



**Sustainable
Community Owned
Professional Eco-
Charters**

(SCOPE-Charters)

An Alternative Ownership
Model in Eco-Tourism

By
the Communities of
Moo Bahn Nahm Khem and
Moo Bahn Koh Muk,
Thailand

Tsunami Aid Watch is a project of the Southeast Asia Regional Office of Heinrich Boell Foundation, in co-operation with Southeast Asia Consult and Resource Co., Ltd.

Heinrich Boell Foundation (HBF) affiliated with the German party Alliance 90/The Greens and headquartered in Berlin, is a legally independent, non-profit organization working in the spirit of intellectual openness. The Foundation's primary objective is to support political education both within Germany and abroad, thus promoting democratic involvement, socio-political activism, and cross-cultural understanding. Development cooperation is one of the major fields of the Foundation's activities. Tsunami Aid Watch is a special contribution to the Development Watch initiatives that the Southeast Asia Regional Office of HBF has been carrying out for many years.

Southeast Asia Consult and Resource Co., Ltd. (SEA-C.R.) is a consulting agency based in Chiang Mai, Thailand. The company's core competence is in the fields of development cooperation, organization development and facilitation. In its cooperation with clients of the private and public sectors alike, SEA-C.R. employs a strong cross- and intercultural perspective.



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Krabi Declaration on Sustainable Post-tsunami Rehabilitation

The participants of the forum would like to extend their gratitude and heartfelt thanks to all individuals, communities, national and international groups, parties and organizations for the help and aid they have provided for the individuals and communities affected by the tsunami of December 26th 2004. We hope that they will continue to give us unwavering support during the remaining task of long-term rehabilitation. The tsunami has left Indonesia, Sri Lanka, India, Thailand, the Maldives and other countries with devastated coasts, shattered communities, economies and hundreds of thousands of people in need of support. This destruction was, however, only the initial direct impact of the tsunami disaster. The ensuing aid efforts were part of just the first phase of tsunami rehabilitation.

Nine months have now passed since the tsunami and in most affected areas treatment has been delivered to the wounded and basic shelter is available for the surviving victims; in many cases the boats and fishing gear needed for livelihood restoration of the fisher folk have been provided; the remaining tasks are ready to be overseen by restored community structures and local administrations. The situation can, thus, in most instances be described as approaching stability. However, it is a far cry from being normal.

The tsunami recovery now enters a second phase of transformation that is the recovery from a disaster into a more permanent and functioning economic and social set-up, i.e. the mitigation of the secondary tsunami impact. While the aid to rehabilitate from the initial direct impact of the tsunami was characterized by speed and efficiency, the recovery support effort needed for the indirect impact recovery must strive for long-term effectiveness and sustainability. Taking into account livelihood, economic recovery, disaster management, issues of land and housing for the displaced, the landless, women, children, gender issues as well as migrant labor problems. In order to achieve this, a number of measures are urgently needed. Based on past aid delivery experience we therefore ask the international community and supporting NGO's and GO's to mobilize all available resources to:

- Ensure that the long-term rehabilitation of the tsunami area is based on definitions of fairness, justice, sustain-

ability and stability as perceived and defined by the tsunami affected communities and individuals;

- Develop the secondary tsunami recovery support into an opportunity to address and solve pre-tsunami problems that have been worsened and/or exposed by the disaster;
- Deliver assistance and support in an accountable and transparent form that ensures participation of those affected in planning, implementation and execution of long-term rehabilitation programs;
- Establish – a vitally important point - a proper, honest and forward-looking information system and data-base on the tsunami disaster for the use and to the benefit of its affected individuals and communities, independent of nationality, race or religion;
- Initiate an aid-tracking system / mechanism to avoid the misuse of aid-resources or its appropriation for something other than aid purposes;
- Ensure that the remaining rehabilitation becomes a stepping stone for further development of the affected areas leading to better conditions than before the tsunami disaster.

If the international community, governments and civil societies help to continue with the tsunami recovery support based on the conditions given above, the tsunami disaster itself can be turned into an opportunity for development that is in line with sustainability needs and economic progress of all mankind. We believe in the in the strength of cooperation, coordination, openness and solidarity in times of need.

Acronyms

| Abbreviation | Full Name/Expression |
|--------------------|---|
| BMZ | Bundesministerium fuer wirtschaftliche Zusammenarbeit und Entwicklung (German Ministry for Economic Cooperation and Development) |
| DIE | Deutsches Institut fuer Entwicklungspolitik (German Institute for Development Policy) |
| SCOPE- Charters | Sustainable Community Owned professional Eco-charters |
| GO | Governmental Organization |
| GTZ | German Technical Cooperation |
| NGO | Non-Governmental Organization |
| PPP | Public-Private Partnership |
| RTP | Recovery and transition phase |
| SAN | Save Andaman Network |
| SEA-C.R. | Southeast Asia Consult & Resource Company Limited |
| TAT | Tourism Authority of Thailand |
| TAW | Tsunami Aid Watch |
| TUI | Touristik Union International |

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Preface

The Heinrich Böll Foundation's Southeast Asia Office initiated the Tsunami Aid Watch Programme in July 2005 to systematically monitor impact of Tsunami aid packages and the mechanisms of implementation. TAW is a specific contribution to the larger Development Watch initiatives that the SEA Programme of HBF has implemented for many years applying sustainable development criteria in its advocacy, enhancing participatory democracy and civil society engagement as well as good governance principles in Thailand's development process.

TAW aims at systemic analysis of development and aid structure deficiencies, mechanisms and processes on the basis of concrete case studies examined in the context of Tsunami recovery and rehabilitation activities. TAW will link these results to general structural characteristics of Tsunami recovery assistance in the region. TAW will help to define a political perspective towards the process and structures of aid delivery for Thailand.

As part of the best practice aspect of the Programme, an approach to develop sustainable concepts in mid- and long-term recovery including social, economic and ecological aspects is part of TAW. This publication of **'SCOPE-Charters – an alternative ownership and management model in the tourism sector'** is the first publication of TAW to focus on such conceptual issues. Others will follow.

The foundation wishes to thank all members of the participating communities, as well as the private sector. The concept presented in this publication is a direct result of their effort to build economic, social and ecological bridges between the communal and business outlooks on life. These two outlooks are often at odds which each other, but, as shown here, do not need to be and can unite in the Tsunami mid-term recovery process to make both stronger and sustainable.

October 31st, 2006

Dr. Heike Löschmann

Director of the Southeast Asia Regional Office of Heinrich Böll Foundation

Introduction

The post Tsunami recovery and reconstruction process has been an enormous challenge for impacted local communities, while at the same time offering an opportunity to rebuild, develop and improve social, economic, political and administrative structures. This aspect of 'an opportunity in crises' has already been introduced, discussed and publicly addressed by the International Krabi-Conference on Tsunami Rehabilitation in September of 2005 (see the Krabi Declaration before the table of contents).

As conference participant and co-author of the declaration, the foundation's mid-term recovery project 'Tsunami Aid Watch Programme' (TAW) focuses to develop this issue as one of five main considerations of activities. This concept is one of the results. It was created in cooperation with two Tsunami impacted communities, one Tsunami-hit private sector company and TAW over a period of sixteen months. We were thus able to include new communal and business structures emerging in the recovery process.

2 years after the Tsunami, the immediate recovery period is coming to an end and the mid-term recovery stage is beginning. Now that a very high degree of 'normalcy' created by communal emergency-synergies has been achieved many outside investors are finding tourism business opportunities increasing once again. The experience of the Tsunami has also sharpened awareness on environmental issues and concerns. But recovered communities, restored micro-economies and eco-tourism do not necessarily provide true sustainability.

The little town of Pai in Thailand's northernmost province of Mae Hong Soon is a long way away from impacted Tsunami communities but it can serve to demonstrate this point. Pai was impacted by huge mud-slides during the rainy season of 2005 which killed about eighty tourists and locals and destroyed much of the town and tourism infrastructure. But now in December 2006, as before the mudslides, Pai is often seen as a tourist paradise with its natural beauty still intact and a large variety of ecologically friendly activities offered by tour operators. However,

'...The people of Pai got almost nothing from all of this tourism. The fresh and dried ingredients used by the restaurants and food shops were brought in from Chiang Mai, as were construction materials used to build all the new structures. The few who did find work served as janitors and cleaning personnel in restaurants and hotels; or [they worked] as waiters and waitresses...Assistant professor Duangjai Lothonwanit of the faculty of arts at Thammasat University, who has done research on tourism at Pai under the effect of globalization, has come to the conclusion that all

of the town's problems have arisen from investors crowding in to look for business opportunities...'. (Bangkok Post, October 21st, 2006)

One way to potentially break a cycle of successful recovery followed by outside investors establishing their own businesses is to create the economic opportunity for the communities to become investors themselves. Or, in other words, enable the community to own the business and outsource the daily management and operation tasks; just like an outside investor would do. This also includes the business strategy of outsourcing to professionals and hiring on the labour market; contrary to trying to turn fisher folk into managers.

However, the successful implementation of such a concept and process depends to a very high degree on the linkage of sustainability with civil society. Not the civil society in Thailand, but the civil societies – and their civility – in the original donor countries of all the Tsunami Aid projects. As the overwhelming majority are now withdrawing or closing Tsunami related projects, many of the sustainable structures created as part of the new beginning in recovery, are threatened by collapse as their funding sources dwindle and the link-up to the 'normal', e.g. not Tsunami related economy, has been neglected.

