

ECONOMIC EMPOWERMENT OF COMMUNITIES THROUGH TOURISM: A PRO-POOR TOURISM VALUE CHAIN APPROACH

Rayviscic Mutinda NDIVO¹

Kenya Methodist University, Nairobi, KENYA

Lorenzo CANTONI

*UNESCO Chair for ICT and Tourism Development, Universita Della Svizzera Italiana,
Lugano, SWITZERLAND*

ABSTRACT

A number of constraints continue to limit participation of the local people to tourism and travel activities in the less and developing countries. Addressing such constraints has over time formed the focus of development paradigms in these countries. This paper uses analytical literature review for identifying the appropriate strategies promoting host community participation and the benefits of tourism development by giving particular emphasis on less and developing countries. Specifically, the paper critiques pro-poor tourism (PPT) and tourism value chain (TVC) approaches, in view of their feasibility for ensuring that tourism benefits the poor within the host community. By demonstrating their inherent limitations and strengths as models for empowering poor communities, the paper proposes an integrated model -Pro-Poor Tourism Value Chain- that integrates the strengths of both PPT and TVC approaches into a single framework. This framework would find important policy and practical application in enhancing economic participation of host communities in tourism. To realise this goal, the paper recommends mapping of appropriate TVC nodes, identification of intervention strategies for increasing benefits arising to those already participating in the TVC, and developing capacity of those not involved through pro-poor affirmative initiatives.

Article History

Received 13 August 2015
Revised 09 December 2015
Revised 29 December 2015
Accepted 31 December 2015

Keywords

Tourism Value Chain
Pro-Poor Tourism
Less and developing countries
Sustainable tourism
Economic empowerment
Tourism planning and development

¹ Address correspondence to Rayviscic Mutinda NDIVO, Kenya Methodist University, Nairobi, KENYA. E-mail: raymutinda@yahoo.com

INTRODUCTION

The inherent characteristics of the tourism industry lend it to become a viable economic development option for the less and developing countries ((Ashley, Roe, & Goodwin, 2001); United Nations World Tourism Organization [UNWTO], 2004). As an economic activity, the industry possesses a number of characteristics that make it particularly relevant to such countries and to the poor communities living within them (Roe & Khanya, 2001; Ashley et al., 2001; Gerosa, 2003; UNWTO, 2004; UNWTO and Stichting Nederlandse Vrijwilligers [SNV], 2010). For instance, the nature of tourism that places great value on assets such as warm climate, rich cultural heritage, inspiring landscapes and biodiversity, greatly favours the relatively less and developing countries - majority of which possess a comparative advantage in these areas especially, within their rural settings. In addition, tourism remains one of the few sectors highly accessible to the poor. The industry is labour intensive, and requires relatively low skills and little investment (Roe & Khanya, 2001; Ashley et al., 2001). As a result, tourism provides employment and business opportunities to disadvantaged groups such as women, young people, and ethnic minority populations. Further, the industry demonstrates a rather extensive economic multiplier featuring a large and diversified supply chain including agriculture, handicrafts, transport and other services. Accordingly, tourist spending can benefit a wide range of sectors both directly and indirectly. Through this extensive economic multiplier, tourism revenues trickle down to different groups of the society and thus represents a great potential for reducing poverty in the less and developing countries (Mazumder, Ahmed & Al-Amin, 2011).

In the less and developing countries, interactions among the tourists and poor communities can provide a number of opportunities ranging from cultural, environmental, and economic improvements (Ashley, Boyd & Goodwin, 2000). Specifically, there are four distinct categories of revenues that tourism can generate to the local community: (i) wages from formal employment; (ii) earnings from the sale of goods and services to the tourism businesses; (iii) dividends and profits arising from locally-owned enterprises; (iv) collective income, e.g.: profits from a community-run enterprise, dividends from a private sector partnership and land rental paid by an investor (Ashley et al., 2000). Consequently, tourism can rightly be identified as one of the most viable and sustainable economic development options for many developing countries (Opperman & Kye-Sung, 1997; Scheyvens, 2007), and one of the few economic sectors through which the least developed countries can

increase their participation in the global economy (United Nations, 2001; UNWTO, 2004; Zhao & Ritchie, 2007). Nonetheless, in most of the less and developing countries, tourism development often features the unplanned practices of the exploration and discovery stages (Akama, 1999; Sharpley, 2009). The sector is characterized by among others, high seasonal nature of demand that makes it unable to provide a sufficient year-round source of livelihood. In addition, weak engagement of the poor in the tourism trade results in much of the tourist spending leaking away from the poor destinations while the remainder mainly benefits the elite in the society (UNWTO and SNV 2010; Akama 1999; Jamieson, Goodwin & Edmunds, 2004).

A number of constraints have been acknowledged by academics which limit the economic participation of the local community in the tourism sector, especially the poor people (Ashley et al., 2000; Ashley & Roe, 2003; Barasa, 2010). Ashley et al. (2001) for instance, identify these constraints as the: lack of human capital, lack of financial capital including access to credit resources, lack of organisation, location barriers for the people who live far from tourism sites, lack of market power resulting from difficulties on ownership or control over resources, low bargaining power against foreign tourism investors and, limited capacity to meet tourists' requirements. Others include unfavourable regulations and red tapes including being excluded from registered and promoted categories of tourism facilities and services resulting to inadequate access to tourist market, exclusion by organised formal sector interests, limited official focus on developing alternative markets -including domestic, regional or independent tourism markets and, government support that is mainly targeted to the formal sector.

