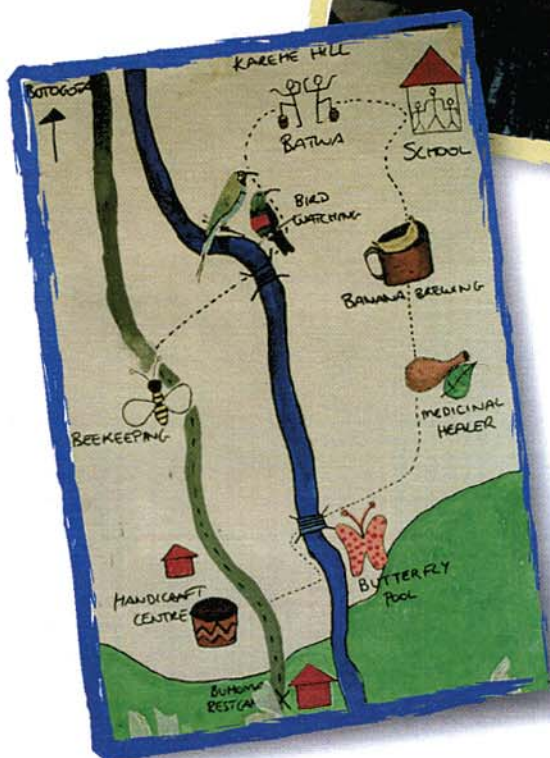
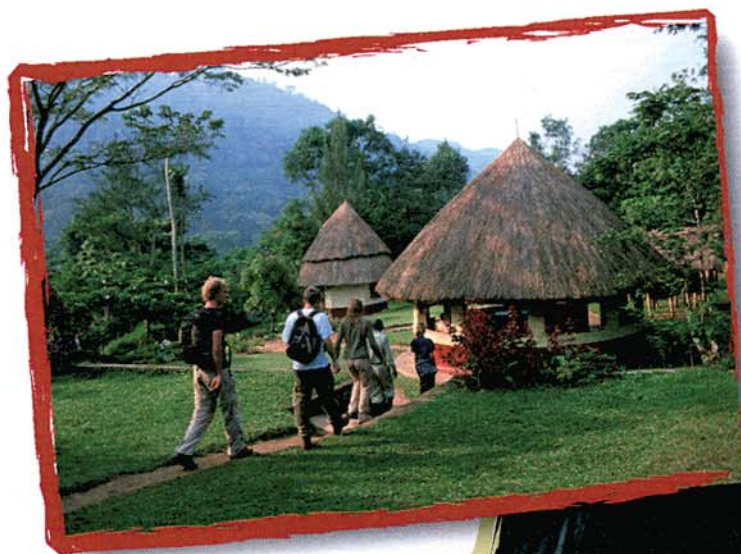


## Community-Based Tourism: Income generation and conservation of biodiversity in Bwindi World Heritage Site, Uganda. The Buhoma Village Walk Case Study



**COMMUNITY-BASED TOURISM:  
A CASE STUDY FROM BUHOMA,  
UGANDA**

## **Introduction**

This paper describes how community-based tourism activities were developed in Buhoma, Uganda in the context of the FAO/United Nations Foundation (UNF) project Community-Based Commercial Enterprise Development for the Conservation of Biodiversity at World Heritage Sites. The overall goal of this Enterprise Development Project (EDP), which was implemented from 2001 to 2004, was to create viable small-scale enterprises to generate additional income for local communities while providing incentives for sustainable natural resource management at Bwindi World Heritage Site. The project was implemented by a local non-governmental organization (NGO), the Mgahinga and Bwindi Impenetrable Forest Conservation Trust (MBIFCT), which has been supporting community development in villages surrounding Bwindi Impenetrable and Mgahinga National Parks since 1995.

Prior to the establishment of Bwindi Impenetrable National Park (BINP), the local communities (Bakiga and Batwa) depended on the forest for such resources as weaving materials, medicinal plants, hunting, honey collection, fruit gathering and building poles. Batwa (pygmies) are said to have lived in the forests until the early 1960s. When Bwindi was gazetted as a national park, the people were barred from removing forest products, some of which had played a crucial role in their livelihoods. Currently, some villages have access to multiple use zones (MUZs) in the park for the limited harvesting of some products (e.g., medicinal plants, honey and weaving materials). However, the existing harvesting quotas are very low and do not provide scope for enterprise development in these areas.