Again, local communal economies start to be dominated by the influx of foreign investors in the reconstructed areas with a large tourism potential. With a concept like SCOPE-Charters communities have an opportunity to break this trend and successfully transport sustainability of the immediate recovery into the mid-term recovery. What is lacking now is the continued financial support and commitment by donors (beyond the availability of news images depicting relief delivered to crying children, dying tourists and the elderly). Everything else is in place.

We, the Save Andaman Network communities of Moo Bahn Nahm Khem, Moh Bahn Koh Muk, private tour operator Kon-Tiki Diving & Snorkeling and Tsunami Aid Watch, sincerely hope that our reading audience will appreciate the development options we present in this concept study and help us to fund a future pilot.

For all of us, October 31st, 2006

Karl H. Segschneider

Director of the Tsunami Aid Watch Programme of Heinrich Böll Foundation

Sustainable Community Owned Professional Eco-Charters
(SCOPE-Charters)
In brief

What is the SCOPE-Charters concept?

- ✓ SCOPE-Charters is a concept for a sustainable community based ownership project, offering professional services in the yachting charter industry for the Thai tourism market.
- ✓ It creates a win-win arrangement between two tsunami affected recovery target-groups, i.e. local communities and private sector tourism professionals.
- ✓ It represents a market demand driven development linking the mid-term post-Tsunami recovery and rehabilitation in Thailand with sustainable eco-tourism.
- ✓ It opens local Thai tourism market income opportunities for fisher folk and their communities by giving them access through ownership **without** requiring them to abandon their traditional culture and way of life. (See 2.1, p. 15)

Why sustainable?

- SCOPE-Charters is sustainable because it links the social mid- and long-term recovery of tsunami impacted groups with the regional post-tsunami economic recovery.
- It opens market and investment opportunities to a previously underrepresented tsunami recovery group of the local economy.
- It promotes increased local community led and managed social, economic and environmental planning and development.
- It empowers communities to achieve economic self reliance and – based on prevalent Thai social structures – increases political and decision-making independence.
- It increases the level and variety of skills within the community allowing individuals greater freedom of choice in the job market. (See 2. p. 14)

Why community owned?

- ✓ SCOPE-Charters transfers' ownership of the yachting vessels to participating communities in order to provide for a sustainable and secure income independent of seasonal labor contracting in the tourism industry.

- ✓ It increases community participation and decision-making options in the eco-tourism managing processes through asset building.
- ✓ It curbs outside business interests from dominating local communal tourism development needs, goals and policies by making communities legal owners of their tourism business.
- ✓ It allows communities to access a reliable fund for local self-determined development independent from traditional activities.
- ✓ Local people have intimate knowledge of the environmental needs of the immediate area and how they could manage the tourism appropriately. (See 2.1, p. 15)

Why professional?

- SCOPE-Charters does not want to turn fisher folk into managers but to outsource the necessary cross-national management and coordination operations of the charter business to experienced professionals.
- Thus it can increase employment opportunities for tourism professionals of Thai tsunami-impacted provinces after the sharp decline in post-tsunami tourism.
- It empowers communities to access and harness many years of experience in the tourism sector for their own development goals and gains in the tourism business. It gives communities the opportunity to learn directly from professionals for 3 years to deepen their knowledge base before deciding whether to continue outsourcing or increase their own participation. (see 2.1, p. 17)

Why eco-charters?

- ✓ SCOPE-Charters will measurably decrease tourism impact on communal areas by allowing it on the communities' own terms.
- ✓ It opens opportunities for sustainable waste-water treatment including management of the yachting boats' waste.
- ✓ It allows ecologically acceptable access to coastal areas without need for land-based infrastructure and transportation needs.
- ✓ It will continue the process of planting seeds into the main stream tourism industry that eco-sensitive tourism is both compelling and vital. (See 3. p. 33)

What are the SCOPE-Charters concept objectives?

- Diversification of the sources of income available to fisher folk and their communities.

- The reduction of employment risks in the tourism sector that is due to the volatility of the tourism market.
- The acquisition and creation of tourism assets for local fisher folk and their communities based on an ecological, socio-economic and culturally sustainable existence for the local community in the long run.
- Build synergy between local economic policies and tourism value chain management.
- Building awareness for local communities of the potential value of and links between environmental protection and income generation. (See 3. p. 31)

How does SCOPE-Charters operate?

- ✓ SCOPE-Charters allows local fisher folk and their communities to act as investors in the local yachting industry and to generate a sustainable and independent long-term income while avoiding the creation of economic dependency.
- ✓ It makes local fisher folk and their communities' company recipients and owners of the profits generated.
- ✓ It creates ownership through the participation in boat building and maintenance services, while simultaneously offering yachting services in the tourism sector through a Non-Profit Community Bank employing professionals from the yachting industry.
- ✓ It employs eco-efficient concepts for a yachting business project with a combined boat and hotel accommodation marketed by Touristik Union International and their affiliates in Europe. (See 2.1. and 2.2, p. 15)

What can SCOPE-Charters achieve?

- SCOPE-Charters will take into account the local cultural and job diversification of fisher folk and their communities through providing independent and long-term financing options for economic, ecological and social dimension building activities and projects.
- It can introduce the principles of value chain management (as discussed by DIE, GTZ, BMZ) through augmentation and the upgrading of the position of local fisher folk and their communities in the value chain.

- It can introduce market and community attuned economic incentive system to facilitate and optimize governance and people participation potentials of tourism. (See 3, p. 31)

Who participates in SCOPE-Charters?

- ✓ The SCOPE-Charters concept is created in cooperation with two Tsunami impacted communities, i.e. Moo Bahn Nahm Khem in Phang Nga and the Ko Mukk island community of Trang.
- ✓ The community owned bank of Moo Bahn Nahm Khem which is used to manage and handle large financial transactions due to Tsunami recovery project experience.
- ✓ Local tourism companies hit hard by the Tsunami.
- ✓ International Europe-based tourism companies promoting eco-tourism. (See 1.2, p. 12)

The following graph shows how SCOPE-Charters' proposed management and cooperation structure will link all stakeholders involved.

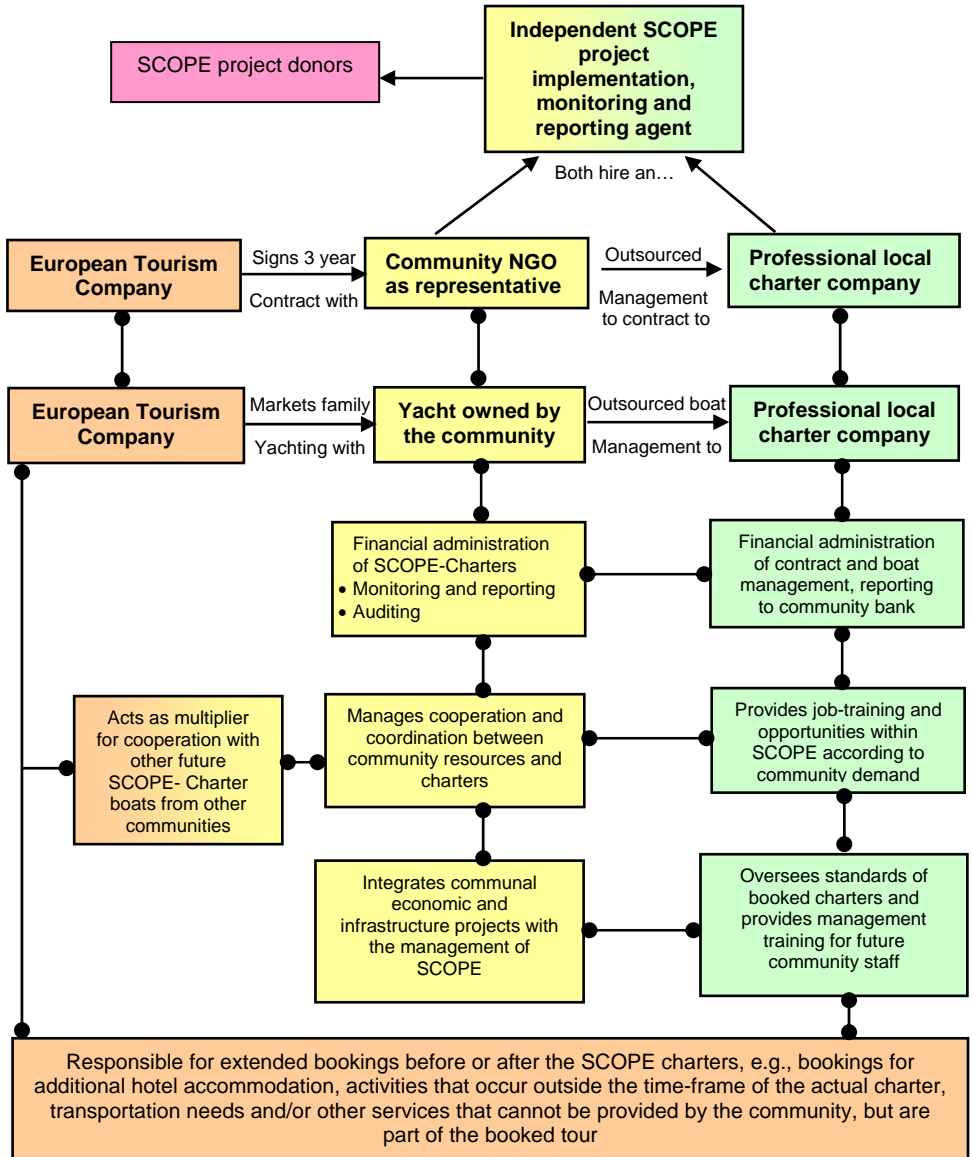


Figure 1: SCOPE-Charters yachting management and cooperation structure

Once the SCOPE-Charters project is up and running the business should be able to generate up to 2,000,000 Baht in income. This opens up a number of possibilities and challenges. Management is a crucial factor in the successful outcome of this project. Since the villages requested help for management tasks, the community NGO that owns the boat will have to outsource the management and hire an operating company that has long experience in the yachting business. A proper financial accounting by the controlling community NGO will mean that money can then be put to efficient use in community projects and eventually in expanding the number of yachts to increase the business. Repaying the “donor-loan” will mean that the money can be recycled to the village development fund and provide a sense of ownership of the yacht and other assets. The following graph shows how this financial cycle would work.