Addressing these barriers would maximise the economic participation and benefits accruing to the local communities including the wide range of employment, self-employment and informal sector opportunities. This concern forms the primary focus of the pro-poor tourism (PPT) approach. However, PPT approach has also its own weaknesses and shortcomings that fail to realise envisioned goals. The purpose of this paper is, therefore, twofold:

- (i) To contribute the attempts of filling the gap in the literature on empowering host community in the less and developing countries to participate in the tourism trade. With this purpose, the authors reviewed the literature and the proposed models on the challenges of such participation.

- (ii) To propose a practical framework for enhancing economic participation of host communities in the tourism trade.

This paper uses analytical literature review for identifying the appropriate strategies promoting host community participation and the benefits of tourism development by giving particular emphasis on less and developing countries. Specifically, the paper undertakes literature review on two models of tourism development i.e. the PPT and the TVC approaches, in view of their feasibility for ensuring that tourism benefits the poor within the host community. The study finally proposes an alternative model that integrates the two approaches and illustrates the areas of further research. This section is followed by key limitations of the study and a brief agenda for further research.

LITERATURE REVIEW

Pro-Poor Tourism Approach: A Critique

For a couple of decades, a number of development paradigms have been adopted in the efforts to develop tourism as a tool for economic development and poverty alleviation. For instance, in the 1960s, tourism's potential to contribute to development was viewed as a modernising agent (de Kadt, 1979; Dieke, 1991; Holden, 2005; Scheyvens, 2007; Barasa, 2010). The 1970s and 80s were marked by advocacy for using tourism as an agent for poverty alleviation informed the argument that poor people and developing countries were excluded from benefits accruing from tourism development (Scheyvens, 2007). Accordingly, the period witnessed by a growing interest to use tourism for poverty reduction by the emergence of 'pro-poor tourism' (PPT) approach in the tourism development (Department for International Development [DFID], 1999; Sofield, Bauer, De lacy, Lipman & Daugherty, 2004; Rossetto, Sofeld & Li, 2007). This approach was hinged on the World Bank's concept of pro-poor growth that sought to distribute incomes accruing from the economic growth of a country in favour of the poor (Barasa, 2010).

The PPT approach consists of a set of principles, strategies and initiatives that seek to expand economic opportunities for the poor people by the use of tourism outcomes (Ashley & Roe, 2003). This approach aims to increase the net benefits for the poor and to contribute the poverty reduction. The approach also includes a focus on conservation of natural

environments and cultural heritage, by ensuring the economic benefits become greater than the social, environmental and cultural costs (DFID, 1999). To realize these goals, the PPT approach focuses on enhancing economic opportunities for the poor by including them in tourism decision-making process, taking a holistic livelihoods approach to the concerns of the poor including short-term and long-term economic, social and environmental concerns rather than focusing simply on cash or jobs, analysis of the distribution of both tourism benefits and costs accruing to the poor and how to influence it, taking a flexible approach in the efforts to maximise benefits to the poor in view of the pace or scale of tourism development, embracing commercial realism that recognises the constraints of commercial viability in seeking ways to enhance tourism economic impacts on the poor, and learning from experience including drawing on lessons from poverty analysis, environmental management, good governance and small enterprise development (Ashley et al., 2000). In addition, focus is given to poverty-centred tourism sustainability including stress on the links between poverty, environment and development; incorporating the poverty alleviation goal into the wider tourism framework including the tourists and commercial, environmental and ethical objectives; and reducing barriers to the economic participation of the poor in the tourism sector. These strategies can be broadly grouped into three as: expanding economic benefits for the poor; addressing non-economic impacts; and developing pro-poor policies, processes, and partnerships (Ashley et al. 2001).

Over the years, the PPT approach has however, been noted as possessing a number of limitations as a tourism economic development tool for poor local communities. At the very onset, PPT puts the poor and poverty at the centre. Starting from this point, tourism is then seen as one component of the household, local and national economies, and environment that affects the poor (Ashley et al., 2000). The central focus of PPT strategies is therefore on unlocking opportunities for the poor and less on expanding the overall size of the tourism sector, a focus that the DFID refers to as 'tilting the cake, not expanding it' (DFID, 1999:1). In addition, while PPT is focused on the worthwhile cause of addressing poverty by allowing tourism benefits to reach the poor people, the approach has always been closely associated with community-based tourism (Harrison, 2008). Whereas community-based tourism efforts have been credited with engaging and training poor communities and distributing proceeds across a large number of households (Mitchell & Coles, 2009), the model poses a number of limitations. For instance, the

benefits to the community are not financially sustainable owing to a number of factors including lack of a trade-off between costs and revenues, commercially unsustainable products, weak market linkages, increasing peasant differentiation, social unrest, problems with local decision-making, lack of local tourism business knowledge and training, pseudo-participation, and work and time restructuring (Gascón, 2013; Mitchell & Coles, 2009; Scaglione, Marx & Johnson, 2011). In addition, community-based tourism emphasizes community benefits as a motivation for conservation (Mogelgaard, 2003). Such non-economic focus limits the model's potential to generate meaningful and sustainable economic outcomes (Wheeller, 1992). In fact, researchers have noted that the community-based tourism idea still remains attractive largely because of the limited efforts made to monitor its benefits to conservation or local communities (Goodwin & Santilli, 2009; Scaglione et al., 2011).

