

Pro-poor tourism as an engine of growth and prosperity can only become successful if it is based on the full participation of local communities in all aspects of the venture

# Pro-Poor Tourism:

The Ecolodge, A Niche Entry Point

Egypt Network for Integrated Development

---

**Policy Brief 014**

## **Pro-Poor Tourism: The Ecolodge, A Niche Entry Point**

With very rare exceptions, Hotel, Catering and Tourism (HCT) is financed by large-scale entrepreneurs or international corporations, with very little input or representation from low-end local capital. Equipment, furnishings, fittings and senior staff are generally imported to the hospitality sites, and lower level staff recruited from the pool of candidates from Egyptian hotelierie or university graduates. The primary goal is international standard comfort, and, for tourism, longer-stay visitors, although some facilities target short visit lower-end custom in the metropolis and large cities. Opportunities for pro-poor participation in HCT are virtually non-existent in Egypt, and in particular, in rural Egypt.

## **The Pro-Poor Tourism Formula**

Pro-poor tourism as an engine of growth and prosperity can only become successful if it is based on the full participation of local communities in all aspects of the venture, including affordable local ownership, the use of indigenous resources and products, present local traditional, historic and natural attractions, the promotion of homegrown hospitality measures, and the development of local management proficiency. The outcome is expected to highlight native culture, provide local investment opportunities, generate income, and open up untapped international and local tourism development opportunities in underserved regions.

To impact significantly on job creation and poverty reduction requires an *integrated* approach that aims to raise incomes through multiple development channels that intersect. The integrated approach would take into account the multiple relations between tourism and poverty. These include access to the market for the locals through shared ownership, opening up new sources of livelihood, including off-farm employment opportunities, stimulating the agricultural sector to introduce new crops for a tourist market, stimulating the creation and growth of new MSME to provide new products for visitor purchase and consumption, promoting public and private development of new infrastructure and transport services, fostering enhanced care of nature preserves, upgrading workforce skills (new languages, customer service), providing incentives for improved management of resources. Further, pro-poor tourism would contribute to the promotion of MDG (Goal1) gender and youth empowerment for the poor (Goal 3) and environment sustainability (Goal 7).

## **The Ecolodge Model**

The creation of an Ecolodge - a hospitality model whose primary value is to exploit the multiple functions played by a low-cost, low-priced community-owned project. It can promote specific underdeveloped destinations, particularly in rural areas, but

its major impact would be to provide linkages with other sectors of the tourist economy, reinvigorate the supply chain, employ women and youth, and provide a template that is competitively and easily replicable elsewhere. Taking into account the lack of viable rural capital for large collaborative HCT projects, as well as the necessity of invigorating regional economies, and providing alternative tourism experiences to a growing number of visitors, the realistic option for pro-poor growth is for small-scale low capital developments, anchored in sites also able to provide unusual or heritage experiences, capable of becoming community owned and managed, and replicable elsewhere.

Such models have proved successful in many countries in Africa (Kenya, Tanzania) Asia (Thailand) and South America (Brazil,) amongst many others, and provide win win alternatives for local poor populations and foreign visitors eager for novelty and cultural immersion.

This concept of the Ecolodge<sup>1</sup> exists in Egypt<sup>2</sup> although, by and large, genuinely applied very infrequently, although branded and marketed under the ecotourism flag. An ecolodge is not a promotional device by exogenous investors, to attract high end tourists, but unfortunately this is often the case, as in the Siwa venture in the western governorate of Matrouh. To be pro-poor, an ecolodge must be a low cost, low-impact, low risk option for participation by the indigenous population, rather than a commercial gimmick. It must offer a setting that uses locally harvested and sustainable or recyclable building materials, provide an environment that reflects the designs and heritage of the local culture, is affordable to local investors, and generate shared profit and raised income for local populations, with spinoff effects for native producers of material, goods or services. The ecolodge provides visitors immediate access to local life, thereby offering a deeper insight into the physical and cultural integrity of a country.<sup>3</sup> This innovative approach to development engages communities as beneficiaries and guardians of environmental and cultural heritage<sup>4</sup>

## **Opportunities**

The incentives of an ideal winter climate, advantageous geographic location, year-round access to the Red Sea resorts on the Eastern perimeter, and the desert fringes on both Eastern and Western boundaries of rural Egypt – these natural advantages place rural Upper Egypt in an advantageous position. A pristine rural landscape and nature preserves are an added benefit. The rich agricultural potential remains latent, despite its capacity to supply the HCT industry with fresh produce, and its

---

<sup>1</sup> ILO, Poverty Reduction Through Tourism, Geneva, 2011

<sup>2</sup> See [www.shandalodge.net](http://www.shandalodge.net) and <http://www.altarfa.net>

<sup>3</sup> Ibid

<sup>4</sup> ILO Ibid. Ecotourism is fashionable and growing. It represents about 2 percent of the \$2-3 trillion estimated to be spent on trips worldwide.

harvest of off-season and early seasonal yields of fruit and vegetable crops (also feeding into the export market). Handicrafts and traditional skills have a deserved reputation but need to be reinvigorated and upgraded to supply the tourist trade, and in some cases, exports. Wages are low and competitive, produce is inexpensive, the youth bulge an opportunity for labor requirements. Young women, the hidden asset in the conservative South of Egypt, have, in a variety of projects,<sup>5</sup> shown great determination in enrolling in training workshops. Poor rural women, a special concern, are keen to acquire income-generating skills in crafts and home produce, within the cultural norms of their traditional societies.<sup>6</sup> Rural youth would find greater off-farm employment opportunities, especially if trained into qualifications that meet market needs. Savings from remittances could find fruitful benefit and return in micro and small entrepreneurial projects. All these factors, if exploited efficiently, could bring prosperity to Upper Egypt.