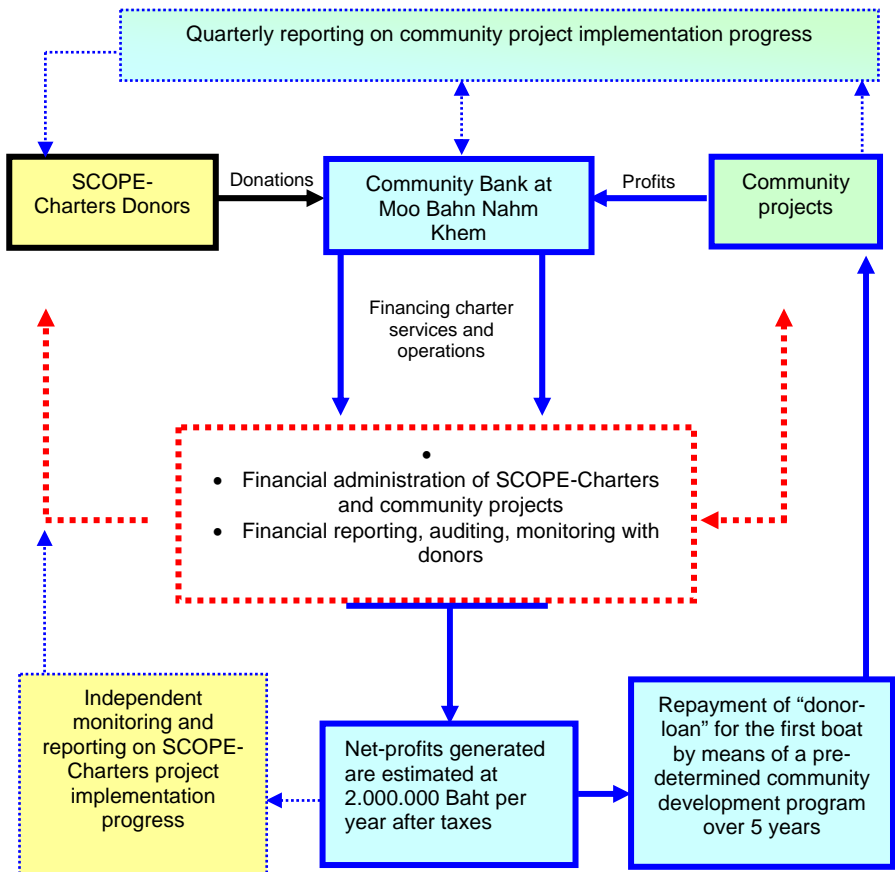


Figure 2: The financial cycle for SCOPE-Charters

Bahn Nahm Khem and Koh Mukk are the first two communities in Thailand’s Tsunami impacted coastal region to respond to the opportunity and challenge that SCOPE-Chartres presents. It is an opportunity because of the reward of sustainable financial independence, it is a challenge because of the need to get it right first time. Trial and error is not an option since the communities’ futures are at stake.

The opportunities include work for individuals as crew, guides, boat maintenance and building. The communities will also have the chance to begin businesses in the villages catering to the increase of tourists and supplying the yachts for the cruises. Challenges will involve decision making, communication and making sure the communities do not loose contact with their original lifestyle values. The graph below shows Bahn Nahm Khem’s community development plan.

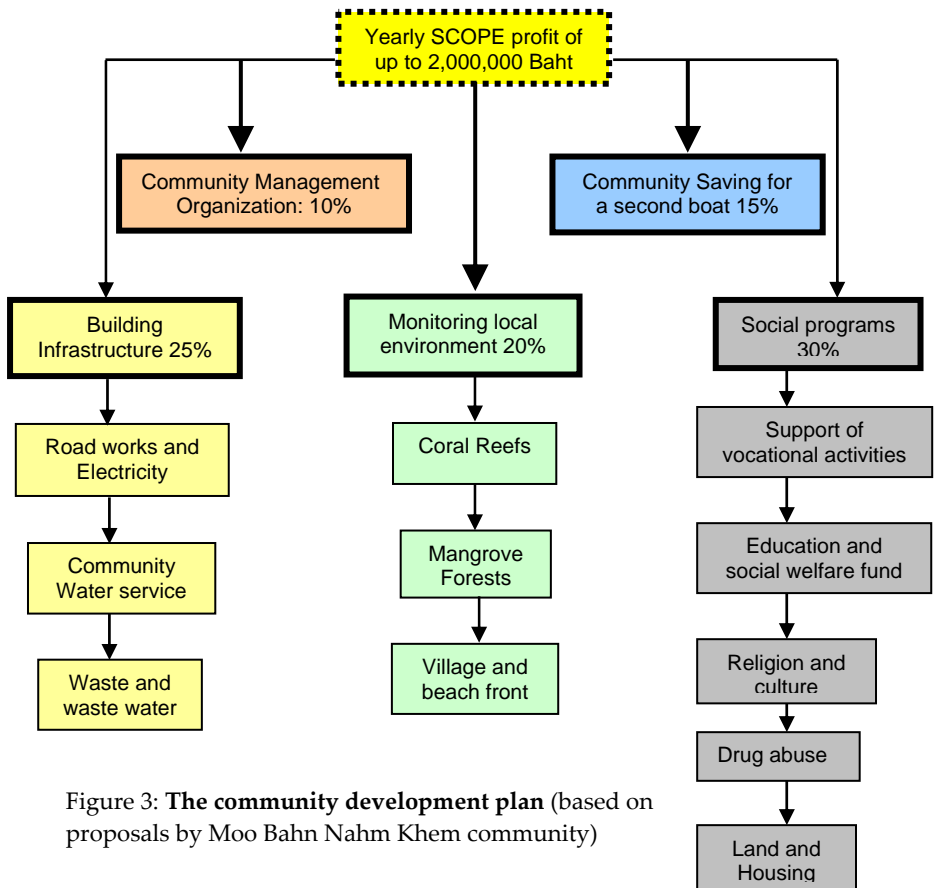


Figure 3: **The community development plan** (based on proposals by Moo Bahn Nahm Khem community)

1. Background Information

1.1 Tsunami and its aftermath in Thailand

The Tsunami of December the 26th, 2004 took the lives of more than 200,000 people in Southeast Asia and directly affected many more. It destroyed large parts of the economic, ecological and social infrastructure along the coastlines of Indonesia, Thailand, India and Sri Lanka. Traditional community structures and livelihoods were destroyed and replaced by a new socio-economic status quo.

Nearly two years later, the most immediate aid has been delivered and no more victims of the Tsunami due to hunger or injury for example are being reported. The region has entered the post-Tsunami **Recovery and Transition Phase (RTP)**, which focuses on medium and long-term tasks of rebuilding social, economic and ecological structures.

The Tsunami tragedy gave many independent groups of interest opportunities to manipulate the Tsunami affected areas to their advantage. New structures to be created during **RTP** however, cannot possibly re-establish pre-Tsunami conditions. A new social, economic and ecological status quo will be the long-term result of the Tsunami devastation and all the affected countries are wrestling with this prospect.

Today Thailand strives to establish sustainable options and alternatives for future economic growth that are, - if not equal to, then at least - comparable to the pre-Tsunami situation. Some urgent tasks of the **RTP** in Thailand are

- To restore the economic and social infrastructure of the six Tsunami-affected provinces to a functioning and productive level.
- To assist in establishing a social and economic fairness for the surviving population that is quantitatively and qualitatively at least similar to the pre-Tsunami status quo and can be a new base for continued sustainable growth of the coastal areas.
- To introduce new concepts and approaches in the social and economic reconstruction under the assumption that the post-disaster management offers opportunities for a new beginning.

Based on this background, economic diversity and alternatives help keep the loss of social and economic fairness for the politically and structurally weaker Tsunami-affected communities to a minimum. Sustainable Community Owned Professional Eco-Charters (**SCOPE**) looks to introduce additional innovative options for sustainable growth and to forge new alliances between the communities and the private sector.

1.2 Cooperation partners for the SCOPE-Charters business model: Touristik Union International (TUI) and local NGOs

TUI is the largest corporation for tourism in Europe with many affiliated companies and branches throughout the continent. It provides almost unlimited options for different types of holiday services. One of the markets they provide is boat and yachting charters with a worldwide portfolio. **TUI** has offered its services in this capacity through competent and professional partners for some decades in Thailand.