As Mitchell and Coles (2009) state major concerns on the viability, sustainability and impact of the community-based tourism has led to change of focus towards linking resource-poor communities with the mainstream tourism market. Nonetheless, this emphasis on forging links with the 'largely capitalist international tourism organisations in developing relatively small tourism projects' (Harrison, 2009), has been noted one of the weaknesses of the PPT approach.

Further, little has been demonstrated on the effectiveness of PPT strategies especially on their impacts on national aggregates, 'because initiatives are small-scale, site-specific, or at early stages of implementation' (Ashley et al., 2000). Moreover, it is informative to note that tourism benefits to the poor depend on whether and how they can participate economically in this sector. This equally depends on a range of critical factors including the type of tourism being developed, planning regulations, land tenure, market context, and access to capital and training (Ashley et al., 2000; 2001). As a result, poverty alleviation, which is at the core of PPT, becomes a complex undertaking.

Moreover, a number of local realities further limit PPT potential as a tool to eliminate poverty (Sheyvens, 2007). Barasa (2010) identifies these factors as the: corruption, cronyism, inequalities and elite capture of most of the benefits from tourism development.

Noting these weaknesses, this paper therefore calls for rethinking the best approach to ensure that the host community not only economically participates in tourism, but more importantly, their integration into the mainstream sector value chains is engendered.

Tourism Value Chain (TVC) Approach

From the sector perspective, efforts towards deepening tourism linkage with other sectors of the local economy have been pursued as a way of checking economic leakages and enhancing broader economic development (Ashley & Mitchell, 2008). Such efforts have mainly followed the Tourism Value Chain (TVC) logic that seeks to integrate the host economy into the different 'nodes' involved in the entire trip lifecycle covering the planning and commencement of travels, stays at the destination, and return travels to the region of origin (UNWTO, 2013; Ashley & Mitchell, 2008). The TVC nodes thus include tourism businesses spanning across different market segments featuring both the traditional mass markets and the niche markets such as eco-tourism, adventure tourism, health and wellness, religious, heritage, and sports tourism, and others. These present a variety of economic opportunities for the local community, if they are employed in the accommodation facilities, restaurants, attractions and other services. Tourism value chain analysis enables the identification of the short, medium and long-term potential interventions that could increase the economic benefits of the target groups, or even contribute to the general competitive development of the tourism destination as a whole (Gollub, Hosier & Woo, 2003).

The TVC concept is adapted from the value chain approach that focuses on the full range of activities required to bring a product or service from conception, through the different phases of production and delivery, to the final consumer (Kaplinsky & Morris, 2000). The VC approach aims at exploring potential leverage points that would help in developing a systemic competitive value chain that enables inclusive and sustainable economic growth. This is achieved through appropriate selection and analyses of an entire value chain, engaging key private sector actors and facilitating the establishment and strengthening of sustainable or commercially viable private sector-led market-based solutions to create positive economic impacts to target populations (SNV, 2010).

Generally, the VC approach is rooted on various theoretical approaches including: the backward and forward linkages (Hirschman, 1958); the strategic management perspectives of sub-sector analysis, supply chain management, and the *filière* approach of the 1960s and 1970s; Michael Porter's value chain perception that focuses on added-value in the enterprise level (Porter, 1987); and the concept of global value chain or global commodity chain that focus on the processes of globalisation and global economic integration that rarely gives benefit to

less and developing countries (Gereffi & Korzeniewicz, 1994; Gereffi, 2011; Hoermann, Choudhary, Choudhury & Kollmair, 2010; Drost, van Wijk & Vellema, 2011). However, Drost et al. (2011) argue that Porter's value chain perspective shares little similarity with the value chain concept from a development perspective noting that it encompasses solely the range of internal value-added processes within one company, and differs from a development perspective that focuses on a network of companies.

The value chain approach originally focuses on the analysis of the vertical business dimensions of a chain and thus ignores the broader development programmes that would strike a balance between economic growth, poverty reduction, and environmental protection. Recent attempts aim to integrate value chains with horizontal elements and to capture the analysis of development parameters such as the poverty, gender, and environmental dimensions (Hoermann et al., 2010). This focus has been referred as a pro-poor value chain analysis whose primary aim is to identify leverage points along a chain in which, if addressed, yield the highest potential for improving the benefits for small producers, service providers, traders, or processors (Hoermann et al., 2010). Accordingly, the value chain approach has become a preferred model for poverty reduction and sustainable livelihoods by a number of international development agencies and government organisations including the International Fund for Agriculture and Development (IFAD), German Technical Cooperation (GTZ), and the Netherlands Development Organisation (SNV) (Hoermann et al., 2010).

