Chapter 11
Promoting Conservation Tourism: The Case of the African Wildlife Foundation's Tourism Conservation Enterprises in Kenya

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Abstract This chapter examines the organizational form of tourism conservation enterprises, which has been developed and promoted by the African Wildlife Foundation (AWF) since the late 1990s. By deploying commercial tourism as a mechanism to attain conservation and livelihood goals, tourism conservation enterprises are interesting cases to illuminate the market-based approach to conservation. This chapter describes the development of this organizational form, its main features and the main challenges in implementing and managing these ventures. The chapter concludes with an outlook on this market-based approach to conservation. It suggests that tourism conservation enterprises need to be marketed as being distinct from mainstream safari lodges, if they are to become a separate market category in the wildlife tourism industry. Only when tourists and their service providers, such as tour operators and tourist boards, understand the added value of these conservation ventures, sufficient benefits can be generated to achieve the ventures' social mission.

Keywords Conservation tourism • Conservation enterprises • African Wildlife Foundation • Kenya

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11.1 Introduction

The previous chapters in this book provide several illustrative examples of how conservation NGOs increasingly deploy tourism as a mechanism to derive economic benefits from wildlife in order to enhance the protection of wildlife and their habitat. For instance, eco-lodges, fishing lodges and curio shops are launched to generate tourist dollars for conservation. In so doing, these organizations engage in conservation tourism, referring to tourism that intends to make "an ecologically significant net positive contribution to the effective conservation of biological diversity" (Buckley 2010: 2). However, the promotion of conservation tourism by conservation NGOs is also disputed. Political economists and ecologists criticize such market-based approaches to conservation for serving the interests of the corporate world rather than the interests of local communities (e.g. Brockington et al. 2008). This raises the question *why* conservation organizations have come to engage in such commercial tourism activities to accomplish their conservation mission.

This chapter addresses this question by examining the organizational form of tourism conservation enterprises (TCEs), developed by the African Wildlife Foundation (AWF) in the late 1990s. AWF is a conservation organization with a unique focus on Africa. Headquartered in Nairobi since 2007, it has offices in 18 African countries, as well as in the United States and the United Kingdom, and employs over 200 staff, the majority of whom are African. Conservation enterprises (CE) are defined as "a commercial activity which generates economic benefits in a way that supports the attainment of a conservation objective" (Elliott and Sumba 2010: 7). Combining the business of an eco-lodge or tented camp with biodiversity conservation, TCEs offer a valuable opportunity to study the market-based approach to conservation. The case study of AWF's conservation enterprise model presented in this chapter is partly based on Van Wijk et al. (2014), which draws on interviews with AWF representatives (n = 13) and stakeholders in Kenya's conservation tourism field (n = 17), (organizational) documents, public sources and field observations. This material was supplemented with a detailed reading of the 2011 AWF publication titled 'Conservation enterprise: A decision support toolkit', and updated with information from AWF's website. It is relevant to note that some respondents were interviewed multiple times and some interviews involved multiple respondents. In our study, respondents are referred to as RES-A-continuous number for AWF representatives and RES-O-continuous number for interviews with stakeholders in the conservation tourism field.

The chapter is structured as follows. We first present an historical account of how AWF developed its conservation enterprise model. We then discuss the main features of this model, and continue by presenting several examples of TCEs. Following the discussion on different challenges in implementing and managing such enterprises, we conclude with an outlook on the future of TCEs in Kenya's conservation tourism field.

11.2 The Evolution of AWF's Conservation Enterprise Model

AWF was founded as the African Wildlife Leadership Foundation (AWLF) in 1961 by a group of US citizens who aimed to help African countries in conserving their natural and wildlife resources after their independence. Headquartered in Washington, DC at that time, the organization's main field office was in Nairobi, Kenya. This section presents a brief chronology of its enterprise program in Kenya, indicating how AWF adopted a market-based approach to conservation as an emergent process to the challenges experienced with the 'fortress' conservation model and the global discourse on Community-based Natural Resource Management (CBNRM) and later partnerships, also among the donor community. Table 11.1 summarizes the main events in the development of AWF's enterprise program.