In late 2004, before the Dec.26th Tsunami, a briefing with one local **TUI** cooperation partner in Phuket, Thailand, - **Kon-Tiki Diving & Snorkeling, Co., Ltd.** - concerned the topic of introducing a new combined hotel/yachting concept for the Thai tourism market. Based on the model of Turkish coastal sailboat holidays, **TUI** wanted to introduce yachting tours that combined a one-week hotel stay with a one-week yachting experience for families at very affordable rates. For the tourism operator, it is imperative to initiate this new service in a sustainable way, i.e. find an operating structure that helps to keep the target areas relatively unchanged in their natural beauty and cultural identity. Thus, using boats would mean ability to

- Reach coastal areas that are inaccessible by any other means of transportation.
- Open new areas to tourism avoiding environmental destruction due to infrastructure development, which would be necessary if one wanted to build a road for instance.
- Expand the sea-based transportation and service infrastructure, which would help the additional tourist service dovetail with the traditional way of living of local fisher folk.
- Increase the involvement of local fisher folk in coastal tourism and thus increase environmental protection as a matter of self-interest for local communities.

However, before this new tourism development proposal could be discussed further, the Tsunami hit the Thai tourism industry on the 26th of December 2004.

While the Tsunami was for many companies in human and economic terms a disastrous event, it gave rise to the second player in this concept: the local community-based NGOs. The aim of these NGOs is to actively intervene in the developments of the Tsunami aftermath to achieve economic, social and ecological fairness for local fishing communities and minorities in the areas emerging from the disaster.

One of the NGO umbrella-organizations supporting the local communities is the **Save Andaman Network (SAN)**. They have been recommended by, for example, the German Embassy in Bangkok and the German Technical Cooperation (GTZ) and ‘...is practically the only group or organization that really knows what is going on in the South after the Tsunami...’

For the tourism industry, involvement in the post-tsunami tourism sector in Thailand means more than ever having to show responsibility in choosing cooperation partners carefully. After the Tsunami, the introduction of the combined hotel/yachting tourism project appeared very suitable for cooperation with Tsunami affected villages. A mere business model turned into a development concept and the idea of **SCOPE-Charters** was born. **SCOPE-Charters** background based on sustainability and community involvement of Tsunami affected villages has increased **TUI**'s interest in a joint project.

As **Kon-Tiki Diving & Snorkeling, Co., Ltd.** became actively involved in short- and mid-term relief efforts after the tragedy - the company had lost many employees and considerable assets in Khao Lak - they got into contact with the local NGOs, all of them members of **SAN**, to discuss potential cooperation, that would include communities and their NGOs as owners of boats, **Kon-Tiki Diving & Snorkeling, Co., Ltd.** functioning as their managers and **TUI** marketing the holidays in Scandinavia.

During two meetings on the 3rd and 5th of May 2005 a cooperation model for **Sustainable Community Owned Professional Eco-Charters** was outlined. The concept was further developed on a third meeting on 12th of October, 2005.

2. SCOPE-Charters - an alternative idea for empowering Tsunami affected communities

The **SCOPE-Charters** business model is based on earlier experiences of NGO members with the concept of direct community ownership of assets and its implementation in a number of projects. From the communities' point of view, the **SCOPE-Charters** business concept has to be able to avoid problems experienced with past direct ownership projects. The main difficulties encountered during these first trials were

- The communities and fisher folk involved strayed from their traditional way of life and a loss of cultural diversity resulted, regardless of increased opportunities in income generation.
- The more successful members of the communities became owners of the projects assets and then were envied by those facing problems in the program so conflicts arose within the communities.
- The type of management and coordination skills needed for the projects were different from those required for traditional day-to-day duties within communities.
- Due to the new income focus introduced to the communities, basic communal duties were neglected, resulting in a loss of quality of life and individual economic independence.
- A return to a traditional way of life after a project closed or failed was difficult for the communities as old skills were either forgotten or had been neglected.

In response to these issues one pre-condition requested for **SCOPE-Charters** cooperation was for a community NGO to be the owner of the assets, rather than the community itself. Control of the assets still lies within the range of the community, but is filtered through the involvement of the NGO.

The villagers also expressed the wish that they do not want to neglect their present occupations and also pointed out that they do not yet have the required high-level market skills or experience to take over all the responsibilities for conducting the management. They want external assistance from professionals, who will take charge of day to day operation and administration.

The village needs its workforce and the income focus should stay within the community. It is not desirable to keep villagers from their normal work and community duties.

Rather the idea is to take advantage of existing capacities and outsource the management by hiring an operating company. This company could then offer employment to experienced and skilled individuals who have been working in this sector but have not found work since the Tsunami. As staff members of the management company they can bring this experience to **SCOPE-Charters**.

Interested members of the boat-owning community can benefit from the additional option to obtain individual income by either working on the boat as a crewmember, being involved in maintenance, working as trainees for the management company or starting their own business due to the increase of tourists to the local area. They will receive on the job training and get the chance to upgrade their skills.

This innovative **SCOPE-Charters** concept avoids the issues with previous direct community ownership projects, through ownership by the community-NGO. The community can now fully benefit from and make decisions regarding the profits raised and are involved in many aspects of the business. At the same time, for the tasks requiring professional skills, a management team can be hired to take over the responsibility to offer the know-how and provide the facilities needed.

SCOPE-Charters will make communities the owners of a sustainable long-term income source. The profits raised will be able to fund community services and projects for years to come. As a result, independent and confident communities will gain not only economic power, but also political influence.

2.1 How does SCOPE-Charters look in practice?

The idea behind **SCOPE-Charters** is to provide an alternative and ecologically sound tourism opportunity with the participation of local fisher folks and their community-NGOs.

Getting started

- It is thought best to initiate **SCOPE-Charters** with one boat, as a pilot project. Since the kind of boat appropriate for a one week stay (which will be the duration of one trip) for up to 16 people cannot be found in Thailand yet, but it can be imported from Turkey.
- The boat will be used to carry tourists to areas which are of potential interest to tourists but have not been developed to their fullest extent or not at all so far.
- After the initial season, the first boat could serve as a blueprint to reproduce this kind of yacht in the shipyards of southern Thailand, which will bring some much needed employment to the area.

Boat building

- While the hull of the yachts would be built in a professional shipyard or an upgraded community dockyard, the wooden interior can certainly be outfitted (if they wished) by the participating boat-owning communities.
- Through the building of the boat and or the interior section of the vessels the fishermen can obtain additional income and upgrade their skills.
- It is desirable to build very solid boats to a moderate standard and not to enter the luxury segment of the market. Customers would be in the “three stars facilities” category of booking tourists (like families on a moderate budget) rather than what one usually thinks of as a yachting customer.

Participation of the boat-owning communities

- Furthermore it is the idea that the crews on the ships, serving up to 16 tourists for one week are at least partially recruited from the villages. This will require the training of crewmembers in how to run the boat and the services for onboard tourists.
- It could be that one particular community adopts a yacht, provides the crew, and then be the host for the tourists in their village for one day during the trip.
- While visiting the villages, tourists can learn about the fisher folks and their way of life, thus raising awareness and knowledge about their traditions and values.
- Part of the food served on board could be provided fresh by the fishermen, farmers or any grocery supply shop in the village or local area.

Ownership by the community-NGO

Since many projects in the past have shown that community owned businesses can be difficult to implement (See 2, p. 14), it is thought to be necessary that

- The boats will be owned by the community NGO.
- In order to conduct a business, the NGO will form a company. The shareholders of this holding company are either the villagers as representatives of the NGO or the NGO itself.
- This company will then hire a management to run the business.
- The profit made from tourism will mean the community-NGO can then fund various community services, environmental protection schemes as well as development projects in the region and educational programs. A certain percentage will go to additional funds as loan repayments (revolving funds, see 2.2, p. 20).
- As a matter of fact that helps to deal with another crucial issue in development aid, which is the strengthening of civil society by maintaining the future existence of NGOs in the long run.

Management by professionals

Management is a crucial factor in the successful outcome of this concept.

- Since the villages requested assistance for management tasks, the company that is established by the boat-owning community-NGO, will outsource the management and hire an operating company that has been in the yachting business for a long time and has the required expertise and experience.
- The external management will take over management responsibilities for as long as necessary.
- After the initial implementation phase, the management could, if wished by the boat-owning community, be passed directly into the hands of a then to be formed management board of the holding company. This is especially recommended if more boats are to be built, and the management then becomes responsible for a whole fleet.
- During the time period of the external management, villagers that are interested in receiving professional training in management, administration and accounting etc. could be trainees at the management company, to then become responsible, if appropriate, for the management after the initial implementation phase.

Marketing by the tourism industry

Marketing of the tours will be given into the hands of a professional company; **TUI** has offered its cooperation.

- **TUI** will be offered the yachts from November to April throughout the high season and during the European summer vacation time (July and August). Overseas booking will be the responsibility of **TUI** and will not require sources in Asia and then day to day dealing with agents can then be avoided.
- Payment for the yachts is guaranteed since **TUI** contracts for the whole boat no matter how many customers have booked. In this way, there is a secure and steady income.

Educational exchange program during the low season

During the lean tourist months the boats could be used for educational purposes.