The main challenge of the project was therefore to identify viable small-scale enterprises based on natural resources located outside the park, and to establish a link between income generation and conservation of the park. To achieve this objective, the project used the FAO market analysis and development (MA&D) approach to select viable enterprises through the systematic inclusion of market, environmental, institutional, social and technological dimensions in the planning process. Participatory rapid market appraisals were used to combine existing knowledge with market and technology information from outside the area, while increasing the local capacity for market analysis and, therefore, ensuring market-driven strategies for enterprises. The process of MA&D consists of three phases as presented in Box 1.

At the end of phase 2, the following products/services were identified as having the highest potential for development: honey, handicrafts, mushrooms, Irish potatoes, passion fruits and community-based tourism activities.

## **Tourism in Bwindi**

BINP is located in southwest Uganda. The park's rare afro-montane vegetation provides one of the richest habitats in East Africa for birds, butterflies, trees and mammals, including chimpanzees and more than half of the world's remaining mountain gorilla population – more than 300 individuals. BINP has a continuous range of ecosystems from lowland, through medium altitude to mountain forests. Sectors of the forest have been protected since 1932, and it was declared a national park in 1991. Because of its rare and wide biodiversity, the United Nations Educational, Scientific and Cultural Organization (UNESCO) has accorded BINP the status of World Heritage Site (WHS).

BINP was opened to tourists in 1991. The mountain gorillas are the primary attraction of the park. Tourists pay US\$360 to track one of the three groups of gorillas, plus US\$20 for park entrance fees. Only 20 percent of entrance fees are shared with the people living in the parishes surrounding the park. Because entrance is limited to 18 people per day, local communities receive only very small amounts of revenue from the park. The aim of the FAO project was to counter this trend by developing community-based tourism services that would be managed by local community members and would benefit them directly.

#### **Box 1      Market analysis and development process**

The MA&D process is conducted in three phases.

##### **Phase 1: Assess the existing situation**

Phase 1 identifies potential enterprises, lists existing resources and products, identifies products that already provide income for local people, and eliminates non-viable products. Local people interested in developing enterprises determine their own economic objectives.

*Outcome:* a shortlist of products on which to base the next phase of MA&D; identification of local people who are interested in developing enterprises; investigation of the social, environmental, technical and institutional contexts of a range of products; and formation of interest groups to undertake the next phase.

##### **Phase 2: Identify products, markets and means of marketing**

The second phase of MA&D includes selecting promising products, identifying potential markets and discussing the means of marketing.

*Outcome:* a list of possible products based on detailed feasibility studies; data to help the design of a business plan; formation of interest groups around promising products; and formation of a team to undertake the final phase.

##### **Phase 3: Plan enterprises for sustainable development**

In the final phase, the enterprise strategy and business plans are prepared. Entrepreneurs are guided through a pilot phase and training, learning how to monitor progress and adapt when change is needed.

*Outcome:* enterprise strategies for selected products; marketing and management plans; action plans for proper implementation; and financing as specified in the capital needs statement.

#### **Implementation of MA&D steps for the development of community-based tourism activities**

The FAO project identified three parishes adjacent to BINP in which to pilot the project. One parish – Mukono – was selected because the park entrance is located in this area and it was considered to be the right place for exploring the possibility of developing community-based tourism activities. During the project's first village workshop, which took place in June 2001, representatives from neighbouring villages, as well as local Uganda Wildlife Authority (UWA) staff and private lodge owners agreed that community-based tourism was one of the priority areas for enterprise development. The MA&D methodology was used to identify which specific tourism activities should be developed in the area.

## **Phase 1: Assess the existing situation**

### **Step 1: Identify the target group**

In August 2001, local UWA staff, MBIFCT staff, the manager of Buhoma Community Rest Camp (local accommodation for tourists, which is managed by the Buhoma community) and members of the Mukono Production and Environment Committee (a local committee that deals with development issues) attended a meeting at which it was decided that the target group of people to be involved in tourism activities should comprise the inhabitants of Nkwenda and Mukono villages located nearest to the park entrance.

### **Step 2: Determine the financial objectives of the target group**

Once the target group of potential entrepreneurs had been identified, the next step was to determine the extent to which they wanted to improve their financial situation through the future enterprises. The outcome of discussions held with the target group was that households needed additional income to cover the costs of school fees and health treatment.

### **Step 3: List existing resources and possible services**

A meeting of representatives from Nkwenda and Mukono was held in October 2001 to brainstorm ideas for possible community-based tourism enterprises that use the existing natural and cultural attractions of the area. These ideas were then combined with information provided by MBIFCT and FAO staff on types of tourism activities developed in other countries that could be replicated in Bwindi.