In its founding years, 'fortress conservation' was central to AWF's work. This approach emphasized the protection of biodiversity for its intrinsic value in national parks and nature reserves. In Kenya, the first national parks were gazetted in the 1940s and managed by park authorities. As reflected in its founding name, AWF primarily focused on research and education in wildlife conservation with the aim to build up the capacity for African leadership in game and park departments. Exemplary activities include founding a wildlife management training school in Tanzania, offering scholarships for wildlife management studies at US universities, raising funds to establish novel parks and reserves; and supporting park authorities in their work to combat poaching.

While national parks and nature reserves formed a major tourist attraction for Kenya, local communities hardly benefited from this tourism trade. Commercial

Table 11.1 Overview of the main events in AWF's conservation enterprise model development

Year	Main event
1961	Launch of the African Wildlife Leadership Foundation (AWLF)
1962	Founding of the College of African Wildlife Management, Tanzania
1983	Name change into African Wildlife Foundation (AWF)
1987	'Neighbours as partner' programme, focusing on community conservation in Tsavo National Park
1989	Launch of parastatal Kenya Wildlife Service (KWS), replacing Kenya's Wildlife and Conservation Management Department
1992	Conservation of Biodiverse Resource Areas (COBRA) project (until 1998)
1996	Il Ngwesi community lodge opened for business
1997	Commerce, Economics and Conservation (CEC) project
1998	Heartlands programme
1998	Wildlife Enterprise and Business Services (WEBS) project
1999	Conservation of Resources through Enterprises (CORE) project (until 2005)
1999	AWF brokers a fair deal between community and operator at Klein's Camp, Tanzania
2001	Koija Starbeds lodge opened for business
2007	The Sanctuary at Ol Lentille opened for business
2011	Launch of the African Wildlife Capital (AWC)

and subsistence poaching furthermore formed a major threat to the wildlife in the parks and thus to the tourism industry. With wildlife roaming outside national parks (and the associated human–wildlife conflicts) and national parks being too small for healthy wildlife populations, the need for community involvement in conservation became evident in the 1980s. The central premise was that communities neighboring on parks should benefit from the wildlife, so that this would change their attitude towards wildlife and to get them to help protecting it. Although such community-based conservation was already experimented with around Amboseli national park in the 1950s (Western and Wright 1994), community-based conservation became the focal point of AWF's conservation work in the 1980s. Supported by bilateral donors, such as the US Agency for International Development (USAID), AWF engaged in outreach activities and benefit-sharing programs. Community-based conservation was spearheaded by the 1977 ban on sport hunting, which made the need to protect wildlife for photographic tourism more pressing in Kenya. As AWF increasingly engaged in field work and its activity portfolio thus moved beyond education and capacity building, it changed its name in 1983 into African Wildlife Foundation (Sachedina 2008).

Concurrent with CBNRM developments in southern African countries, community-based conservation became more entrenched in Kenya's conservation field in the 1990s. More specifically, USAID started the COBRA (Conservation of Biodiverse Resource Areas) project to support the in 1989 instated Kenya Wildlife Service (KWS), in its efforts to implement community-based wildlife conservation and management. The COBRA project ran from 1992 to 1998 with the aim to increase the socio-economic benefits from wildlife to the communities neighboring on parks. For instance, ecotourism projects, such as the community-based Il Ngwesi lodge, were experimented with under COBRA (e.g. Manyara and Jones 2007). Although promising, the ecotourism projects also made clear that communities lacked the entrepreneurial skills and savvy needed to turn these lodges into economically viable enterprises. Partnerships with private sector parties were hence seen as the way forward (Watson 1999).

Building on its experiences as a subcontractor in the COBRA project and sponsored by several donors, AWF started to include the enterprise approach in its own conservation work. More specifically, it started a project in 1997, in which numerous studies were conducted on how wildlife could 'pay for itself'. It also collaborated in a research project on community-based conservation in Kenya, Namibia, Tanzania, Uganda and Zimbabwe (Hulme and Murphree 2001). Furthermore, AWF launched a 1998 project offering advisory services, such as due diligence, legal advice and community mobilization, to communities and private sector parties to develop wildlife businesses in biodiversity-rich areas. This project was launched as AWF realized that the contracts between the communities and the private entrepreneurs who engaged in tourism activities on communal land were skewed, favoring the market parties.