- The idea is to bring students from the North or other parts of Thailand to the South to help them become familiar with a different region of Thailand¹.
- These exchange visits could not only increase the knowledge and experience of Thai youths but also serve as a bridge between the differing cultures and religions. Students will be able to stay in a southern village for a night or two in the form of 'a home visit'.
- During trips to some of the coastal national parks in the area students can learn about nature conservation and other environmental related issues.
- The boat-owning communities could develop curricula for additional on-board education and activities to include what they believe students from other parts of Thailand should know about their villages and culture.

¹ Similar to the IT- workshops in Chiang Mai that Tsunami Aid Watch (TAW) is already conducting with members of villages from the Tsunami affected provinces.

The following graph gives a simplified overview of the stakeholders involved and the structure of the **SCOPE-Charters** business model:

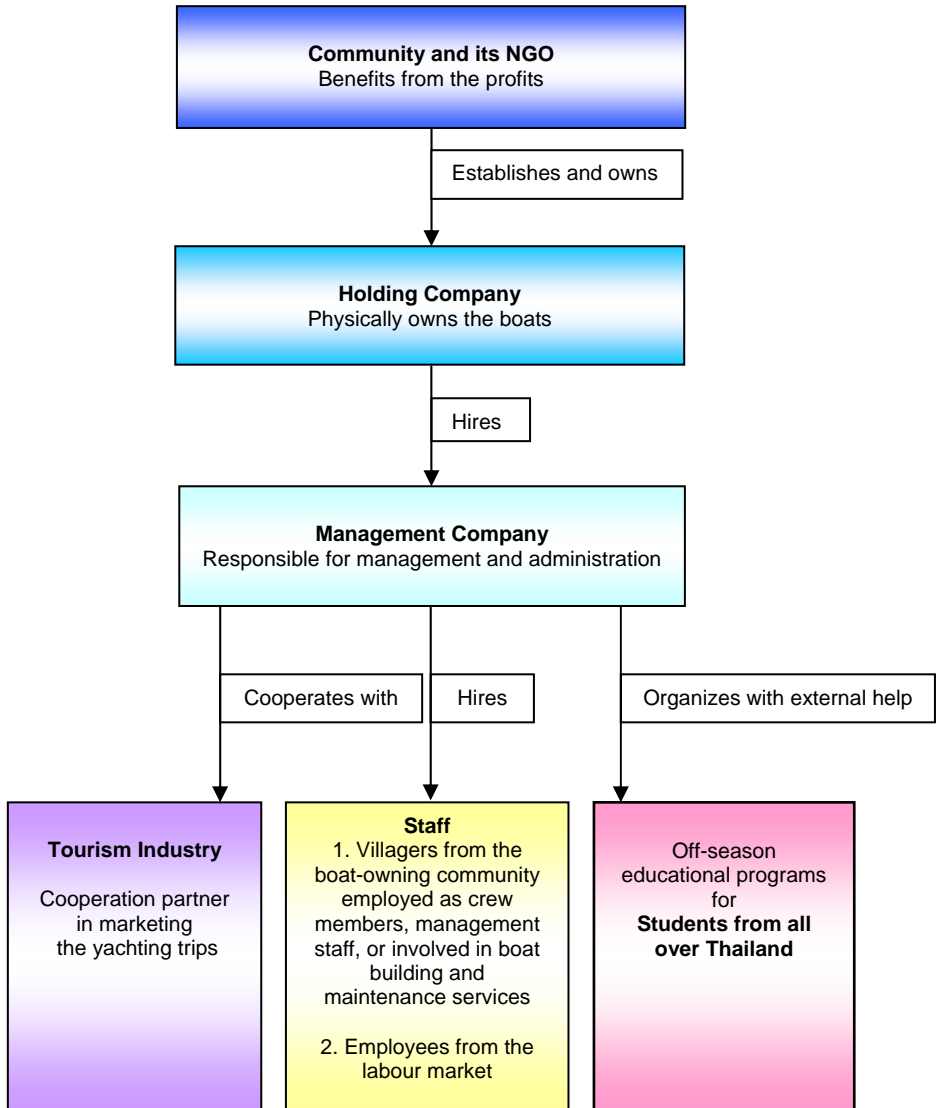


Figure 4: **The stakeholders of SCOPE-Charters**

2.2 Finance structure and financial administration

The finance structure and financial administration of **SCOPE-Charters** depending on how the villagers decide on profit distribution follow this example:

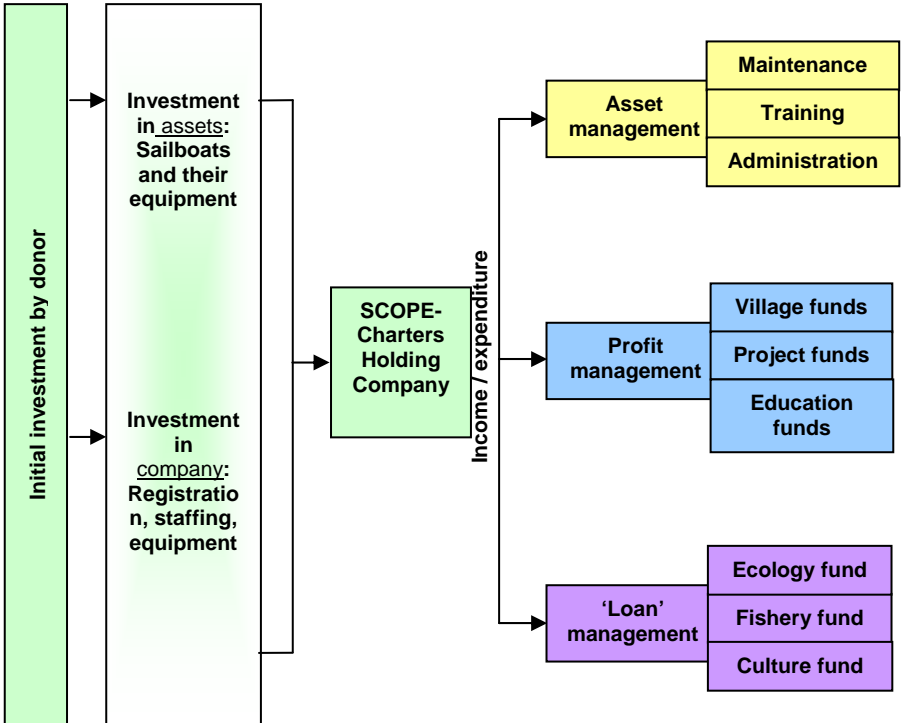


Figure 5: Finance structure and financial administration outline of SCOPE-Charters

The generated turnover flows into a refinancing scheme. It consists of three main divisions:

- **Asset Management**

First the management company has to receive a certain amount of the turnover to finance maintenance, training and administration.

- **Profit management**

Another part is used on special sustainability issues like community services (village funds) or local projects (infrastructure, environmental project funds). Yet another is re-directed to other non-profit related activities, like scholarships or to finance the off-season educational programs (educational funds).

- **Loan management**

Part of the turnover could be used to pay back capital for the acquisition and construction of the sail boats ('loan' management). The 'loans' do not refer to actual loans by communities needed to acquire the sailboats; the boats are part of donor financing. However, to create not only physical but also moral ownership and responsibility in the course of the project, boats have to be 'bought' like in any normal market enterprise. That means that the building costs are returned to the NGO funds and re-employed for other sustainable objectives. The 'loan' repayments are automatically directed towards three funds, i.e. an 'ecology fund', a 'fishery fund' and a 'culture fund' (See figure 3, p. 10, for the Bahn Nahm Khem plan).

The '**ecology fund**' especially has the potential to play an important role in achieving **SCOPE-Charters** long-term goals to promote both sustainable coastal management and political empowerment for the communities. It could also help in promoting PPP (private-public partnership) cooperation:

- Through the generated income it will be made possible for communities to invest in environmental protection technology like water and solid waste treatment. The villages could install modern facilities (sewage/waste water treatment plants) to treat waste from the boat as well as from the village.
- Strengthening the economic background of the communities will empower and encourage them to become involved in the natural management of the coastal areas e.g. monitoring the local coral and

mangrove forests and in this way give them a voice in local governance and politics.

- To strengthen private-public cooperation, GO's could help the financing of the infrastructure for environmental technology. The waste and water treatment facilities could be paid for by the government and the villages in a partnership.

2.3 Requirements of the tourism industry

To implement **SCOPE-Charters** to its conclusion, the private sector suggested that certain conditions were important:

- *Form of organization*

To ensure a successful project there is a need for a form of organization that would result in a single partner for the tourism industry to conduct negotiations with and that is able to sign legal documents and the cooperation agreement.

- *Management*

For the tourism industry the professional fulfillment of contracts is imperative. To start working on an efficient basis, the project needs an administration that is conducted by a professional management. The management will be responsible for negotiating all the contract details as well as for day to day business duties and will be the main contact partner for **TUI**.

- *Cooperation duration*

To make **SCOPE-Charters** a profitable project for all the parties involved, it would be best to agree to a minimum project duration. A contract should be signed for at least three years. In addition to that **TUI** is asking for an exclusive contract, since this will make sure, that **TUI** can offer a unique vacation experience.

Beyond this time, **TUI** would be happy to continue in a successful partnership.

- *Crew members*

Community members who would wish to work on the yachts as crew will earn a safe and steady income. In order to be able to offer services required by demanding tourists, they will need training in service and

English, and to always be able to fulfill the duties on board there will need to be two crews for each boat.

