Ecotourism investment opportunities in Kenyan forests

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Ecotourism Kenya Monthly Talk, 5th July 2012
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1. Background: Tourist facilities in Kenyan forests
Forest coverage in Kenya

- Kenya has 3.456 million hectares of forest cover
- Approximately 1.7 million hectares of this is gazetted as protected forests distributed in about 258 forest blocks
- The rest is outside protected areas including in public and private lands
- Kenya is a low forest cover country (UN recommends 10% of total land area)
- Goal: Increasing Kenya’s forest cover to 4% (2012) and 10% (2030) (Vision 2030 and the KFS’s Strategic Plan for 2009/10 – 2013/14)
Current status of tourism investments

• **Accommodation:** 18 accommodation facilities exist (approx 300 beds)...14 newly-licensed.

• **Other facilities:** Nature trails, picnic sites, tree platforms (Arabuko), Boardwalks (Mida Creek), Canopy walks (Ngare Ndare), lunch bandas (Kinanzini), etc.

• **Services:** Ornithological guides in Arabuko-Sokoke, Kakamega, Shimba Hills, Mt. Kenya; mountain climbing guides in Mt. Kenya

• **Activities:** walking, jogging, bird watching, sport fishing, cycling, adventure activities, cultural activities...
What is ecotourism

• KFS mandate: To collaborate with others to develop programmes and facilities for tourism, recreational and ceremonial use of forests [The Forests Act 2005: 5(k)].
• For KFS, ecotourism is **low-impact tourism that conserves forests and allied resources and promotes social-economic development**.
• For KFS, ecotourism should:
  1. Improve conservation of forests in Kenya
  2. Generate revenue for forest conservation and social-economic development
  3. Improve the welfare of forest-adjacent communities
  4. Provide recreation for domestic and international visitors
  5. Diversify Kenya’s tourism products
  6. Improve security in forests
  7. Improved Infrastructure in forests
  8. Increase knowledge of the importance of Kenya’s forests.
2. Some things that ecotourism investors should know
1. Market segments

- Kenyan citizens (incl. school groups)
- Repeat international visitors
- Local residents
- Business travellers
- Specialist individuals or groups (bird watchers, backpackers, educational groups,)
2. Targetted facilities

• Accommodation:
  – Small Ecolodge (10–20 beds)
  – Medium Ecolodge (21–30 beds)
  – Large Ecolodge (31–40 beds)
  – > 40 beds only in exceptional circumstances

• Other facilities apart from accommodation: restaurants, zip-lines, board walks, canopy walks, bird hides, cable cars, etc
3. The Investment process


1. Site identification (mgt plans, KFS staff, potential investors, CFAs)
2. Site assessment & due diligence
3. Submission & evaluation of Expression of Interest
4. Prospectus development
5. Submission & evaluation of detailed technical & financial proposals (with preliminary architectural drawings, community participation plan & site-specific management plans)
6. Negotiation and award (special-use license)
7. Submission of final architectural drawings, community participation plan, site-specific plan (and EIA license)
8. Site hand-over
9. Project implementation (construction)
3. Investment opportunities in forest reserves
Investment opportunities

These vary greatly according to forest type and geographical location. They can be classified into:

1. Highland forests
2. Dry land forests
3. Western rainforests
4. Urban forests
5. Coastal forests & Mangrove areas
6. Eastern Arc Mountain forests
1. Highland forests

- Include the large blocks of Mt Kenya, the Aberdares, the Mau Complex, Mt Elgon and the Cheranganis. Characterised by closed canopy forests in the high rainfall areas (water towers).

- Opportunities:
  - Small up-market & business traveller-focussed accommodation esp. in south aberdares (proximity to Nairobi)
  - Cabins and other budget accommodation for fishermen, walkers,
  - Potential also in Chemususu, Koibatek (Chemususu), Menengai, Eburru
2. Dry land forests

- Include Mukogodo, Ngare Ndare, Matthews, Ndotos, Mt Nyiru and Karisia.

- Opportunities:
  - Small upmarket accommodation that can be linked to the community conservancies around, inclu. at least two facilities in Matthew’s Murit and Doinyo Uasin areas and one in the Ndotos
  - Small citizen-targetted accommodation
  - Campsites (Mukogodo),
  - More potential as roads and security improves
3. Western rainforests

- Include Kakamega, North and South Nandi forests... one of the richest biodiversity areas in Kenya.

- Opportunities:
  - Carefully-sited small upmarket accommodation
  - Affordable accommodation for special interest groups (students, researchers, bird watchers, backpackers)
  - Facilities like bird-hides, tree platforms, canopy walkways,
4. Urban forests

- Include Karura, Ngong Road, Ngong Hills, Dagoretti, Olulua, Kabiruini (Nyeri), Menengai (Nakuru) and other forests close to urban areas.

- Opportunities:
  - Day-visitor facilities such as restaurants, zip-lines, board walks, canopy walks, bird hides, cable cars,
  - Infrastructure like fences, gates, trails, signage,
  - More potential and value as urbanization grows
5. Coastal forests & Mangrove areas

• Include of Arabuko-Sokoko, Shimba Hills, Gongoni, Witu, Boni Lungi and gazetted mangrove areas.

• Opportunities:
  – Guest houses, tree houses and other innovative accommodation in key wildlife or bird-watching areas
  – Facilities like restaurants, board walks, jetties,
  – Services like guided boat tours,
6. Eastern Arc Mountain forests

- Include Mbololo Juu, Ronge Juu, Ngangao, Sagalla, Kasigau, Vuria and Mwambirwa forests. Recognized globally as "hot spots" for forest biodiversity (Conservation International).

- Opportunities:
  - Carefully-sited small upmarket accommodation
  - Affordable accommodation for special interest groups (students, researchers, bird watchers, backpackers)
  - Facilities like bird-hides, canopy walkways,
4. Why invest in ecotourism in forest reserves?
Why invest in forests?

• Attractive ambience
• Design flexibility (bidder proposes)
• Negotiated agreement (special-use license)
• Long-term licenses
• Exclusivity (based on size)
• Investor support (e.g. guidelines for responsible tourism)
• Wide product range (going beyond accommodation)
• The last frontier?
Thank you