

# Can sustainable-tourism achieve conservations and local economic development? The experience with nine business – community wildlife-tourism agreements in Northern Tanzania

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## **Abstract**

This paper reports the results of an investigation between conservation and local economic development. Focusing on Tanzania nine tourism-wildlife business - community agreements are analyzed, including three NGO-initiated agreements, three business-initiated agreements and three government-initiated agreements. The analysis of the agreements aims at the assessment of their effects on Local Economic Development and Conservation. The following major outcomes of the analysis could be noted: NGO-initiated agreements on the whole contribute most positively to conservation while business-initiated agreements contribute most positively to local economic development. Most importantly it provides insights on how business community agreements can provide for both Local Economic Development and Conservation. The research, finally, provides lessons for a better focused and more effective community-based natural resources management policy.

**Keywords:** sustainable tourism, local economic development, conservation, business-community agreements, Tanzania

## Introduction

African countries are performing relatively well in economic terms since 2000 and Tanzania has sustained economic growth of about six percent per year over the last decade (AfDB, 2016). The population in Tanzania doubled over the last 20 years, while the number of wildlife such as elephant and lion declined substantially over the last 20 years (Brandt & Dyer, 2011). The issue is to what extent these developments also affect local communities. One instrument of bringing about local economic development (LED), Business-Community Agreements, will be studied to find out if and how these agreements can contribute to the LED literature.

Helmsing (2003, page 69) pointed to the 'new generation of actors' that influences local economic development. In our theoretical section we will review the literature on local development and link it to the agreement literature. Important is the trade-off between local economic development and conservation. Does local economic development in wildlife areas have a negative impact on conservation? Or is it the other way round and has conservation a negative impact on local economic development? And are business-community agreements an instrument to bring these two aspects together? Conservation and investment in wild-life tourism are of importance and do relate to each other. Without the conservation of wildlife in the existing ecosystem there will be no nature based tourism. However, population pressure in these areas, environmental challenges and at the same time an increased willingness to become more commercially oriented cause frictions. Environmental challenges include decline of natural wildlife levels, loss of biological diversity, and pollution of the off-farm ecosystem through overgrazing by cattle. On the commercial side challenges arise as in many places the local private sector environment is poorly developed (AfBD, 2016). The challenge is to increase local economic development without jeopardising conservation and the tourism business itself. In Tanzania, communities and businesses sign agreements in the framework of Public Private Partnerships. These agreements are initiated by either an NGO, the Government or a Business. The research centres are the question about what the impact is of these different agreements in relation to local socio-economic development and conservation? The research objective is to explore which of the three different types of agreements (NGO, government or business initiated) provides for local economic development and conservation based on literature reviewed indicators and assessed during a stakeholder-assessment.

Only a small number of policy instruments stimulating local community business development have been employed by African governments. The knowledge of what works and what doesn't work in terms of local development in the tourism conservation context remains very poor. This is unfortunate as the tourism sector is in dire need of successful policy instruments. The central question in this article will be: *which type of partnership agreement serves sustainable development best both from a local-economic development and a conservation point of view?* This study draws on nine selected case studies which all focus on efforts to achieve sustainable local development.

## **Tourism in Africa**

According to World Tourism Organization (2016), tourism is for many African countries one of the most important economic sectors. It's expected that around 57 million people will spend their holidays in Africa in 2016. That is a mere 4% of all international travel, but this low figure does not reflect the huge role tourism plays in many African economies. One out of every 14 jobs in Africa is in the tourism industry (UN World Travel and Tourism Organisation, 2016). According to the UNWTO (2016), tourist arrivals in Africa were growing at 2% in 2014 compared to 2013. The tourism industry brings benefits. The government in Rwanda has managed for example to turn its 200 mountain gorillas into a US\$ 200 million industry a year. The gorilla tourism industry has helped to build schools, road, hospitals, and secured jobs and conserves the gorilla habitat (Nielsen & Spenceley, 2010).

Despite being one of the most important economic sectors in terms of importance for the GDP for many countries in Africa, the impact of tourism on improving rural livelihoods is not adequately implemented and analysed. It is argued that the link between tourism and the improvement of rural livelihoods is complex, and requires further debate. Research in this area is lagging behind (Rogerson, 2006; Hall, 2007; Simpson, 2008). In this light, the focus on pro-