- ***Decision-making***

One of the many beneficial factors of **SCOPE-Charters** is that the participating communities have an influence on questions and issues concerning their business so that they are able to directly affect issues that concern their immediate environment. To make sure that decisions on the management and administrative level are made in accordance with the community, the management needs contacts from within the community that are authorized to forward decisions to the management and are able to make decisions at short notice.

- ***Communication***

SCOPE-Charters is bringing together stakeholders from different countries and business branches, as well as contrasting social and educational backgrounds. The issue will not only be language but also cultural differences. Efficient working communications are an essential condition for the projects' success. On the one hand, good working communication channels have to be established to ensure that communication is taking place when required, on the other, an intercultural communications expert should be hired to help avoid problems arising from cultural misunderstandings.

Most everyday communication will be done by electronic means. This will require IT-skills and equipment that might not be readily available on the community level. Here again it should be emphasized the need for an outsourced management at the start of the project.

- ***Itinerary information***

In order to market the yachting trips successfully on the Scandinavian tourism market, **TUI** would need a well-elaborated itinerary, pictures and detailed descriptions of the boat and the trip. **TUI** has to be provided with this information well ahead of time to be able to include it in its marketing campaigns.

2.4 Requirements of the communities

The communities also need certain requirements to be met. To begin with, the villagers need extensive consultation amongst themselves and with

advice from experts to understand what they are agreeing to, especially with regard to the legal aspects. Throughout the life of the project they might need an independent contact partner for this advice.

- *Form of organization*

The choice on the form of organization must reflect the needs of the community. First of all it must allow them to operate a business and then safeguard the owners from being held liable in case of accidents. In addition it should have an inner organization that applies democratic standards and has a transparent organizational structure.

- *Profit distribution*

To avert potential disagreements within the community concerning profit distribution, the community members should agree to terms before they sign contracts with any other party. The community has then to decide how the profits are going to be distributed between different options or how the money might be reinvested. Bahn Nahm Khem already has a plan that can be used as a model adapted for other communities (see figure 3, p. 10).

- *Management*

The outsourcing of the management is one of the most crucial points for the successful implementation of the **SCOPE-Charters** concept. With the experience of professional management, a large amount of the expected yearly profit can be saved, that would otherwise be used for administrative expenses. By transferring the responsibilities to experienced tourism managers, the villagers can concentrate on their community duties. What they need from the management are regular reports on the business activities.

Especially when **SCOPE-Charters** has been extended and more ships have been acquired or built, a duplication of administrative efforts at the local level can be avoided by outsourcing the management.

- *Cooperation duration*

The request from **TUI** to commit to a long-term engagement is advantageous for the community as it will secure the booking of the yachts for a minimum time period, leading to a guaranteed income and profit over the period of the contract. This will safeguard **SCOPE-Charters** potential to become a long-term success.

- ***Crew members***

The members of the communities that chose to work either as crewmembers on the boat or are somehow else involved in the yachting business need training in service and language. For this training curricula have to be developed.

From the point of view of the communities, two sets of staff are required in case of family events or community duties, so that substitute crewmembers will be available.

- ***Decision making***

Efficient and participatory decision making structures at the community level are required for agreements to be made that the community will then forward to the management. The communities' capacities for finding agreements and solutions must be strengthened. For example a committee could be established to represent and act on behalf of the community as a whole. This committee should be elected by all community members and be led by a person respected by the entire village.

- ***Communication***

The need for a functioning communication system also applies to the communities. Not only intra-communal communication needs to work well, also the villagers' influence on the contracts and decisions made by the management has to be safeguarded. They need to stay informed about important issues like incoming profit. Responsible persons from within the communities need to be appointed and will be in charge of communication with the management.

In order for the communities to conduct electronic communication with the management directly, members of the community could receive training in IT-skills.

- ***Problem solving***

The idea of a whole community holding ownership of tourism assets is a grand step towards increasing participation opportunities for local people. A challenge that these communities could face is that with this innovative project they might encounter difficulties that are new to them. To keep those issues resolvable, the communities should be supported in developing non traditional problem solving strategies.

- **Documentation**

The communities will find themselves in the new role of having attained ownership of tourism assets and being in a stronger position. For many of them unknown procedures and new experiences will be a part of that. To turn these valuable experiences into knowledge for themselves and other communities, they should be well documented. To record know-how and experience, documentation and sharing strategies are required.

The management should also find a way of documenting its work, so that the community will be able to benefit when they take over the management themselves.

To meet the communities' requirements concerning *Decision-making*, *Communication*, *Problem solving* and *Documentation* workshops for strategy-development and consultation could be conducted in the villages.

2.5 Comparison of tourism industry and community requirements

| Requirement | Degree of accordance |
|----------------------|---|
| Form of organization | Compatible requirements, but each side needs further issues to be considered. See legal requirements |
| Management | Identical requirements |
| Cooperation duration | Identical requirements |
| Decision-making | Conflicting requirements, needs further discussion |
| Communication | According requirements |
| Documentation | Conflicting requirements, needs further discussion. Might be too time-consuming for the management |
| Crew members | Compatible requirements |

Table 1: Comparison of tourism industry and community requirements

2.6 Legal requirements

To make sure that all compulsory legal requirements are met and the appropriate arbitrary details are chosen, advice and consultation with law-experts is needed. The following provides a selection of existing regulations as well as advisory and additional ideas of what has to be taken into consideration in establishing the legal background.

- *Form of organization*

In order to meet the requirement of the **tourism industry** to have a single partner for negotiation and be able to operate in the tourism sector as a fully authorized partner, the NGO has to adopt a legal form which that guarantees it the right to fulfill the following legal duties

- Conduct a business
- Sign contracts
- Contract insurances
- Hire staff

For the **community** there are additional legal requirements concerning the form of organization. They need to be able to:

- Contract insurances
- Assume only limited liability up to the amount of the net value of the assets
(No personal liability)
- Outsource company tasks
- Authorize externals to act on their behalf (management)
- Represent the community
- Have a democratic governing body if wished by the community
- Import a boat from Europe (Turkey)

It is recommended to establish a **limited company**. The NGO or NGO members (villagers) will become shareholders of this holding company. The limited status of the company will make sure, that the shareholders will not have to assume personal liability. This company would then have to be registered as the legal owner of the boat (See figure 5, p. 20).

- *Profit distribution and Company statutes*

When the company is established and before contracts are signed, a decision has to be made within the community on how the generated income will be allocated. Profit could be distributed equally between village funds, project funds and educational funds. Other sustainable objectives could be achieved by supporting regional projects concerning economic and cultural issues with the 'revolving funds' (see 2.2, p. 20). The details have to be discussed within the communities before the company is being established.

In order to allow **SCOPE-Chart**ers to stay responsive to the changing needs of society, it would be a good idea to keep the use of profits flexible. The communities could agree to decide on profit distribution on an annual basis.

On the other hand it must also be safeguarded, that the profit will only be spent to fund the non-profit purposes mentioned above and the boats used only for the specified yachting purposes. This must be part of the constitution in the company statutes.

- *TAT operating license*

Anyone dealing with tourists or offering tourism activities in Thailand has to attain an operating license, which is issued by the Tourism authority of Thailand. In this case the management company must apply for the license. In order to get this license a company bonding of 100.000 Baht is necessary. The management could provide this. Another requirement is third party insurance, which has to be contracted by the holding company.

- *Compulsory Insurances*

The Harbor Department of the Ministry of Transport and Communication of Thailand requires from anyone sailing in Thailand insurance for the boat, crewmembers and third party damage. These would be contracted directly by the holding company. Since this insurance includes only very basic coverage, additional insurances are recommended.

Health insurance for the crewmembers is required. The management as their employer will pay for their social security that covers instances of accidents, illness and working disability.

- *Additional insurances*

Additional insurance is needed to protect from unforeseen events. In order to make sure the holding company and the management will not be held liable in case of accident, it is important to obtain additional insurance. For example a recommended insurance would be for a total loss of the boat itself as well as insuring the tourists for their time on board and third party insurance. The holding company is responsible for obtaining these additional insurances.

- *Safety standards*

Certain guarantees for the boats concerning safety and security have to be given. Basically this means that the boats have to meet national safety standards and those official papers testify to regular inspections. The Thai Marine department issues boat papers annually. For this to happen inspections are made, checking that the boats are sufficiently equipped with inflatable floating devices, life jackets and fire extinguishers.

| Form of organization | |
|---|---|
| Tourism Industry Requirement | One single partner for negotiations |
| Community Requirement | Conduct business, limited personal liability |
| Legal Implementation | Establishment of a limited company |
| Profit distribution and Company statutes | |
| Requirement | Agreement on the use of the income for non-profit purposes |
| Legal Implementation | Inclusion of the agreement in the company statutes |
| TAT operating license | |
| Requirement | 100.000 Baht bonding, Third-party insurance |
| Legal Implementation | The bonding process conducted by the <i>management</i> , Insurance contracted by the <i>holding company</i> |
| Compulsory Insurances | |
| Tourism Industry Requirement | <i>Management</i> needs insurance for crewmembers and passengers. |
| Community Requirement | Compulsory insurance as required by the Harbor Department |
| Legal Implementation | <i>Management:</i> Pays for social security of the crewmembers and contracts insurance for passengers. <i>Holding company:</i> Contracts for compulsory insurance of the boat and third party boat, basic insurance for crewmembers. |
| Additional Insurances | |
| Requirement | Recommended additional insurance |
| Legal Implementation | <i>Holding Company</i> needs insurance covering total loss and third party property damage, insurance for tourists during their time on board and crew. |
| Safety standards | |
| Requirement | Boats need to meet safety standards as required by the Thai Marine Department: inflatable floating devices, life jackets, fire extinguisher. |
| Legal Implementation | Annual inspections and issuing of boat papers by the Harbor Master |

Table 2: **Summary of important legal requirements**

3. Advantages

3.1 Advantages for the tourism industry

Nowadays Ecotourism has become a key issue in the tourism sector. Ecotourism means ecological tourism, where ecological has both environmental and social connotations. The tourism industry is increasingly looking for partners engaged in ecotourism. Especially after the Tsunami they wish to support projects that help establish sustainable tourism. By promoting responsible tourism, the industry can serve a growing number of customers caring for a sustainable and mindful form of traveling.