Although the initial idea was that of private sector parties (and communities) having to pay for such consultancy services, this idea was not effectuated because donors made money available for this brokerage work between private sector parties and communities. More specifically, USAID started the CORE program

(Conservation of Resources through Enterprises) in 1999 to promote enterprise development as a viable mechanism to generate a direct flow of benefits to communities. AWF was again one of the main subcontractors, and the project ran up to 2005. Against the backdrop of this enterprise-based approach to conservation within the CORE project, AWF adopted a landscape-level approach to conservation. It defined 'Heartlands', such as Samburu, Kilimanjaro and Maasai Steppe, with the intent to "[augment] protected areas and [help] to manage the surrounding areas, considering the needs of native species, ecosystem processes and local stakeholders" (Henson et al. 2009: 508). Conservation enterprises became one of the strategic interventions in these landscapes to provide economic benefits to communities and protect wildlife. In 2000, AWF formally embedded the conservation enterprise approach within its organization by appointing a new director in charge of the advisory services for enterprise development. The Koija Starbeds lodge (see Chap. 12, this volume) is an example of an enterprise developed under CORE and brokered by AWF (see also Elliott and Sumba 2010; Lamers et al. 2014; Nthiga et al. 2011).

In the mid-2000s, AWF's enterprise program had crystallized and the approach was exported to other Heartlands in Africa as well as to other sectors, such as agriculture, livestock, non-timber forestry and fisheries. AWF had learned that tourism is not always a suitable strategy to generate a sufficient flow of benefits to communities of over 5,000 people. Moreover, not every area is attractive or suitable for tourism. While the enterprise approach has now become mainstream among conservation organizations in Kenya, AWF is considered the pioneer in developing this approach. Supported by different donors, it started to share its rich experiential knowledge in enterprise work by developing toolkits (e.g. AWF 2011) and to standardize its practices. In 2011, it also launched the African Wildlife Capital, a social impact investment company. This company is involved in financing small and medium-sized enterprises that can create positive conservation benefits.

By standardizing and professionalizing the enterprise work and launching an investment company to tap into the growing market of social venture capital, AWF aims to speed up the launch of CEs necessary to 'reach scale' (i.e. generate flows of benefits to the extent that these will alter the behavior of communities in favor of wildlife conservation). The launch of AWF's investment company illustrates how the market-based approach to conservation has gained a solid footing in AWF's work. This development aligns with the global discourse on business partnerships (promoted at the Johannesburg 2002 Summit) and the emergence of the social impact investment movement (O'Donohoe et al. 2010).

11.3 The Main Features of AWF's Conservation Enterprise Model

AWF (2011, preface) describes CEs as businesses "designed to provide incentives (primarily through monetary and non-monetary benefit flows) for communities and landowners to conserve wildlife on their land, without targeting specific individuals within a community". Another description is found in the same document, stating that CEs are about "creating businesses that are profitable enough to support communities adjacent to wildlife areas and foster a conservation ethic" (AWF 2011: 3). CEs thus are established to generate flows of benefits from wildlife to communities and thereby to alter the community's perceptions of wildlife, getting them to see wildlife not as a nuisance or threat to their livelihood, but as an asset from which benefits may be derived. In addition to single enterprises, such as eco-lodges, bio-enterprises in honey and handicraft shops, CEs may also refer to value chain interventions. For instance, in 2004, AWF launched a sustainable coffee project with the Starbucks Company. The project provided smallholder coffee farmers with training and techniques to improve their coffee-growing practices and helped them to gain access to markets, in order to, amongst others, combat deforestation for agricultural land and secure an elephant corridor (AWF 2011).

This section details the main features of the CE approach of AWF, using TCEs as a point of reference (see Table 11.2). We draw on our interviews and on the

Table 11.2 Main features of the institutional arrangement of tourism conservation enterprises