*Workshop to discuss the opportunities and constraints of potential community-based tourism activities in Buhoma*

The resulting list of possible activities included bird watching and construction of bird watch towers, mountain biking, paragliding, horse riding, a forest canopy walk, a village cultural walk, a handicraft workshop and improvement of Buhoma Community Rest Camp accommodation facilities.

### **Step 4: Identify key constraints**

At this meeting, participants reflected on opportunities and constraints relating to market, socio-cultural, environmental and technological aspects of the potential tourism activities proposed. The results of this exercise are shown in Table 1.

**Table 1**

<b>Enterprises</b>	<b>Opportunities</b>	<b>Constraints</b>
Bird watching	Bwindi is a famous bird watching destination. Tourists travel from all over the world to see the native birds of this area. Willingness of certain community members to be trained as bird watching guides	Training of guides takes a long time
Mountain biking	Good roads/trails for mountain biking	Purchase of good mountain bikes involves a medium-sized upfront investment
Paragliding		No local knowledge on how to manage this business Large upfront investment
Horse riding	Excellent area for horse riding	No local knowledge on keeping horses Large upfront investment
Forest canopy walk	Excellent opportunities for combining bird and chimpanzee watching on the fringe of the park	UWA reticent about giving authorization
Village cultural walk	Villages with typical homesteads and traditional activities close by Community members interested in being trained as guides	Necessity to obtain UWA authorization
Handicraft workshop	Tourist interest in watching artisans at work Relatively easy to rent house near entrance to BINP for the workshop Gives women somewhere to meet and work	There are many different handicraft groups in Buhoma – difficult to reach agreements on how to run a workshop
Campground facilities	Basic infrastructure in place Low cost of improved infrastructure	People feel that the rest camp has already received a lot of support and other activities should be developed

**Step 5: Shortlist a range of services**

Once the target group members had analysed the opportunities and constraints of the suggested enterprises, a range of services with high potential for development were chosen by eliminating those that were obviously too risky to be developed. The village cultural walk, the handicraft workshop, bird watching and improvement of Buhoma Community Rest Camp facilities were considered to be the activities that would benefit the local community the most, given the resources and timing of the FAO project.

**Phase 2: Identify products, markets and means of marketing**

Between November 2001 and January 2002, a number of surveys were commissioned to investigate the potential for developing the tourism activities shortlisted in phase 1.

First, a tourism consultant with experience in lodge building/renovation visited the Community Rest Camp and gave technical advice on improvements that could be made to the existing accommodation facilities. These included converting the existing meeting shelter into a proper tourist information centre, extending the dining room on to an open terrace, renovating the kitchen to accommodate campers who want to cook their own meals, and building a bird watch tower at the bottom of the camp on the forest fringe. Short-, medium- and long-term plans for the development of facilities were presented to the rest camp manager at the end of the consultancy.

A handicraft development expert, involved in exporting crafts from Uganda and experienced in training handicraft groups, was recruited to carry out a feasibility study of the handicraft workshop in Buhoma. He concluded that local natural resources could be used sustainably to make new products (e.g., baskets, place mats, wood carvings and paper products) based on existing traditional artisanal skills, and that these could be sold successfully locally (mainly to tourists) and in Kampala. The handicraft workshop would generate income for local artisans in two ways: as a handicraft selling point in Buhoma, and as a workplace where tourists would pay fees to observe how local crafts are made. A small garden with examples of plants used to make natural dyes would add to the attraction for tourists.



*A variety of herbs used by the Bwindi communities*

A professional ornithologist and bird watching guide was recruited to investigate the potential of Buhoma as a bird watching site. Although Bwindi Impenetrable Forest is already one of the best-known bird watching destinations in East Africa, the objective of the project was to encourage tourists to visit bird watching venues located outside the park and to ensure that these venues are managed by local community members. The ornithologist identified five excellent bird watching sites outside the park, including swamps, hills and sites along the river Munyaga (which skirts BINP boundary). He also identified ten community members who had received initial training in bird watching in the past and who should be given further training in migration, distribution of bird species, taxonomy and habitats, in order to start practising as bird guides.

Finally, local community members, MBIFCT and local UWA staff were involved in surveying possible sites for the village cultural walk. An initial meeting was held to brainstorm on possible sites near the entrance to the park that might be interesting for tourists; each proposed site was then visited and assessed. Some sites were rejected (e.g., a hot water spring that turned out to be a murky, cold puddle, and a cave that was far away and difficult to reach), but most were included in the walk itinerary. Currently, the walk starts and ends at the Buhoma Community Rest Camp at the entrance to BINP. It passes through a typical African village with typical rural homesteads. The sites on route are: the local women's handicraft centre, where a 15-minute craft making demonstration is made, a water fall, tea plantations, a banana brewing demonstration site, a traditional medicine healer, a local school, bird watching in a community woodlot, a brewing site for the local gin (waragi), and a Batwa music and performance site.