poor tourism is of importance. Especially in Africa tourism has the potential to contribute to pro-poor development. Tourism offers economic opportunities for people working in the informal sector. According to Spenceley (2003), pro-poor tourism is defined as tourism that generates net benefits for the poor. It enhances the linkages between tourism businesses and poor people; so that tourism's contribution to poverty reduction is increased and poor people are able to participate more effectively in product development (Ashley et al., 2001). It is interesting to see that in Ghana, Akyeampong (2011) found that community members gained more from associated interventions such as souvenir shops, local restaurants than from tourism itself. This trend is also eminent in the tourism sector most noticeably in Tanzania where the number of tourists has increased from 740.000 in 2010 to 1.063.000 in 2013 (UNWTO, 2016) and the Tourism sector together with Mining are the leading recipients of investments<sup>1</sup>. These investments are mainly targeting wildlife tourism whereby they often have their focus on the establishment of hotels and camps in rural settings bordering wildlife areas. However, the increase of investments has not been equally distributed. Still 70% of the Tanzanian population is living in rural areas (URT, 2007). For example, in Northern Tanzania, where wildlife tourism is concentrated, the GDP per capita is about 1.6 USD per day while the living standards of the tourists and the investors are much higher

### **Tourism arrangements in Tanzania**

Recently some districts and villages in Tanzania have benefited from tourism by developing collaborative arrangements with tour companies. Tourism companies choose to locate their lodges outside official national parks in Game Controlled Areas, protected areas or Wildlife Management Areas (WMAs) which also have communities living in them. These locations are usually cheaper for both the tourist and the tour company, and tourists can enjoy exclusive game viewing far from the congestion that is to be found within the National Parks. Moreover, tourists have an opportunity to experience the culture of communities living there. Villages allow tour companies to use an area of communal land for tourism activities and receive economic and social benefits for the village members. In turn, the villagers have the responsibility of looking after the environment and the wildlife by limiting activities such as cultivation, livestock grazing, tree cutting and illegal hunting within the wildlife areas located in their village land (villages are the basic unit of local governance and administration in Tanzania). In exchange, communities receive compensation from the tour companies, ranging from US\$ 10,000 to 200,000 per year, which village governments often use for building schools, clinics, and providing other facilities and social services in the village (Nelson, 2008). These kinds of agreements are currently widely practiced in areas such as Longido, Babati, Simanjiro, Karatu and Serengeti Districts within Northern Tanzania. These activities provide a new source of communal income as well as a source of employment and a limited market for local goods. Overall these cases highlight the importance of ensuring that positive relations are established between business and communities, and that both parties benefit from investment in tourism. Conservation of wildlife resources is only possible when villagers see tourism as a real and viable economic opportunity. If wildlife does not generate benefits or the benefits do not reach the rural population (for example due to a skewed distribution of the direct use value), people are unlikely to appreciate and conserve it (Arntzen, 2003).

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<sup>1</sup> [http://www.tic.co.tz/TICWebSite.nsf/0/bf3f28cbdb22217743257666004235e4/\\$FILE/TIC%20Growth-Impact.pdf](http://www.tic.co.tz/TICWebSite.nsf/0/bf3f28cbdb22217743257666004235e4/$FILE/TIC%20Growth-Impact.pdf)  
assessed 1 July 2013

## Key Concepts

### Local Economic Development

LED can be defined as a process in which agreements between local governments, community based groups and the private sector are established to manage existing resources to create jobs in and stimulate the economy of a well defined territory (Helmsing, 2001). According to Nel & Humphrys (1999), LED can be defined as a process in which locally based individuals or organizations use resources to modify or expand local economic activity to the benefit of the majority of the community. It should be clear that local economic development can be framed by national policy but can by no means be solely depend on national policies alone. Theoretically this is highlighted by the attention on clustering whereby next to government support interconnected companies, specialized suppliers, service providers, and associated institutions in a particular field and geographical area are addressed (Porter, 1998). There are a variety of actors playing a role in local economic development. According to Helmsing (2003) we can list the following actors: governments (national, regional), Community Based Organizations (CBOs) often linked to NGOs, and private enterprises. These actors play an important role in the tourism community agreements researched. Their role in the business – community partnership is further developed and explored in this research.

According to Rogerson (1995) there are three strategies to bring local economic development: (a) attempts to encourage inward investment, (b) a small firm industrial district model and (c) local level economic initiatives and survival strategies. Helmsing (2000) distinguishes three categories of local economic development: (a) community based economic development, (b) enterprise and business development and (c) locality development. In this study we will address community based economic development as locality development. Enterprise development is more urban in nature. Community based economic development focuses on the rural countryside and according to Blakely (1994) community-based economic development includes the following aims: (a) to stimulate a sense of community, (b) to promote self-help and empowerment, (c) to contribute to the generation of (self) employment; (d) to improve living and working conditions in settlements; and (e) to create public and community services. However, general policy prescriptions cannot be provided as the context differs tremendously per country. A focus on one region and one sector is therefore more appropriate.