Feature	Description	
Main focus	Conservation on landscape level by increasing conservation incentives for landowners through tourism	
Actors involved and their roles	Communal land owners	Owners of land on which conservation areas are created and on which lodges have been built and from which livestock is to be excluded in order to attract wildlife for photographic tourism
	Private entrepreneurs	Manage the lodge in terms of daily operations, marketing, sales and product development
	NGOs	Broker, arbitrator and expert in conservation
	Donors	Finance the community mobilization phase and co-finance the construction of lodges and the transfer of immovable assets to the community
Legal entity	Joint venture or partnership based on formal contract	
Ownership	Community	
Management	Private sector party	
Sources of finance	Transfer of immovable assets occurs through different funding mechanisms (e.g. donor and grant funding matched with social impact investments, social venture capital, equity shares and loans). Such funding is leveraged with private capital of the private entrepreneur	
Contribution to conservation	By securing land as conservation area, the amount of land available for conservation increases. By strategically selecting the location for such conservation areas, corridors between already protected areas can be created, allowing for landscape-level conservation	
Contribution to livelihood	People's livelihoods are improved, among other things, by the receipt of various types of fees (e.g. bed-night fees, conservation fees and facility lease fees); direct employment and local procurement opportunities; and the construction of health clinics and schools. Next to such tangible benefits, intangible benefits, such as increased security and empowerment, are important positive social impacts of tourism conservation enterprises	

AWF's toolkit (2011), which describes in detail how to start up a CE project, get a deal signed, open a CE for business and make it perform successfully.

"Conservation enterprises are, above all, businesses" (AWF 2011: 47). Yet, the launch of a CE needs to be justified from a conservation point of view. For instance, the threatened mountain gorillas in Uganda were the rationale for launching TCEs in this country (Ahebwa et al. 2012). The main focus of CEs, thus, is biodiversity conservation.

In a TCE, such as an eco-lodge, the actors involved are the (communal) landowners, the operator/manager of the venture, and a trusted third party. First, communities (i.e. organized in group ranches in Kenya) are involved as owners of the land on which the lodge is built. Given the conservation rationale, such communal land is potentially rich in biodiversity and has been identified as land that is critical to connecting protected areas, such as buffer zones or corridors for wildlife migration. Communities set aside land for the construction of this lodge and declare this land a conservation area, thus excluding livestock grazing and other wildlife unfriendly behavior, such as poaching and charcoal burning. In most jurisdictions, legal ownership of land and buildings cannot be separated (AWF 2011). Hence, ownership of these lodges is vested in the community through different funding mechanisms, such as donor funding. In order to compensate the community for the opportunity costs of conserving the land involved and to provide them with an economic incentive to respect the conservation agreement, lodge revenues are shared with the community through payment of various types of fees. The second party involved in a TCE is a private sector party. This party is responsible for running the TCE as a sound business. Management, marketing and sales, and product development reside with the private sector party, because most communities lack the required business skills and capacity to perform such activities. The third party involved often is an NGO that helps to prepare and establish a deal between communal landowners and the private sector party. More specifically, AWF offers "facilitating services in due diligence and business planning, identifying private sector partners, legal contracting, community mobilization, and raising capital" (AWF 2011, preface). AWF not only performs the role of "honest broker" to arrive at fair business deals, but also that of "interim arbitrator" (AWF 2011: 42) in case these deals become contested. It should be noted that, once a partnership deal has been closed, it is governed by a specifically created trust. For instance, the Kijabe Conservation Trust (see Chap. 12, this volume) governs the Koija Starbeds lodge and its Board of Trustees involves group ranch representatives (two members), the private investor (two members) and AWF (one member). The reason why AWF takes seat in such boards is "to support the enforcement of contracts and encourage accountability and good governance. Rigid scrutiny on the part of AWF and government builds compliance over time" (AWF 2011: 25). Although the government generally is not involved in such partnership deals, AWF's toolkit book (2011) emphasizes the importance of involving the government in the mobilization process to ensure government support for the project and to achieve compliance with the contract, more easily.

In terms of the legal entity of the arrangement, a TCE is a joint venture in the sense that it is "a form of business partnership where partners have separate roles and are regulated by a contract" (AWF 2011: 10). Communities require a legal status for such contracting, often in the form of a company, trust or cooperative (AWF 2011). AWF initially focused on social institutions, such as trusts to organize local communities, whereas today it explores the use of economic institutions, such as shareholder corporations (AWF 2011), because social institutions "do not lend themselves well to modeling money, investing money and getting good returns out of conservation" (RES-A_{11}).

