

# Tourism as alternative livelihood: Grassroots perspectives and experiences

ON THE LIVELIHOOD IMPACTS OF TOURISM ON LOCAL COMMUNITY MEMBERS AROUND HONDA BAY  
(PUERTO PRINCESA) PALAWAN, PHILIPPINES

## Thesis report

MSc Leisure, Tourism and Environment  
Department of Environmental Sciences  
Cultural Geography Chair Group  
Wageningen University

August, 2012

Research conducted for; Centre for Sustainability

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Thesis code: SAL80433

Submission date: August, 2012

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## ACKNOWLEDGEMENTS

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I would like to take this opportunity to show thanks to all the people who supported me during my thesis work all in their own unique ways.

To start with, I would like to thank the Centre for Sustainability for providing me with the opportunity to do my research in Honda Bay. They were the link to the research area and helped me with my accommodation and other facilities needed to conduct this research. I would also like to thank the Palawan State University for providing a place to work and connect me to one of their student to help with data gathering. With this I would like to thank, Genevieve Gualdrapa for not only helping me during my fieldwork with translating the interviews but also for giving me an insight in the life and culture of Filipinos, for her friendship and introducing me to her friends. Likewise thanks to Fleur, my roommate and dear friend while exploring the Philippine culture. I am glad I could share this experience with you in our little pink-blue house between the locals in Sta. Monica. Also thanks to all the other people I met during my three-month stay in the Philippines; it has been great to hang out with all of you.

In regard to my data, I would like to thank all the 34 people from the different barangays I interviewed and organisations for their willingness to help me get in contact with the right persons and share their time, views and experiences during the interview sessions. These people have provided me with valuable data which functioned as a basis for this final thesis report.

Many thanks to my supervisors Chin Ee and René for their critical view and feedback upon my thesis report. Without the both of you I would probably still be lost in all the research plans I had.

Finally, I would like to thank my parents for supporting me during all the years of my studies even though they sometimes had no clue what it was all about. I want to thank my family in particular for their support and understanding in this last year, which was not the easiest year for all of us, to do research abroad. As well as my friends in Lichtenvoorde, Wageningen and my housemates from El Salvador for all the good talks, craziness, and laughter when taking me out of the madness called, thesis. Thanks again to all the people I mentioned and did not mention that have been there during my studies, in the Netherlands and outside, that made the last two years a lasting memory.

Wageningen, 2012

Inge de Boer



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## II. ABBREVIATIONS

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CBT -	Community Based Tourism
CDP -	Comprehensive Development Plan
DENR -	Department of Environment and Natural Resources
DFID -	Department for International Development (based in the UK)
DOT -	(Philippine) Department of Tourism
HOBBAI -	Honda Bay Boatmen Association Inc.
IME -	Induced Multiplier Effect
LDC -	Less Developed Countries
LGC -	Local Government Code
LGU -	Local Government Unit
MDG -	Millennium Development Goal
MPA -	Marine Protected Area
MTPDP -	Medium-term Philippine Development Plan
NGO -	Non-Governmental Organisation
PCSD -	Philippine Council for Sustainable Development
PPC -	Puerto Princesa City
PPT -	Pro-Poor Tourism
PPUR -	Puerto Princesa Underground River; located on the West of Palawan within the municipality of Puerto Princesa and declared one of seven natural wonders of the world
SLA -	Sustainable Livelihood Analysis
TMP -	Tourism Master Plan
UNDP -	United Nations Development Program
WTO -	World Tourism Organization
WWF -	World Wildlife Foundation

### III. GLOSSARY

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- Barangay** - In the Philippines, a barangay is the smallest/lowest political unit and is divided into several *purok* or districts. Several barangays comprise a city or municipality. Also noted down as bgy.
- Community** - A heterogeneous group of people who share residence in the same geographic area (PPC) and access a set of local natural resources (Honda Bay).
- Development** - The act or process of developing into something new, which is commonly understood as 'better' or 'improved'.
- Displacement** - Relocation of housing, voluntarily or forced, to other places within or outside the barangay.
- Ecotourism** - A form of tourism that combines economic, environmental and social concerns.
- Effect** - Something that is produced by an agency or cause understood as a result or consequence.
- Employment** - An occupation by which a person earns a living which can be fulltime or part time.
- Fishermen** - The group of community members in PPC that depends primarily on fishing to sustain in their livelihoods.
- Honda Bay** - A MPA, located on the East coast of Palawan main basis for this study
- Impact** - The force exerted by a new phenomenon, ecotourism, that influences a certain place (PPC) or group (community members around Honda Bay).
- Livelihood** - A means of supporting one's existence, especially financially or vocationally.
- Participation** - The fact of taking part, as in some action or attempt which can happen in different degrees.
- Poor / - Poverty** - The notion of 'poverty' and 'the poor' in this research are referred to as this, based on the perceptions of the community members studied.
- Puerto Princesa** - Is referred to the municipality as a whole, whereas PPC is subject for the city within this municipality.
- Sustainability** - A process of change in which the exploitation of resources, direction of investments, orientation of technological development, and institutional change are made consistent with future as well as present needs" (WCED, 1987:9).
- Stakeholder** - A person or group who has, or claim, ownership, rights, or interests in the ecotourism industry and its activities, past, present, or future and those who are affected by it.
- Tourist** - People traveling to and staying in places outside their usual environment.
- Tourism - Industry** - All tourism related businesses, including transport, accommodation and services, located in PPC.

## IV. SUMMARY

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With the increasing globalisation has come the rise of sustainable tourism development. Also the local government unit in Puerto Princesa (Palawan, Philippines), has identified the opportunities tourism can bring for the (sustainable) development of their region. Herewith they have put the focus on ecotourism as a method to develop the municipality as a whole, whilst focussing on social, economic and conservation objectives.

This study represents an attempt to assess how this ecotourism development has directly and indirectly affected the livelihoods of the community members living in the Honda bay area situated on the East coast of Puerto Princesa, and is a popular destination among tourist to go island hopping. In addition the role of community participation has been analysed. As it is likely for there to be differences in perception of 'good' and 'bad' or 'positive' and 'negative' impacts between me as a researcher, coming from a developed country, and the community members in Honda Bay, living in a 'less developed country', it is chosen to take a grassroots approach. This means that interviews have been done on a local level with community members living in the study area and affected by tourism, instead of people at the center of major political activity. This allows the opportunity to gain an understanding of the will and ability of community members to participate or not participate in the tourism industry.

DFIDs (1999) sustainable livelihood analysis (SLA) has been used to identify the effects of ecotourism development on the livelihood aspects of these community members and can be differentiated in: livelihood assets, livelihood strategies, livelihood outcomes and the vulnerability context. Results have identified that ecotourism development, impacts all aspects mentioned either positively and/or negatively.

Results point out that ecotourism development has generated significant benefits and has led to improvement of livelihoods of those being able to participate in the tourism industry. Ecotourism has mainly led to new and more employment opportunities that resulted in increasing financial assets. Last could be used to further develop the other livelihood assets as well as it influenced the strategies people choose to suit their desired livelihood outcomes. In addition, there have been changes in the vulnerability context. Community members have become less vulnerable for outside shocks and stresses such as seasonality and degrading natural resources, but also have to deal with new aspects of vulnerability such as displacement and the risk of tourism dependency.

It is discussed that further tourism development should include the distribution of benefits to the broader community, and that strict management is necessary in order to sustain the natural resource this tourism industry depends on, for the current and future generations. The local government plays an important role in creating participation options (expanding the tourism industry, providing training etc.) for those who want to participate in the tourism industry but are unable to do so. It is concluded that the choice of the local government, to practice ecotourism to achieve its development goals, might have been a good one. Hence, they should not focus on ecotourism development alone but also invest in development of other businesses for those who are not able to participate in the tourism industry. This study has only functioned as a basis to explore the impacts tourism development might have. Further research should be carried out among the broader community to indicate the possibilities for further ecotourism development.

**Keywords** Ecotourism, sustainable development, sustainable livelihood analysis, community participation, Honda Bay, Philippines.

## IV. BUOD

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Kasama ng pagtaas ng globalisasyon ay ang patuloy na napapanatiling pag-unlad ng turismo. Ganun din ang lokal na yunit ng pamahalaan sa Puerto Princesa (Palawan, Philippines), natukoy ang maraming oportunidad na maaring magpayaman at magpaunlad sa turismo sa kanilang rehiyon. Kalakip dito sila ay nagbigay tuon sa ecotourism bilang isang paraan upang maunlad ang buong munisipalidad, kung saan ang mga layunin ay nakatuon sa panlipunan, pang-ekonomiya at pangangalaga.

Ang pag-aaral na ito ay isang representasyon na alamin kung paano direkta at hindi-direktang naapektuhan ng pag-unlad ng ecotourism ang kabuhayan ng mga miyembro ng komunidad na nakatira sa Honda Bay na matatagpuan sa Silangang baybayin ng Puerto Princesa, at isang kilalang puntahan ng mga turista para mag island hopping. Sa karagdagan ang papel ng pakikilahok ng komunidad ay nasuri. Ito ay para malaman ang kaibahan ng “maganda” o “masama” at “positibo” o “negatibong” epekto sa pagitan ko bilang isang mananaliksik, na galing sa isang maunlad na bansa, at sa mga nakatira sa Honda Bay kung saan kabilang sa hindi masyadong maunlad na bansa, ito ay pinili upang gawin ang grassroot na diskarte. Ito ay nagpapahintulot din sa pagkakataon na makakuha ng pag-unawa ng kalooban at kakayahan ng mga kasapi ng komunidad upang lumahok o hindi lumahok sa industriya ng turismo.

DFIDs (1999) sustainable livelihood analysis (SLA) ay ginamit upang matukoy ang mga epekto ng pag-unlad ng ecotourism sa aspeto ng kabuhayan ng mga miyembro ng komunidad na kung saan nahahati sa: ari-arian, estratehiya, kinalabasan at mga kahinaan ng kabuhayan. Ang resulta na natukoy ay ang pag-unlad ng ecotourism, mga epekto ng lahat ng aspetong nabanggit positibo man o negatibo.

Ang resulta, ang lahat ng nakikilahok sa industriya ng turismo ang nagkakaroon ng mga oportunidad at nakakatanggap ng mga magandang benepisyon sa patuloy na pag-unlad ng ecotourism. Ang ecotourism ay pangunahing naging daan upang magbukas ng pagkakataon na magkatrabaho at mapagyaman ang aspetong pangpinansyal. Maari itong magamit upang magkaroon ng karagdagang pangkabuhayan depende sa estratehiya o ninanais na hanapbuhay ng isang tao. Sa karagdagan, mayroong mga pagbabago sa konteksto ng kahinaan. Ang mga miyembro ng komunidad ay hindi gaanong handa sa ano mang dagok tulad ng pag-iiba ng panahon at pagkasira ng likas yaman, ngunit ay mayroon ding panibagong hinarap sa mga aspeto ng kahinaan tulad ng pagpalit at ang panganib ng tourism dependency.

Ito ay tinalakay na ang karagdagang pag-unlad ng turismo ay dapat isama ang pamamahagi ng mga benepisyo sa mas malawak na komunidad, at ang mahigpit na pamamahala ay kinakailangan upang mapanatili ang likas na yaman na kung saan nakadepende ang industriya ng turismo, para sa kasalukuyan at sa mga susunod pang henerasyon. Ang lokal na pamahalaan ay gumaganap ng isang mahalagang papel sa paglikha ng mga pagpipilian ng paglahok (pagpapalawak ang industriya ng turismo, na nagbibigay ng pagsasanay atbp.) para sa mga nanais na lumahok sa industriya ng turismo ngunit hindi kayang gawin. Ito ay napagpasyahan na ang pagpili ng lokal na pamahalaan, na magsagawa ng Ecotourism ay upang makamit ang mga layunin sa pag-unlad, maaaring mabuti. Samakatuwid, hindi lang dapat sila tumuon sa pagpapauunlad ng Ecotourism, bigyan rin nila ng pansin at mamuhunan sa ibang mga negosyo o pangkabuhayan para sa mga hindi kayang lumahok sa industriya ng turismo. Ang pag-aaral na ito ay isa lamang batayan upang alamin ang mga epekto na maari tayong magkaroon sa pag-unlad ng turismo. Ang karagdagang pananaliksik ay kailangan na isinasagawa kabilang ang mas malawak na komunidad upang ipahiwatig ang mga posibilidad para sa karagdagang pag-unlad ng Ecotourism.

**Keywords** Ecotourism, napapanatiling pag-unlad, napapanatiling pangkabuhayang pagsusuri, pakikilahok ng komunidad, Honda Bay, Philippines.

## 1. INTRODUCTION

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*“If social and economic development means anything at all, it must mean a clear improvement in the conditions of life and livelihood of ordinary people” (Friedmann, 1992: 72).*

Due to increased globalisation, the concerns for sustaining environment and nature have become key issues in society. At its most basic, sustainability encapsulates the growing concern for the environment and natural resources. Though sustainability has also had increasing resonance in social and economic issues (Mowforth and Munt, 2009) and has led to ‘alternative’ forms of tourism such as community-based tourism (CBT), sustainable tourism, eco-tourism and pro-poor tourism (PPT).

Over the last decade, the concept of sustainable tourism development has become the focus of increasing attention amongst tourism theorists and practitioners alike. Tourism is seen as a useful tool for sustainable development and has become more and more popular within development politics. It has now achieved widespread acceptance as a desirable objective of tourism development policy and practice and many organisations representing destinations or tourism industry sectors have published sustainable tourism development plans and sets of principles (Sharpley, 2000). Various national governments in developing countries have recent and explicit policy statements asserting a role for tourism in strategies for the reduction of poverty (Mitchell and Ashley, 2010). At a local level, many local governments, non-governmental organizations (NGOs) and civil society organizations embrace tourism as a tool to facilitate local economic development, as is the case in Puerto Princesa, Palawan, Philippines. The poverty indicator of the National Statistical Cooperation Board lists 27.7% of the population in the municipality of Puerto Princesa to live below the poverty line (Sagun, 2011). Whereas some people perceive and promote mining as the solution to solve poverty in Palawan (interview city planning office, 2012), the municipality of Puerto Princesa continues their focus on promoting eco-tourism as they see this as a tool for both 1) improving the livelihoods of the (poor) local communities; and 2) sustaining the pristine natural environment of the island. The city government wants Puerto Princesa to become a world-class eco-tourism destination in the nearby future (Sagun, 2011).

Due to active promotion of eco-tourism by the local government tourist arrivals to Puerto Princesa have increased rapidly, from approximately 12.000 in 1992 to 700.000 in 2012 - see *appendix 3*, and are expected to increase even more in the coming years. This rapid tourism increase has already led to development risks in Sabang, at the West part of Puerto Princesa, where the Puerto Princesa’s Underground River (PPUR), announced as one of seven world wonders of nature is the city’s prime tourism resource. Due to this new title, tourism numbers are increasing so rapidly that they exceed the carrying capacity of PPUR. It is so tramped with tourists that one has to book well in advance to experience this unique tourist attraction (Researchers observation). Hence, this increase in tourist arrivals is not restricted to PPUR and spreads out over the entire area. As the city is gearing up for an expected increase in arrivals and to be able to enhance tourism numbers, the city government has come up with a master plan for further tourism development (Sagun, 2011). This ‘master plan’ consists of the plan to form all rural areas into clusters, a total of five. Within these clusters natural resources that could be used for tourism purposes are selected and will be developed in the following years. The development and promotion of these ‘less frequently visited’ areas should yield in tourism to extent over the island to lower the pressure on one particular natural resource as well as to spread out the financial benefits tourism can bring to its community members. In order to be able to extent tourism around the island, the city changes hastily; roads are being built, new businesses are opened and investments in the tourism supply sectors as fishing and agriculture will be made.