Wildlife in many communities in Northern Tanzania is an important resource in relation to tourism for local communities. In order to integrate local communities to supply products to the tourism sector, there is a need to attune demand, supply and market intervention to each other (Ashley & Haysom, 2008). Some initiatives have failed because they focused either on supply by working with farmers, or on demand, by working with chiefs but not on both together (Torres, 2003). To enhance employment and economic gains from the tourism chain, intervention is required on the supply-side, such as creating a positive business environment. Intervention is also required on the demand-side – e.g. in stimulating hotels to buy locally.

Some scholars assessed the linkage between conservation and local economic development. Walpole et al. (2000) argue that revenue generation for the local communities is negatively influenced by the lack of capital, the lack of skills and the absence of having a linkage with the traditional production sectors of the economy. Jones & Munday (2001) argue that the link between conservation and local economic development needs “rigorous consultation and information-dissemination procedures and the involvement of existing business in development and operation”.

According to Rogerson & Rogerson (2010), there is much more research available for South Africa than for the other Sub-Saharan African countries on LED. In Sub-Saharan Africa,

Rodrigueze–Pose & Tijmstra (2007), indicate that the likelihood of success depends mostly on place-specific conditions: 'Less favorable resource endowments, poor accessibility, and relatively weak civil societies can undermine the viability of LED outside the wealthier and most prosperous areas'. But LED as an alternative development approach is taking root in much of Africa and this study contributes in that respect to this debate.

### **Business Community Agreements for conservation and Local Economic Dev.**

Business-Community Agreements are expected to contribute to Local Economic Development and Conservation (Loza, 2004) but when are these agreements successful? Agreements for conservation or environmental agreements are those most likely to be successful in achieving both economic and environmental goals (Gunningham, 2007). Trends in environmental and natural resources policy in developing countries show that there is little emphasis on control-oriented policies, with exclusive reliance on centralized regulation and proscriptive policies towards a broader array of incentives, including market-based regulation. A second trend is increased participation of resource users in policy decisions and resource management, reflected in devolved agreements that share environment and natural resource responsibilities between central and local levels (Brinkerhoff et al., 2007). Gunningham notes that a high coincidence between public and private profit is an important aspect of a successful environmental agreement (Gunningham, 2007). Scale is also important, developing agreements on a limited scale - relating to a single business enterprise will be far less challenging than doing so on a regional or national level. Multi-party agreements and those on a larger scale will typically give rise to free-riding, rather than simple and small-scale agreements (Gunningham, 2007).

An interesting model to take into consideration is the Community-Based Natural Resource Management Programme (CBNRM). The model is used throughout various parts of South Africa. The programme delegates rights on the use and management of natural resources to the communities (Mbaiwa et al., 2011). The model is based on the common property theory that states that the degradation of resources can be overcome by granting the rights to the use of natural resources to the communities (Kgathi, 2004). This study examines to what extent the NGO initiated agreement model fits into this CBNRM model and to what extent it is different. Therefore we focus on the success of conservation agreements by comparing the success of a business initiated agreement model involving business and communities, a NGO initiated model involving, NGOs, business, government and communities and a government initiated model involving government, business and communities.

### **Assessment framework**

#### **Measuring the impact of the agreements on of local economic development and conservation**

The impact of local economic development is identified by Ashley & Elliott (2003) and analyzed by Spenceley (2008). It includes the effect on financial activities (consisting of waged employment, sales of goods and services and shares of collective income) and non-financial activities such as improved access to infrastructure, communications, water supply, health, education, security services and transportation services. In this study, improved practices in

conservation will also be considered, since the sustainability of any local economic venture based on tourism depends on the continued presence of wildlife over time (Tsaour, et al., 2006).

The three factors above mentioned embrace Elkington's (1997) 'triple bottom line' approach. It looks at development from a social, environmental and economical point of view with three objectives: to create longer term economic or business impact (Profit through financial and non-financial impact), to advance the less favoured groups in society or in the world (People-the community) and to nourish the environment (Planet-conservation). From these observations the following proposition is put forward. Business-Community Agreements enable local development if they generate income, improve access to the social and physical infrastructure and promote conservation efforts in the community.

### **Three different agreement models analyzed in Tanzania**

Three types of business-community agreements are studied: Business-initiated agreements, NGO-initiated agreements and Government-initiated agreements .

#### ***a. Business-initiated Agreements***

In this model the tour operator proposes to a community that an area of land is provided for tourism activities and in return the community receives compensation in the form of a leasing fee and/or an agreed upon fee per tourist bed night. The community is responsible for ensuring that the visiting tourists and their property are safe and that no activities are carried out that are harmful to the environment and incompatible with tourism activities, e.g. tree-cutting, cultivation and livestock grazing. These agreements typically involve a private sector investor and a village government, with village members being the direct beneficiaries of the agreement.