With respect to TCE ownership, these ventures are examples of "social ownership" (Von der Weppen and Cochrane 2012: 499); that is, ownership and management of assets reside with different parties. Ownership of the venture resides with the community, while the business entrepreneur is in charge of the management of the venture. This model differs from the typical safari lodge, where the private entrepreneur both owns and manages the lodge. It also differs from the community-based tourism enterprises that were developed under the label of CBNRM in the 1990s, with both ownership and management being put in the hands of the community. In addition to legal reasons, the rationale for transferring ownership to communities is to increase the "sense of ownership" and thereby the conservation incentive (AWF 2011: 14).

Different sources of finance are involved in developing TCEs, such as grants, debt financing, equities and user rights exchanges (AWF 2011). Initially, AWF mainly used grant funding, whereas currently it increasingly provides loans to communities to bring back the element of risk in enterprise development. As put by a respondent: "[donor money is] free money, [which] removes risk from an enterprise context. And risk is probably the most important driver of enterprise success" (RES-A_9). There are examples of enterprises that were developed only because donor money was available, but they "do not have the entrepreneurial culture around [them] to create good business". Moreover, donor funding focuses on 'green field projects' rather than on investments in existing projects and the transformation of others in order to increase their conservation impact (RES-A_9). Kenya's Lion's Bluff provides an illustrative example of the use of different finance mechanisms: 55 % of the required investment of USD 420,000 was mobilized through grants and community funds, and 45 % through private equity partnership. Using debt financing, the community diluted the private equity in order to fully own the lodge (AWF 2011). However, although AWF aims to reduce the share of donor funding in investments, donor funding remains relevant to leverage private sector capital and finance the costs of community mobilization, deal-making and implementation.

The main premise of CEs is to contribute to conservation and livelihood improvement. In addition to increasing the number of acres of land available for conservation by setting aside communal land for biodiversity protection, TCEs aim to incentivize communities to engage in wildlife-friendly behavior and respect the boundaries of the conservancy. Most AWF brokered deals involve a combination of a fixed, guaranteed annual sum and a variable sum based on lodge performance (e.g. bed-night fees) (AWF 2011). Conservation fees are charged to cover the costs of managing and protecting the conservancy. A fixed, annual facility lease fee is paid by the operator to the community (AWF 2011). It is relevant to note that AWF has adopted a 'top line' approach rather than a 'bottom line' approach in sharing the tourist dollars. Rather than sharing profits (which can be easily manipulated by transferring costs in and out), AWF advocates "a share of the top line, so a share of bed night fees, a share of turn-over, things that communities can see. They saw tourists coming; they knew they were going to get their 20 % of those tourists" (RES-A_{10}). These fees are paid to the community both directly and indirectly. Group ranch committees typically receive a direct share of the benefits or the right's fee paid by the entrepreneur operating on group ranch territory, which they can manage and distribute as they see fit. Benefits are also distributed indirectly, through the trust board for maintaining key interests of the partnership, such as protecting the conservation area (e.g. community scouts), maintaining the property, and in different social projects (e.g. healthcare provision, school bursaries) (also see Chap. 12, this volume).

In addition to these money flows, TCEs also generate economic benefits through direct employment and local procurement. Spin-off businesses may also be launched, such as curio shops that sell beadwork made by women. Communities may also benefit from investments in infrastructure such as roads and communication systems. Social benefits include the construction of health clinics and schools and the provision of bursaries. Also relevant are intangible benefits, such as community empowerment and an increased sense of security (e.g. against cattle rustling) (AWF 2011). The importance of community game scouts, who patrol the area, engage in anti-poaching activities, monitor wildlife and prevent human-wildlife conflicts (AWF 2011), was also underscored by our respondents: "The impact of improved security in Laikipia [Province] as a result of the conservation movement has had a higher economic multiplier effect than any of the income that already was up there. Nobody is talking about that. People are just used to looking at how much money is there in the enterprise. But the enterprise cannot generate money until the enabling environment, which is security, is in place" (RES-A_5). Said another respondent: "We cannot evaluate the lodge by looking at how much money or dividends we get at the end of the year. If you go in that direction, then you will say this is not a viable project. But when you really look at other benefits, you will see it's doing something" (RES-O_{10}).