### 1.1. PRELIMINARY PROBLEM STATEMENT

As mentioned above, Palawan is changing at a rapid pace. Madrono, in 2008, indicated an increase in tourism arrivals to Palawan up to 600.000 for the coming 10 years. However, this numbers already was surpassed by manifold in the first half of 2012 (Sagun, 2011) not only putting additional stress on PPUR but also on Honda Bays carrying capacity. Development plans have been developed by the government to coop with this increasing tourism number, by opening up new tourism sites in less frequently visited areas. However, rather than making plans, action needs to be taken as implementation of these plans will take time whilst in the meantime the tourism industry in Honda Bay is trying to find solutions for this threat. Important aspect is also how it affects the local communities living around the bay, in specific in Sta. Lourdes which is the jump off point for island hopping.

Honda Bay, often referred to as ‘the ugly sister of El Nido (in the North of Palawan)’ is located on the East side of the province of Puerto Princesa and with the promotion of Palawan as ecotourism capital of the Philippines, tourism in Honda Bay is increasing at a fast pace (Madrono, 2008). Honda Bay is comprised of several islets - *see figure 5*, with shallow reefs bordering beaches that have become an increasingly popular destination for island hopping. This increasing popularity creates chances for continuing (sustainable) development of the tourism sector and manners to increase involvement of the local community (and the poor) might be an important way to help reducing poverty in Puerto Princesa. However, in the contrary it might create a risk. Honda Bay is one of the major fishing grounds in Palawan and the Philippines but has been observed to decline in the recent years (Madrono, 2008). Fisheries gradual deterioration is mainly attributed to overfishing and destruction of marine habitat while at the same time coastal-marine based tourism activity is booming, exerting an additional stress to Honda Bay ecosystem as well as on local fishermen depending on the bay for their livelihoods.

Changes among the community can already be noticed. Over the years, many former fishermen have shifted their livelihoods towards tourism and do now fully depend on this industry for their income. In the past tourism in Honda Bay was run by just five families living in Sta. Lourdes. However as tourism is thought of to contribute and create an alternative livelihood for all layers in society with governmental support the HOBBAI was able to establish in 1996. HOBBAI was set up by the fishermen living in Sta. Lourdes whom upon that moment were not involved in tourism (Interview A.A. Magolino, 2012: April 19<sup>th</sup>). With the rise of this new organisation, and support of the government, the Honda Bay area got improved. A boat wharf has been build and during the years shops have opened and more and more people are participating in the tourism industry. It seems that community members in Sta. Lourdes (the jump off point for island hopping) have improved their financial assets and have ‘escaped’ poverty. As it is suggested that tourism might create changes for continuing sustainable development and help benefit the poor it seems to have been a successful tool for the people living in Sta. Lourdes. Still, often development is related to economic development yet people might not have money but do have benefits from tourism in the area in a secondary way. Indirect effects from tourism are often forgotten but are important to get an overall picture of the effects of tourism on people’s livelihoods. For example, whereas it might seem the poor are not included in the tourism chain and not benefitting from this new market, they might be after all. Therefore, a focus on both, direct and indirect impacts off the tourism sector on local communities has to be taken. Research should focus on the long term impacts of tourism on the communities involved (either by working in it or by sharing the same natural resources). However, there is no overview of the impacts on the livelihoods of the ones who choose this strategy or on those who kept fishing or are unable to participate in the ‘new’ tourism industry. Hence, tourism might be seen as a sustainable development tool by the local and national government, helping local communities to improve



Figure 5, Interlinking concepts

their livelihoods and reducing poverty – see *figure 1*. However, little research has been done on the impacts of tourism on these communities. Research mainly focuses on coastal resource management and change in fish stocks (Eder, 2005; Madrono, 2008). Therefore within this research the attention will be set upon those people living in the Honda Bay area who experience the impacts of tourism, either directly or indirectly, in their everyday lives.

## 1.2. RESEARCH OBJECTIVES AND QUESTIONS

Some scientists argue the pro-poor potential of tourism as over-stated. Tourism is criticized by some as having high ‘leakages’, benefiting only a skilled labour ‘aristocracy’ and representing an unacceptable juxtaposition between the luxury enjoyed by the tourist and the poor living conditions for people situated around the destinations (Mitchell and Ashley, 2010). Many Western tourism researchers have highlighted the negative cultural and social effects of tourism on poor local communities and frequently question the supposed economic benefits of trade in tourism services (Diamond, 1977; Broham, 1996; Clancy, 2001; Scheyvens, 2002; Jules, 2005; Slob and Wilde-Ramsing, 2006; UNEP, 2007; in Mowforth and Munt, 2003). However, it is easy as a researcher to judge the impacts tourism might have and see the threats and opportunities for the community, however more interesting is how the people involved experience the impacts tourism has on their livelihoods. Therefore, a grassroots approach for this research has been chosen as it focuses on the impacts on the livelihood assets (human, financial, social, physical and natural) as well as the livelihood strategy one undertakes based upon these livelihood assets of those participating as well as those not participating from a grassroots perspective. Thus research will be on a local level with community members living in the study area and affected by tourism, instead of people at the center of major political activity.

To gain a better understanding of the impacts of tourism on the people living around the tourism destination of Honda Bay, questions that need to be addressed include; what are the, direct and indirect, impacts of tourism on the communities around this new tourism destination? Who is benefitting from it, and who lacks behind – do benefits trickle down through all layers of society? And what are possible negative results of tourism establishment upon the livelihoods of these people and the environment they live in? Is tourism indeed a good alternative for their current livelihood forms and is this ‘new’ livelihood form sustainable in the long term? It are these questions this research will focus on.

A sustainable livelihood analysis (underpinned with a stakeholder analysis) will help to gain insight in the relation between the tourism sector of Honda Bay and the local community and help understand the (none) participation of poor people in the tourism chain. Continued research into the linkages between the tourism sector and poor people helped verifying constraints and explored possibilities for the poor to get increasingly involved in the tourism chain which might result in improved livelihoods.

### 1.2.1. Research objective

This research aims to get a better understanding of the connections between the tourism sector of Honda bay and local communities in Puerto Princesa, by means of (non)participation of the latter in order to examine the impacts of tourism on these communities livelihoods and the possible role tourism plays in poverty reduction in this area.

### 1.2.2. Research question

*“How does the tourism sector directly and indirectly affect the livelihoods of the local communities living around the tourist attraction of Honda Bay in Palawan, Philippines?”*

### 1.2.3. Sub questions

In order to be able to answer the research question first it had to become clear how the livelihoods of people are taking shape and what factors can influence them. One way to do this is by means of a sustainable livelihood analysis. Using a sustainable livelihood analysis will help setting the context to come up with possibilities for further expansion of the tourism sector in Honda Bay, including increased involvement of the poor. Therefore, it is necessary to first define the current linkages between the tourism sector and main stakeholders and the position of the poor. Hereafter the link can be made towards direct and indirect effects of these positions on the livelihoods of the poor, by focussing on the experiences and perspectives in respect to tourism around Honda Bay from a grassroots perspective. Data gathered will give a better understanding of tourism impacts on the (poor) local communities and how this is influenced by the livelihood strategies one undertakes. Following sub questions derived from the model are needed to be answered in order to be able to answer the main question:

1. Why do local community members do or do not participate in the tourism sector in Honda Bay, and how does this influence their livelihood outcomes?
2. To what extent do tourism impacts directly and indirectly influence the livelihood assets of the local community members situated around Honda Bay?
3. To what extent does tourism affect the vulnerability context of local community members living around Honda Bay?

These questions will help to gain an overall understanding of the changes that have occurred on the different aspects that result in livelihoods affected by the tourism industry in order to define the impacts on sustainable livelihood outcomes.

### 1.3. RELEVANCE OF THE STUDY

This research identifies the link between stakeholders livelihood strategies and tourism, in the tourism sector in Honda Bay, and describes how tourism is having direct- and indirect effects on the livelihoods of the local community in the tourism sector of Honda Bay, Palawan, Philippines. Therefore this research will contribute to existing research and help to gain an understanding of the link between tourism and livelihood impacts.

In general this research will examine of how the tourism sector in Puerto Princesa is affecting the livelihoods of the poor and explore options for increased benefits for the local poor. Thus this research will contribute to the knowledge of the impacts of sustainable tourism development on livelihood assets and the vulnerability context whom can be linked to poverty reduction. Swarbrooke (1999) reflects that most of the current thinking and ideas in sustainable tourism are based on Western perceptions of the impacts of tourism in developing countries, rather than based on the perceptions of people living in developing countries. This research, however, uses perspectives and experiences from the grassroots to answer the research questions. Moreover, from a practical point of view, the research is relevant for policy makers who wish to expand the tourism sector in Honda Bay i.e. to benefit the local community. Collected knowledge might be used as a guideline for increasing the positive direct and indirect benefits for the local community in Puerto Princesa by promoting eco-tourism in the Honda Bay area, whilst reducing the negative impacts tourism can have. This research also contributes to the mission of the Centre for Sustainability who strives to contribute to 'a sustainable future for Palawan', in specific on the contribution to sustainable livelihoods for coastal and upland communities.

## 2. TOURISM AND 'SUSTAINABLE' LIVELIHOODS

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### 2.1. SUSTAINABLE TOURISM DEVELOPMENT

Development is a term that has different meanings to different people and also these meanings have changed over time. In its early formulations it focused primarily on economic matters. Growth in production and consumption are often equated with progress, and economic growth is still regarded as the best if not the only way to meet society's needs. However, definitions have tended to be broadened over time and development has gradually come to be viewed as a social as well as an economic process that involves the progressive change of conditions, usually regarded as improvements, and the fulfilment of potential (Wall, 1997). Now, in addition to economic issues, it encompasses social, environmental, and ethical considerations, and its measurement may incorporate indicators of poverty, unemployment, inequality, and self-reliance (Binns 1995:304). The concept of development often has strong ideological underpinnings with conservative, liberal, and radical traditions that have led to different perspectives on the causes of development challenges and their likely solutions (Goldsworthy 1988, Ingham 1993; Wall, 1997).

The notion of development has come to be used in rather different ways—as a philosophy, as a process, as a plan, and as a product (Wall, 1997). As a philosophy, development refers to broad perspectives concerning appropriate future states and means of achieving them. As a process, it emphasizes the methods that might be employed to expand or bring out the potentials or capabilities of phenomena. A development plan sets out specific steps through which desirable future states are to be achieved, and development as a product indicates the level of achievement of an individual or society, as in developed, developing, and underdeveloped countries (Ibid). 'Development' may also be perceived as having a built-in Western bias as Western societies are often seen as being developed in contrast to other countries, which are seen as lacking in development or said to be 'underdeveloped'. In its most basic form, Wall (1997) suggests that development can be described to be concerned with human betterment through improvement in lifestyles and life opportunities. It is this description of development this thesis will refer to in its further writing.

#### 2.1.1. The global need for sustainability

The concept of sustainable development emerged in the 1980s in an attempt to explore the relationship between problems caused by economic growth, development and environment, with the aim to perceive a process of economic growth without environmental destruction (Banerjee, 2003; Mowforth and Munt, 2009). Although there is a multitude of definitions of sustainability and sustainable development (Holmberg and Sandbrook 1992; Butler, 1999b; Banerjee, 2003; Mowforth and Munt, 2009, Liu, 2003), the one most commonly used is that of Brundtland (WCED, 1987). According to the Brundtland Commission, sustainable development is:

*".. a process of change in which the exploitation of resources, direction of investments, orientation of technological development, and institutional change are made consistent with future as well as present needs" (WCED, 1987:9).*

Apart from attempting to reconcile economic growth with environmental protection, the sustainable development agenda of Brundtland also focuses on social justice and human development within the framework of social equity and the equitable distribution and utilization of resources. Thus, the primacy of economic growth remains, albeit tempered by a social and environmental consciousness, and the logic of the Third World catching the First powered by international trade. Nevertheless, sustainability is an enduring concept and has found ample expression in a range of strategies (such as poverty reduction strategies) and development concepts (such as sustainable livelihoods) (Mowforth and Munt, 2009).

Natural resource management is central to the achievement of most of the MDGs. Natural resources provide food and a wide range of other goods (fuel, fodder, timber, medicines, building materials, inputs to industries, etc.). Exploitation of these natural resources provides the livelihoods for a high proportion of the world's population. This includes not only agriculture in rural areas, marine resources play a significant role in contributing to food security and sustainable local livelihoods (1 billion Asians rely on fish for their primary source of protein, while the global fishing industry employs some 200 million people). (Shrivastava and Bihari, 2010:91). Natural resources also provide opportunities for income generation through jobs and small enterprises (e.g. in forestry, tourism and food trade). Moreover, numerous studies have found that it is often the poorest people and households that are most dependent on these resources (Ibid). Of the 1.2 billion people estimated to live on less than US\$ 1 a day, 70 per cent live in rural areas with a high dependence on natural resources for all or part of their livelihoods. But it is not just the rural poor who are reliant on natural resources. Food, medicines and ecosystem services such as clean water supply also serve urban populations, and hundreds of millions of urban dwellers derive part of their income from urban agriculture or from industries or services that depend on agriculture, forestry or fishing (Shrivastava and Bihari, 2010:89).

This dependency, from all layers in society, brings with it a strong incentive to conserve natural resources. But in practice, given the weak access and tenure rights of many poor people, there is a strong potential for local overexploitation (Shrivastava and Bihari, 2010). Moreover, it means that the impacts arising from the loss of natural resources and ecosystem services fall most heavily on the poor, even though the cause of degradation may lie with richer or more powerful groups.

The protected area approach to natural resource management has generated significant social, economic and environmental benefits ((Shrivastava and Bihari, 2010:92). Hence, the role of natural resources in contributing to the livelihoods of much of the world's poorest households was noted earlier. Natural resources support food security – both through direct consumption and the generation of income for food purchases. Natural resource management also contributes to sustained productivity of food stocks, such as fisheries and agricultural systems (e.g. through pest and disease management, genetic diversity, soil fertility, provision of water and fodder for livestock and so on). Many poor countries have a comparative advantage in their natural resource base, and natural resources can provide opportunities for jobs, small and microenterprises, and payments for environmental services offering potential for pro-poor growth, especially in marginal areas where there are few other alternatives (Shrivastava and Bihari, 2010).

Given the scenario of limited resources, this assumption becomes a contradiction because most potential consumers (future generations) are unable to access the present market or, as Martinez- Alier (1987:17) puts it, 'individuals not yet born have ontological difficulties in making their presence felt in today's market for exhaustible resources'. Furthermore, Wall (1997) argues, that humans have often been viewed as being separate from nature, which is there for humans to exploit, manage, and control. Sustainable development, however, implies that ultimately humans and environments are indivisible. Gladwin et al. (1995:878) identified several themes, including *human development*, *inclusiveness* (of ecological, economic, political, technological, and social systems), *connectivity* (of socio-political, economic, and environmental goals), *equity* (fair distribution of resources and property rights), *prudence* (avoiding irreversibility's and recognizing carrying capacities), and *security* (achieving a safe, healthy, and high quality of life), themes that also put the focus on the livelihood assets of (poor) people.

Escobar (1995:53, in Mowforth and Munt, 2009) argues in his deconstruction of development, "the development discourse has achieved its success as a 'hegemonic form of representation' as it has unambiguously constructed the poor, poverty, the underdeveloped and the developing as a largely universal and homogenised take on 'reality'". Communities cannot be seen as static, homogeneous or generalizable entities (Blom et al., 2010). Instead they should be seen as heterogenic and complex, they might be seen as hybrids that change over time. (Schmink, 1999 in Shrivastava and Bihari, 2010:166) states, "Community refers

to a heterogeneous group of people who share residence in the same geographic area and access a set of local natural resources. The degree of social cohesion and differentiation, strength of common beliefs and institutions, cultural diversity and other factors vary widely within and among communities”.