#### ***b. NGO-initiated Agreements***

Wildlife Management Areas (WMAs) are considered under this category of agreements. WMAs were initiated and continue to be facilitated by international non-governmental organizations concerned with wildlife conservation, specifically World Wildlife Fund (WWF), and African Wildlife Fund (AWF). The agreements typically involve a private sector investor, central and local governments, a number of villages with the village members as beneficiaries, as well as a civil society organization as follows:

Tour-operators reach an agreement with the Community Based Organization (CBO) of a WMA to use a portion of land to set up a tented lodge for tourists. They invest in physical property, and are involved in promoting the area for tourism activities. They offer compensation to villages, usually based on a fee per tourist bed night. Villages voluntarily enter into WMA agreements and form a CBO. Sections of land are contributed by member villages of the CBO for wildlife conservation purposes. Cultivation, herding and residential housing are prohibited in these areas. The CBO in return receives a share of revenues obtained from tourism activities carried out within their area.

The central government, or the Tanzania Ministry of Natural Resources and Tourism through the Wildlife Division drafts regulations that monitor tourism activities which are carried out outside of National Park areas. It is also this agency which collects revenues generated from tourism in these areas. The Wildlife Division is generally responsible for the conservation of wildlife in these areas, and is expected to provide vehicles and human resources for anti-poaching activities. District governments are involved in an advisory role through a conservation advisory committee for the WMA. The District in collaboration with the Wildlife Division also plays a role in coordinating anti-poaching activities and finally NGO such as the

African Wildlife Fund and the World Wildlife Foundation facilitate the process, and play a role in building human and technical capacities for conservation in areas such as resource management planning. They also contribute funds to enable the process of the establishment of the WMA and CBOs.

### c. *The Government-initiated Agreement*

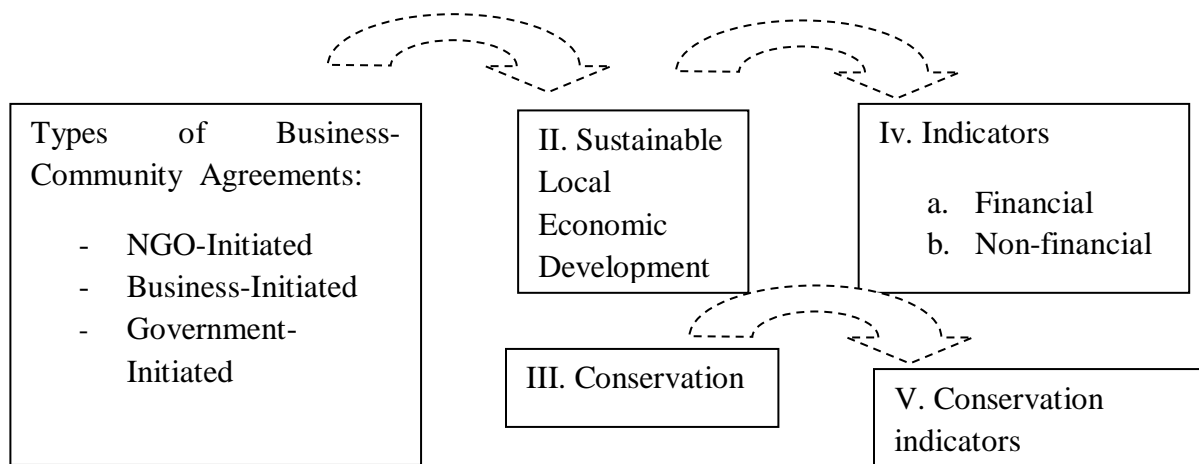
Government-initiated agreements are reached between the central government and a tourism company specialized in hunting trips. The tour operator pays for the hunting concession directly to central authorities, but a portion of the revenues is delivered to the district government. Some of these funds are intended for local economic development purposes, but the amounts received by villages have been reported to be small. The district is expected to assist in anti-poaching, in collaboration with game rangers from the relevant National Park authority.

All three models are centered on the fact that conservation is required and local development wanted. However, the difference between the three models is the number of communities participating in the partnership as well as the level of formal arrangements between the communities and the business involved.

### Research Design and case selection

In this study we investigate for different types of agreements to what extent the sustainable three sustainable local development and conservation aspects are met (figure 1). Three cases are studied for each agreement, so in total nine cases.