Tourism value chains, however, differ from those for manufactured or agricultural commodities due to the nature of both the product and the market. Generally, tourism is a complex amalgamation of complementary products that service the travel market including accommodation, transport, food, entertainment, cultural heritage, and shopping. In addition, to consume this 'product', the market (tourists) has to move to the product (the destination) which is an opposite pattern when compared to conventional product value chains (Ashley & Mitchell, 2008). In the case of international tourists, this means a very peculiar form of export, in which the end-user is "imported" in the country to consume the product/service. Moreover, the production and consumption of tourism services occur simultaneously since the product cannot be stored. TVC therefore covers the amalgamation of businesses and industries across the entire travel lifecycle as earlier noted.

THE PRO-POOR TOURISM VALUE CHAIN APPROACH

The TVC approach discussed above can be considered as a viable option for integrating the host communities into the tourism value chain. However, in the less and developing countries, where the host community faces the challenges articulated under the PPT approach above, realising this goal would require the challenges that limiting participation of the poor people in tourism sector be overcome.

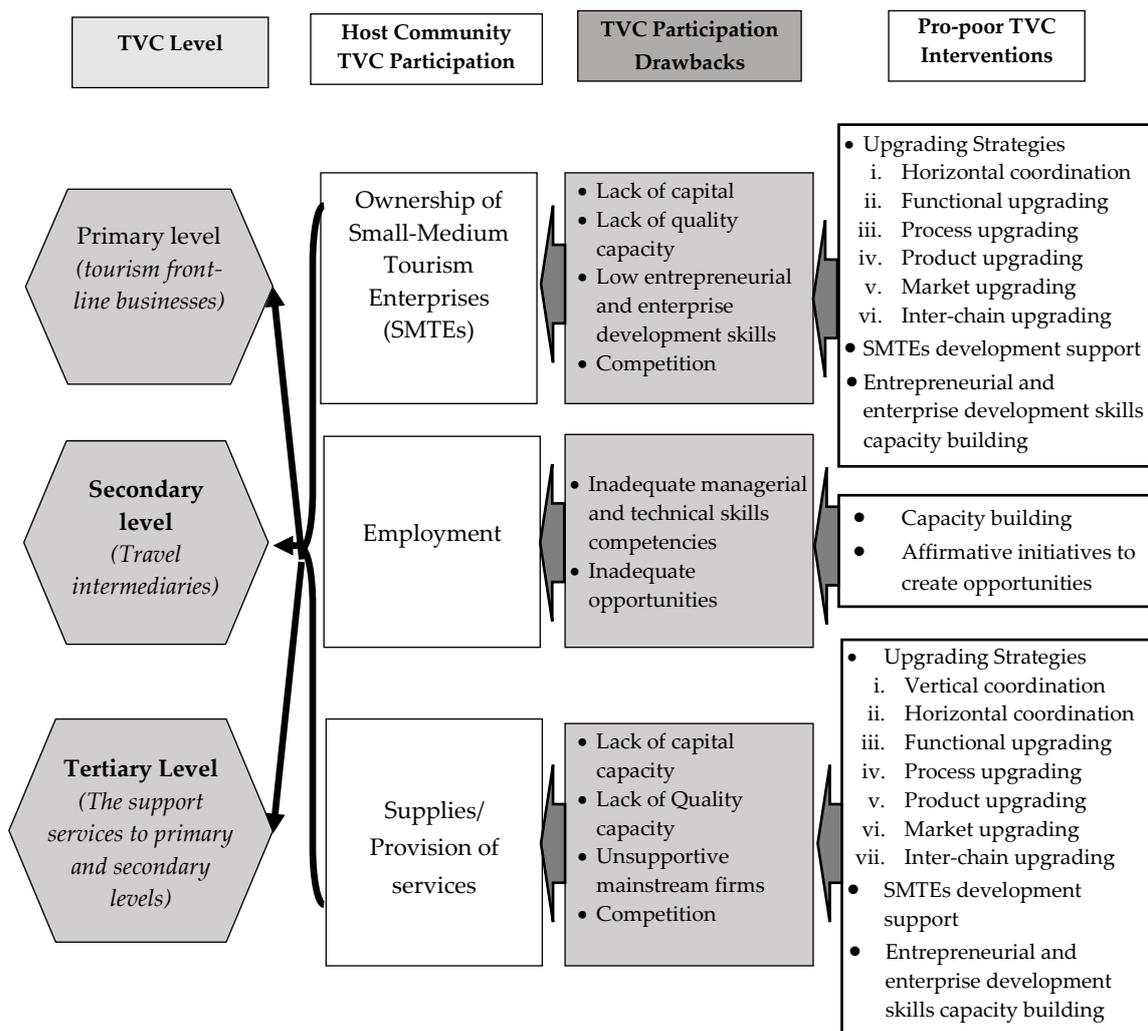


Figure 1. Pro-Poor Tourism Value Chain Framework

Drawing on the above discussion on both PPT, the TVC, and the developments on the original value chain approach that have seen emergence of a pro-poor value chain analysis (e.g. Hoermann et al., 2010), this paper proposes a Pro-Poor Tourism Value Chain framework as

depicted in Figure 1. The framework is considered ideal for ensuring that participation of the host community is not only mainstreamed into the tourism sector, but relevant 'affirmative actions' are pursued to guarantee such participation.