### 2.1.2. Sustainable tourism development

While tourism is often seen as a welcome source of economic development, Lansing and De Vries (2006) argue, conventional mass tourism is associated with numerous negative effects, such as the destruction of ecological systems and loss of cultural heritage. In response to these concerns *sustainable tourism* or *eco-tourism* (which both focus on environmental issues) has come up (Mowforth and Munt, 2009; Lansing and De Vries, 2006). Hence, the relation between tourism and sustainable development was specified through the *Agenda 21* for the Travel and Tourism Industry, setting out the priorities for sustainable development in the 21<sup>st</sup> century (WTTC, WTO and the Earth Council, 1997). ‘Agenda 21 recognises tourism as a model form of economic development that should improve the quality of life of the host community, provide a high quality of experience for the visitor, and maintain the quality of the environment on which both the host community and the visitor depend’ (Liburd and Edward, 2010).

Again, in tourism, there are a multitude of definitions for sustainability and sustainable tourism development (Butler, 1999b). Sustainable tourism is used as an umbrella concept, under which other terms, such as eco-tourism, may fall. The World Tourism Organisation (WTO, 2001) refers to the importance to meet the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems. Sustainable tourism can be understood to be applicable to all forms of tourism including mass tourism and the various niche tourism segments. Sustainability principles refer to the environmental, economic and socio-cultural aspects of tourism development, and the need to establish a balance between these three dimensions to guarantee its long-term sustainability (Inskeep, 1991 in Wall 1997; WTO, 2004a, b). In addition Butler (1993:29) argues that sustainable tourism should be developed and maintained in such a manner and scale that it remains viable over an indefinite period and does not degrade or alter the environment (human and physical) in which it exists to such a degree that it prohibits the successful development and wellbeing of other activities and processes.”

In this study, sustainable development, is understood to involve “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”, as defined by the World Commission on Environment and Development (WCED) (Butcher, 2007:4). Sustainable tourism then, is “the development of tourism that meets the standard of sustainable development more broadly” (Butcher, 2007:5).

#### 2.1.2.1. Advocating sustainable tourism implementation for less developed countries (LDC)

Weaver (1998) explains why LDC imply sustainable tourism or ecotourism. First, he argues that given their limited financial resources, “LDC governments have had to be selective in identifying and fostering those activities that have the greatest potential to affect desired economic and social outcomes” (Weaver, 1998:45). Pleumarom, “the decision by many LDCs to place a high priority on tourism has been influenced by a number of factors, including the dramatic post-second world war increase in inbound visitor arrivals, the positive image conveyed by the advocacy platform and the willingness of the World Bank and other institutions to fund tourism related projects” (Pleumarom, 1994 in Weaver, 1998:45).

Unlike other options, tourism was also widely perceived as a ‘clean’ and ‘renewable’ industry, inexpensive to develop because of its use of existing natural, cultural and historical resources. The associated opportunity costs were seen as minimal, since many of these resources (e.g. beaches, culture, historical sites) were not

considered suitable for other types of economic exploitation. Most compelling, however, was the argument that the tourist was the source of lucrative revenues, derived directly through tourist expenditures and taxes and indirectly through the operation of the income multiplier effect (IME) as linkages were developed with agriculture and other complementary sectors of the local and national economy (Archer, 1977; Pearce, 1989; Cooper et al., 1993; Archer and Cooper, 1994 in Weaver, 1998:45). After calculating the anticipated revenues per tourist, destinations became fixed upon increasing visitor intakes, all the more because these increases could be associated with the creation of much needed direct, indirect and induced employment opportunities, also for the low skilled workers (Weaver, 1998).

Other perceived economic advantages included tourism's role as an agent of regional development in peripheral areas suited to few other industries. For example, the government of Mexico has strategically utilized tourism as part of a regional growth-pole strategy, establishing 'instant resorts' in such peripheral locations as Cancun and Puerto Vallarta (Pearce, 1989 in Weaver, 1998). Similarly the tourism industry has been employed as a regional development agent in remote coastal areas of the Dominican Republic (Freitag, 1994 in Weaver, 1998). In such cases (mass) tourism is often the only activity that makes feasible large-scale infrastructural developments, such as roads and power grids, which can then be utilized by local communities otherwise lacking access to such services (Archer and Cooper, 1994).

Aside the economic advantages LDC associate with tourism, there also are the assumed social, cultural and environmental benefits. For example, tourism, particularly in poorer countries, was seen as providing a financial incentive for the preservation or restoration of historical, cultural and natural resources, that would otherwise be neglected or degraded. Socially, tourism was perceived as a vehicle for facilitating world peace and intercultural harmony by bringing together people from disparate countries, who would then gain a first-hand exposure and understanding of one another (Waters, 1966; Mings, 1969 in Weaver, 1998). Even though the focus from LDCs might have shifted to tourism, it should be noted that not all areas within the lesser developed world have shared equally in the growth and development of the tourism industry. Benefits from tourism development have been influenced by factors such as the differential priorities set by state and subnational and local governments units (LGU), problems of access, lack of internal services and facilities, variable attractiveness and chronic political and social instability within certain areas (Weaver, 1998). The actual geographical pattern is one of extreme concentration, both within the lesser developed world as a whole and within individual LDCs. Looking at Asia, Malaysia, Singapore and Thailand accounted for 79,8% of arrivals in South East Asia (Brohman, 1996 in Weaver, 1998).

In addition, also effects of these 'new' forms of tourism have been part of debate among researchers. For example, to guarantee that benefits are shared among the community as a whole, there should be an on-going attempt to build tourism properties with local capital, using local workers, and local management and to make a continuous effort to support local businesses and workers (Lansing and De Vries, 2006).

In sum, sustainability has been widely viewed as holding considerable promise as a vehicle for addressing the problems of negative tourism impacts and maintaining its long-term viability. It is praised by Bramwell and Lane (1993) as a positive approach intended to reduce the tensions and friction created by the complex interactions between the tourism industry, tourists, the environment and the host communities so that the long-term capacity and quality of both natural and human resources can be maintained. Cater (1993) identifies three key objectives for sustainable tourism: (1) meeting the needs of the host population in terms of improved living standards both in the short and long term; (2) satisfying the demands of a growing number of tourists; and (3) safeguarding the natural environment in order to achieve both of the preceding aims. Similarly, Farrell (1999) highlights the 'sustainability trinity' which aims at the smooth and transparent integration of economy, society and environment. One potential tourism type that is supposed to includes these three aspects is ecotourism.

### 2.1.2.2. Tourism and the Millennium Development Goals

In 2000 the Millennium Development Goals (MDGs) were set up. A development framework primarily aimed at eradicating poverty by the year 2015 that is being pursued at varying speeds by Third World governments worldwide, supported by the UN system and multilateral and bilateral donors (Mowforth and Munt, 2003). Currently, 12 countries account for 80% of the world's poor; in 11 of these countries, tourism is either growing or already significant to the economy (Ashley et al., 2001). This means the livelihoods of millions of poor people are already affected – both negatively and positively – by tourism, a trend likely to continue (DFID, 1999; Roe & Urquhart, 2004; Sofield et al., 2004; WTO-OMT, 2002). Tourism became not only seen as a meaningful tool for sustainable development but also to achieve the MDGs as it offers labour-intensive and small-scale opportunities compared with other non-agricultural sectors and employs a high proportion of women (WTO-OMT, 2002). As a diverse industry, tourism increases the scope for wide participation, including that of the informal sector, where women are most involved (Sofield et al., 2004). Sustainable tourism's overall objective however, was not to reduce poverty, though this may happen as a result of sustainable tourism development (Mowforth and Munt, 2003).

The growth of interest in sustainable tourism and ecotourism reflects a rising tide of social concern about the quality of the natural environment and the effects of tourism. It is inevitable that the introduction of tourists to areas that were previously seldom visited by outsiders will place new demands upon the environment associated with new actors, new activities, and new facilities. This will involve the forging of new relationships between people and environment, between peoples with different life-styles, and between a wide variety of forces for both change and stability. These forces act at a diversity of scales from global to local. In Africa, nature-based tourism is a likely source of a significant investment and employment ((Shrivastava and Bihari, 2010:96). While some are sceptical of the fit between international tourism and poverty reduction, others are promoting 'pro-poor tourism', arguing that tourism is a great source of local economic development opportunity as it offers local employment and generates business opportunities in poor and often remote areas, and that it can attract investment in infrastructure and local markets.

PPT differs from ecotourism in its emphasis on expanding opportunities, and identifies net benefits to the poor as an explicit goal in itself; environmental concerns should contribute to this goal (Ashley et al., 1999). In other words, what ecotourism uses as means, PPT views as 'the end'. While PPT is keen to maximise returns for poor people, the relative distribution of benefits is not an immediate concern. This means that 'as long as poor people reap net benefits, tourism can be classified as "pro-poor" (even if richer people benefit more than poorer people) (Ashley et al., 2001: 2). Thus although 'fairly poor' are more likely to reap net benefits than the 'poorest', who lack the 'capital and skills to exploit the economic opportunities, but are likely to suffer the negative impacts on local resources' (DFID, 1999:1). Despite acknowledging that tourism is a profit-driven business dominated by private sector interests, PPT advocates maintain that tourism offers better prospects for pro-poor growth than most other sectors (DFID, 1999; Roe & Urquhart, 2004; WTO-OMT, 2004a). As Reid (2003: 3) points out, regardless of how altruistic pro-poor claims may sound, it is 'doubtful whether those who are intended to benefit – at least according to the rhetoric – have gained nearly as much as those promoting tourism through corporate globalization'. However as Roe and Urquhart (2001:2) state, 'the challenge is to enhance the many positive impacts tourism can have and reduce the costs it can place on the poor'. Hence, statements about the impact of tourism on the poor should be qualified in terms of which of the resource 'poor' are affected. Literature often doesn't have a fixed definition of who the poor are, and criteria differ from gross domestic product, to food security, (un)employment, housing etc. The CBMS core indicators to capture poverty in the Philippines are: Health, Nutrition, Housing, Water and Sanitation, Education, Income, Employment and Peace and Order (CBMS, 2008) which might be fit into; human (health, nutrition, education), physical (housing, water and sanitation), financial (income and employment), natural and social (peace and order) capital. Therefore within this research poverty will be defined by levels of access to livelihood assets of the local communities in Puerto Princesa. This means that no distinction will be made with other poor households outside the tourist destination of Puerto Princesa.

## 2.2. SUSTAINABLE LIVELIHOOD ANALYSIS

Sustainable livelihood analysis (SLA) places people and priorities that people define as their desired livelihood outcomes at the centre of development. From a conceptual perspective, participatory approaches to development have highlighted great diversity in people's livelihood objectives and the strategies they use to try to achieve them. The SLA, focusses on poverty reduction interventions on empowering the poor to build on their own opportunities, supporting their access to assets, and developing an enabling policy and institutional environment. Poverty analysis has also identified the importance of a wide range of 'assets' in determining the well-being (DFID, 1997; Scoones, 1998; Ashley and Hussein, 2000). Therefore, central to the sustainable livelihood approach are people's livelihood assets: *human* (skills, knowledge, health and ability to work), *natural* (natural resources such as land, soil, water, forests and fisheries), *financial* (financial resources including savings, credit, and income from employment, trade and remittances), *physical* (basic infrastructure, such as roads, water & sanitation, schools, ICT; and producer goods), and *social* (social resources, including informal networks, membership of formalised groups and relationships of trust that facilitate co-operation) (DFID, 1999). SLA aspires to build on existing assets and to be sustainable (Chambers and Conway, 1992; Scoones, 1998; Ashley and Hussein, 2000; Brock, 1999; Carney, 1999; DFID, 2001).

Poverty can be seen as an outcome of people's livelihoods as it often refers to a lack of livelihood assets (especially human and financial). Erenstein et al. (2010) imply that the inverse relationship between livelihood assets and poverty means that last can be alleviated by increasing people's assets base, and that a solid foundation of all five assets is generally needed for livelihood security and to enable people to rise above the poverty line. Erenstein (2010) and DFID (1999) both state that, "those with more assets are more likely to have greater livelihood options with which to pursue their goals and reduce poverty". Broadly, meeting the basic needs of poor people allows them to expand their options, investing in education, health care etc. (Shrivastava and Bihari, 2010:98). Focusing on livelihood assets it is possible to disentangle underlying causes of poverty as well as the positive impacts tourism might have on increasing these and thus contributing to poverty reduction. Poverty, however, will not reduce simply by expanding the tourism sector in Honda Bay but it might contribute to changing livelihood strategy options, and reducing the vulnerability context for the poor which in return leads to outcomes (including improved livelihood assets) that might contribute to reducing poverty. Similarly Krishna (2003) argues,

*"Poverty does not get reduced because growth occurs, or the climate changes, or some structural factor ebbs or grows in some way. Poverty gets reduced when more households and individuals do the things and take the pathways that lead out of poverty, and fewer individuals take the other pathways that lead into poverty".*

This would mean that if the livelihood options of community members gets broadened, more people will be able to choose those pathways that lead out of poverty. To research this link between changing livelihoods options and poverty reduction, the sustainable livelihood framework constituted by DFID (1999) is a popular tool and often used as foundation for analysis. The framework - see [figure 2](#), consists of five categories: (1) the priorities that people define as their desired *livelihood outcomes*; (2) their access to *livelihood assets*, and their ability to put these to productive use; (3) the different *strategies* they adopt (and how they use their assets) in pursuit of their priorities; (4) the *policies, institutions and processes* that shape their access to assets and opportunities; and (5) the context in which they live, and factors affecting *vulnerability* to shocks and stresses.

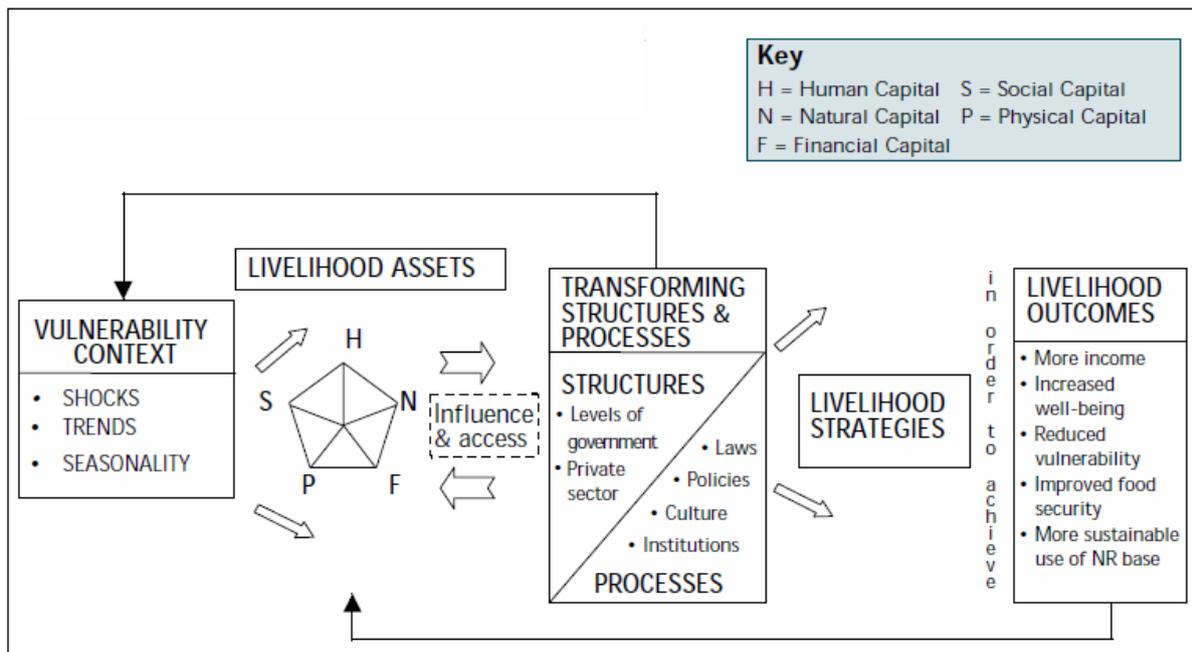


Figure 6, DFID's Sustainable livelihoods framework (DFID, 1999).