Figure 1 Conceptual framework



We defined the following sub-indicators as measurement instrument in our conceptual framework:

#### a. Financial

- i) amount of income earned from the agreement by the community
- ii) level of local employment
- iii) level of local sourcing of goods / services

b. Non-financial, through contributions to improving schools, health centers, water supply, roads

c. Conservation

i) is there a land-use plan?,

ii) employment of village game scouts

iii) environmental education

iv) perceived changes in numbers of wildlife in the area

An explanatory multiple-case study design (Yin, 2003) was used to study the relevance of Business Community Agreements (BCA) in contributing to local economic development and conservation. In order to assess the performance of the BCA models in the tourism sector in Northern Tanzania the study initially focused on the NGO-initiated BCA models. All the NGO-initiated BCA models which were in existence for more than three years were considered. In total there are three NGO-initiated partnerships in Northern Tanzania in existence for three years or more, which are operating in three different districts. It has been decided to assess all three NGO-initiated BCA models. In order to compare the performance of the NGO-initiated BCA model the study looked also at the business-initiated BCA models, and the government-initiated BCA models in the same district. Studying the cases in the three districts provides a means of comparison and an opportunity to identify factors that influence the success of partnerships which have not previously been considered in empirical studies for the region.

Purposeful sampling is used in order to identify three business community partnership cases per district and to ensure that all stakeholder groups are fairly represented. Stakeholders interviewed include the investor in the business (tour operator), members of the village government council, village members, district government representatives, central government representatives and NGOs in order to gain their perspectives on the partnership under study. A total of 62 stakeholders were interviewed (approximately seven per case) based on a semi-structured questionnaire. The interviews were asking about facts related to the three categories as showed in the conceptual framework: finance (amount of income earned from the agreement by the community, number of jobs as a result of the agreement, and the sourcing of food from the local community), non financials (to what extent the agreements contributed to the building of classrooms, wells, clinics and or roads) and the contribution to conservation (the number of village game scouts, anti-poaching patrols, environmental education and land use planning).

Visits to the research sites further facilitated access to information on the partnerships while also providing access to visual evidence of their day to day management and outcomes. Based on the indicators discussed earlier, the research-team, consisting of the authors, an assistant and a translator scored the data from the questionnaires. Rankings ranging from high to low were allocated per variable based on the relative level of impact per Business Community Agreement. This procedure allows for replication (Eisenhardt, 1991), enriches cross-region comparison, and helps to create a more robust theory (Miles and Hubberman, 1994). The three types of business-community partnership were assessed by comparing the three BCA models with each other (business-initiated, NGO-initiated, and government-initiated partnerships) explaining which type of community partnership was most successful in providing impact for both conservation and economic development. The unit of analysis is the business-community partnership.



## **The nine selected cases and the stakeholders**

All selected cases are focusing on sustainable local development. In order to assess the performance of the BCA models in the tourism sector in Northern Tanzania the study initially focused on the NGO-initiated BCA models. All NGO-initiated BCA models which existed for more than three years were considered. In total there are three NGO-initiated agreements in Northern Tanzania, which were in existence for three years or more and which are operating in three different districts. In order to compare the performance of the NGO-initiated BCA model the study looked also at the business-initiated BCA models and the government-initiated BCA models in these three districts. The business-initiated agreement is characterized by the fact that it is an agreement of one business with one village. The involved village (of an average population of 2000 persons) often leases the land to the business. The conservation and economic development objectives are equally important in these agreements. The NGO-initiated BCA models are characterized by the fact that more than one village is involved in the agreement as conservation is the main driver for these agreements and conservation is best done over a larger area with results in a agreement between a tour company and often three to ten villages. Government initiated agreements are characterized by the fact that these concern mainly hunting concessions between a tour operator and the government in which the operator deals on a voluntary basis with local communities. In each case we selected for our study, the involved business, the relevant government authority and a village which was selected in line with Yin, (2003) being the village which mostly addressed the research question (picked at random from a list of the involved villages per case). Studying the cases in the three districts provides a mean of comparison and an opportunity to identify factors that influence the performance of agreements which have not previously been considered in empirical studies in the region.

The identified cases are located in three districts (see the map in annex 1) of which the majority of the population is Maasai. All three districts are located next to important natural resources, i.e. The Kilimanjaro, the Serengeti and Tarangire National Park (and are classified as dry savanna). The first three cases are located in Longido district bordering west Kilimanjaro and covering a corridor area linking Kilimanjaro National Park with Amboseli National Park in Kenya. We examined out of the nine villages one village within the NGO-initiated agreement, one (different) village for the business initiated agreement and one (different) village for the government initiated agreement. The second three cases are in Babati district and is located around Tarangire National Park in Tanzania. We examined one village out of the 10 villages within the NGO-initiated agreement and one village for the business initiated agreement and one village for the government initiated agreement. The third district is the, Serengeti district in Mara region bordering Serengeti National Park. We examined one village out of the ten villages belonging to the NGO initiated agreement and one village for the business initiated agreement and one for the government initiated agreement.