Based on the feasibility studies carried out in phase 2, it was decided to focus the project's limited resources on developing one good tourism product – the Buhoma village walk. Bird watching sites and the handicraft workshop were incorporated as sites on the walk. A village walk enterprise group was created; this is composed of eight guides selected from the local community according to set criteria, and a number of site owners, i.e. households that manage the sites where tourists stop. For example, one household was selected to show tourists how local drinks are made from banana trees, and another was selected to show tourists how local traditional herbal medicines are collected and prepared.



*A woman shows tourists how to prepare a local drink made from fermented banana juice*

The following section describes how the enterprise development plan for the village walk was formulated and implemented.

### **Phase 3: Plan enterprises for sustainable development**

#### ***Step 1: Define the enterprise mission, goals and objectives***

MBIFCT organized a workshop at the beginning of February 2002 to assist members of the village walk enterprise group to define the goals and objectives of the enterprise. These are described below.

Goal: The Buhoma village walk enterprise aims to develop a high-quality community-based tourism product for tourists visiting BINP, thereby increasing the variety of tourism activities offered in the area, while also providing members of the local community with an alternative source of income directly linked to conservation.

#### Objectives:

- Economic objective: To generate additional income of US\$30 per month per household.
- Social/institutional objective: To develop strategic alliances among community enterprise and NGOs, government institutions and private sector companies.
- Environmental objective: To develop a product that does not have a negative impact on the environment



## **Step 2: Develop strategies in each of the four areas of enterprise development**

During the workshop in February, the enterprise group developed strategies in each of the four areas of enterprise development (market, socio-institutional, environment and technology). These were defined as follows.

Sales targets, markets and promotion strategies: The enterprise aims to attract 1 000 visitors a year (approximately 2 000 people visit Buhoma every year for mountain gorilla watching), which is a manageable number within the carrying capacity of the walk. The visitor fee was initially set at US\$5 (U Sh 10 000) per person, but was subsequently increased to US\$7.50 (U Sh 15 000). Promotion strategies used to reach the target market include developing a brochure on the walk, listing the walk as one of Bwindi's tourism activities in the UWA brochure, and marketing the walk by guides at local tourist lodges.

Social strategy: The trail and enterprise were designed in consultation with local community members in order to avoid conflicts and to ensure that there were no negative impacts on local culture. Guides receive 30 percent of the tourist fee, the community walk coordinating committee 10 percent, and the Buhoma Council 20 percent for funding development projects in the whole parish. The remaining 40 percent of the tourist fee is distributed among stakeholders in the village who participate in the walk (70 percent to private landowners and 30 percent to Batwa households). Of the 17 applicants from the whole parish, eight guides were selected for training. Only one woman was selected because the others lacked English language skills, but strategies will be explored for addressing this challenge in the future. The woman guide subsequently married and moved to another area, and so there are now seven guides.

Environment strategy: Infrastructure improvements, establishment of garbage disposal sites and design of the trail were carried out in consultation with UWA and MBIFCT in order to avoid any negative impacts on the environment or wildlife.

Technological strategy: Local, low-cost materials were used to make infrastructure improvements on the trail.

## **Step 3: Formulate action plans to implement the strategies**

For each of the four strategies, the enterprise group developed corresponding action plans.

### **Action plan for Buhoma cultural village walk**

<b>Areas of enterprise development</b>	<b>Activities</b>
<b>Market</b>	<ul style="list-style-type: none"><li>- Two workshops on business plan development, three meetings with entrepreneurs to discuss performance, tourist numbers, quality control, management and financial targets for the enterprise.</li><li>- Ten consultations/meetings with local stakeholders (including community members, UWA staff, Institute of Tropical Forest Conservation (ITFC) staff, International Gorilla Conservation</li></ul>

	<p>Programme (IGCP) staff, and representatives of Buhoma Community Rest Camp Association) to design the trail and subsequently to address problems related to running of the walk.</p> <ul style="list-style-type: none"> <li>- Recruitment (one week) of community-based tourism expert to assist in design of trail.</li> <li>- Committee for Culture and Tourism Development (of Buhoma Council) encouraged to meet once a month to monitor performance of the village walk.</li> <li>- Two four-day training workshops for community guides (covering customer care, site interpretation, etc.) carried out by the Community Based Tourism Initiative (COBATI).</li> <li>- Development and monthly analysis of tourist questionnaire.</li> </ul>
<b>Social/institutional</b>	<ul style="list-style-type: none"> <li>- Training of UWA staff (Community Conservation Warden, Community Conservation Ranger and Tourism Warden) as facilitators for community meetings on the village walk.</li> <li>- Facilitation of interaction/communication between the village walk enterprise and managers of local tourist lodges.</li> <li>- Awareness raising campaign on the village walk enterprise with the Ministry of Tourism, Uganda Tourist Board (UTB) and Association of Uganda Tour Operators (AUTO).</li> </ul>
<b>Environment</b>	<ul style="list-style-type: none"> <li>- Environment conservation module included in training of guides and site owners.</li> </ul>