### 2.2.1. Tourism impacts on host communities

As mentioned above, there has been a huge interest in tourism that takes into account the public sensitivities and concerns about the environment, communities, and sustainability such as; eco-tourism and PPT. This is based on the premise that tourism should develop in an environmentally, economically and socially sustainable manner (Simpson, 2007). However, as Ashley and Roe (2002) and UNWTO (2004; in Simpson, 2007) argue, it has been difficult to assess the success of initiatives that aim to benefit local communities and the environment while also being financially viable (Ashley, 2002; UNWTO, 2004 in Simpson, 2007). For many countries, ecotourism is not simply a marginal activity to finance protection of the environment, but is a major industry of the national economy. For example, in Costa Rica, Ecuador, Nepal, Kenya, Madagascar and Antarctica, ecotourism represents a significant portion of the gross domestic product and economic activity.

Tourism touches all the groups involved professionally, in a mostly economic sense. For members of communities, it also touches their personal lives by affecting their lifestyles, traditions and cultures, as well as their livelihood and their long standing ways of organizing themselves socially and politically. In addition, most of the other players enter into tourism voluntarily, whereas in many cases communities must deal with tourism impacts whether or not they choose to.

Already in the late 1980s a quest for knowledge about tourism's potential impacts – environmental, socio-cultural and economic- in tourist destinations around the world arose (Smith, 1977, 1989 in Liburd and Edwards, 2010). However, as different types of tourists place different demands upon the resources of the destination so the impact and effects will vary in type, location and significance (Liburd and Edwards, 2010). The emerging of above mentioned new or alternative forms of tourism (eco-tourism, PPT, etc.), as argued before, do not take away negative effects of tourism, however it might help enhance the positive impacts tourism can have and reduce the costs it places on the poor. However, we also have to keep in mind that the impacts that tourism might have on host communities and environment depend on the characteristics of the destination (fragile natural marine areas in the case of Honda Bay or not); social and cultural characteristics (strength of local culture can help reduce socio-cultural impacts); carrying capacity (number of tourists without an unacceptable alteration to the physical environment); and, characteristics of tourists (type of tourist, length of stay and behaviour) (Liburd and Edwards, 2010). Effects are not always obvious, and are not always direct and more often indirect. Whereas direct effects are perceived to come from participation in the tourism sector

(whether or not the poor person engages face to face with the tourist) and can be divided in labour and non-labour income and indirect effects occur where a change in tourism expenditure impacts on the non-tourism economy e.g. food sales to restaurants. Enhancing livelihoods and maximizing benefits to communities involve the expansion and use of local labour, local goods, and services and also developing appropriate and sustainable infrastructure, supportive policies, and environmental strategies (Scoones, 1998; DFID, 1999; Simpson, 2008).

One of the arguments from a social viewpoint often used against tourism development is that local residents only experience negative effects and that change largely happens against their will (Lansing and De Vries, 2006). Liu et al. (1987) found in their study of host perceptions that residents are concerned about environmental effects, but also acknowledge the positive effects resulting from tourism development, such as preservation of historic sites (Ibid). Their study showed that including the perception of residents is important, while evaluating tourism development (Ibid). Our Western point of view of 'good' and 'bad' or 'positive' and 'negative' might be completely different from that of the local community. The belief that tourism has both positive and negative impacts can lead to support for tourism from the local community. This is in contrast to the common belief that those who benefit from tourism would recognize its positive consequences, while those who do not would emphasize its negative effects (King et al., 1993). The awareness of negative effects of tourism development by local residents thus does not necessarily reduce their acceptance and support of tourism (Lansing and De Vries, 2006).

Hence, it is difficult to measure impacts of tourism on the host community as it depends on the respondents view whether change is positive or negative. Wall (1997), argues that it is highly subjective and situational. What the one person perceives as highly positive might also be judged as highly negative by another. It might even occur that the same person assess a particular impact as both positive and negative, depending on the situation and context of the impact (Wall, 1997). Therefore, any impact can be assessed as positive, neutral and negative depending on various factors, such as the point of view of the observer, the time of year or the costs and benefits derived (Ibid). For the purpose of this study different types of tourism impact at Honda Bay and its surroundings have been analysed based on the perceptions of different types and groups of respondents or actors with the help of various indicators and sustainability issues of tourism.

Liburd and Edwards (2010) suggest that tourism impacts can be classified into four types, economic, environmental, social and cultural. Impacts on host communities occur when tourism brings cumulative changes in value systems and behaviour through interaction with tourists and tourism firms (Ibid). Effects are not always obvious, and are not always direct and more often indirect. This makes measurement of the impacts of tourism on poor people difficult and qualitative assessment might be required. Mitchell and Ashley came up with three pathways that focus on (1) direct, (2) secondary effects of tourism on the poor and (3) dynamic effects in the economy and growth trajectories (Mitchell and Ashley, 2010) that might be of importance to gain an understanding of how tourism affects the poor. Hence, within this research tourism impacts are divided into direct effects and indirect effects. An overview of the possible tourism effects can be found in [table 1](#) at the end of this paragraph.

#### **2.2.1.1. Direct effects on host communities**

*Direct* effects are suggested to be direct if they come from participation in the tourism sector, whether or not the poor person engages face to face with the tourist, and can be divided in labour and non-labour income (Mitchell and Ashley, 2010).

Positive livelihood impacts include the creation of employment and economic opportunities and benefits for individuals, households, and the collective community. In addition, they include a wide range of non-financial livelihood impacts that serve to decrease vulnerability, develop skills, improve access to information, improve food security, and strengthen community organizations (Simpson, 2007). Another believe is that the tourism industry can contribute to gross domestic output (Liburd and Edwards, 2010) by generating many new job

opportunities allowing a sustainable income. Yet it is renowned for its high turnover, anti-social working hours, low pay, seasonal employment, instability and low job status (Convention on Biological Diversity, 2009). Nevertheless, small and medium enterprises can employ a significant proportion of women, minorities and young people and, due to the nature of tourism employment, enable low skill-level entry into the workforce for these groups in developing countries (Liburd and Edwards, 2010). In many countries, there has been a revolution in the role of women, and the process continues. Women are becoming more prominent, even numerically dominant, in the paid workforce. Often their earnings are increasing more rapidly than those of men; and they make a greater demand for recreation and tourism opportunities (Shrivastava and Bihari, 2010:114). In many countries, they are moving into key positions in the development of economic, social, environmental and protected area policy.

A livelihood impact on poor people, without a financial transaction, for example could be local fishermen who are obstructed from accessing the main source of their livelihood due to the development of a tourist beach. However, Mitchell and Ashley (2010) state, the fact that a household is earning money from tourism may change its exposure to risk. For example, through participation in tourism, poor people may learn skills and get training that they can apply in other ways to boost their livelihoods. In this manner that same fishermen, who cannot access the beach, might use his boat to serve the tourism industry.

Despite the possible opportunities ecotourism can bring, it can also create new threats that directly affect the host communities. For example, when active promotion of participation in ecotourism by the LGU results in many community members shifting their livelihood forms to tourism, and the community as a whole becoming fully depending on it. When shocks and stresses occur they might not be able to resist them. Too, the interaction between host and visitor might not only bring opportunities for exchanging cultures and learn from each other but can also lead to (undesired) cultural change or cultural distortion. Shrivastava and Bihari (2010) explain, that within a community there often are mixed feelings. Some want to modernize their cultures and so actively solicit changes. Others are looking for new means of economic development and simply accept the cultural changes that accompany this pursuit. Still others see no reason to change and do not want to modify their traditions and customs. All perspectives should be respected as it is up to a person him or herself to decide how they want to live their life. Shrivastava and Bihari (2010), however, argue that tourism induced cultural change usually occurs without the opportunity for communities to decide whether they actually want change. There is often an imbalance of power in the relationship between tourists and residents. Tourists can provoke changes, often unintentional and subtle, without consent from residents. It is therefore perceived important to adequately inform communities about the benefits and costs ecotourism development can bring and then to decide for themselves the degree of change they wish to subject themselves.

Another issue is the increase congestion and littering of the natural resource, by both tourists and tourists operators, which in the long run can lead to environmental degradation when there are no strict policies and management. Increasing tourism numbers might also contribute to increasing occasions of vandalism and crime.

#### **2.2.1.2. Indirect impacts on host communities**

Secondary effects comprise *indirect* and *induced* effects (Mitchell and Ashley, 2010). Indirect effects occur where a change in tourism expenditure impacts on the non-tourism economy e.g. food sales to restaurants. Induced effect arises when workers in the tourism sector spend their earnings locally, thus generating further income for poor households (Ibid). According to this it might be suggested that it is not necessarily for poor people to be directly participating in the tourism industry as overall expansion of the tourism sector might result in the trickle down of money to the poor.

Positive effects can be found in improved services such as healthcare and education as well as the enhancement and creation of new infrastructure. The latter cannot only be used to make the tourism industry

more accessible but also by local communities living in PPC to make their way around the island. Less tangible livelihood attributes that are also integral to deriving benefits relate to social assets such as renewed pride, empowerment, cultural benefits, optimism, as well as to physical security, and more participation in decision-making (Scoones, 1998; DFID, 1999; Ashley et al., 2001; Simpson, 2008). Tourism is commonly associated with environmental degradation, however, the focus on sustainable ecotourism development is likely to contribute to environmental awareness and education as well as maintenance and improvement of biodiversity such as corals and mangrove. Visitors, or the potential to attract visitors, are among the reasons that government officials and residents support protected areas. Shrivastava and Bihari (2010) express that it is common for people to not fully appreciate their surroundings and to take what they have for granted. The interest and appreciation from tourists in one's country and tourist attractions might help them to become more aware of the value of their own natural resources, which in return might help the will to preserve these resources. At the same time, traditional communities can feel greater self-esteem as a result of the respectful interest shown by visitors (Ibid).

Possible negative livelihood effects that are indirectly caused by the impact of tourist activity on the non-tourist economy can be significant. Most common threats that can possibly occur due to tourism development defined by Shrivastava and Bihari (2010), which seem to be intertwined, are; price increases, environmental degradation, excessive development, outside control or foreign ownership, economic leakages and crowding. Price increases may become a problem when visitors and local residents want the same goods and services. Prices are likely to escalate because outsiders are willing to pay much more for goods and services than the local market dictates. As visitor numbers increase, so do the demands for basic services such as policing, fire, safety and health care. Such increased demand brings increased costs and possibly higher tax burdens for the local community (Shrivastava and Bihari, 2010:129). A solution is to have a two-tiered price system – one for residents, one for visitors. When a location becomes a popular tourism destination it can lead to excessive tourism development. Local entrepreneurs will create lodging, restaurant and other services to cater to visitors' needs. In some cases when tourism demand is strong, people from other parts of the country will move to a community to take advantage of the increased economic opportunity. With the increased need for tourism services, come increased infrastructure demands: hotels, restaurants and homes for recently arrived employees and entrepreneurs. These demands place pressure on basic services such as water supplies, wastewater treatment, electricity, etc. which can lead to environmental degradation as well as it might lead to a more competitive market system. A competitive market can result in not all community members having equal changes to participate in the market. Also outside control and foreign ownership can be perceived as a risk when local communities do not, or are unable to, participate in the tourism industry. Foreign investors may see new economic opportunities in tourism development and control or buy out existing local businesses, which results in economic leakages. Shrivastava and Bihari (2010) explain that international businesses are likely to import products and services rather than develop local markets. The increasing tourism market can also lead to a sense of crowding. Tourists may start to compete with residents for space. In some bigger communities with commercial centres, lines may get longer at grocery stores. Residents may have to wait for dinner at the local residents. Residents may also be disturbed by too many visitors at their local sites, the places they knew while growing up before they became international tourism attractions. If access to these treasured spots becomes difficult tensions often grow. (Shrivastava and Bihari, 2010:164).

Hence, it is more difficult to differentiate all indirect effects as they can be found among all livelihood aspects and may only become clear after a significant period of time. However it can be clear that tourism will affect the livelihood assets and strategies of local communities, either positive or negative, which in result affects the vulnerability context and livelihood outcomes. When tourism benefits can outweigh the negative effects, vulnerability for shocks and stresses of these communities might be able to reduce.

### 2.2.1.3. Induced Multiplier Effects

Tourist spending does not only create direct revenues, as mentioned earlier, but can also create revenues in a secondary fashion when the recipients of direct expenditures spend that money elsewhere in the local economy, on unrelated tourism goods and services which is referred to as induced multiplier effect (Khan et al., 1995). Thus, the multiplier effect indicates the total increase in output, labour earnings, and employment through interindustry linkages in a region as a result of tourism expenditure (Frechtling and Horváth, 1999).

A great deal has been published about the contributions of tourism to national, regional, and local economies. Most of these studies include estimates of what tourists or visitors to an area spend while there, which generates economic activity directly in the form of output or sales, labour earnings, and employment. Many of these studies have presented estimates of the so-called multiplier impact of tourism expenditures: the total sales, output, or other measure of economic benefits generated once the initial visitor spending has worked its way through the economy under study. The multiplier effect of tourism can be found in several categories. Archer and Fletcher (1996), define eighteen sectors to measure the multiplier effect from linkages with the agriculture, forestry and fishing sector to land, air and sea transport. Fletcher and Snee (1989) identify six tourism multipliers: relating a change in tourist expenditure to a consequent, a change in output, sales/transactions, income, employment, government revenue or imports (Hughes, 1994). Whilst U.S. Travel Data Center (1996) and U.S. Bureau of Economic Analysis (1997, pp.30-31) (both in Frechtling and Horváth, 1999), define seven categories to estimate multiplier effects of tourism including: (1) local and suburban transit and interurban highway passenger transportation (taxicabs), (2) retail trade except eating and drinking (automobile rentals), (3) automotive rental and leasing without drivers (automobile rentals), (4) hotels and lodging places, (5) eating and drinking places, and (6) other amusement and recreation services. The income multiplier is perhaps the most frequently encountered: an income multiplier relating total income generated to expenditure is referred to by Archer (1996) as the 'normal' multiplier.

The dynamic IMEs, however, are less tangible than the former two, but are important because they may reinforce – or undermine – the positive impacts of tourism on (poor) peoples livelihood well beyond the confines of the tourist destination (Mitchell and Ashley, 2010). Examples of IMEs can be the money received by other (non-)tourism businesses working alongside the tourism industry but also the tax take by the LGU. Mitchell and Ashley (2010) use the latter to support the idea that tourism can be a major contributor to the tax take of the government, which can potentially catalyse fiscal changes that benefit the poor. Hence, nevertheless, the relevance that IME can have on the livelihoods of local people, in the gaze of this study it is not the multiplier effect in specific this research focusses on but the direct and indirect impacts on the livelihoods of people in general. Therefore only a brief notion of possible multiplier effects will be given when found in this study.

### 2.2.2. Livelihood assets

The five livelihood assets included in this research, and on which impacts will be measured, are; human, physical, financial, social and natural capital. People's livelihood assets might be assumed to influence their livelihood strategies. For example, if they do not have access to food they will prioritize this before investing in education. It is important to note that a single physical asset can generate multiple benefits (DFID, 1999). For example, if someone has secure access to land (natural capital) they may also be well-endowed with financial capital, as they are able to use the land not only for direct productive activities but also as collateral for loans. Similarly, livestock may generate social capital (prestige and connectedness to the community) for owners while at the same time being used as productive physical capital (think of animal traction) and remaining, in itself, as natural capital. To give a clear description what is understood by each assets and how it can influence or be influenced by the tourism sector they will be discussed briefly in the following pages.