## **Findings**

### ***Impact of Business-Community Agreement on Local Economic Development and Conservation***

We assessed the performance of each model in contributing to sustainable local development and conservation. Table 1 presents the findings. The impact on local economic development in all cases assessed is classified as high, medium or low. In the following, we present some general conclusions derived from table 1. *Business initiated agreements* on the whole brought higher financial benefits to villages as the contracts were on a one investor one village basis. In Babati district the income from tourism ranged from US\$30,000 to US\$ 50,000 for the village

per year derived from the presence of one tourism investor. In the business-initiated case in Serengeti the company reported payments of between US\$ 20,000 and US\$ 30,000 per year to the village. In the Longido business-initiated case came to over US\$12,000 from 1386 tourists to be shared between two villages (Cultural Tourism Programme, CTP, 2009, personal communication 10 December 2010). In addition, local guides earned US\$ 6,000 and local farmers, medicine men and story tellers earned nearly US\$ 7,000 in the same year. Accommodation in home-stays brought nearly US\$ 1,000 to families in the village (CTP, 2009 ).

**Table 1. Local economic development and conservation Outcomes**

	Longido District			Babati District			Serengeti District		
	Model I (Business-initiated)	Model II (NGO-initiated)	Model III: (Government-initiated)	Model I (Business-initiated)	Model II (NGO-initiated)	Model III: (Government-initiated)	Model I (Business-initiated)	Model II (NGO-initiated)	Model III: (Government-initiated)
Income	Med	Low	Low	High	Low	Low	High	Med	High
Employment	High	Med	Med	Med	Low	Low	Med	Med	Med
Local sourcing	Med	Low	Low	Med	Med	Low	Low	Low	Med
Increased access to social services and infrastructure	Med	Low	Med	High / Med	Low	Low	Med	Med	Med
Conservation	Med	High	Med/ Low	Med	Med	Low	Med	High	High

**Key to table 1:**

		LOW	MEDIUM	HIGH
Income		US\$ 3000 per year and below	US\$ 3000 – US\$ 15 000 per year	Over US\$ 15 000 per year
Employment		less than 5 people employed	5-15 people employed	over 15 people employed, including in man. positions
Local sourcing		no local sourcing	sourcing e.g. of meat and vegetables for staff	sourcing of food produce for staff & clients in lodge
Access to social services and infrastructure		no contribution to the provision of social services	contribution to the provision of services in one sector e.g. education	contribution to the provision of services in more than one sector e.g education, health, water, electricity
Conservation		Hardly any contribution to conservation	Some contribution to conservation through the use of village game scouts	significant contribution to conservation through the use of village game scouts, anti-poaching patrols, environmental education and land use planning

Income obtained from tourism was usually used for social infrastructure development. In Longido the income was used for education purposes – sponsoring secondary school students, and building of a watering hole for cattle. Some of the costs for running the village office were also covered by these funds (personal communications, July 22, 2010 and June 5, 2011). In Babati, money obtained from the agreement was used to support education services – contributions were made towards building the ward secondary school, and some 20 secondary school students were sponsored per year. A fund was also established for supporting economically disadvantaged groups such as orphans. In Serengeti, some of the income from tourism was also used to improve access to social services e.g. construction of classrooms for a secondary school, teachers' classrooms, a health clinic, and sponsoring 10 secondary school students and 10 students in universities or technical colleges using funds obtained from tourism. However, the village received extra income from tourist of between US \$ 50,000 and US \$ 200,000 every year for ten years, and although there was some social infrastructure development, this was not much higher compared to that of neighboring villages. Hence the issue of transparency and accountability on the use of earnings from tourism arises.

Conservation impact is best achieved by *NGO-initiated agreements*. Conservation efforts were strengthened in this agreement model as several villages were required to collaborate in patrolling the surroundings using village game scouts to prevent tree-cutting as well as wildlife poaching. Each village was required to have a land use plan which sets aside an area of land for wildlife. In Longido nine villages had set aside land for the WMA with 36 Village Game Scouts (VGS) responsible for patrolling the area, nine villages in Babati with over 30 VGS, and five villages in Serengeti with 20-25 VGS. However in all cases there was a need for better conservation planning and capacity building for the VGS, as well as management of CBOs. A sharper business approach also needed to be integrated into the model, for example more effective marketing of the WMAs to attract investors so that financial and economic development outcomes from this agreement model are improved. Currently financial and social-infrastructure benefits from the NGO-initiated agreement model are low. In Longido, income to each village once divided amongst nine villages, were minimal – not exceeding US\$ 3,000 per year. In Babati, income per individual village was also around US\$ 3,000 per village per year. In Serengeti, the village under focus received payments of nearly US \$ 10,000 in 2009, and a payment of nearly US \$ 15,000 is expected for the year 2010 - this level of income is higher compared to other cases in this model due to a higher investor ratio relative to the number of villages in the agreement – nine investors to five villages (compared to two investors to nine villages in both the Longido and Babati cases).