#### ***Step 4: Calculate financial projections for the enterprise***

In March 2002, MBIFCT staff and the international MA&D trainer facilitated a meeting at which to calculate the estimated revenue, the costs of inputs needed for the walk (e.g., uniforms and equipment for guides, construction materials for building trail infrastructure, etc.) and the profit the enterprise would make. These figures are contained in the enterprise development plan in Annex 1.

#### ***Step 5: Obtain financing***

The project adopted a policy of providing small grants for the start-up of enterprises, and part of these funds was used to cover the costs of inputs (e.g., construction of the trail and equipment for guides) needed for the village walk enterprise.

#### ***Step 6: Initiate the pilot phase and training***

Between March and September 2002, the local guides received training in interpretation, customer handling and bird watching. Most of the training was carried out by the Community-Based Tourism Initiative (COBATI), a local NGO with experience in community-based tourism development. The decision of the UWA Tourism Warden to allow local guides to accompany the UWA guides on gorilla tracking expeditions was also very helpful for the formation of the local guides.

The village walk enterprise was ready to start operating in June 2002, but it took more than six months to obtain authorization from UWA to open the walk to tourists officially. This delay was caused by a conflict of interests between the local community members and UWA staff. On the one hand, the local communities were in a hurry to open the village walk even before all the security and logistical requirements had been satisfied. On the other hand, UWA feared the potential competition between UWA tourism activities inside the park and community-based tourism activities outside it. Mediation between the two parties by MBIFCT and FAO staff was instrumental in resolving this conflict. At the end of 2002, there was a change in management at BINP, and the new UWA Tourism Warden, who was very much in favour of supporting

community-based tourism activities officially, launched the village walk at an opening ceremony in December.



*Tourists set off on the walk from the Buhoma Rest Camp*

### ***Step 7: Monitor progress and deal with change***

The village walk enterprise has now been operating for almost three years. As shown in the Table in Annex 2, the walk has generated significant additional income for the enterprise members, both local guides and site owners. It has established cultural exchange and dialogue between local community members and tourists, and has helped to conserve local natural resources. Community members' willingness to conserve park resources has increased because the generation of income from the enterprise is directly linked to the existence of BINP.

### **Lessons learned**

It is key to involve all stakeholders from the beginning to ensure successful outcome of activities: All stakeholders (e.g., government authorities, local communities, the private sector and NGOs) must participate in the planning and development of community-based tourism activities from the start. The involvement of local community representatives, local lodge managers, MBIFCT staff and local UWA staff was key to the success of the initiative.

Proper marketing makes a major difference to product sales: The development of a simple brochure (see Annex 3) with text and photos to illustrate the village walk led to an increase in the number of tourists going on the walk. This shows that investment in advertising (through printed material, Web sites and agreements with tour operators) is key for increasing product sales.

Service quality is essential for enterprise sustainability: The village guides received initial training on customer care and interpretation from COBATI, and training on bird watching from the ornithologist. However, it is now two years since the last training was held, and some tourists have been complaining that the guides are providing incorrect historical, environmental and social information. It is of paramount importance to invest in regular training sessions in order to guarantee a service that maintains a high level in the long term.

It is important to ensure that beneficiaries are capable of managing additional income:  
The village walk has brought clear economic benefits to Buhoma community members. However, it has been brought to the attention of project management that increased income generation has corresponded with increased use of alcohol by community members, especially in the Batwa ethnic group. This shows that activities for income generation should be accompanied by activities to support the good management of savings.

## Annex 1

**MBIFCT – EDP  
PROPOSED BUSINESS PLAN  
FOR THE BUHOMA VILLAGE WALK**

**Facilitator:** Christopher Mujuni

**Date prepared:** 10 April 2003

**Enterprise name**

Buhoma Village Walk

**Organization structure**

The Tourism and Culture Development Committee of the Buhoma Community Rest Camp Council will oversee the coordination of the walk and ensure good quality of the product. This committee is made up of a Chairperson, a Secretary (Levi Busingye), three council members and two *ex-officio* members (Richard Magezi and Paul Muhwezi). This committee will oversee the Committee of Guides and the Committee of Site Owners.