### 2.2.2.1. Human capital

Human capital represents the skills, knowledge, ability to labour and good health that together enable people to pursue different livelihood strategies and achieve their livelihood objectives (DFID, 1999). At a household level human capital is a factor of the amount and quality of labour available; this varies according to household size, skill levels, leadership potential, health status, etc. Human capital appears in the generic framework as a livelihood asset, that is, as a building block or means of achieving livelihood outcomes (Ibid). Its accumulation can also be an end in itself. Many people regard ill-health or lack of education as core dimensions of poverty and thus overcoming these conditions may be one of their primary livelihood objectives. As well as being of intrinsic value, human capital (knowledge and labour or the ability to command labour) is required in order to make use of any of the four other types of assets and is therefore necessary for the achievement of positive livelihood outcomes (Ibid).

Support to the accumulation of human capital can be both direct and indirect. In either case it will only achieve its aims if people themselves are willing and able to invest in their own human capital by attending training sessions or schools, accessing preventative medical services, etc. If they are prevented from doing so by adverse structures and processes (e.g. formal policies or social norms that prevent girls from attending school) then indirect support to human capital development will be particularly important. If investments in knowledge generation (research) are considered in terms of the contribution that they make to human capital it is immediately apparent that provision must be made for extending access to the knowledge generated. Just as school buildings do nothing for human capital if they are not brought to life with learning, so new technologies and ideas are redundant if they do not reach people. Sharing knowledge with the poor has proved to be a particular problem in the past, hence the need to consider new options for supporting information networks using new types of communication channels, etc.

### 2.2.2.2. Social capital

DFID (1999) relates social capital to the social resources upon which people draw in pursuit of their livelihood objectives. These can be developed through networks, membership of more formalised groups, relationships of trust, reciprocity and exchanges (Ibid). These three aspects seem interrelated. For example, memberships create a network (and connectedness) which can increase peoples trust and ability to work together (and expansion of their network) can in return extend people's access to and influence over other institutions and provide the basis for informal safety nets amongst the poor.

Social capital has a direct impact upon other types of capital. For example, social networks facilitate innovation, the development of knowledge and sharing of that knowledge (human capital). This might result in improved (mutual) trust and reciprocity which can improve the efficiency of economic relations and help increased people's incomes (financial capital), as well as improving management of common resources (natural capital) and the maintenance of shared infrastructure (physical capital). Thus social capital can be seen as a tool to help each other, and thus likely to result in persons (and businesses) being more willing to help and listen to the needs of the other, the poor. Social capital can also make a particularly important contribution to people's sense of well-being, through identity, honour and belonging (Ibid). A benefit of social capital is that it can change rather quickly as it can be self-reinforcing but in return it can also be easily destroyed due to (external) interventions.

Sustainable tourism development also devotes attention to socio-cultural consequences, considering the livelihood of local residents and creating awareness among visiting tourists. For example, tourism has led to positive socio-cultural effects in the case of the Aborigines in Australia (Lansing and De Vries, 2006). The conservation of their cultural heritage has received more attention due to increasing numbers of tourists that visit their ancestral land, in the areas around Uluru, Kata Tjuta and Alice Springs, and get to learn about their culture by means of guided tours and visits to educational centres (own experience). Within most destinations, the extent to which tourism induces negative sociocultural consequences depends upon many factors,

including significant differential in wealth, cultural and racial differences between tourists and the host community. As well as the dominance the tourism industry and tourists might have over the local population and the number of tourists present in the tourist destination (Shrivastava and Bihari, 2010).

Social capital might be important for joint action to combat problems. If there is a lack or increase notion of trust between community members, but also between community and businesses, governments, or in this case tourists it will influence the strategies people choose in their daily life. Therefore it is important to develop an understanding of the nature of civic relations at a wider community level, of the types of social resources upon which households rely and of who is excluded from these benefits. Within this research I will deal with this by observing the communities by living there for three months.

#### **2.2.2.3. Natural capital**

Natural capital is the term used for the natural resource stocks were from resource flows and services (e.g. nutrient cycling, erosion protection) useful for livelihoods are derived (DFID, 1999). There is a wide variation in the resources that make up natural capital, from atmosphere and biodiversity to trees, land, etc. The relationship between natural capital and the vulnerability context is particularly close as many of the shocks that can devastate the livelihoods of the poor are themselves natural processes that destroy natural capital (e.g. fires that destroy forests, floods and earthquakes that destroy agricultural land) or are season depending due to changes in the value or productivity of natural capital over the year (Ibid). Natural resource conservation provides options for improving the livelihoods of future generations – whereas ecosystem depletion and species extinction reduce the capacity to respond to future stresses such as climate change (Shrivastava and Bihari, 2010:98)

Clearly, natural capital is very important to those who derive all or part of their livelihoods from resource-based activities such as farming, fishing, gathering in forests, but also tourism. Last can be very important, for example after the tsunami in 2004 that destroyed a great part of the tourist areas in Indonesia, Sri Lanka, India, and Thailand. Tourists stopped visiting these areas which resulted in people depending on tourism unable to rebuild their livelihoods. Other important aspects that affect livelihoods are access to natural capital, as well as quality of the natural capital and the issue of seasonality. Therefore it is relevant to research which groups have access to which types of natural resources, and what are reasons for non-access and if there is evidence of significant conflict over resources. In the case of Honda Bay both fishers and tourism depending community members are depending on the bay as a resource for their activities, but at the same time affecting each other. This might lead to conflicts and notions of distrust. The SL approach, therefore, is a very useful tool as it focusses on people and to understand the importance of structures and processes in determining the way natural capital is used and the value that it creates for the different groups in the community (DFID, 1999).

#### **2.2.2.4. Physical capital**

Physical capital includes the basic infrastructure in an area and producer goods needed to support livelihoods. Infrastructure is commonly a public good that is used without direct payment (e.g. roads). DFID (1999) distinguishes infrastructure in five components they perceive essential for sustainable livelihoods; (1) affordable transport; (2) secure shelter and buildings; (3) adequate water supply and sanitation; (4) clean, affordable energy; and (5) access to information (communications).

Many participatory poverty assessments have found that a lack of particular types of infrastructure is considered to be a core dimension of poverty (Ibid). Without adequate access to services such as water and energy, human health deteriorates or education, long periods are spent in non-productive activities such as the collection of water and fuel wood or travelling to facilities. The opportunity costs associated with poor infrastructure can preclude education, access to health services and income generation (Ibid). Improved infrastructure can create changes to the physical environment and might help people to meet their basic needs (more easily) and coop with vulnerability aspects. An example from the non-profit organization 'Shidhulai

Swanirvar Sangstha' (<http://www.shidhulai.org> accessed on March 30<sup>th</sup>, 2012) in Bangladesh. Here many children in rural areas (particularly girls) do not have access to education as the nearest schools are often miles away (and the road towards takes too many risks (e.g. kidnapping) as well as too many hours from housework), or not accessible due to the monsoon season (which can last for five months). As a solution the organisation converted boats into schools, functioning as school buses and classrooms and gives children in Bangladesh the opportunity to go to school (even during the monsoon season). However, infrastructure is only an asset in as far as it facilitates improved service provision to enable the poor to meet their needs (DFID, 1999). Often tourism also leads to an improvement of infrastructure. For example, new roads are being build or old ones are maintained better, in order to be able to bring tourists to the tourist attraction or a new boat ramp is built for the increase in tourism boats. These improvements are likely to benefit local community members as well and should therefore be researched as a means of indirect effect on livelihoods.

#### 2.2.2.5. Financial capital

Financial capital, together with human capital, is often seen as the main aspects of poverty. If you do not have money, you are poor. In the SL framework, financial capital refers to the financial resources (including flows and stocks contributing to consumption as well as production) that people use to achieve their livelihood objectives, and desired livelihood outcomes (DFID, 1999). Financial capital is comprised of two main sources, 1) *available stocks* (such as savings, cash, bank deposits and liquid assets) and 2) *regular inflows of money* (such as earned income, pensions, transfers from the state and remittances) (Ibid).

DFID (1999) states that financial capital probably is the most versatile of the five assets as it can be converted into other types of capital. For example, cash can be used to buy food (human capital), buy a boat (to access natural capital and reinvesting in financial capital), improve housing (physical capital) or spend on activities with friends (social capital) etc. However, it is often the asset least available to the poor and this makes to other assets so important to them since these might result in financial capital (e.g. knowledge and skills could be increased to be able to participate in the tourism business, fish caught could be sold directly to tourists or indirectly to restaurants, and the ones having a boat can guide tourists around Honda Bay). In order to gain an understanding of financial capital derived from tourism activities in Honda Bay one should gain an understanding of the tourism sector in general (what businesses are involved), which groups have access to the industry/ are participating and why. Are those not involved receiving remittances from family members who are involved in the tourism industry in Honda Bay, and how these are spend. However, DFID (1999:pg.15) argues, there are assets or desirable outcomes that may not be achievable through the medium of money such as different components of well-being and knowledge of human rights.

Issues to explore the direct and indirect effects of tourism upon the five livelihood assets of local community members in Puerto Princesa include questions as: are natural resources used sustainable by the tourism industry? What is the impact of the use of natural resources on those community members depending on these. Does the tourism sector change access to social networks of households or the broader community and outside world? And what about access to education and health? Are these assets accessible for the whole community or only for a specific group. Are cash earnings invested in human capital (education, health) or other reserves (financial, physical assets)? Are skills acquired that enhance human capital? How is the work environment of workers in the tourism industry concerning wages, safety etc.? How significant are these impacts on assets compared to other sources of change/investment such as the fishing industry or agriculture?

#### 2.2.3. Vulnerability context

The vulnerability context frames the external environment in which people exist, over which they have limited or no control and that affects their livelihoods in either a negative or positive way such as: critical trends, shocks, and seasonality. These aspects directly affect people's assets status and the options that are open to them in pursuit of beneficial livelihood outcomes (DFID, 1999). Shocks can affect livelihood assets directly (in

the case of natural shocks e.g. floods) or force people to abandon their home areas and dispose of assets (such as land) as part of coping strategies. Trends may be more benign, though they are more predictable, such as economic crisis but also alternative tourism forms might yield in more benefits for poor people. Trends have a particularly important influence on rates of return (economic or otherwise) to chosen livelihood strategies (Ibid). Seasonality, price changes, employment opportunities and food availability are one of the greatest and most enduring sources of hardship for poor people in developing countries (Ibid). Last is especially common in the tourism sector as this is a relatively season depending industry. The lack of assets and power of poor people make them unable to cope with stresses, whether predictable or not to enhance their livelihoods. It also makes them less able to manipulate or influence their environment to reduce those stresses and as a result they become increasingly vulnerable. It thus is an important feature to research the dependency of people on tourism and what types of livelihood strategies are employed by local people in order to achieve their desired livelihood outcome and in order to measure their vulnerability for the external environment.

As tourism can strengthen one’s ability to coop with shocks and stresses, tourism development also leads to new vulnerability aspects such as, political instability and currency fluctuation. Political conflict or rumours of unsafe conditions, can discourage international visitors for years (Shrivastava and Bihari, 2010:164) whilst fluctuations in international currency can lead visitors to some countries and away from others. These factors both play major roles in the decision to travel and make tourism an instable industry to fully depend on. Because, no matter how much protected area managers and communities prepare, build and promote, much of tourism demand is determined by these outside circumstances. Visitor numbers can shift dramatically with little warning and greatly affect the financial status of small tourism businesses. A decline in tourism can mean disaster not only for individuals but for whole communities if their economies are dependent on the volatile nature tourism industry (Shrivastava and Bihari, 2010:164). Therefore it is important to not bet all your money on one horse but also invest in other industries.

*Table 1, Possible Tourism Effects*

Possible tourism effects			
	Direct effects	Indirect effects	Income Multiplier effects
Possible tourism opportunities	<ul style="list-style-type: none"> <li>• Cultural exchange / and empowerment</li> <li>• Employment</li> <li>• Financial and economic benefits</li> <li>• Food security</li> <li>• Skills development</li> <li>• Improve access to information</li> <li>• Sustainable income</li> <li>• Strengthen community organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Biodiversity maintenance and improvement</li> <li>• Environmental education</li> <li>• Improved services</li> <li>• New infrastructure</li> <li>• Protected area justification</li> <li>• Reduced vulnerability</li> <li>• Renewed pride</li> <li>• Visitor appreciation and awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Money received by other(non)- tourism businesses</li> <li>• Tax take</li> </ul>
Possible tourism threats	<ul style="list-style-type: none"> <li>• Cultural distortion</li> <li>• Environmental degradation</li> <li>• Increased congestion, littering, vandalism and crime</li> <li>• Tourism dependency</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive market</li> <li>• Crowding</li> <li>• Environmental degradation</li> <li>• Economic leakages</li> <li>• Excessive development</li> <li>• Foreign ownership</li> <li>• Poverty reduction</li> <li>• Price increases</li> </ul>	-

#### 2.2.4. Livelihood strategies

An important aspect of the SL approach is to understand choices, opportunities and diversity, or easier said *livelihood strategies* of people, and to promote these (DFID, 1999). Livelihood strategies explains the range and combination of activities and choices that people make in order to achieve their livelihood goals that affects their livelihood outcomes. With the sustainable livelihoods approach an understanding of the factors that lie behind people's choice of livelihood strategy can be developed. Choice and value of certain strategies is important because it provides people with opportunities for self-determination and the flexibility to adapt over time. Most direct effects derived from the strategies people choose will include the choice (or inability to choose) to participate or not participate in tourism. Ashley et al. (2000).

##### 2.2.4.1. Tourism participation

Local participation is considered as an essential prerequisite in shaping ecotourism, as well as an extremely effective tool that can make a positive contribution to both environmental conservation and the empowerment of local populations (Boo 1991; Ceballos-Lascura, 1996; Ross and Wall 1999; cited in Pipinos and Fokiali, 2007:7). Tourism is generally an additional diversification option for the poor, not a substitute for their core activities. As is the case in Puerto Princesa where still the majority of the local communities depend on fishing and agriculture for their livelihoods. Whether tourism clashes with or complements the seasonality of agriculture, livestock management or fisheries is often a key issue (Ibid). But risks also have to be low. By avoiding forms of involvement in the industry which require capital investment and choosing forms which complement existing livelihood strategies, the poor can maximise their returns (Ibid). Participation in the tourism industry can exist in varying degrees. One can actively participate by directly working with the tourists or in a secondary fashion by supplying goods and services to the tourism industry. Aspirations to participate in tourism are often high among local residents and employment in the tourism trade is often regarded as a 'good job,' though the preferred forms of participation vary between households. Hence, whatever their initial reaction to tourism, local residents are often unprepared for its demands. Those who do not want tourism, have no means to stop it (Shrivastava and Bihari, 2010:150). They often cannot compete with the powerful tourism industry or the fiercely independent travellers who want to discover new areas. Those who are interested in pursuing tourism may not be familiar with its costs and benefits and many have little experience in tourism business enterprises and are not connected to international markets.

##### 2.2.4.2. The will and opportunity to participate

Benefits to the poor from tourism depend on *whether* and *how* they can participate economically in the industry (Ashley et al., 2000). A wide range of factors ranging from the local (assets, gender, livelihood strategies) to the policy environment (tenure, regulations) and commercial context (market segments) influence their participation, and all embody constraints which can be reduced (Ibid). Nevertheless, people's livelihood assets are probably the major influence on their choice of livelihood strategies (DFID, 1999). To participate in activities particular skills might be needed or in the case of starting a small-medium enterprise, start-up capital is required and possibly social connections are needed. Particularly important skills in tourism include language, and an understanding of tourist expectations. In short, different livelihood activities have different requirements. In general it can be stated that those who have a wide variety of assets are most likely to be able to make positive livelihood choices as they have more options to choose from and are not 'forced' into any given strategy because it is their only option (DFID, 1999, Erenstein, 2010). The service nature of the industry and high proportion of low-skill domestic-type jobs increase accessibility to women.