Mapping the TVC Nodes for Host Community Participation

As earlier discussed in the previous section, tourism value chain represents the general steps and suppliers a visitor interacts with commencement of a travel (UNWTO, 2013). From the framework above, a number of possible value chains exist where the local community can participate directly in. These can be categorised into six clusters each representing a host of business opportunities: transportation; ground handling services for international tour operators; accommodation; food and beverage; handicrafts; leisure; and excursions and tours. In addition, the indirect level comprising sectors that supply the frontline tourism businesses also forms another set of businesses through which the local community can participate and benefit from tourism development.

According to Gollub et al. (2003), the six clusters can be categorised into three levels of providers that support the visitor experience: the primary level that includes the suppliers that are the closest to the end-consumption consisting of, such as: accommodations, restaurants, and retail stores that are part of the visit to the destination or event. The authors however, note that local suppliers, particularly hotels, often fail to meet international standards for service and management. As a result, they may prove unattractive to particularly the international tourists who have a number of quality expectations on the products and services they receive within the destination (Lejarraja & Walkenhorst, 2007) unless of course, there are no alternative suppliers.

The second category, secondary level comprises suppliers that are intermediaries between the tourist and the destination including inbound travel agents and tour operators, transport providers (air carriers, car, tour and local buses). Traditionally, travel agents are still the primary channel for travel arrangements. However, the internet has provided opportunities also for local agents to be part of the potential tourists' expenditure path. In addition to travel agencies, local communities may feature prominently in the provision of ground transportation within a destination (Gollub et al., 2003).

The third level, tertiary Level (the support services) consists of suppliers who support the primary and secondary suppliers, and the infrastructure of the destinations. These include the businesses as management and accounting, facility and equipment maintenance, marketing and reservations systems, working capital (lines of credit), furnishings, food services, catering and entertainment services, as well as real estates, construction, material, equipment suppliers and investment agents. This level aims not only deepening the linkages between the tourism sector and the other local economic sectors, but also reinforces the tourism value chain. For example, using local designs and materials in the building of hotels, offering foods grown locally, as well as entertainment and events from the locality serves not only to increase the economic multiplier effect, but significantly reinforces the tourism value chain (Gollub et al., 2003; Mazumder et al., 2011).

While the tertiary level may present high opportunities for the local community to participate in the tourism value chain, there are notable reasons why mainstream tourism companies, especially hotels, may have difficulties in making purchases from small local suppliers (Yunis, 2006). First, big-size hotels prefer to work mainly with recognized suppliers to guarantee some minimum requirements about health or environmental issues, imposed to them by their chain or by public regulations. Secondly, quite often, price considerations form the main interest of hotel purchasing officers who are less interested in the maximization of the benefits to the locals at the destination level. In addition, most purchase decisions are influenced by other factors like commissions and discounts, personal relationships, and the use of purchasing power as a point of leverage to have better treatment in the speed of distribution and the payment conditions (Yunis, 2006.). Moreover, from an administrative point of view, hotels would prefer to have less number of suppliers since the reduction in the number of suppliers means reduced administrative cost and time. Furthermore, storage and distribution logistics including frozen supplies and the occasional demands for impromptu supplies may prove difficult for the small local producer. Finally, while arguments exist in support of local products as marketing tools (Gollub et al., 2003), some hotel companies do not think that the local product can be turned into a marketing tool and will not stimulate its promotion.

The foregoing analysis therefore calls for strategic interventions that would focus on developing the capacity of the local communities to competitively participate in the mainstream tourism sector.

Prerequisite Interventions for Developing Pro-poor Tourism Value Chains

The successful pro-poor TVC participation of the local community would require exploring and implementing a number of interventions noting the challenges that have notably inhibited its participation in the tourism sector. It is important that a number of prerequisite interventions are explored and implemented to ensure development of a systemic competitive value chain that enables inclusive and sustainable economic growth within the region. This should aim at mainstreaming local enterprises into a business approach across the sector, rather than a pure pro-poor tourism development approach that has been noted as contributing little to poverty alleviation unless it is mainstreamed (Goodwin, 2008).

In general, the objectives of TVC interventions fall into three categories (United Nations Economic Commission for Africa [UNECA], 2014): (i) to strengthen the weakest links by addressing possible bottlenecks in the chain (e.g., improve capacities and capabilities of local input suppliers); (ii) to strengthen the linkages between firms in order to make the chain more productive (for instance, by improving flows of knowledge and resources between local firms and lead firms/intermediaries and suppliers of inputs and capital equipment); and (iii) to create new or alternative links in the chain to link local firms to value chains or to new lead firms and end markets. The tourism value chain interventions thus focus on increasing the earnings of the current participants, and secondly, on assisting new entrants to enter the value chain.

A number of strategies have been identified aimed at achieving the above two broad focus areas. For instance, increasing the earnings of the current value chain participants can be realised through such interventions as: expansion of existing production activities, improvement of existing production in terms of improved quality and productivity, greater contractualisation leading to changed terms of existing relationships, and moving up the value chain to create more value-added and enter higher-return activities (Ashley & Mitchell, 2008). On the other hand, interventions that can assist new entrants to enter the value chain include: expansion of the overall tourism value chain thus creating more opportunities for the locals, expansion of specific parts of the tourism value chain which are relatively important to the locals, introduction of new links in the value chain which create new opportunities for the local

participants, and the reduction of barriers to entry so that local people are able to access opportunities for example through training of the locals to take up hotel management jobs (Ashley & Mitchell, 2008).