**Address**

c/o Buhoma Community Rest Camp Association, Buhoma Village, Mukono Parish, Kanungo District

**1 Description of the enterprise (goals)**

The Buhoma Community Tourist Walk is a walk of approximately three hours near the Buhoma entrance to BINP. It includes stops at households in the community where tourists can view cultural events and scenic attractions. This enterprise intends to attract an average of 150 tourists per month (half of the approximate average number of tourists visiting BINP). The fee for the walk is U Sh 10 000. Tickets for the walk will be sold at the Buhoma Community Rest Camp.

**2 Unique features and competition advantages over similar products**

This activity does not compete with existing attractions. Instead it exploits the time that tourists have when they return early from gorilla tracking or tracking. This additional attraction aims to encourage tourists to spend more nights at hotels in the area.

**3 Location of enterprise and collection or procurement area**

Nkwenda, Buhoma and Mukono villages

**4 Geographical market coverage or point of sale, targeted markets or customers and promotion strategies**

Targeted markets: tourists visiting BINP.  
 Promotion strategy: village walk brochure, UWA brochure of activities at Bwindi, and word of mouth.

**5 Sales targets (monthly)**

Product	Rate	Quantity	Total (U Sh)
Community walk	10 000	150	18 000 000
Total			18 000 000

**6 Production process and permit requirements**

N/A

**7 Payment system and organization structure**

The Secretary of the Culture and Tourism Development Committee (monitored by other members of the committee) will receive income from the walk and take care of distributing the proceeds at the end of every month (see social strategy)

**8 Risks assessment and strategies**

**to minimize risks**

Risks may include:

- tourists falling on trails;
- unprofessional conduct of guides;
- danger to tourists because of security problems.

The risks can be avoided by the following strategies:

- well-maintained tourist trails;
- adequate training of guides, and organization of tourists into groups;
- escort of each group by rangers.

**9 Fixed assets (five years)**

S. N.	Item	Rate (units)	Qty (units)	Total	Code
-------	------	--------------	-------------	-------	------

1	Steps	32 000	1	32 000	2
2	First bridge	100 000	1	100 000	2
3	Second bridge	200 000	1	200 000	2
4	Shelter at Karehe hill	365 000	1	365 000	2
5	Traditional healer skins	11 000	1	11 000	2
6	Stretcher	40 000	1	40 000	2
7	Stools at waterfall site	2 000	6	12 000	2
8	Calabash	2 000	10	20 000	2
9	Sign posts	8 716	12	104 592	2
10	Uniforms for guides	25 000	10	250 000	2
11	Gumboots for guides	10 000	10	100 000	2
12	Badges	5 000	10	5 000	2
13	Birds of East Africa book	47 000	1	47 000	2
14	Wooden cups	2 500	2	5 000	2
15	Radio handsets	700 000	1	700 000	2
16	Solar battery	300 000	1	300 000	2
17	Standby battery	135 000	1	135 000	2
18	Bundles of reeds	1 000	10	10 000	2
19	Bundles of ropes	2 500	2	5 000	2
20	Bundles of banana fibre	10 000	10	100 000	2
21	Bush tables	15 000	6	90 000	2
			<b>Total</b>	2 631 592	

1: own contribution of entrepreneurs, 2: grant or loan

Contribution of entrepreneurs:	0
Grant or loan:	2 631 592
Total:	2 631 592

#### 10 Depreciation (see No. 9)

S. N.	Item	Total item cost	Life span (yrs)	Depreciation /unit/year
1	Steps	32 000	10	3 200

2	First bridge	100 000	10	10 000
3	Second bridge	200 000	10	20 000
4	Shelter at Karehe hill	365 000	10	36 500
5	Traditional healer skins	11 000	5	2 200
6	Stretcher	40 000	5	8 000
7	Stools at waterfall site	12 000	5	2 400
8	Calabash	20 000	5	4 000
9	Sign posts	104 592	5	20 918
10	Uniforms for guides	250 000	5	50 000
11	Gumboots for guides	100 000	5	20 000
12	Badges	5 000	5	1 000
13	Birds of East Africa book	47 000	5	9 400
14	Wooden cups	5 000	5	1 000
15	Radio handsets	700 000	10	70 000
16	Solar battery	300 000	5	60 000
17	Standby battery	135 000	5	27 000
18	Bundles of reeds	10 000	10	1 000
19	Bundles of ropes	5 000	10	500
20	Bundles of banana fibre	100 000	10	10 000
21	Bush tables	90 000	5	18 000
<b>Total</b>				375 118