Financial capital is suggested to be critical for the poor, (Ashley et al., 2000), to be able to expand informal sector activities within tourism. One of the problems discussed by DFID (1999), however, is the idea that projects while favouring some people, can disadvantage others. People (poor or not), always try to get the best out of things for themselves and compete for jobs, for markets etc. which makes it difficult for everyone to achieve simultaneous improvements in their livelihoods. Even though local entrepreneurs have generated their own capital over time, by starting small and reinvesting profits over several years (Ibid) they may be squeezed

out if outside investors drive rapid growth in the industry – as occurred at Boracay Island in the Philippines (Shah and Gupta, 2000).

Another issue is the fact that tourists often stay in accommodations that are owned by outsiders and local élites, and spend time at attractions from which local poor people – for instance, suppliers of goods and services – are excluded (Ashley et al., 2000). Access to the tourism market is most constrained where ‘enclave tourism’ and all-inclusive packages develop. Community based tourism is often thought of as the main avenue for the poor to participate in tourism (for example through community run lodges, campsites or craft centres, which are often supported by NGOs). However, poor individuals engage in all types of tourism through self-employment (e.g. hawking, or small enterprise) and casual labour (Ashley et al., 2000). Especially women are involved in these informal sector activities (Shah and Gupta, 2000). Hence, there is a lack of data on how participation of the poor varies by market segment, but emerging trends indicate the importance of domestic/regional tourism, the need to assess participation of the poor in mass tourism, and the vital role of the informal sector in any segment (Ibid). Ashley et al. (2000), the informal sector is where opportunities for small-scale enterprise or labour by the poor are maximised. For example, at Bai Chay, Ha Long Bay in Vietnam, almost a dozen local families run private hotels, but local involvement in tourism spreads far beyond this, to an estimated 70–80% of the population. Apart from those with jobs in the hotels and restaurants, local women share the running of noodle stalls, many women and children are vendors, and anyone with a boat or motorbike hires them out to tourists (Ibid).

Where the poor have access to dynamic and flexible forms of social capital, the potential for participation may be greater (Ashley et al., 2000). For example, in Bali, most restaurants are managed either by families or *Sekaha* – voluntary associations with clear principles for division of work and revenue (Ibid). This system is also used for car and bicycle rentals, running minibuses and restaurants. Rooms for tourists have been added to traditional homes. At Indonesia’s Bromo Tengger Semeru National Park, activities such as horse and jeep rides are organised through associations who ensure a fair share of the market to all their members (Shah and Gupta, 2000). These examples suit to Liu’s (2003) idea, that implies that the ideal is ‘self-mobilisation’ and active participation in the planning and management of tourism, but that in reality, community involvement in most cases is ‘relational’ rather than participatory. Without proprietorship, most forms of participation become co-optive, cooperative or collaborative arrangements (Honey, 1999; Scheyvens, 1999). Clearly effort needs to be made to empower the local population economically as well as psychologically, socially and politically (Friedmann, 1992 in Liu, 2003). Extending choice and opportunities for the poor and building up their ability to take advantage of these opportunities (through building capital assets) while leaving them to make the final choice of what they will do might be some kind of solution. Thus, only promoting tourism to increase visitor rates will not automatically result in increased involvement of the poor. To refer back to the example of Krishna before (paragraph 2.1.), by diversification of income sources, such as tourism as a new market, people might create a new or additional source of income that might help people escaping poverty.

### 2.2.5. Livelihood outcomes

*Livelihood outcomes* are the achievements or outputs of livelihood strategies based on people’s priorities and are affected by the vulnerability context. It is interesting to seek an understanding of livelihood goals and desired livelihood outcomes of the community members around Honda Bay i.e. to research why they do what they do, and where major possibilities and constraints lie. An important aspect in this are structures, policies and processes. They might create assets (such as physical capital e.g. roads or social capital by existence of local institutions), determine access (e.g. ownership rights, access to common resources) and influence rates of asset accumulation (e.g. policies that affect returns to different livelihood strategies) (DFID, 1999).

Livelihood outcomes that appear in the SL framework of the DFID are categorized in order to make the framework manageable (DFID, 1999) and consist of:

- *more income* (including economic sustainability of livelihoods);
- *increased well-being* (including: self-esteem, sense of control and inclusion, physical security of household members, health status, access to services, political enfranchisement, maintenance of cultural heritage, etc.);
- *reduced vulnerability*;
- *improved food security*; and
- *more sustainable use of the natural resource base* (including environmental sustainability, or sustainability of the natural resource base).

People’s background, priorities and livelihood goals will influence if the outcomes are perceived as important or positive/negative. Some may consider a minimum level of social capital to be essential if they are to achieve a sense of well-being, or in a remote rural area, people may feel they require a certain level of access to natural capital to provide security (DFID, 1999). In able to draw conclusions on this, it is important to gain an understanding of the livelihood outcomes that people themselves consider important.

The sustainable livelihood defined by DFID (1999), shown on page 19, has functioned as a starting point from which a conceptual research model is drawn upon by the researcher – See *figure 3*. It can be suggested that all livelihood aspects described above are intertwined and are directly and indirectly influencing each other. Hence, this model tries to simplify the linkages between the livelihood assets, livelihood strategies and livelihood outcomes concerning the vulnerability context and transforming structures & processes, and includes the role of tourism participation. It has been argued that the different assets are intangible and can strengthen one another, influenced by the means of participation by the host community. The aim of the LGUs in Palawan to become a world class ecotourism, who is therefore actively focussing on sustainable tourism development, is used as start point of the model. Tourism can directly and indirectly impact the livelihood assets and in return, the livelihood assets define if one has access to participate or not. Within this study, the content of livelihood assets influenced by the vulnerability context defines someone’s livelihood outcome and thus the role tourism impacts play on communities (sustainable) livelihoods. These outcomes are perceived to influence the strategy community members adapt in either to sustain this livelihood, or to change it by means of participating or not participating in the tourism industry. Though, the role of transforming structures (local government and private sector changes) and processes (laws, policies, culture and institutions), perceived as the role of the government in tourism development, cannot be neglected and is therefore included in the model as well. It influences the livelihood context of local communities and therefore the strategies community members can choose as well as how it shapes ones vulnerability context.

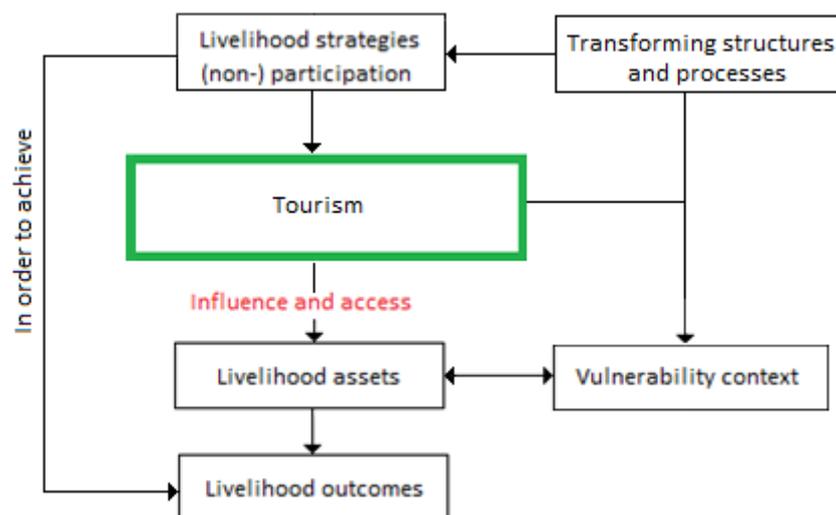


Figure 7, Conceptual Research Model

### 2.3. STAKEHOLDERS

De Boer's SL framework suggests that the direct and indirect effects of tourism yield in a change in livelihood outcomes due to changes in livelihood assets, livelihood strategies and the vulnerability context, influenced by policies, institutions and processes from outside the tourism sector. In order to be able to link tourism impacts with local communities in Honda bay, it is important to gain a basic understanding of the look and feel of the tourism industry of Honda Bay.

Chok et al. (2007) argue that it is to a large extent, on the altruism of non-poor tourism stakeholders to drive the industry towards increasing benefits and reducing costs for the poor. However problems with planning and implementation often occur when stakeholders and interest groups battle over the primacy of their preferred and fiercely defended sustainability positions (Ibid). Even within a single organisation, institution or community group, stakeholders may sit anywhere along the sustainability spectrum. Self-interest as mentioned with the example of 'tragedy of the commons' in which all stakeholders tend to benefiting most as possible, even if this affects others negatively in the industry. This results in tourism including winners and losers trying to make the best out of it. Tourism is highly political and the values of powerful stakeholders greatly shape the outcomes. Chok et al. (2007), in a socio-political climate of shrinking civil liberties and top-down governance styles, tourism policies and plans are less likely to be reflective of a community's social, cultural and environmental concerns than they are of the economic imperatives of those in power. While marginalised communities are, in rhetoric, often encouraged to 'participate' in tourism development, it cannot be assumed that they are able to participate meaningfully (Chok et al., 2007). Neither should it be assumed that their participation will lead to an equitable distribution of the benefits. When inequitable relationships underlie the change-making process, this critically influences 'the resources that people can access ... as well as the resources which remain out of reach' (Eversole, 2003: 791 in Chok et al., 2007).

There is no universal definition of stakeholders. Freemans (1984) definition highlights the aspects defined by of interdependency and affecting/ being affected by the organization. Thus stakeholders are 'groups or individuals with whom the organization interacts or has interdependencies' and 'any individual or group who can affect or is affected by the actions, decisions, policies, practices or goals of the organization'. Clarkson (1995) however, defines stakeholders as 'persons or groups who have, or claim, ownership, rights, or interests in a corporation and its activities, past, present, or future.' Stakeholders with similar interests, claims, or rights can be classified as belonging to the same group: employees, shareholders, customers, and so on (Clarkson, 1995). Merrilees et al. (2005) combine the three features from above definitions into; (1) interdependency; (2) affecting/ being affected by the organization; and (3) the sense of an interest or right in the organization.

At a more detailed level, Clarkson (1995) categorizes them as primary stakeholders, who are essential to the survival and wellbeing of the organization, and secondary stakeholders, with whom the organization interacts but who are not essential to its survival (Freeman, 1984; Clarkson, 1995). Stakeholders are also categorized according to their organizational location: internal ones (operating within the bounds of the organization), interface ones who interact with the external environment, and external stakeholders who may either contribute to, compete with, or have a special interest in the functioning of one's organization (Fottler et al., 1989; Blair and Fottler, 1990; both in Brugha & Varvasovszky, 2000). In order to gain a better understanding of the role that several stakeholders play Brugha & Varvasovszky (2000:1) state, 'stakeholder analysis can be used to generate knowledge about the relevant actors so as to understand their behaviour, intentions, interrelations, agendas, interests, and the influence or resources they have brought – or could bring - to bear on decision making processes'. Through collecting and analysing data on stakeholders, one can develop an understanding of how decisions are taken in a particular context (Brugha & Varvasovszky, 2000). Stakeholder analysis aims to evaluate and understand stakeholders from the perspective of an organization, or to determine their relevance to a project or policy (Brugha & Varvasovszky, 2000).

The main stakeholders that can be differentiated within the ecotourism industry derived from Shrivastava and Bihari (2010) are: government agencies, NGO's, tourism industry, local communities, Eco tourists, funders, and academics. Whereas stakeholder analysis might be an useful tool for identifying marketing and management strategies (Freeman, 1984; Clarkson, 1995; Brugha and Varvasovszky, 2000), this research focuses on one stakeholder in particular, the local community. Other stakeholders are looked at to investigate their interrelation with this stakeholder and one another to gain a general understanding of the size of the tourism industry and who is included or excluded.

### 3. METHODOLOGY

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The main aim of this study was to investigate the impacts of tourism on the livelihoods of local community members living around the tourist attraction – island hopping - in Honda Bay, Palawan, and the possible link with participation, non-participation and poverty reduction.

An explorative approach has been used and is characterized by a qualitative research paradigm. This paradigm is an investigative process where the researcher attempts to understand a social phenomenon (Miles & Huberman, 1984). It focuses on the process that is taking place and aims to explain how things occur. Qualitative research has been used as it offers the opportunity to obtain information about cultural behaviour, knowledge and artefacts. As well as the information is not limited to preconceived questions and categories and as a consequence can provide rich and detailed data that lead to focussed descriptions of a given phenomenon in the social world (Boeije, 2010). Gathered data reflects the participant's perspective. People talk about their social reality, they express their opinions on what they think is happening, they share experiences, show what they feel, demonstrate what they do (Ibid). So by focussing on a particular group there is an already interpreted reality from which research must then make its interpretation of how participants understand their daily life. Therefore, field work requires a constant redefinition of what is problematic and needs a logic and process of inquiry that is flexible and open-ended (Jorgensen, 1989). Analysis of qualitative data is interlinked with data collection and sampling (Boeije, 2010), in this case, in several small cycles (barangays). Each cycle fuels the next one in order to build knowledge for further analysis. Therefore, the data are descriptive and reported in words rather than numbers (Marshall & Rossman, 1989; Merriam, 1988). A variety of data collection methods were used. The results have been compared with theory or literature described in chapter two i.e. to build explanation by looking for causal links and reasonable explanation of the research topic (See chapter 5.)

#### 3.1. DATA COLLECTION METHODS

There are different methods within the qualitative approach to measure the interpretation of human experiences and behaviour (Boeije, 2010) that help to understand how people give meaning to their lives by interpreting their thoughts, experiences, actions and expressions. To make certain of the research validity as well as strengthen reliability, Merriam (1988) suggests that, triangulation or multiple methods of data collection and analysis should be used. This study combined formal and informal interview, observations and analysis of existing literature which I will describe in more detail in this chapter.

First, one way to describe what happens, who or what are involved, when and where things happen, how they occur and why things happen as they do from the point of view of the participants (Jorgensen, 1989) is by means of *participant observation*. Participant observation included the direct observation of the people under study by the researcher taking part in the participant's everyday life (Lofland and Lofland, 1995; Spradley, 1980; Schatzman & Strauss, 1973 in Boeije, 2010).

Another method used to address these questions is *qualitative interviewing* (Boeije, 2010). Herewith participants are given the opportunity to share their story, pass on their knowledge, and provide their own perspective on a range of topics (Hesse-Biber and Leavy, 2006 in Boeije 2010). Interviews can be distinguished by their predetermined structure. The more the interview is planned beforehand, the more the interviewer determines the direction of the interviews. They are to be distinguished into unstructured, semi- or half structured and structured or standardized interviews in which the latter uses fixed lists of topics and questions to be asked. However, for qualitative research it is favourable to use semi-or half structured interviews as these type of interviews are not entirely pre-structured and leave room for the participant to be constructed. As this research has a specific focus on the perception of community members in different barangays on the effects of

tourism on their livelihoods a semi-structured interviewing technique seemed the correct method to use. It leaves room for the participants to tell the stories and experiences they want to share and on which can be further elaborated during the interview (Boeije, 2010). In-depth interviewing helped to gain a better understanding of how respondents perceive the impacts of tourism on their livelihoods and why this is felt as something positive or negative.