The idea of **SCOPE-Charters** fits harmoniously into the concept of ecotourism and therefore might be an opportunity for the tourism industry to become more involved in this field. It is not only promoting sustainable tourism, but also cooperates with Tsunami affected communities as the main stakeholders. The fact that these vulnerable communities will get the chance to be part of a sustainable tourism project makes **SCOPE-Charters** an even more persuasive option for the industry to become engaged in this concept. Here, TUI can demonstrate its efforts to be a responsible representative of the tourism industry.

There are also practical advantages. The whole concept is planned and prepared for. The industry just has to agree and it gets a well-elaborated project. It has the opportunity of being part of an innovative idea that offers its customers a unique vacation experience in areas that as yet have not been fully exposed to tourism.

Besides that, this should be a profitable business for the Tourism industry. While this kind of yachting vacation is widespread and successful in countries like Turkey and Egypt, there are as yet no such boats in Thailand, even though the beauty of Thailand's marine landscape is most suitable for such trips.

3.2 Advantages for the communities

SCOPE-Charters is an appealing project for sustainable income generation because it offers - with a high probability - a financially rewarding cooperation between local communities and the tourism industry in a niche

market in Thailand. Hence, the aim is to create sustainable economic opportunities based on ownership for the communities. The combination of self-determination and ownership gives them a viable long-term coastal settlement perspective and improved living conditions.

In general, communities hardly ever benefit from tourism because they have no control over the assets and consequently the business strategy of the big tour operators and its sub-contractors. Having no control over the assets also means less influence on the management of their ecological, socio-economic and cultural surroundings. Furthermore, as employees they mostly do the simpler tasks as waiters, waitresses etc, whereas the more profitable parts of the value chain are reserved for big tour operators and their capital owners.

SCOPE-Charters intends to give the communities control over the assets and to build up their capacities to run boats as owners for the tour operator and thus enabling them to climb up the value chain ladder. The profit gained is reinvested in sustainable projects and material assets (green technology, primary and secondary education et al.) permitting a long-term prospect of improved living conditions for the communities.

A possibility for the stage after the recovery of the initial investment could be to bring the organization to the stock exchange, what would increase the income possibility of **SCOPE-Charters**.

In fact, by helping to establish further decision making structures and problem solving techniques appropriate for this project, **SCOPE-Charters** will help broaden the skills of the community organization and contribute to the enhancement of conflict resolution strategies that are applicable to any kind of conflict that can appear in day to day community organization communication.

Problems of direct ownership experiences like conflicts arising due to envy within in the community and the danger of neglecting community duties can be avoided, since the community as a whole is benefiting from the generated profit.

Not to be underestimated is the effect **SCOPE-Charters** can have on the communities' self-confidence. Seeing that they have a say, their self-awareness will grow and they might start other initiatives by getting more directly involved in matters that concern them. Through economic

independence they can involve themselves in political participation even more.

3.3 Ecological advantages

One of **SCOPE-Charters** objectives is the eco-efficient and sustainable use of human and natural resources. For some villagers, the correlation between an unspoilt nature, improved living conditions and income generation might not be so imperative, by involving them directly in the tourism business, the close connection between a cared for nature and revenues from tourism would then become clearer. A pristine environment gets an actual 'prize' and so increasing awareness towards the conservation of natural and cultural assets might evolve. A widespread community understanding and support for protecting the environment could be achieved.

The option of introducing modern environmental technologies as discussed in the context of the 'ecology fund' (See p. 21) is another step towards ensuring the ecologically sound background of this concept.

Today, almost every reachable spot in Thailand that might be interesting for tourists is covered with concrete buildings to offer accommodation, and roads are built to ensure accessibility. By using the boat for accommodation and as means of transportation to still untouched areas, the absence of a negative impact upon the natural and socio-cultural environment can be realized. This will offer the possibility for a form of tourism that leaves nothing behind, other than footprints on the beach until the next tide or rainstorm.

4. Concluding Remarks

Huge amounts of profits are made annually by the tourist industry in Thailand, but only a fraction of it eventually trickles down to the people living in the main tourist regions and being affected by tourism projects.

SCOPE-Charters is offering communities the important but unfortunately still rare possibility to take a direct and active role and finally gain a fair share from this enormously growing sector. This community based ownership model will introduce a change to the existing value chains and upgrade the communities' position.

SCOPE-Charters is able to create an income opportunity for communities that is responsive to the changing needs of the society, by making sure that the involved communities have control over the handling of the profits and that the spending objectives are flexible.

Experiences with past ownership models and the communities' wishes concerning the administration have been taken into account and solutions to possible problems have been developed and included into the concept of **SCOPE-Charters**.

Participatory planning and implementation makes sure that **SCOPE-Charters** is in line with the communities' realities and acknowledges their abilities and capacities to make valuable contributions.

In order to overcome possible problems within the **SCOPE-Charters** project with regard to managerial tasks and direct ownership, solutions that are inclusive of the community and bring their skills and experience to the issues have been developed.

Steady income with or even without the new planned businesses (Bahn Nahm Khem proposals) will make it possible to achieve long lasting independence for a whole community. A continuing long-term engagement for communities in the tourism sector can be achieved with high probability of success. Once established, the self-sustainability of the **SCOPE-Charters** business-model is almost guaranteed.

SCOPE-Charters will offer Tsunami affected communities the opportunity to not only overcome their current state of vulnerability but to develop even better living conditions than before the disaster. The villagers as

stakeholders turn into rights holders and their capacity to participate in local governance is promoted through economical power.

All the parties involved in the planning so far are highly motivated to support and accompany **SCOPE-Charters** to a successful conclusion.

5. Attachment

5.1 Initial community involvement update

A summary of information gathered from meetings with representatives of Bahn Nahm Khem and Koh Muk communities, September 2006

Bahn Nahm Khem and Koh Muk are the first two of Thailand's Tsunami impacted communities to take up the opportunity of the **SCOPE-Charters** project. They are good choices for the introduction of this new type of environmentally friendly and sustainable tourism project for the reasons indicated below, which if successful could become a model that many other similar Tsunami impacted community based tourism businesses could copy. Both communities have expressed enthusiasm for **SCOPE-Charters** even though Bann Nam Khem is further advanced in its readiness for the project.

Both communities already have similar kinds of skills to bring to the **SCOPE-Charters** project that can be augmented and developed with little effort.

As fishermen they can skipper and crew the boats, navigate, use sonar and radios for communication. They have practiced how to look after their electrical equipment often under adverse conditions, so there are many electronic technicians available. As fishermen they have mastered the repair of marine engines, sometimes in difficult situations at sea, so there are many skilled marine engine mechanics available. Touristik Union International (TUI) and their local affiliates would be able to liaise and offer advice with the chosen community organization on the issue of safety and safety equipment on the yachts.

The villages have dockyards and dock workers for the building and repair of fishing boats which could be used for the reproduction of larger yachts based on the original design. So they can increase and augment the services they are able to offer. Even though training will be needed for the individuals working on construction of hulls or outfitting the interiors of yachts, there is a wealth of appropriate carpentry skills available.

Women's groups and individuals will benefit from the increase of employment opportunities. They have expressed an interest in becoming receptionists, guides, cooks and hostesses all of which will mean a

requirement to teach these skills, leading to more individual independence and greater opportunity in the workplace.

Young people in the villages will also gain employment opportunities with computer and office skills and as mechanics, electrical technicians, guides and potential crew members. They can learn from the more experienced community members to improve their language abilities leading to more opportunities and choice in the job markets in later life.

Although many are able to speak a basic English due to the fact that they had worked in the pre-Tsunami tourism industry, English language skills will need improving for the minimum of two crews for each yacht plus waiters and hostesses to increase their confidence in communicating. This might include Scandinavian languages, especially Swedish, as Scandinavians will be the main target group for TUI and their affiliates in Europe. English then can then become an addition to the school curriculum for the children of the villages and for community based tourist guides. The latter have local knowledge, especially in regard to The Similan islands and two nearby islands largely unknown to the outside world. All of These islands offer an opportunity in eco-tourism as they provide coral diving and snorkeling, plus a rich diversity of animals and plants.

An increase of tourists gives the chance for local catering services to benefit from the supply of foodstuffs: fresh produce, dried fish, squid, fish balls, fish pastry and shrimps. Then it opens opportunities for the small entrepreneurs in the villages which include: the Batik fabric handicrafts, a Beauty salon and spa shop, Thai massage (herb massage), Internet and phone services, airline booking service, vehicles and boats for rent and small restaurants.

After the Tsunami the People's Bank was opened in Bahn Nahm Khem community. It has a strong administrative management, is a center for the community and is a means to develop new businesses through its investments and loans which the community and individuals can take advantage of.