A further approach has been to focus on the upgrading strategies for value chain development (Mitchell, Keane & Coles, 2009; Kaplinsky & Morris, 2000). This approach involves the acquisition of the technological, institutional and market capabilities that leads to the improvement of competitiveness, i.e., a process of trading up, which allows participants to access viable new value chains or improve their position in existing value chains (Mitchell et al., 2009). Literature identifies a number of strategies that can be applied to upgrade the position of the locals in the tourism value chains (Mitchell et al., 2009; Giuliani, Pietrobelli & Rabelloti, 2005; Humphrey & Schmitz, 2002; Kaplinsky & Morris, 2000). These include horizontal coordination which focuses on building greater intra-nodal organisation that allows for coordination with other participants within the value chain and thus enables producers to achieve economies of scale in supplies and to reduce transaction costs.

Vertical coordination is the second intervention strategy that involves adoption of longer-term inter-nodal relations, mainly through contract arrangements. For example, the local farmers can contract with the hotels on the food supplies, thus resulting in certainty about future market and revenue flows for the local participants. Another form of upgrading is the functional upgrading that involves changing the mix of the functions performed by actors in the value chain, for instance, through the exclusion of intermediaries in the supply chain. The alternative to functional upgrading is functional downgrading in which participants in the value chain drop downstream functions to focus on core upstream activities (Kaplinsky & Morris, 2000). Process upgrading is another value chain intervention strategy. This strategy involves improving value chain efficiency by increasing output volumes or reducing costs for a unit of output.

Other upgrading interventions include product upgrading, that seeks to achieve higher prices through improved quality including value addition, standards, or certification; market upgrading, that seeks to improve access to the already existing markets or to diversify into new and untapped markets; and inter-chain upgrading that involves applying competences acquired in one function of the value chain to another more profitable function. Mitchell et al. (2009) however note that inter-chain upgrading often faces significant barriers to entry for the poor especially

when it involves access to the more lucrative value chain functions. To overcome such barriers, focus should first be geared towards horizontal coordination that would enable the poor locals to gain capacity for the inter-chain upgrading. In addition, attention should also be directed at 'upgrading' the enabling environment with focus being on the competitiveness of the enabling environment for value chains development including improving: the support services, institutional, legal and policy frameworks in which value chains operate. These functions are in the purview of regulatory bodies, national or multilateral development agencies, trade associations, and governments. Such institutions thus have substantial influence over the extent and success of locals' participation in the tourism value chain (Dorward, Kydd, Morrison, & Poulton 2003; Biénabe & Sautier, 2005; Bürli, Aw-Hassan & Rachidi, 2008).

It is important to note that this framework presumes an in-depth TVC mapping aimed at exploring the specific TVC nodes through the host community participation. Further, the framework foresees the need for a governance structure in which both the host public sector and private sector have key roles to play, as observed by Ashley (2006a; 2006b).

CONCLUSION

Evidences in the literature have shown that tourism development by itself does not necessarily generate spontaneous benefits for the local people unless deliberate efforts are made to mainstream host community into the sector. While this paper appreciates the focus of the PPT approach to tourism development in the less and developing countries, it has demonstrated that the PPT approach is predisposed to a number of weaknesses that limit its feasibility as a tool for tourism development in such countries. The paper has therefore proposed a pro-poor TVC approach that integrates the benefits of both PPT and TVC into a single framework. This framework would find important policy and practical application in enhancing economic participation of host communities in tourism. This overriding goal would be realised through the identification of leverage TVC points through which the local community can participate in tourism development; identifying intervention strategies for increasing benefits arising to those already participating in the tourism value chain; and developing the capacity of those not involved to competitively play an active role in the value chain. The paper also foresees the application of the Pro-Poor TVC Model as being vital to

cultivating a positive community attitude towards tourism development and a tool to guiding corporate social responsibility initiatives of the tourism sector.

LIMITATIONS AND RECOMMENDATIONS FOR FURTHER RESEARCH

This paper provides a significant contribution by addressing the limitations of both PPT and TVC approaches as tools for developing tourism in the less and developing countries. It should, however, be acknowledged that different economies and communities have unique characteristics in tourism development. The pro-poor TVC model will therefore need to be aligned to the local realities. Accordingly, there is a need for further research to test the validity of this framework in different countries. In the future studies, it is recommended that inquiry focuses on three main issues in this context, as follows:

- Mapping out the different TVC levels and nodes that host communities in less and developing countries can actively participate in;
- Uncovering the limitations to TVC participation by host communities in the less and developing countries;
- Exploring the possible pro-poor interventions to enhance the participation of host communities in the tourism value chains.

ACKNOWLEDGEMENT OF FINANCIAL SUPPORT

The preparation of this article was undertaken during a Post-Doctoral Fellowship funded by the Swiss government through the Federal Commission for Scholarships for Foreign Students (FCS).