As there were just three months for data collection, a sample size of the study area has been taken. Morse and Field (1996), use the principle of *maximization*. This means that “a location should be determined where the topic of study manifests itself most strongly (Morse and Field, 1996)”. In this case, in which barangays is it most likely to find impacts from tourism on the livelihoods of people living around Honda Bay. Ashley and Hussein (2000) argue that it is important to distinguish between groups with different livelihoods needs/ strategies as they may do similar thing or receive similar benefits, it is likely that they will attribute different significance to these activities/ benefits, because of their differing priorities and livelihood strategies e.g. people living in fishing dependent barangays or tourism dependent barangays.

Therefore a purposive sampling technique has been used. This means that cases are selected because they can teach a lot about the issues that are of importance to the research (Coyne, 1997). The aim of using sampling is to collect a representation on a wide range of perspectives and experiences, rather than to replicate their frequency in the wider population (Ziebland & McPherson, 2006 in Boeije, 2010).

### 3.1.1. Semi-structured interviewing

Interviewing was used as the main method for data gathering because it was the most useful form of collecting qualitative data, since it provided individuals ‘perception about their world and the way the interviewees construct the reality’ of that world (Clark et al., 1998). An in-depth semi-structured interviewing technique has been used in order to encourage respondents to talk, to have the possibility for the interviewer to ask supplementary questions and ask respondents to explain their answers (Veal, 1997:p.132).

To conduct the interviews, the author visited the Honda Bay district during April-June, 2012, the end of the high season and start of the rainy season in Palawan. Basis for the interviews was the sustainable livelihood assessment combined with participant observation onsite in order to plan research sampling. Moreover, the author also used information received from previous interviewees to select the next interviewees.

With the sustainable livelihood approach as a foundation for this research, this also functioned as the basis to generate a structure for interviewing. An interview protocol, based on the questions used by Ashley and Hussein (2000:24) and added by the author - *See appendix 1*, was developed to guide the interviews. An interview prompt list was developed to help the interviewer focus and add some structure (guide) to the interview - *See appendix 2*. This prompt list covered the following key issues; linking vulnerability aspects, livelihood assets, livelihood strategies, and livelihood outcomes with livelihood impacts due to tourism and its relation with poverty reduction.

#### 1. *Vulnerability aspects*

Under this theme the respondents were asked what they perceived as possible risks for their livelihood and which outside factors (such as seasonality) are influencing their jobs. The aim of this question was to identify key factors influencing the livelihoods of the people who might be geographically caused.

#### 2. *Livelihood assets*

Under this theme a set of different questions were asked relating to the financial, human, social, physical and natural assets one has or has no access to and how they have changed after the introduction of tourism. These questions sought to get insight on the direct effects of tourism on the livelihoods of the people living around Honda Bay.

### 3. *Livelihood strategies and outcomes*

Questions under this theme related to *why* respondents do what they do, if there would be anything they would like to change and if they feel they have the ability to do so. The aim of these questions was to explore why people are or are not participating in tourism in Honda Bay and how this (non-)participation effects their livelihood outcomes.

### 4. *Notion of poverty*

To gain insight in poverty in the area *self-rated poverty* was included in the questions. Self-rated poverty was based on households responses to the question as to *where* they would place their family on a card marked 'not poor', 'on the line', and 'poor' (Ravallion, 1994; in The World Bank, 2001). Second, households who classified themselves as poor were asked how much money they thought their family would need for home expenses each month in order not to be called poor anymore. Similarly, households who classified themselves as not poor or borderline were asked to define how much money they thought a family same size as theirs would need to spend each month for home expenses in order not to be considered poor anymore?" Although this is not a method to measure absolute poverty, it helps to give an indication of peoples own perception of their poverty status.

#### **3.1.2. Participant observation**

Whilst living in the community, observation could be done to experience first-hand if that what has been said fits the reality. Although sometimes it is regarded as non-scientific (Easthope, 1971, in Jorgensen) more commonly, however, it is viewed from a positivistic approach as useful during the preliminary stages of scientific inquiry for exploration and description (Lazarsfeld, 1972; Babbie, 1986; in Jorgensen, 1989). As Jorgensen (1989 pg.7) states, "qualitative descriptions generated by participant observation are used to formulate concepts for measurement, as well as generalizations and hypotheses that with further testing may be used to construct explanatory theories." Agar (1996) used participant observation as a cover term for all of the observations and formal and informal interviewing in which anthropologists engage. In other words, participant observation can be understood as a valuable method used in the daily research routine and combined with other methods at the same time in order to gain additional information that can be related with the other data gathered.

Participant observation within this research has been used as a means to gain an understanding of the truths about livelihood impacts, and life situations and settings of the research target group in general, grounded in observing the realities of daily existence (Jorgensen, 1989). DeWalt and De Walt (2002) refer to using everyday conversations as an interview technique. This is used for shaping the contextual knowledge about the research topic and test whether things being said in interviews withstand opinions from other community members. After a while, for me being able to speak a little bit of the language, which is stated by DeWalt and De Walt (2002) is a key element for this method, added to understand the major line of the conversation as well as the trust respondents had in you as a researcher. They highly appreciate it when you can speak a little bit of Tagalog and it makes them more excited to talk to you and answer your questions. Participation observation also helped to gain a better understanding why things occur as they do and what cultural aspects might influence interview output. Observation mainly happened at the interview sites and the route towards it. By making random chats it was possible to also ask people outside the target group about their opinion about the tourism development and impacts for the community of PPC as a whole.

#### **3.1.3. Sampling**

The study employed a two-step selection procedure as follows. The target population for this study were people living in and around the Honda Bay area who would possibly feel the impacts of tourism establishment in this area. Both, participants and non-participants in tourism were part of the target group in order to get a broader view on the impacts of tourism and the relation between participation and non-participation. I started with an island hopping tour myself to gain a general understanding about the tourism product and the people

involved in this industry. It gave the opportunity to observe people and talk with people without having a formal interview. Hereafter, first an interview with the president of HOBBAI (Honda Bay Boatmen Association Inc.) and CGDAPL has been done to extent researcher’s knowledge about the functioning of the tourism product. Interviewing of tourism participants and non-participants started in bgy. Sta. Lourdes (purok Tagbuana), the jump off point for island hopping. This place was chosen from the principle of maximization, by Morse and Field (1996), stated earlier in this chapter as this is the place tourism activity manifests itself most strongly. A random sampling technique was used by selecting respondents while walking around the barangay and asking those people who were there at that particular moment if they had time for an interview. Therefore most of the interviews were held at people’s home or workplace. Interviews were spread out over several days for each barangay to minimize impact of the day chosen.

Based upon the information gathered by the interviews the next destination was chosen. Therefore after bgy. Sta. Lourdes (purok Tagbuana – Honda Bay) I followed my way to bgy. Tagburos (purok Sigsican Playa), followed by bgy. Manalo (Pandan Island) and last at bgy. Bacungan (purok Nagtabon beach and Maranates). Aside the interviews with local community members also interviews with several institutions who were closely related to the tourism activities in Honda Bay were done. These institutions and officials include the HOBBAI, CGDAPL, Tourism pulis and City planning office (to tell more about development plans of PPC), Barangay captains (i.e. to gather general information about tourism development plans in their barangay). These organisation were approached as they could help to put the tourism industry in Honda bay in a broader context, to explain how things work (HOBBAI) but also what are plans for the future (City planning office). A total number of twenty-eight respondents were chosen for in-depth interviews. Respondents were chosen such that the mix of different actors (male and female, different jobs within the tourism industry, suppliers of the tourism industry and people not participating such as fishermen and famers) involved in the tourism industry were represented. Another six interviews were held with governmental and non-governmental organisations i.e. to gain a better perspective of the set-up of the tourism industry in Honda Bay and PPC - See *figure 4.*

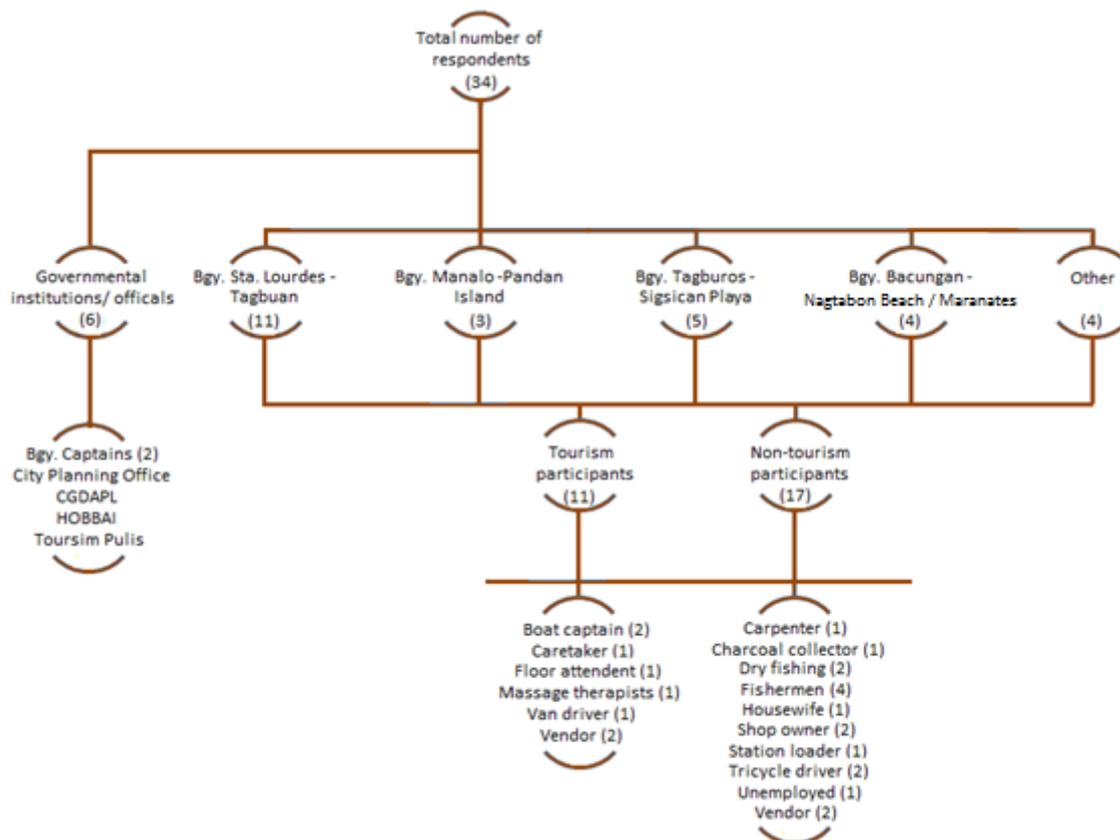


Figure 8, Interview breakdown

In both clusters representatives, thought to have the relevant information, were purposively chosen for interviewing. In several occasions snowball sampling was included. The number of interviewees was not fixed from the beginning but based on the process of saturation; I interviewed the respondents until no more different information could possibly be derived from interviewing more respondents.

### 3.2. DATA ANALYSIS METHODS

Primary data acquired from respondents through interviews was noted down and transcribed to be used in the analysis stage. To limit loss of information due to language barriers, most of the interviews have been conducted in Philippine language (Tagalog dialect). Questions that the researcher wanted to be answered were, derived from the model of Ashley and Hussein (2010) and written down before the interview, and thus functioned as a start point for the translator who directly translated respondent's answers into English after an answer was given. Last allowed the researcher to write the responses down and immediately ask for clarification of the answer or link to another question that was not written down to enhance the open character of the interview set up. Interviews have been set into transcripts on the day or at latest the day after interviews were done to prevent loss of information and confusion about the notes taken. The primary data gathered by the interviews and the secondary data gathered by participant observation were used in the data analysis phase. No statistical tests were employed. Instead, content analysis (analysis of opinion, perspectives and viewpoints of respondents interviewed) were done. These were then coded into different themes and categories suited to answer the research questions stated at the start. According to Boeije (2010) there are three rounds of coding that should be done; open coding, axial coding and selective coding. First, *open coding*, all data that have been collected in the interviews are divided into fragments, followed by categories dealing with the same subject and labelled with a code to help summarize main findings of the research to be further elaborated on. Second, *axial coding*, then can help to make connections between the categories formulated before (Charmaz, 2006; Boeije, 2010). Primary purpose of this round of coding is to determine which elements in the research are the dominant ones and which are the less important ones (Ibid). Third, and last phase, is *selective coding*. Selective coding refers to looking for connections between the categories in order to make sense of what is happening in the field (Boeije, 2010). It is aimed at highlighting which themes/ issues have turned up repeatedly in the interviews, what the main message is that the participants have tried to bring across as well as to gain an understanding how these themes/ issues are related and to know how they are shaped by the participants perspective and behaviour.

Respondents list in [table 2](#) shows the interviewees and their sex, age, occupation and are categorized on the barangay they live in. Each respondent has been certified to a number which will be referred to in the results section when cited.

Table 2; Respondents list

Respondents List					
#No	Name respondent	Sex	Age	Member of barangay	Occupation
01	A. Canino	M	52	Bacungan	Shop owner
02	Y. Dagolo	F	69	Bacungan	Caretaker beach resort
03	O. and N. Obña	M	36	Bacungan	Charcoal collector
04	E. Martinez	M	42	Bacungan	Fishermen
05	N. Malato	F	47	Manalo	Fish vendor
06	G. Quilantang	M	26	Manalo	Fishermen
07	R. Villa	M	38	Manalo	Fishermen
08	Anonymous	F	-	Sta. Lourdes	Dried fishing
09	E. Byllones	M	26	Sta. Lourdes	Boat captain
10	M.I. Espanola	F	36	Sta. Lourdes	Vendor
11	V. I. Guevas	M	24	Sta. Lourdes	Boat men
12	Massage therapists	F	31	Sta. Lourdes	Massage therapist
13	N. Mercado	F	31	Sta. Lourdes	Vendor
14	T. Sejour sr.	M	72	Sta. Lourdes	Boat owner
15	M. Odesta	F	41	Sta. Lourdes	Fish vendor
16	R. Buhgalso	M	31	Sta. Lourdes	Boat men
17	R. Basulgan	M	35	Sta. Lourdes	Carpenter
18	G. Villanueva	F	33	Sta. Lourdes	Dried fishing
19	A. Bautista Jr.	M	28	Tagburos	Station Loader
20	N. Sulaimah	M	21	Tagburos	Boat captain
21	H. Monera	M	33	Tagburos	Unemployed
22	B. Nanol	F	56	Tagburos	Shop owner
23	J. Subaan	F	49	Tagburos	Housewife
24	R. Ruiz	M	29	Tagburos	Fishermen
25	F.R. Plaza	M	43	St. Miguel	Tricycle driver
26	G. Mano	M	28	San Jose	Tricycle driver
27	R.O. Grimpola	M	56	San Pedro	Van Driver
28	B. Miniaves	M	24	Roxas	Floor attendant Legend Hotel

### 3.3. LIMITATIONS OF THE RESEARCH

As to every other research, there are some limitations to this research as well. First, interviews have been conducted in Tagalog instead of English which might have caused loss of small pieces of information while translating it. For example, answers were summarised and not translated word by word. However, it might be considered that all relevant data has been noted down and covered by the amount of interviews being done. Second, there is a lack of critical tourism literature written by Philippine scholars. The knowledge to explain some issues in this study, mainly considering possible negative impacts could have been captured with this. It was noticed that respondent only (or at least mainly) focus on the positive aspects tourism brings, and do not pay attention to the possibly negative aspects it can cause now and in the future. As this research has put its realm on the perspectives and experiences of the local communities, therefore, negative tourism impacts within this research might be limited but are discussed based on available literature. Third, cultural characteristics seem to play a major role in outcomes of interviews and talks with the (local) Filipinos. The Philippines has been highly influenced by its colonisation by the Spaniards and Americans; to this is attributable

a certain sense of inferiority towards white people. They love the interest from foreigners for their country because they look up to Western people. Sitting in a multicab or tricycle and even when buying groceries, for example, people want to make a chat to ask why you are here, what you think of the island, and its people and where you're going next. They all want to meet you and if they see the chance, get your name and number in order to be able to text you or add you as a friend on Facebook. Filipinos are polite and always try to satisfy other people, so not knowing an answer would mean a loss of face and they rather make up an answer in this case. This attitude towards 'outsiders' might have influenced interview outcomes. As a young woman from Dutch origin, answers might have been chosen more carefully when speaking to me. These cultural features also made it difficult to get clear answers about what is bothering the local people in Puerto Princesa. For example, they always said 'it is a good thing' when tourism came into discussion even though it has led to displacement and loss of income of some of the interviewees. In that sense my background also affects interpretation of research outcomes and thus results of the research. It is in the nature of this group in specific and Filipino culture in general, for example, to make the best out of the things they have and to be contented with the life they live. Last, this research has been conducted among twenty-eight community members and is therefore not generalizable for the broader community. The aim of the research was to do a first examination of the impacts of tourism on the livelihoods of those participating and not participating in order to give an overview of the situation in Honda Bay. Thus perceived positive and negative impacts of tourism on community livelihoods are influenced by respondents own experience, and do not necessarily have to count for the broader community as a whole. In this respect, this research can function as starting point for future research to elaborate on.

