Electricity used by the room heaters and lighting is provided by 17 rooftop solar panels, although the lodge depends on propane gas for hot showers and cooking (when the lodge is full, 6 large gas cylinders are required every day) and on a wood stove for warming up the dining room on cold nights. Water is pumped up from underground using solar pumps. Waste plastic and metal are taken to La Paz for recycling. Most food has to be brought from La Paz, as it is almost impossible to grow food on the high, arid altiplano. However, some vegetables are supplied from a greenhouse about one hundred kilometers away.

The community of Caripe was involved in the project from beginning to end, and was supportive. Eventually 26 out of 41 families agreed to take part. The ecolodge has a staff of five, each of whom works for two months and is then replaced by another member from the pool of employees, all of whom were trained by Janette Simbron, a manager of Millenarian Tours, based in La Paz. The manager is replaced every year. In theory, each of the staff

can perform any job, including management. They are paid 850 Bolivianos per month, less than they could earn as mountain guides or porters for expeditions on nearby Mount Sajama, but enough for tourism to become the community's biggest source of income. (This, incidentally, may be seen as problematic: researchers generally agree that tourism should provide only a supplementary income, since it is too vulnerable to fluctuations caused by seasonal and other factors.) In addition to income from charges for accommodation and meals, Tomarapi sells alpaca wool products such as sweaters, hats, scarves and gloves made by the local community, although sales appear to be somewhat sporadic.

Millenarian has played a decisive role in making Tomarapi a successful enterprise. The company was involved in every stage, from planning to implementation and marketing, and continues to play a key role as consultant and sole agent. Millenarian also provided all training, including a five-week internship at a five-star hotel in La Paz. Tomarapi charges \$55 a day per double room (i.e. per two tourists) and Millenarian receives from their own clients (but not those booking through other tour operators) a commission of 10% for dealing with marketing, reservations and occasional consultation. (Janette Simbron, manager of Millenarian, believes that a certain degree of support is necessary long after a project has become more or less independent.) It is interesting to note that one of the original families withdrew from Tomarapi and built their own much cheaper lodge at the nearby hot springs, suggesting that private enterprise can be stimulated by community-based projects, and that an alternative market in a lower price range may exist.

The majority of Tomarapi's customers are climbers, many from France, and there are relatively few tourists. Apart from the hot spring and the desolate beauty of the altiplano, there is little to attract tourists. Millenarian hopes to change this, however, by linking Tomarapi with a separate project on the banks of the Lauca River, about an hour away by car. The Rio Lauca Circuit is a one-day trek that features lagoons with large populations of birds and also chullpas, prehistoric funerary structures. The three communities of Rio Lauca have received guide training, and the UNDP has agreed to provide funding from its Small Grants Program to implement the project. It is hoped that both Tomarapi and Rio Lauca will benefit from increased tourism from two directions: La Paz, and the nearby Chilean border.

Kawsay Wasi

Drawing on its experience with Chalalán, Conservation International sought a community-based ecotourism project with minimal start-up costs. The Kawsay Wasi project was, in that sense, ideal. Kawsay Wasi is an indigenous tour agency formed by seven indigenous communities in Carrasco National Park with support from Conservation International. It offers four tour options: Guácharos, Cock of the Rock, Cascades and Walk in the Clouds. Twenty members of the local communities were given 720 hours of guide training over a period of 18 months. The training program was set up by SERNAP, the National Park Authority, to train nature guides, and included interpretation, public relations, first aid and rescue skills. Operations began in 2003, and in 2006 the agency

handled 6400 tourists. 75% of them were Bolivian, and 95% chose the Guácharos Tour, a 3-hour walk featuring birds and bats. Because of the popularity of this tour, a quota of 73 visitors per day was established, based on estimates of carrying capacity. Charges range from 50 Bolivianos per individual to 132 Bolivianos per group of six people or more. The tour is free for local residents, which encourages them to visit, with the result that they develop a greater appreciation of biodiversity and willingness to protect it. The four tours were marketed through the Internet, hotels in nearby Villa Tunari and the regional capital, Cochabamba, and at travel fairs. In addition, Kawsay Wasi appeared in the Spanish TV documentary mentioned earlier.

Apart from the training, the project involved very little expenditure. The promotional and interpretation materials were produced with funding from the UNDP Small Grants Program. Kawsay Wasi managed to become independent after only one and a half years, and has now opened a small office next to the office of the National Park. Unlike Chalachán and Tomarapi, Kawsay Wasi appears to have succeeded without a private sector partner. This could be because its target market is mainly local people and schools, so expensive promotion to the international travel market was not necessary. Another explanation is that its main products are very simple: just guided day trips to specific places of interest, with no accommodation provided. However, it remains to be seen whether this will constrain further growth. At any rate, Kawsay Wasi presents us with a useful model that could easily be replicated in other countries and ecosystems.