**11 Variable costs (N/A)**

S. N.	Item	Rate	Qty	Total	Code
1	Stationary and promotional materials	100 000	1	100 000	2
<b>Total</b>				100 000	

1: own contribution of entrepreneurs, 2: grant or loan

Contribution of entrepreneurs:	0
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Grant or loan:	100 000
Total:	100 000

## 12 Fixed costs (one month)

S. N	Item	Rate	Qty	Total	Code
	N/A			0	
<b>Total</b>				0	

1: own contribution of entrepreneurs, 2: grant or loan

Contribution of entrepreneurs:	0
Grant or loan:	0
Total:	0

## 13 Total capital needs

### a) Fixed assets

> Fixed assets - See No. 9

**Total 13a** 2 631 592

### b) Working capital for a specified period

Time period: 1 year

Variable costs - See No. 11 100 000

Fixed costs – See No. 12 0

**Total working capital:** **Total 13b** 100 000

**c) Total working capital (13a + 13b):** 2 731 592

(Total of fixed assets (a) and working capital (b))

## 14 Sources of capital

> Own investment (own contributions)

See No. 9		0
See No. 11		0

See No. 12		0
Total		0

> Own investment (see total above and source below)	0
> Loan	
> Other loan	
Collection from own household	
Total grant	2 731 592
<b>Total (should match No. 13 c)</b>	<b>2 731 592</b>

**> Source of own investment**

Description	Amount (U Sh)	Members	Total
Individual investments			0
		Total	0

**Distribution of total grant:**

Grant for revolving fund (see No. 9):	2 631 592
Grant for other expenses:	100 000
<b>Total (Should match Total Grant):</b>	<b>2,731,592</b>

**15 Interest: not relevant**

**16 Profit (or loss) (Specify time frame)**

**a) Income:**

Total income from sales – See No. 5	18 000 000
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**b) Annual expenses:**

Depreciation – See No. 10	375 118
Variable costs – See No. 11	100 000
Fixed costs – See No. 12	0
Interest – See No. 15	0
<b>Total expense</b>	<b>475 118</b>

**c) Profit or loss (a - b):**

Income (a)                      less                      Total expenses (b)

18 000 000	less	475 118
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:	17 524 882
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**d) Net profit:**

Profit (See 16 c)	less	Taxes or other fees
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17 524 882	Less	0
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:	17 524 882
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**17 Return on investment (ROI)**

ROI (%):	Profit (16c)		x 100
	Total investment (No. 13)		

ROI (%):	17 524 882		x 100	641.6	%
	2 731 592				

**18 Environmental strategy**

Infrastructure improvements, garbage disposal sites and design of the trail are carried out in consultation with UWA and MBIFCT in order to avoid any negative impacts on the environment or on wildlife.

**19 Social strategy**

Design of the trail and enterprise was carried out in consultation with local community members in order to avoid conflicts and ensure there were no negative social impacts on local culture. Guides receive 30 percent of the tourist fee. The Community Walk Coordinating Committee receives 10 percent of the tourist fee, and the Buhoma Council receives 20 percent for funding development projects in the whole parish. The remaining 40 percent of the tourist fee is distributed among stakeholders in the village who are participating in the walk (70 percent to private landowners and 30 percent to Batwa households). Eight guides were selected for training from among 17 applicants from the whole parish. Only one woman was selected because of a lack of English language skills, but strategies will be explored to address this challenge in the future. This woman subsequently married and moved to another area. There are now seven guides.

**20 Technology strategy**

Local materials will be used to make infrastructure improvements on the trail.

**21 Conclusion of the analysis**

This enterprise will provide steady income for participants from the community. There is no overhead, so that even if tourist numbers fluctuate, the enterprise will not be affected. It is relatively easy to manage and there is good support available from local institutions and the private sector.