REFERENCES

- Akama, J.S. (1999). The evolution of tourism in Kenya. *Journal of Sustainable Tourism*, 7 (1), 6-25.
- Ashley, C. (2006a). *How can Government Boost the local Economic Impacts of Tourism? Options and Tools. For SNV East and Southern Africa*. The Hague and London: SNV and Overseas Development Institute [ODI].
- Ashley, C. (2006b). Facilitating pro-poor tourism with the private sector, Lessons learned from Pro-poor Tourism Pilots in Southern Africa. *Pro-poor Tourism Report No. 6* February 2006. London: Pro-poor Partnership.
- Ashley, C. & Mitchell, J. (2008). *Doing the right thing approximately not the wrong thing precisely: Challenges of monitoring impacts of pro-poor interventions in tourism value chains*. London: ODI. Retrieved May 17, 2015 from <http://www.odi.org>.
- Ashley, C. & Roe, D. (2003). *Working with the Private Sector on Pro-Poor Tourism, Opinions and experience from two development practitioners*. London: PPT Partnership.
- Ashley, C., Boyd, C., & Goodwin, H. (2000). Pro-poor tourism: Putting poverty at the heart of the tourism agenda. *Natural Resource Perspectives* 51 (5), 1- 12.
- Ashley, C., Roe, D. & Goodwin, H, (2001). *Pro-poor tourism strategies: Making tourism work for the poor*. Pro-poor tourism Report no 1. London: Overseas Development Institute, International Institute for Environment and Development, and Centre for Responsible Tourism, University of Greenwich.
- Barasa, D.W. (2010). *Tourism, Poverty and Poverty Reduction in Msambweni District, Kenya*. PhD dissertation, University of Bedfordshire, UK. Retrieved May 15, 2015 from <http://uobrep.openrepository.com>.
- Biénabe, E. & Sautier, D. (2005). *The role of small scale producers' organizations to address market access*. In Almond, F.R, Hainsworth, S.D. (Eds) *Beyond Agriculture – Making Markets Work for the Poor*. Proceedings of an International Seminar. UK: Practical Action.
- Bürli, M., Aw-Hassan, A. & Rachidi, Y.L. (2008). The importance of institutions in mountainous regions for accessing markets: An example from the Moroccan High Atlas. *Mountain Research and Development* 28 (3/4), 233–239.
- De Kadt, E. (1979). *Tourism: Passport to Development*. London: Oxford University Press.
- Department for International Development (DFID). (1999). *Tourism and Poverty Elimination: Untapped Potential*. London: DFID.
- Dieke P.U.C. (1991). Policies for tourism development in Kenya. *Annals of Tourism Research*, 18, 269-294.
- Dorward, A., Kydd, J., Morrison, J. & Poulton, C. (2003). *Institutions, markets and pro-poor agricultural growth*. Wye: Imperial College London.
- Drost, S., van Wijk, J., & Vellema, S. (2011). *Development value chains meet business supply chains: The concept of Global Value Chains unravelled*. The Partnerships Resource Centre. Retrieved May 15, 2015 from www.partnershipsresourcecentre.org.
- Gascón, J. (2013). The limitations of community-based tourism as an instrument of development cooperation: The value of the social vocation of the territory concept. *Journal of Sustainable Tourism*, 21 (5), 716-731.

- Gereffi, G. (2011). Global value chains and international competition. *Antitrust Bulletin*, 56 (1), 37-64.
- Gereffi, G., & Korzeniewicz, M. (Eds.) (1994). *Commodity Chains and Global Capitalism*. Westport, CT: Greenwood Press.
- Gerosa, V. (2003). *Pro-poor Growth Strategy in Africa: Tourism: A viable Strategy for Pro-Poor Growth in Africa?* Expert Group Meeting held at Munyonyo Speke Resort Kampala, Uganda. June 23-24.
- Giuliani, E., Pietrobelli, C. & Rabelotti, R. (2005). Upgrading in global value chains: lessons from Latin American clusters. *World Development* 33 (4), 549–573.
- Gollub, J., Hosier, A. & Woo, G. (2003). *Using Cluster-Based Economic Strategy to Minimize Tourism Leakages*. UNWTO, Geneva. Retrieved April 12, 2015 from <http://www3.dogus.edu.tr>.
- Goodwin, H. & Santilli, R. (2009). *Community-Based Tourism: a success?* ICRT Occasional Paper 11. GTZ.
- Goodwin, H. (2008). Tourism, local economic development, and poverty reduction. *Applied Research in Economic Development*, 5 (3), 55 - 64.
- Harrison, D. (2008). Pro-poor tourism: A critique. *Third World Quarterly*, 29 (5), 851-868. DOI: 10.1080/01436590802105983.
- Harrison, D. (2009). Pro-poor tourism: Is there value beyond the rhetoric? *Tourism Recreation Research*, 34 (2), 200-202.
- Hirschman, A.O. (1958). Interdependence and Industrialization. *The Strategy of Economic Development*. New Haven: Yale University Press.
- Hoermann, B., Choudhary, D., Choudhury, D., & Kollmair, M. (2010). *Integrated value chain development as a tool for poverty alleviation in rural mountain areas: An analytical and strategic framework*. International Centre for Integrated Mountain Development (ICIMD). Retrieved April 18, 2015 from <http://lib.icimod.org>.
- Holden, A. (2005). *Tourism Studies and Social Sciences*. London: Routledge.
- Humphrey, J. & Schmitz, H. (2002). How does insertion in global value chains affect upgrading industrial clusters? *Regional Studies*, 36 (9), 1017–1027.
- Jamieson, W., Goodwin, H. & Edmunds, C. (2004). *Contribution of Tourism to Poverty Alleviation: Pro-Poor Tourism and the Challenge of Measuring Impacts*. Transport and Tourism Division, United Nations Economic and Social Commission for Asia and the Pacific.
- Kaplinsky, R. & Morris, M. (2000). *A Handbook for Value Chain Research*. IDS, Brighton. Retrieved April 25, 2015 from www.ids.ac.uk.
- Lejarraja, I. & Walkenhorst, P. (2007). *Diversification by Deepening Linkages with Tourism*. USA: International Trade Department, the World Bank. Retrieved April 23, 2015 from <http://siteresources.worldbank.org>.
- Mazumder, M. N. H., Ahmed, E. M., & Al-Amin, A. Q. (2011). Estimating total contribution of tourism to Malaysia economy. *International Journal of Business, Management and Social Sciences*, 2 (3), 29-34.
- Mitchell, J. & Coles, C. (2009). *Enhancing Private Sector and Community Engagement in Tourism Services in Ethiopia*. UK: ODI.
- Mitchell, J., Keane, J. & Coles, C. (2009). *Trading Up: How a Value Chain Approach Can Benefit the Rural Poor*. Comercio y Pobreza en Latino américa and the Overseas Development Institute, UK. Retrieved May 18, 2015 from <http://www.odi.org/sites>.