Inti Wata

In addition to the community-based tourism projects mentioned above, there are other projects established, owned and managed by private enterprise with significant benefits to the local community. Transturin's Inti Wata project appears to fall into that category, even though the operator professes to have no social agenda and the operation remains somewhat controversial. (Transturin emphasizes cultural and environmental responsibility, but is not concerned with poverty alleviation.)

Transturin operates luxury catamaran trips on Lake Titicaca, carrying tourists traveling from Puno to La Paz. To make their product more attractive, they negotiated with the community of Challapampa, on the Isla del Sol, to bring small groups of tourists for one-day cultural visits. The community of 40 families agreed, and Transturin enlarged the harbor so that their catamarans could dock there. When the boats arrive in the port, a landing fee is paid to the community. Each visitor is greeted with a garland made by local women. A band of musicians performs some welcoming tunes. During their visit, tourists are taken out on boats owned by local fishermen. They visit a small museum, created by the community using tourism income to save and display local artifacts that would otherwise have been sold or displayed in La Paz. They also visit a local family, arriving in the patio around the time the family members come home from work. There is also a visit to a local witch doctor, and more music in the evening before the tourists return to the catamarans.

Each of these services is paid for, from the garland (conceived as a means of giving

women a source of income) to the music, from the boat trips to the museum, from the family visit (the community decides which family will receive visitors next) to the witch doctor. In addition, the community coordinator – a position rotated every 2 months – is paid for his or her work. Exact amounts were stated during the interview but have been withheld at the request of the operator. However, a rough calculation suggests a total income of \$331 per week, equal to about a dollar per day for each family. The company would like to provide the community with further income by purchasing local food products and handicrafts, but this was determined to be unfeasible: supplies of fresh food, even fish, are too unreliable; and the only handicrafts sold on the island come from Peru.

Transturin's specialty is cultural tourism, and they claim to minimize their cultural impact. Their boats carry a maximum of 20 passengers, and visit the village no more than four times a week. Most of their clients are wealthy, elderly, well-educated and respectful towards their hosts. It would appear that the Inti Wata project provides considerable benefits to the community. Indeed, other communities on the island have asked Transturin to bring tourists to their villages too, but the company has no plans for expansion. There are lodges elsewhere on the island where independent tourists may stay, but they are ugly, according to the representative of Transturin, and spoil the tourists' cultural experience. This, incidentally, led to an interesting comment: the existence of such lodges, together with the lack of a local handicraft industry and of attractions such as museums, indicates the failure of government to provide suitable guidance and support for the cultural tourism business. The World Bank has made \$1.8 million available for management and promotion of tourism in the Titicaca region. However, we were told that most of the money will be spent on expensive consultancy contracts, rather than on the development of more attractive destinations, better infrastructure and more effective promotion.

Conclusion

The respondents identified a number of key factors they saw as important for success of a community-based ecotourism project in Bolivia. The destination should be reasonably accessible from the nearest airport, and should have natural and cultural characteristics of interest to tourists. From the beginning, the project has to have the support of the local community. Moreover, expectations should be realistic, with a clear understanding of the potential risks. Training should be carried out by professional consultants. Management and marketing are probably best handled by a single private operator until the project establishes its reputation. Target dates for withdrawing support from a project – particularly funding and troubleshooting – should be flexible and extend well beyond the typical two-year term. The project should be implemented through a partnership consisting of the local community, the local government, NGOs concerned with sustainable development and the private sector. Start-up costs should be as low as possible without compromising the comfort and safety of the tourists. On the other hand, it was also observed that western tourists are willing to pay higher prices for greater comfort, and also for a more authentic structure. There is a need to extend the tourism value chain to small and medium sized enterprises within the community, enabling farmers and producers of

other goods and services to sell their products to tourists. It is also important to monitor cultural impacts within the community, as was done at Tomarapi. Finally, there is a feeling that the government should play a greater role in developing tourism infrastructure and in promoting the country's tourism attractions overseas, and should be less antagonistic towards the private sector.

One of our respondents provided a very detailed list of problems he had identified. These were, at macro level, the lack of a clear government strategy and vision for promoting sustainable development through tourism, unrealistic expectations for the growth and success of community-based ecotourism, conflicting strategies that harm ongoing projects, the lack of technical knowledge and data needed for ecotourism to succeed (he mentioned, for example, that feasibility studies could not be carried out because there were no qualified consultants), inadequate infrastructure and poor access to ecotourism destinations, and tension between the logic of the community and that of the market.

In conclusion, it is clear that Bolivia faces major challenges in expanding its tourism industry in a way that is compatible with the twin goals of conservation and poverty alleviation. The path forward, as suggested by our respondents, requires a partnership that includes all major stakeholders: community, government, private enterprise and NGOs.

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