In the *government-initiated agreement* cases where the tourism investor had made voluntary agreements with the village, some financial benefits and social infrastructure development, as well as conservation outcomes were passed on to the village. In Longido, the tourism business put money directly into areas such as scholarship funds for secondary school students, digging water wells and supporting local beekeepers. In 2010 some 40 secondary school students were sponsored by the company. In addition, to the amounts paid to central government for a hunting concession (US\$ 27,000 per hunting concession per season), the company contributed an additional US\$2800 to the village for development purposes (personal communication, March 3, 2010). To promote conservation, the tourism company invested a significant amount of funds into tree-planting, raising environmental awareness through a movie and into anti-poaching patrols. However, there was no formal organization to achieve conservation goals at the village level in this model.

In the government-initiated agreement in the Serengeti the village received between US \$ 20,000 and US \$ 30,000 income on land-leasing agreements with the company. These and

other funds from tourism contributed to building an office, two teachers' houses, classrooms for the ward secondary school, and 120 desks. The company also assisted in projects such as sinking bore holes and installing a water pump for village use. The contribution towards conservation by the company was also high as over 100 anti-poaching scouts have been employed, equipped with vehicles and other facilities to enable them to effectively patrol the area. The company is also involved in research and monitoring of wildlife. It was found that the amount of poaching has decreased, and the number of wildlife has increased 60% in 2010 since the company was established four years earlier. In both government initiated agreement cases where contributions to local economic development and to conservation were treated as medium and high respectively the companies had a strong Corporate Social Responsibility (CSR) ethos, and due to their strong financial position, they were able to invest a significant amount of resources towards these goals. Interestingly, the Serengeti and Longido government initiated agreement cases made their own agreements with the communities. In the case where the company did not initiate agreements with the village, the agreement had a low level of success in terms of contributing to local economic development and in contributing to conservation.

It can be concluded that business-community agreements have an impact on local economic development by being a structure that emphasizes conservation and local economic development. Even the government initiated agreement cases are looking for ways to have a relation with communities. However the priorities per agreement are different. NGO-initiated agreements are focusing on conservancy while Business initiated models are putting emphasis on some aspects of local economic development namely jobs and income provision. If we are now looking at the best cases in terms of local economic development, then we find five cases which do score medium. All three business-initiated agreements score medium on LED indicators. However, all three business-initiated cases score medium on conservation. On average the NGO cases score higher on conservation (table 2).

**Table 2 Summarizing the outcomes on Conservation and Local Economic Development scoring**

Case	Local Economic Development	Conservation
Longido Business-initiated	Med	Med
Longido NGO-initiated	Low	High
Longido Government-initiate	Low/Med	Low
Babati Business-initiated	Med	Med
Babati NGO-initiated	Low	Med
Babati Government-initiated	Low	Low
Serengeti Business-initiated	Med	Med
Serengeti NGO-initiated	Med	High
Serengeti Government initiated	Med+	High

Interestingly there is one case that is an example of the way conservation and economic development can go together. In the government initiated agreement case in the Serengeti the

company put in substantial own resources to protect wildlife with their own anti-poaching units and hired as a result many local staff, which provided income to the local people. Moreover the company attempted local sourcing. Remarkable is their linking to NGOs that provide agricultural expertise to the local community in order to facilitate the production of timely, quality and quantity agricultural products in their venture. Local farmers and entrepreneurs benefit under this. However, this system is subsidized by a wealthy investor and the hiring of 300 staff for anti-poaching is not something to be repeated easily.

## Conclusion and Recommendations

### ***Discussion: Linking conservation and local economic development***

Can local economic development and conservation go along? In the nine cases studied we see that either conservation is leading in terms of impact, headed by the NGO initiated agreements, or local economic development is leading and then it is often business initiated. It is interesting to note that the NGO initiated agreements have public funding earmarked for conservation. The business initiated agreements use private money for conservation. The business initiated agreements deals with one single community while the NGO initiated agreements deal with 5 to 10 communities, which give them the possibility to focus on a wider area. This favors conservation. In the business initiated case conservation is important, but is limited to a much smaller geographical area for animals. The risk that they are being poached in an area not included in the business agreement is much higher than when 10 communities are involved. Moreover, the primary focus of these two agreements is also different. The main objective of the NGO initiated agreements is conservation or wild-life management while the business initiated agreements are focused on establishing good relations with the communities in order to address *also* conservation. Only in one government initiated agreement we found a medium to high score on the impact on both local economic development and conservation respectively. We noted in this case that the company involved put in a lot of money to address both conservation and local economic development equally.