11.4 AWF's Tourism Conservation Enterprise Portfolio

The first deal brokered by AWF between a tour and lodge operator and community was in Tanzania in 1999. It was the first deal "where the private sector partner fully recognized the need to make the deal equitable, to keep its financial books open and be transparent for its community partner and to build the capacity of the community to help manage the lodge" (RES-A_{10}). AWF's portfolio in TCEs has been growing ever since. Reportedly, over the past 15 years, AWF has launched more than 60 CEs across Africa, with a focus on agriculture and livestock (35 %) and tourism (65 %) (AWF 2014). Table 11.3 presents several examples of TCEs brokered by AWF.

Table 11.3 Examples of tourism conservation enterprises brokered by AWF

Name lodge	Year opened	Country	Number of beds	Conservation rationale	Size conservation area (in acres)	Direct economic benefits
Koija Star Beds	2001	Kenya	8	Protection of wildlife habitat	500	>USD 20,000 annually
Lions Bluff	2001	Kenya	24	Recovery of overgrazed land Protection of migration routes	125,000	–[a]
Sabinyo Silverback Lodge	2007	Rwanda	8	Protection of mountain gorilla habitat	–[b]	–[a]
The Sanctuary at Ol Lentille	2007	Kenya	16	Protection of wildlife habitat	–[b]	–[a]
Satao Elerai Camp	2007	Kenya	28	Protection of wildlife corridors	4,350	USD 90,000 (in 2012)
Clouds Montain Gorilla Lodge	2008	Uganda	10	Protection of mountain gorilla habitat	–[b]	Since opening: >USD 150,000
Manyara Ranch Tented Camp	2010	Tanzania	12	Protection of migration route Prevent habitat degradation and fragmentation	44,000	–[a]
Ngoma Safari Lodge	2010	Botswana	20	Protection of wildlife habitat	–[b]	–[a]
Machenje Fishing Lodge	2013	Zambia	10	Protection of wildlife habitat and elephant corridor	49,421	–[a]

Source: AWF (2013)

[a]No information provided, other than descriptive data on community investments, such as in health care and education

[b]No information provided or not applicable

11.5 Challenges Related to the Tourism Conservation Enterprise Model

As described in Sect. 11.3, three parties are relevant in the TCE model: the communal land owners, the private entrepreneur/investor and the trusted third party. Drawn from our interviews, this section details some of the challenges these parties face in their work related to the enterprise and identifies some lessons learned.

11.5.1 The Community

Community challenges are central in conservation enterprise development. Communities are far from homogeneous; they consist of subgroups, hierarchies and status differences, which create difficulties in governing partnership deals. As put by a respondent: "It is very easy to set up a project and go run it to completion. The most challenging part is when it comes to benefit sharing. Benefit sharing has become a headache in community development circles. […] But the moment the project is complete and revenues start coming in, that is when you will see their true colours" (RES-A_{13}). In addition to politics and power plays with respect to benefit sharing within communities, the low educational level of community members and their limited exposure to the business environment also create challenges in governing partnership deals. A large number of community members understand little of business dynamics in general and the tourism business in particular. In this respect, CEs in livestock and agriculture are easier to understand for community members, as the benefits are personalized and direct; a coffee farmer sells his beans and receives money. Yet, with TCEs, community members find it difficult to understand that the tourist dollars also need to be invested in business activities, such as marketing and maintenance (RES-A_5, A_{13}, O_9, O_{10}). On the other hand, communities have become empowered. They have learned from exposure visits to TCEs in other regions, such as to the Maasai Mara and Amboseli. They know what the tourism revenues more or less should be. Said a respondent: "We are no longer in a cage and the communities are getting sharper and sharper" (RES-O_4). This is also evident from the fact that some group ranches have their own lawyers (who possibly grew up in that area), something that did not exist 5 years ago (RES-O_{16}).

As other chapters in this book address these community dynamics in more detail, we will not discuss them here. Nevertheless, we would like to highlight two community aspects indicated in our interview data. First, our interview responses hint at the emergence of a generation conflict within communities (RES-A_4, A_{13}). Respondents suggest that the young are better educated and better understand the tourism trade, but are also more ambitious and have a short-term focus. They question the deals that were signed by their fathers, creating a hostile environment for private investors:

> The younger guys are more reckless than the older guys. The older guys are more sober, they can weigh things up, but these [young] guys have a rush of blood, they say let him [investor/lodge manager] go, we can get another one but everyone remembers that with this group of guys, I might go and be the next victim. But the older guy would have looked at it differently, get little for a long time or negotiate from the inside (RES-A_4).