Why Upper Egypt? Because this region is the least developed in all of Egypt with the highest poverty rates. And yet, it is the region with the highest concentration of ancient monuments, monastic centers, Sufi centers and mosques. It has close access to the Red Sea resorts on one side, and the Western Desert with its sundry Oases on the other. In short, it is also a geographical pivotal point. Today, there are eight governorates of Upper Egypt along the Nile, from Cairo to Aswan. Upper Egypt as a whole can still be viewed as a discrete entity, maintaining its own distinctive characteristics in Arabic dialect and social mores. Geographic and economic conditions have played their part in insulating Upper Egypt from the growth and progress experienced in other parts of Egypt. Today, immense efforts are underway to tackle these drawbacks and to focus on the rapid development of this region, which remains largely rural and poor.

Only a few Upper Egypt governorates have to date taken advantage of the concentration of historic wealth and magnificent monuments on their riverbanks, the cultural assets that promote tourism. There is rich potential to maximize these attractions and to develop the supporting facilities that would attract investment. Tourism is already the economic backbone to the governorates of Luxor and Aswan. These two locations are frequently treated as discreet destinations, with few links to a broader perception and grasp of the Upper Egyptian experience. For example, the close neighboring Qena governorate's advantageous geographic location, linking it closely to both governorates, its unique Temple of Dendera and considerable Islamic and Christian heritage position it as an ideal entry point for synergies to impact significantly more effectively on job creation and poverty reduction. Additionally, the Red Sea ports and diving centers are linked via Qena which lies at a halfway point. Those visitors wishing to include rural Egypt and its ageless culture in their itinerary make Qena an ideal setting for contemplation and ecotourism.

---

<sup>5</sup> Egypt Network for Integrated Development 2013 ([www.enid.eg](http://www.enid.eg)) Handicraft skills and home-based products in a number of projects show oversubscription from young women eager to become more productive and earn an income.

<sup>6</sup> Ibid

Qena, as other Upper Egyptian governorates, has been an important, if neglected destination for visitors. The surrounding mainly rural communities are economically depressed. The quality of agricultural output is low, and lacks available off-farm occupations. An increase in population has brought about an increase in poverty and unemployment, cultural constraints have relegated women to the home, while remittances from migrants find no opportunity for productive investment.

### **The Tourism Value Chain**

Taking the value chain as one example of how tourism impacts on local conditions and create opportunities within the context of Ecolodges, to fit within a broader strategy for the Upper Egypt region, this pro-poor option expands tourism choices and opportunities, creates a virtual circle of development efforts around its location, and becomes a source of multiple livelihood and income-generating prospects. Opportunities arise for farmers in the supply chain of foodstuffs and beverages, non-farm livelihood opportunities can be addressed through small enterprises producing handicrafts to sell to visitors, while local carpentry and timber are there for furniture and fittings, growth and diversification of craft skills in remote areas would be through the one village one product approach, providing job creation opportunities and ownership for marginalized segments such as women or youth. Additionally, tourism provides jobs for construction workers, and linkages with local government and central authorities would meet infrastructure needs, and – if aware of corporate social responsibility, with participation from the private sector.– with corporate participation – of infrastructure essentials such as improved road networks, greater transport facilities, new dock facilities, and so forth. It also would promote upgraded staffing skills for healthcare, skill and environmental management.

### **The Importance of Sustainability**

A related concern is that any pro-poor tourism development program should be sustainable. This has been defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”<sup>7</sup> The ecolodge model fits well into this definition as an entry point to pro-poor tourism development in Upper Egypt. Further, the International Labour Office in Geneva has added that “sustainable tourism should make optimal use of environmental resources, maintain essential ecological processes and help conserve natural resources and biodiversity. It should respect the socio-cultural authenticity of host communities, conserve their established and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance while ensuring long-term economic operations, providing equal socio-economic benefits to all stakeholders, including stable employment, income opportunities,

---

<sup>7</sup> The World Commission on Environment and Development (Bruntland Commission) 1987.

social services to host communities, and contribute to poverty alleviation.”<sup>8</sup> The ecolodge model is a low risk, inexpensive pilot hospitality model whose primary function is to display the multiple functions a low-cost, low-priced community-owned project can have on promoting underdeveloped parts of Upper Egypt as a destination, provide linkages with other sectors of governorates’economy, reinvigorate the supply chain, employ women and youth, and provide a template that is competitively and easily replicable elsewhere. This exclusive model, attractive to high end trendsetting visitors, would precede and eventually complement the introduction of a traditional hotel chain catering to mass tourism in locations other than Luxor and Aswan.

---

<sup>8</sup> Toolkit on Poverty Reduction Through Tourism, International Labour Office, Geneva, 2011.