- Mogelgaard, K. (2003). *Helping People, Saving Biodiversity – An Overview of Integrated Approaches to Conservation and Development*. USA: Population Action International.
- Oppermann, M. & Kye-Sung, C. (1997). *Tourism in Developing Countries*. London: International Thomson Business Press.
- Scaglione, M., Marx, S. & Johnson, C. (2011). Tourism and Poverty Alleviation Approaches: A case study comparison. In Keller, P. & T. Bieger (Eds.), *Tourism Development after the Crises. Global Imbalances – Poverty Alleviation*, 5, (pp. 207-226). Berlin: Erich Schmidt Verlag GmbH & Co.
- Sung, C. (1997). *Tourism in Developing Countries*. London: International Thomson Business Press.
- Porter, M.E. (1987). From competitive advantage to corporate strategy. *Harvard Business Review*, May/June, 43–59.
- Roe, D. & Khanya, P.U. (2001). *Pro-poor Tourism Harnessing the World's Largest Industry for the World's Poor*. London: International Institute for Environment and Development (IIED).
- Rossetto, A., Sofeld, T. & Li, F.M.S. (2007). Harnessing tourism as a means of poverty alleviation: Using the right language of achieving outcomes. *Tourism Recreation Research*, 32 (1), 49-58.
- Scheyvens, R. (2007). Exploring the tourism-poverty nexus. *Current Issues in Tourism*, 10 (2/3), 231-254.
- Sharpley, R. (2009). *Tourism Development and the Environment: Beyond Sustainability?* London: Earthscan.
- Stichting Nederlandse Vrijwilligers [SNV] (2010). *Value Chain Development for Tourism Destinations: A practical guide for promoting pro-poor, sustainable tourism along the Great Himalaya Trail*. Netherlands: SNV.
- Sofield, T., Bauer, J., De lacy, T., Lipman, G. & Daugherty, S. (2004). *Sustainable Tourism– Eliminating Poverty: An Overview*. Australia: Cooperative Centre for Sustainable Tourism.
- United Nations General Assembly (2001). *Report of the Third United Nations Conference on the Least Developed Countries*. Brussels, Belgium, 14 to 20 May 2001. Geneva: UN.
- United Nations Economic Commission for Africa [UNECA] (2014). *Up-grading and Enhancing Sustainable Linkages of Rwanda's Tourism Value Chains*. Ethiopia: UNECA.
- United Nations World Tourism Organization [UNWTO] (2004). *Tourism and Poverty Alleviation –Recommendations for Action*. Madrid: United Nations World Tourism Organisation.
- United Nations World Tourism Organization [UNWTO] (2013). *Aid for Trade and Value Chains in Tourism*. Madrid: World Tourism Organization.
- United Nations World Tourism Organization [UNWTO] & Stichting Nederlandse Vrijwilligers [SNV] (2010). *Manual on Tourism and Poverty Alleviation, Practical Steps for Destinations*. Madrid: World Tourism Organization.
- Wheeller, B. (1992). Is progressive tourism appropriate? *Tourism Management* 13, 104- 105.
- Yunis, E. (2006). *Poverty-Sensitive Value Chains in the Tourism Industry*. Paper presented at International Trade Centre (ITC) Executive Forum: "Bringing the Poor into the Export Process: Linkages and Strategic Implications", Berlin, Germany, 27-30 September, 2006.

Zhao, W. & Ritchie, J.R. B. (2007). Tourism and poverty Alleviation: An Integrative Research Framework. In Hall, C. M. (Ed.) *Pro-poor Tourism Who Benefits? Perspectives on Tourism and Poverty Reduction* (Ch. 2, pp.9-33). Clevedon: Channel View Publications.