At the same time, the younger generation also has the opportunity to become more involved in the management of the TCEs, as they are better educated and have been more exposed to external dynamics (RES-A_{13}). Furthermore, our data point to elite-capturing, which is well recognized in the literature (Brockington et al. 2008; Nelson 2008). In those studies, tourism is seen as an inherently capitalistic mechanism that ultimately benefits those in power. However, some of our respondents argued that elites are critical in making enterprises work: "Without local elites, projects will not take hold because they are such an influential group of people, not for us, but for the community itself. If the elite object, a whole section of the community will object" (RES-A_3). Therefore, a related lesson is to actively involve both the youth and the elite from the very start of a TCE project, giving them the space to further the project goals, rather than excluding them from its development.

11.5.2 The Business Entrepreneur

In searching, identifying and selecting the right business partner for conservation enterprise development, AWF looks for entrepreneurs who support the organization's mission and "accept the triple bottom line of conservation, profitability and community livelihood" (AWF 2011: 16). Yet, private entrepreneurs face four challenges in achieving this tripartite objective. First, conservation objectives may become threatened because communities engage in illegal grazing within the conservation zone, create more pressure on the land by increasing livestock numbers, and perform wildlife-unfriendly behavior, such as poaching. While the central premise of the CE model (and CBNRM more broadly) is that people will change their behavior once they realize the economic value of wildlife, getting people to truly alter their actions is challenging (RES-A_{11}). If they do not change their behavior, however, this will threaten the tourist product, as "tourists come to see wildlife and not cattle" (RES-O_{12}). Moreover, changes in governmental policies may also affect the business environment. The Kenyan government allows group ranches to be subdivided, which also poses a threat to the tourist product. By selling individual plots of land, enterprise development is mushrooming; for instance, in areas around Amboseli national park. Yet, tourists do not pay for viewing a neighboring lodge; they want to experience the wilderness (RES-O_{FG1}). Furthermore, entrepreneurs are encouraged to hire local staff to run the lodge. Yet, this poses a challenge, as the local workforce is hardly trained in providing services in high-end tourism facilities. To address this capacity gap, AWF increasingly includes clauses about the transfer of knowledge and skills in the contracts with private entrepreneurs (RES-A_7). Finally, in order to successfully run an exclusive conservation tourism facility, it is critical to effectively market the lodge and create access to the main inbound tour operators, who, in turn, have access to the main international source markets. An interview with a community-based lodge tells us that it is precisely these links that present the major challenges for the profitability of community-based enterprises (RES-O_9, O_{10}). Given the different challenges faced by business entrepreneurs in TCEs, a related lesson is that these entrepreneurs should be social entrepreneurs at heart;

taking a long-term perspective to deliver the social, biodiversity and economic impacts and be "significant agents in the complex and unpredictable dynamics of change" (Von der Weppen and Cochrane 2012: 509).

11.5.3 The Trusted Third Party

Before AWF started with its advisory services for TCEs, it analyzed existing enterprise deals outside protected areas. The study revealed that many deals with communities were lopsided, favoring the private sector (RES-A_2). The need for a trusted broker was thus recognized and AWF started its enterprise program. AWF's initial idea was to encourage the private sector and perhaps even the communities to pay "a kind of broker dividend" (RES-A_{10}). However, money from bilateral donors was made available for such brokerage, and paid consultancies never materialized. Yet, brokerage can be a costly process, as community mobilization may take 1–2 years (RES-A_2) and, more importantly, brokerage does not end when a contract has been signed between the community and a private entrepreneur. As put by a respondent: "Once you start supporting an enterprise, it is a full time job" (RES-A_5). Being a member of the board of trustees that governs partnership deals, AWF has experienced that it also has to perform the role of arbitrator, mediator and "fire fighter" (RES-A_8) in implementing the contract. As put by a respondent:

> [N]o one knows what can happen if the AWF seat is not filled by an AWF person. Most likely the whole deal may collapse. Because in meetings, there is a lot of reliance on AWF's arbitrating. AWF has a lot of roles, trying to cool down people […] We entrenched ourselves in a system and we cannot pull ourselves out (RES-A_8).