What does this tell us about the linking of local economic development and conservation? Is there conservation without local development or vice versa? Apparently both ways are possible. If we dig deeper we see that if there is a focus on conservation, the provision for local economic development is low as in the NGO-initiated case in Babati which focuses on 10 communities. In this case the benefits from an agreement with a business need to be shared with too many communities. As a result both conservation and local economic development are hampered. The relation between conservation and local economic development is an important one. At the same time the business agreements with one community, as is the case in business initiated agreements, hampers *a priori* conservation. Agreements should ideally focus on a wider area. The more communities involved the better for conservation, provided there are sufficient funds available.

Finally it is interesting to see that the partnerships researched can be defined as community based economic development (Helmsing, 2000) whereby the partnership contributed to the various aspects Blakely (1994) mentions. The stimulation of a sense of community (a) can be linked to (b) self-help and empowerment which was provided by the establishment of organizational structures which were responsible for the management of the partnership. Although, this aspect did not come much to the forefront in the government initiated partnerships. The contribution the the employment (c) was part of the study and was in all cases researched more or less successful. The improvement of living and working conditions in the

community (d) and the creation of public and community services is linked to each other and was assessed by looking at the impact of the partnership on infrastructure and conservation. The model of Blakely focuses more on institutional building than on the economic *opportunities* for local economic development. In the model used in this study, this issue of economic *opportunity* comes much more to the forefront by assessing to what extent the partnership is contributing to income, employment, local sourcing. These three issues were identified before (Spencely, 2008) and should become an integral part in assessing local economic development in community setting.

The factors influencing these partnerships are successful in they achieve both economic and environmental goals (Gunningham, 2007). In this study, the case which focused mostly on both these aspects was also most successful. Also the issue of scale (Gunningham, 2007) whereby “partnerships relating to a single business” will be more tending to success than more complex partnerships. In this study the issue of scale was related to the number of communities involved. It was found that too many communities related to less economical benefits to the community members. Finally Loza (2004) concluded that BCP’s are “expected to contribute to LED and conservation. In this study it can be concluded that the also the type of BCP matters. Overall, Business Initiated Partnership tend to do better than NGO or Government Initiated Partnerships.

Finally, the crux for future policy lies in the dichotomy of a focus on both conservation and local economic development. Within this policy the focus need to be a sort of agreement between a company and a community whereby the community rights in light of local economic development are protected and at the same time the obligation of the community(ies) to work together with the business on conservation.

## **Recommendations**

In terms of Elkington (1997) what should come first: the planet, the people or the profit? It was often argued that without profit there is no assistance for the people and no possibility to protect the planet. However, recent sustainability thinking gives our earth and its people more priority (Fisk, 2010). We have to conserve what we have and economic development should follow. But conservation is often a long-term affair.

A partnership between a business and a community needs to cater for both conservation and local economic development. Tourism is an important source of income for countries with a lot of wildlife like Tanzania. It is the second biggest foreign income earner after the mining sector. Policy makers should address conservation and local economic development in these areas in parallel. Partnership agreements as researched can be a model to address the trade-offs and provide for development. Interestingly no single agreement researched is functioning in such a way that both local economic development and conservation are served in a balanced way. In all cases assessed, however, the overriding variable is funding as came to the forefront in the government initiated case in the Serengeti. Only if a large investor is prepared to invest in local economic development and conservation at the same time, outside funding for conservation and local economic development is not required. Local development and conservation in wildlife areas as such cannot be achieved both at the same time through a self-financing mechanism. If the community tax for tourist becomes too high, less tourists will come to the area as we found in the Longido NGO initiated case. It is important to have a framework for communities and companies in which local economic development and conservation addressed. The government initiated agreements were often the ones with the least specific rules but had (except for one

case) also the worst results in terms of promoting local economic development and conservation.

These cases highlight the importance of building positive relations between communities and companies, and the need to ensure that both parties see the benefits of tourism. Conservation of wildlife resources is only possible when villagers see tourism as a real and viable economic opportunity. If wildlife does not generate benefits, or the benefits do not reach the rural population, people are unlikely to conserve nature and wildlife (Arntzen, 2003, Walpole & Goodwin, 2000). Conservation should play an integral part in local economic development in relation to wildlife tourism, but conservation can never become self-sustaining in the sense that tourism per bed night fee can fully subsidize all conservation efforts. Either the government or the businesses are required to put in extra knowledge and resources to guarantee this balanced growth of both conservation and local economic development.

In all agreement cases studied there is an opportunity for the government, both at a central and at a local level, to become more actively involved in providing regulation, but also to support efforts for more conservation at one hand and for more stimulation of income generation activities at the other. It is crucial for the government to make better use of its natural resources both for tourism as well as for agricultural purposes and livestock. Communities are still growing rapidly and without alternative income generating activities, conservation will be at risk. Business community partnerships are an interesting policy mechanism to stimulate conservation and local socio-economic development at the same time and as such provide for a valuable contribution to the literature on LED.

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