## Annex 1

### Buhoma village walk: Visitors and income, January 2003 to August 2005 (conversion, approx. US\$1 = U Sh 1 700)

#### 2003

Monthly	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Number of visitors	34	56	40	23	22	34	94	86	77	66	31	56	619
Total income from visitors (10 000 each)	340 000	560 000	400 000	230 000	220 000	340 000	940 000	860 000	770 000	660 000	310 000	560 000	6 190 000
Guides total monthly salary (30% of total income)	102 000	168 000	120 000	69 000	66 000	102 000	282 000	258 000	231 000	198 000	93 000	168 000	1 857 000
Guides individual monthly salary (total distributed among 7)	14 571	24 000	17 143	9 857	9 429	14 571	40 286	36 857	33 000	28 286	13 286	24 000	265 286
Stationary fee (5%)	17 000	28 000	20 000	11 500	11 000	17 000	47 000	43 000	38 500	33 000	15 500	28 000	309 500
Coordinator's fee (5%)	17 000	28 000	20 000	11 500	11 000	17 000	47 000	43 000	38 500	33 000	15 500	28 000	309 500
Community Development Assoc. (20%)	68 000	112 000	80 000	46 000	44 000	68 000	188 000	172 000	154 000	132 000	62 000	112 000	1 238 000
New balance (40% of total)	136 000	224 000	160 000	92 000	88 000	136 000	376 000	344 000	308 000	264 000	124 000	224 000	2 476 000
Sites' total monthly income (70% of new balance)	95 200	156 800	112 000	64 400	61 600	95 200	263 200	240 800	215 600	184 800	86 800	156 800	1 733 200
Sites individual monthly income (total divided among 11)	8 655	14 255	10 182	5 855	5 600	8 655	23 927	21 891	19 600	16 800	7 891	14 255	157 564
Batwa monthly income (30% of new balance)	40 800	67 200	48 000	27 600	26 400	40 800	112 800	103 200	92 400	79 200	37 200	67 200	742 800

#### 2004

Monthly	Jan	Feb	Mar	Apr	May	Jun	Jul	August	Sept	Oct	Nov	Dec	Total
Number of visitors	82	88	53	42	37	106	148	113	100	95	92	23	979
Total income from visitors (10 000 each, rising to 15 000 in July)	820 000	880 000	530 000	420 000	370 000	1 060 000	2 185 000	1 690 000	1 500 000	1 425 000	1 380 000	340 000	12 600 000
Guides total monthly salary (30% of total income)	246 000	264 000	159 000	126 000	111 000	318 000	655 500	507 000	450 000	427 500	414 000	102 000	3 780 000
Guides individual monthly salary (total distributed among 7)	35 143	37 714	22 714	18 000	18 500	53 000	109 250	84 500	56 250	53 438	51 750	12 750	553 009
Stationary fee (5%)	41 000	44 000	26 500	21 000	18 500	53 000	109 250	84 500	75 000	71 250	69 000	17 000	630 000

Coordinator's fee (5%)	41 000	44 000	26 500	21 000	18 500	53 000	109 250	84 500	75 000	71 250	69 000	17 000	630 000
Community Development Assoc. (20%)	164 000	176 000	106 000	84 000	74 000	212 000	437 000	338 000	300 000	285 000	276 000	68 000	2 520 000
New balance (40% of total)	328 000	352 000	212 000	168 000	148 000	424 000	874 000	676 000	600 000	570 000	552 000	136 000	5 040 000
Sites' total monthly income (70% of new balance)	229 600	246 400	148 400	117 600	103 600	296 800	611 800	473 200	420 000	399 000	386 400	95 200	3 528 000
Sites individual monthly income (total divided among 11)	22 960	24 640	14 840	11 760	10 360	32 978	61 180	52 580	38 182	36 273	35 127	8 655	349 535
Batwa monthly income (30% of new balance)	98 400	105 600	63 600	50 400	44 400	127 200	262 200	202 800	180 000	171 000	165 500	40 800	1 511 900

## 2005

Monthly	Jan	Feb	Mar	Apr	May	Jun	Jul	August	Sept	Oct	Nov	Dec	Total
Number of visitors	110	67	71	14	48	114	155	118					
Total income from visitors paid (15,000 ea)	1 650 000	995 000	1 065 000	210 000	710 000	1 710 000	2 270 000	1 770 000					
Guides total monthly salary (30% of total income)	495 000	298 500	319 500	63 000	213 000	513 000	681 000	531 000					
Guides individual monthly salary (total distributed among 7)	61 875	37 312	39 937	7 851	26 625	64 125	85 125	66 375					
Stationary fee (5%)	82 500	49 750	53 250	10 500	35 500	85 500	113 500	88 500					
Coordinator's fee (5%)	82 500	49 750	53 250	10 500	35 500	85 500	113 500	88 500					
Community Development Assoc. (20%)	330 000	199 000	213 000	42 000	142 000	342 000	454 000	354 000					
New balance (40% of total)	990 000	398 000	639 000	84 000	283 992	684 000	635 600	708 000					
Sites' total monthly income (70% of new balance)	693 000	278 600	447 300	58 797	198 800	513 000	363 200	495 600					
Sites individual monthly income (total divided among 11)	63 000	25 327	40 663	6 533	22 088	57 000	70 622	55 066					
Batwa monthly income (30% of new balance)	297 000	119 400	191 700	25 200	85 200	171 000	272 400	212 400					