Although AWF involvement in governing partnership deals is welcomed to smooth interactions and monitor compliance with the contract, community representatives sometimes find AWF's presence in the meetings incommodious as it requires transparency about "what is coming in and how it trickles down to the community" (RES-A_{13}). Moreover, there are also limits to the extent of interference in community processes to make the TCE model work in practice. For instance, decisions on how to invest tourism revenues and how to deal with unethical behavior by committee members are left to the community institutions, although AWF and private investors, at times, would like to see otherwise. A related lesson, thus, is that brokers in enterprise development should carefully consider how to manage and finance the implementation stage. This involves a delicate balance between being sufficiently involved to gain and maintain the trust of both parties (RES-A_3), while keeping "a healthy distance" (RES-A_5) in order to allow both community and private entrepreneur to build the capacity to solve issues on their own. Only then can the third party's role be reduced over the life cycle of the partnership (cf. AWF 2011).

11.6 Conclusion

This chapter started by arguing that TCEs are an illustrative example of the market-based approach to conservation. This approach became popular among conservation NGOs in the late 1990s, in response to the state-led biodiversity protection and community-based conservation approaches. Our detailed study of AWF suggests that the adoption of market-based approaches to conservation was an emergent and reactive process that aligned with the global macro-cultural discourse on CBNRM and business partnerships, and mirrors the neo-liberal approach to nature conservation in a broader sense. While the use of tourism as a mechanism to generate revenue for biodiversity conservation is increasingly criticized (Brockington et al. 2008; Büscher 2010; MacDonald 2010), it is likely that this development will continue, for two reasons. First, the tourism potential of Africa is enormous. A recent World Bank report argues that Africa is currently experiencing an economic takeoff, with tourism as one of the main driving sectors. In 1990, Sub-Saharan Africa attracted 6.7 million visitors, whereas in 2012 it received 33.8 million visitors. In 2012, tourism generated over USD 36 billion and directly contributed 2.8 % to the region's GDP (Christie et al. 2013). The UN World Tourism Organization (2014) projects that the international tourism demand will continue to grow for Africa, by 4–6 % in 2014. In addition to the international demand, national tourism is also on the rise in countries such as Kenya. There is an emerging middle class with a relatively high disposable income living in urban areas and seeking to take short weekend trips. This offers huge market potential for wildlife tourism in areas within driving distance of Nairobi, such as in Laikipia Province (RES-$O_{5,}$ RES-O_{14}). Thus, there is a demand for pristine beaches, unique landscapes and untamed wildlife. The second reason for the continuing development of tourism as a way to generate revenue for biodiversity conservation is that there is private sector capital available to finance such conservation tourism projects (Credit Suisse et al. 2014; O'Donohoe et al. 2010).

In order to attract tourists and social impact investors, however, social enterprises in tourism have to be recognized as a new and distinct market category in wildlife tourism. Put differently, people should gain an understanding of the distinction between TCEs and mainstream safari lodges, to enable these TCEs to carve out an independent niche in the wildlife tourism industry (cf. Weber et al. 2008). More specifically, outbound tour operators and their inbound tour operating subcontractors should be aware of this distinction, as tourists tend to make more use of tour operators when travelling to Sub-Saharan Africa compared to other parts in the world for organizing their visa documents, tours and accommodations (Christie et al. 2013). Recognizing this market need, AWF is already actively promoting its lodges as 'conservation lodges' (AWF 2013) and its logo works as a quality hallmark for these lodges (RES-O_{FG1}). However, concerted effort by all organizations involved in the conservation tourism industry is required, in order to reach a critical mass. Reportedly, there are about 250 tourism-related conservation enterprises that involve the local community, in areas ranging from accommodations (e.g. campsites and lodges) to activities (e.g. bird watching) and attractions (e.g. cultural centers, waterfalls and sanctuaries) (Ministry of Tourism/Commonwealth Secretariat 2009). There is an urgent need to benchmark these organizations on their governance structures, established benefit schemes and conservation impacts, in order to develop a certain standard (RES-O_1). Such standard setting will help to develop a common basis among conservation-based enterprises, necessary for making these enterprises stand out and attract investors and visitors. After all, TCEs are businesses.

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