Once the profits have started to be realized, they will fund infrastructure works such as roads, electricity using sustainable generated energy, community fresh water delivery service and a garbage and water treatment centre to protect the environment. They will put resources into monitoring the local coral reefs, mangrove forests, as well as the local village and beach

scenery. Money is to be invested in education and Welfare subsidy will be introduced. Religion and culture are to receive funds along with drug rehabilitation programs and land and housing issues. The community organization responsible for overseeing the project will get money for wages, office infrastructure and operation, as well as maintenance. (See figure 3, p. 10)

Bahn Nahm Khem Community has agreed that TUI and its local affiliates will represent its customers for the first three years of the project. After that the community organization will decide whether or not to continue the contract with TUI.

It is understood within both communities that there are jobs and responsibilities in the project beyond the scope of skills at present. So these jobs will be outsourced to experienced professionals in the hope that in the future some of those responsibilities can be taken over by the community.

Although representatives of Bahn Koh Muk have attended the information gathering meetings they are a little behind Bahn Nahm Khem in their preparation. They are still in the process of studying the project. After that they will propose it to the community via its leader. Once conclusions from the village have been reached they will make an appointment with a **SCOPE-Charters** project officer to propose a formal interest.

As has been highlighted in the introduction Thailand has been trying to find a sustainable solution for the economic situation of Tsunami affected communities to ensure that every community has equal opportunities and that its society has fully recovered. The **SCOPE-Charters** project is an ideal part of that solution. Tourists benefit from it as do the local communities' individuals, economy and environment, as well as those who have chosen to support and invest in this innovative and sustainable ECO-Tourism project.

5.2 Implementation proposal

In order to be culturally conforming and contribute to income generation based on village structures and ownership models, **SCOPE-Charters** is divided into 5 individual management-components. Each component is responsibly taken care of by a separate combination of stakeholders. Components that need special expertise and those that cannot be built locally in the short term are outsourced.

5.2.1 Implementation details

Table 3: **Activities and results of the implementation proposal**

| | <i>Expected results</i> | <i>Activities</i> |
|------------------------------|-------------------------|---|
| <i>Components of phase 1</i> | Management Model | Result 1: A sound management model for the SCOPE- Charters concept is developed |
| | | Establishing a management board/steering committee |
| | | Identifying and delegating responsibilities and duties of stakeholders |
| | | Clarifying ownership and other related issues regarding procurement of boat |
| | | Development of guidelines and statutes and legal framework (structure) |
| | | Hire professional staff for the coordination and implementation of project activities and establish appropriate working environment e.g. office |
| | | Identification of community partners (villages) |
| | | Conduct Baseline survey and establish M & E |
| <i>Components of phase 1</i> | Pilot boat | Result 2: A locally acceptable pilot boat in compliance with national standards is available, including trained staff and services |
| | | Purchase boat from Turkey and transport it to Thailand |
| | | Build boat according to national Standards (later?) |
| | | Define personal requirements |
| | | Develop training curriculum for serviced staff |
| | | Develop training curriculum for the boat construction |
| | | Identifying and preparing shipyard for construction and maintenance of boat |
| Conduct training | | |

Table 3: Activities and results of the implementation proposal (Cont.)

| | | <i>Expected Results</i> | <i>Activities</i> |
|------------------------------|--------------------|--|--|
| <i>Components of phase 1</i> | Coastal management | Result 3: The communities involved have adopted ecologically sound coastal management practices. | Conduct trainings |
| | | | Conduct a needs assessment/problem analysis |
| | | | Select in a participatory manner appropriate environmental technologies (technical matchmaking) |
| | | | Implement selected technologies for water, waste etc. |
| | Tourism market | Result 4: A market for the ecotourism tour has been developed. | Training selected Operation , Maintenance and monitoring staff |
| | | | Establish potential partners |
| | | | Negotiate contracts |
| | | | Establish off-boat services |
| | Off-season | Result 5: An off-season concept serving the public good (non-for profit) is developed | Establish local and international PR |
| | | | Identify potential target groups e.g. conflict mediation, inter-religious dialogue, AIDS orphans, etc. |
| | | | Develop activities on and off the boat for identified target groups |
| | | | Conduct activities and follow-up |

5.2.2 External experts

As a first step for project implementation an up to four months period of preparation is necessary. It will include meetings with all stakeholders to discuss in detail the potential role of each project participant during the project implementation. Besides the villagers and their NGOs, additional experts would be needed:

- One international expert of the Thai tourism sector and boat construction
- One senior international expert with excellent knowledge in cross-cultural communications, development and aid-issues, as well as international project implementation. Fluency in Thai (written and spoken) as well as excellent contacts to local networks is a must.

Remuneration of the international consultants - as quoted above - would include the following office infrastructure and services:

1. Tourist expert

- ✓ Office with secretarial staff
- ✓ Travel and accommodation services
- ✓ All office and communications costs
- ✓ Office overhead
- ✓ VAT

2. Communications-expert:

- ✓ Office with secretarial staff
- ✓ Travel and accommodation services
- ✓ All office and communications costs
- ✓ Office overhead
- ✓ VAT

5.2.3 Job descriptions of the crew and training needs

It is thought necessary to hire two crews from the village that will take turns working on the boat and to provide emergency backup in case of family bereavement or illness. Each crew will consist of 5 people from the village and a tour guide.

- Captain
Needs to be able to navigate and be willing to train in operating this kind of sailing boat
- Cook
Needs to be able to train to cook for about 20 people on board a sailing vessel providing food that then can be served to foreigners who have certain standards, along with the logistics of purchasing food and working out a menu plan

- Engineer

Needs to be able to repair a navel engine maintenance gearbox and generator or be willing to take training.

- Boat boy

Needs to be able to operate the sailing boat rigging and train in operating safety equipment

- Hostess

Needs training in service and the English language

She is responsible for serving the meals and maintenance tasks on board during the trip. As well as familiarity with safety equipment

- Tour guide

Has to speak English and possibly Scandinavian languages, for this reason, it may be necessary to hire someone from outside the community; however local guides would be preferable. They will be the person in charge of attending to the tourists.

5.2.4 Training curriculums

Training curriculums for the crew will have to include language courses as well as specific skills training, depending on the task on board. Service skills especially have to be enhanced. Dockyard workers will need to upgrade their abilities to outfit the yacht interiors including the possibility of making the hull. Information courses specifically on environmental protection would also be desirable.

5.2.5 Income generation

Through a secured salary, even in the low season, a crew of about 6 people could support as many as 70 community/ family members. During the high season the salaries would be higher and increased by tips and along with the communities plans for other small businesses could transform their lives in a positive way.

5.2.6 Company Income

In addition to the salaries that are generated by the staff and the rent TUI pays, there will also be high incomes from on board services. It is planned that only the meals are included, so every extra drink or snack has to be bought.

One boat could generate approximately a net income of up to 2 Million Baht per year.

5.2.7 Preliminary Itinerary

During the high season the boat will follow routes between Phuket and Krabi, the Similian islands as well as Koh Kao hua kwai and Koh Phaa pakarang in the case of Bahn Nahm Khem. There is another short period of vacation time in July and August, in Europe, where regular tours will take place, but this time in the Phang Nga bay.

5.2.8 Off-season activities

As explained earlier the off-season could be used for educational purposes for young people (age 12 – 18) from the rest (Buddhist majority parts) of Thailand. It is thought, that they could stay about two nights on the boat and have a home stay in the villages when they would get the chance to learn about the Thai Marine Parks, life in the South, but also yachting and swimming. For this **Education curriculums** would have to be worked out.

The crew is being paid an annual salary, so there are no extra costs. Marine Park lectures are offered from the authorities for free. The main cost point here is the transportation of the students from the rest of Thailand to the south. The idea is to ask local companies for funding.

5.2.9 Example of the type of yacht needed



Boat description

Length. About 25 meters

Hull. Wood

Interior. Wood

Engine. 250 – 400 hp

Gearbox 3:1

Generator. One 35 kw. One 8 kw

Speed. 8 – 10 knots

Sails. 2 masts. Gaff rigged

Full safety equipment

7-8 air-conditioned cabins. Each double bed with shower and WC

2 crew cabins for 6 crew members

Year of manufacture: 1997 and later

Total costs: 250,000 – 300,000 Euros

6. Forthcoming publications under Tsunami Aid Watch

Short term research projects

1. Social and cultural effects on Tsunami impacted populations receiving aid from religious organizations.
2. Land problems after the Tsunami.
3. The changing ways of life in Andaman's coastline communities.
4. Operating structure of Save Andaman Network (SAN), a case study in rebuilding houses and rehabilitating the communities.
5. Operating structure of the Save Andaman Network (SAN), a case study of boat repair and community shipyards.
6. Women and the Tsunami, a case study of those women affected by the Tsunami at Bahn Nahm Khem and Bahn Lampom

Long term research projects

1. Data collection regarding land problems and solutions for Tsunami impacted areas.
2. Morgan (Sea-gypsies) ways of life and the history of Morgan land use.

Other projects

1. Tsunami Seal. TS is searching for a fair and suitable standard for the disaster affected communities regarding hotel and resort businesses in the Tsunami affected area. Also to increase tourists' awareness of hotel business developments that do not have negative impacts on the local surrounding communities.
2. Renewable energy ownership model: is a feasibility study in community sustainable renewable energy allowing community participation in energy management.

Project period: November 2005 - January 2008