## 4. CONTEXT

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### 4.1. BACKGROUND INFORMATION

#### 4.1.1. The Philippines

The Philippines consists of more than 7000 islands and islets and is the world's second-largest archipelago. The Philippines is located between Taiwan and Borneo, bounded in the west by the South China Sea, in the east by the Pacific Ocean, in the south by the Sulu and Celebes Seas, and in the north by the Bashi Channel. The Philippines has three major islands – Luzon in the North, the largest island where the capital of the Philippines, Manila, is situated; Visayas in the middle, and Mindanao in the South.

According to the latest official census, Filipinos now number 68 million. Population growth as of 1991 is estimated at 2.7 per cent annually and the number is expected to top the 75.2 million by the Year 2000. A quarter of the Filipino population, or about 18.2 million Filipinos, were deemed to be poor in 1997 (World Bank, 2001 based on FIES (Family Income and Expenditure Survey), 1997). Towards the close of the twentieth century, the challenge for the Philippines remains in significantly improving the lives of its people. The progress of the past few years has not raised the standard of living of the majority of Filipinos to decent levels (foreword by; Joseph Ejercity Estrada, 1999; in National Economic and Development Authority, 1999). The Medium-Term Philippine Development Plan (MTPDP) 1999-2004 envisions a sustainable development path anchored on growth with social equity. The overall achievement of this MTPDP vision will be measured in large part by a reduction in poverty especially in the rural areas, and an improvement in the distribution of income. The rural poverty incidence about 37 per cent, while the urban incidence is about 12 per cent. 1997, the first MTPDP, mandated by the constitution, as an effort in coordinated implementation of programs and policies for national development (The World Bank, 2001). The period since the mid-80s witnessed important changes in Philippines economic policy with a shift to greater outward orientation as the country sought to embrace the still unfolding East Asian Miracle (Ibid).

Western culture mixed with indigenous culture when the Spanish and the Americans colonized the Philippines. Spain occupied the country for over 300 years and the Americans for over 50 years (Carlos and Carlos, 2006). There are 11 cultural and racial groups, each with its own language. Most Filipinos are bilingual, with English as the basic language in business, government, schools, and everyday communication (park.org, 2012).

The Philippines is normally warm with abundant rainfall and gentle winds. There are three pronounced seasons: wet to rainy from June to October; cool and dry weather from November to February; and hot and dry weather from March to May. In terms of natural resources, the Philippines are one of the top ten richest areas in terms of biodiversity. It is richly endowed with magnificent landscapes and mountains, clear beaches and abundant wildlife, great for any outdoor tourist. The Philippines is part of the Coral Triangle, which is recognised as an area of global ecological significance. The region has over 75% of all known coral species, over 30% of the world's coral reefs, over 3,000 species of fish and, the greatest extent of mangrove forests of any region. It is considered the centre of marine life abundance and diversity on the planet, and home to over 600 reef-building coral species. The Coral Triangle region has a population of 360 million people with estimates suggesting that a third of whom are directly dependent on marine resources (TNC *et al.*, 2008). In the Philippines, fisheries resources of all kinds contribute 5% to the gross national product each year, and about one million families, or six million individuals, depend on fisheries for their livelihood and a far greater number supplement their diet with protein from the catch from part-time fishing or the gleaning of shallows at low tide (Courtney *et al.*, 2002). Besides this, fisheries products are the major source of dietary protein, especially in rural areas. Yann (2009) argues, that with proper protection, these coral reefs can eradicate Asian poverty and feed billions (Yann for WWF, 14 September 2009).

#### **4.1.1.1. The Local Government Code of the Philippines (LGC) (Republic Act 7160) of 1991**

The Local Government Code of the Philippines (LGC) (Republic Act 7160) of 1991 restructured the country's system of governance. The local government was organised according to a system of local government units (LGU) consisting of barangays, municipalities, cities and provinces. The code led to devolve the responsibility for coastal resource management (CRM) in the Philippines from central to local government authorities (Courtney & White, 2000; Courtney et al., 2002), a concept of decentralisation. Moreover, the Code devolved the primary responsibility for the delivery of various basic services and facilities within the territory under the jurisdiction of LGUs. These include policy sectors like health and social services; infrastructure provision such as clinics, school facilities and local road building; agriculture (including fishery) and tourism; environment (including forestry) and the responsibility for natural resource management in general (Courtney et al., 2002). Nevertheless, it was not until 1995 that municipalities and cities became more aware of and concerned with their responsibilities in environmental management (Ibid).

The powers of municipalities and cities in tourism relate to the establishment of tourist facilities and tourist attractions (Schwartz et al., 2002). They also regulate the establishment, operation and maintenance of restaurants, hotels and other similar establishments. The powers of provinces concern tourism development and promotion programs. The Code generally strengthened the role of all LGUs in local planning and implementation processes. The LGC devolves basic powers and authorities to local government in planning, environmental protection, legislation, regulation, enforcement, revenue generation, extension services, intergovernmental relations, and relations with people's organizations and NGOs (LGC, Republic Act 7160; in Courtney et al., 2002). Moreover, the LGC strengthened local democratisation with respect to the delegation of political power as well as the self-organisation and active participation of the civil society in processes of local governance. The Code mandated regular elections for local legislative and executive bodies. Furthermore, all registered voters of the provinces, cities, municipalities, and barangays can exercise local legal initiatives and referendums. Several provisions refer to expanded participation of civil society in local planning and implementation process. Before any national project or program is implemented at the local level, the national agency has to consult not only the LGU in the respective jurisdiction, but also concerned non-governmental (NGO) and people's organisations (PO), and other sectors of the community (Schwartz et al., 2002). In addition in 1998, the Philippine Fisheries Code (Republic Act 8550) was instituted. This code reinforces the mandate of local government to manage coastal resources and municipal waters (Courtney et al., 2002). The Fisheries Code establishes integrated coastal area management as a national strategy for the rehabilitation of fisheries and coastal habitats and sets forth strategies to be implemented by local governments such as delineating municipal water boundaries, licensing municipal fishers, and establishing marine protected areas (MPAs) in 15 per cent of the suitable area of municipal waters.

The Code also provided several radical changes in local taxation and fiscal matters. It enhanced the share of LGUs in the national taxes (i.e. internal revenue allotments) as well as in the proceeds derived from the utilisation and development of the national wealth within the area of the respective LGU. Moreover, local government received enhanced autonomy to generate and mobilise financial resources. It broadened their power to exercise taxing and other revenue-raising. Now, LGUs can create their own sources of revenue and levy taxes, fees, and charges.

In conclusion it can be said that the LGC introduced crucial changes in all kinds of sectoral issues including the governance of coastal resources and herewith tourism industries.

#### **4.1.1.2. Responsible Tourism: Policy, Environmental and Cultural Challenges**

The 18.000 kilometre Philippine coastline is endowed with a wealth of natural tropical resources that provide numerous benefits to local residents and to the economy in general (Gösling, 2003). Coral reefs alone cover about 27.000 square kilometres of area and provide about 15 per cent of annual fish catch to the country. Coral reefs are also an increasingly valuable asset for the tourism industry. Valuation studies in the past have indicated that reefs in the whole country are contributing a conservative US\$1.35 billion to the national

economy (White and Trinidad, 1998). Locally, one square kilometre of healthy coral reef with some tourism potential produces net revenues ranging from US\$29,400 to US\$113,000 (White and Trinidad, 1998; White et al. 2000a). These revenue potentials are realistic since a large proportion of visitors to the Philippines spend time on a beach or swim or dive in a coral reef environment. Others come for more specialized activities such as bird watching in wetlands, recreational fishing or even to assist with coral reef research or conservation. Thus, the Philippine coastal environment through tourism generates significant revenues from marine recreation and the associated hotels, food and purchases. In selected tourism areas where studies have been conducted, the economic benefits from tourism far surpass those derived from the traditional economy. Maintenance of coastal ecosystems in the Philippines, therefore, is important in sustaining the tourism industry because a large proportion of visitors, national and international, relax and recreate in these coastal and marine areas.

In 1992, the Philippine Council for Sustainable Development (PCSD) was created, to demonstrate the country's commitment to operationalize Global Agenda 21, adopted in the Earth summit in Rio De Janeiro, Brazil in the same year (Andrada, 2002). Nevertheless, it was not until 1995 that the Agenda 21 got adopted in the Philippines. However, Andrada (2002) informs, while the discussion on sustainable development was going on in 1992, the Philippine Department of Tourism (DOT) through the assistance of the United Nations Development Program (UNDP) and the World Tourism Organization (WTO) had already initiated the formulation of the Tourism Master Plan for the Philippines, herewith being the first government plan in the country that pioneered sustainable development concepts, and made them a mainstream issue. Among the objectives of the TMP is to position the country as a world-class destination under the guiding principles of sustainable development – See [box 1](#). Anchored on the TMP's recommendation, the Second National Tourism Congress in 1992 took up the theme "Responsible Tourism: Policy, Environmental and Cultural Challenges" (Andrada, 2002). It was during this conference that the non-government organisation, Conservation International, formally introduced the concepts of ecotourism in the Philippines.

During the years 1994–1998, the DOT conducted regional ecotourism orientation and information seminars in which representatives of local government units, local communities, NGOs and tourism practitioners took part. In 1998, a Technical Workshop on Sustainable Tourism was held under the sponsorship of the DOT, PCSD, National Economic Development Authority others. This workshop on sustainable development, identified the core elements of a sustainable tourism framework and defined key issues and obstacles for sustainable development in the tourism sector of the Philippines. Five major goals have been identified to help realise the governments vision of becoming a world class ecotourism destination, while preserving its rich biodiversity and enabling its government, business sector, civil society and communities to collectively pursue sustainable development. – See [box 2](#).

#### **Box 1. Vision and mission statement**

##### **Vision Statement**

*"A world-class ecotourism destination with a balanced ecosystem and a rich cultural heritage where empowered and committed stakeholders, guided by environmentally-sound policies, pursue sustainable practices for the best interests of the present and future generations."*

##### **Mission Statement**

*"Our mission is to position the Philippines as a leading ecotourism destination in the world, centred around a network of complementary ecotourism experiences to ensure total visitor satisfaction. To this end, we will work towards providing a favourable investment climate for both domestic and foreign partnerships with multi-stakeholders who formulate appropriate policies and guidelines that promote the conservation of our natural and cultural resources as well as ensure socio-economic benefits to host communities. We will pursue all these, through sustainable development, to improve the quality of life for present and future generations of Filipinos."*

This in return has encouraged the development of ecotourism and has led to Executive Order 111 establishing the guidelines for ecotourism development in the Philippines (Andrada, 2002). Realising the need for a conceptual basis for ecotourism development in the Philippines, the DOT together with the Department of Environment and Natural Resources (DENR) conducted a national workshop in August 1999 to develop a national framework. The result was a structured national policy and strategic guidelines on ecotourism – See *box 2*.

Ecotourism in the Philippine context has been defined by their government as a “low-impact, environmentally-sound community-participatory activity in a given natural environment, that enhances the conservation of biophysical and cultural diversity, and contributes to creating environmental awareness and education, and yields socio-economic benefits for the community” (Ibid).

The definition was further enhanced after the conduct of the national ecotourism congress held in October 1999;

*“A form of sustainable tourism within a given natural and/or cultural area where community participation, conservation and management of biodiversity, respect for culture and indigenous knowledge systems and practices, environmental education and ethics as well as economic benefits are fostered and pursued for the enrichment of host communities and satisfaction of visitors”.*

The ecotourism framework demonstrates the inter-relationship and inter-dependence among the stakeholders, the environment and the tourists. These three elements, which can be considered as pillars of ecotourism will provide the impetus to propel the development of ecotourism in the Philippines (Warner, 2002). The term *stakeholder* refers to parties or groups whose interests are directly affected by any ecotourism-related activities. Stakeholders include the communities directly or indirectly affected by any development, civil society groups present in the area, local government units that have political and administrative jurisdictions over the particular site, and local branches of national line agencies, particularly those of tourism and environment departments. The *tourists*, or eco tourists, are the market for ecotourism destinations. The *environment* is the unique physical features or attributes of a locality that serves as its primary attraction. The relationship between the stakeholders and the environment is anticipated to result in better environmental education and consciousness, as well as increased community cooperation for protection of the environment, and preservation of local culture at ecotourism sites. The implementation of appropriate

## Box 2. Goals and strategies

### Goal 1: *Institutionalisation of policies for ecotourism dev. in consonance with sustainable tourism dev principles and practices*

- 1: Standardisation of systems and procedures for ecotourism dev.
- 2: Establish institutional mechanisms to implement tourism dev.
- 3: Insert ecotourism development concepts and principles in the Philippine education system
- 4: Establish policies, guidelines and standards for human resource development, networking and resource mobilisation
- 5: Generate awareness and appreciation of ecotourism development principles and practices

### Goal 2: *Develop world-class ecotourism products*

- 6: Identify and develop sites for ecotourism activities
- 7: Enhance existing ecotourism sites and products
- 8: Mobilise communities as partners in ecotourism development
- 9: Promote ecotourism products

### Goal 3: *Develop the ecotourism market*

- 10: Establish a market database
- 11: Establish local/ international linkages

### Goal 4: *Ensure adequacy of support infrastructure and services*

- 12: Development of off-site infrastructure facilities to support ecotourism dev.
- 13: Develop alternative livelihood/ entrepreneurial programs for host communities
- 14: Enhance capability of communities in the management of ecotourism enterprises

### Goal 5: *Ensure adequate funding support for ecotourism dev.*

- 15: Establish linkages with local and foreign funding institutions
- 16: Conduct special projects and activities.

national and local policies and guidelines will help ensure environmental protection. The concerted actions among the pillars of ecotourism will bring about an empowered community characterised by improved quality of life; an enhanced visitor experience demonstrated by quality tourism experience; and an enriched biodiversity that is safeguarded and protected by both local communities and visitors.

In the Philippines, the economy, until very recently, was largely based on the exploitation of natural resources such as forests, minerals, land for agriculture and fisheries. Now that the forests are nearly depleted, mining is declining and agriculture is a steady but not growing contributor to the economy and food production, the coastal environment is increasingly being recognized as having a very important role in national economic development (DENR et al., 2001; in Gössling, 2003). The coastal and marine resources include the extensive fisheries, its harbours and the various coastal habitats that support most of the tourism industry (White et al., 2000a; in Gössling, 2003).

Nowadays all new large beach resorts are required to follow environmental impact assessment requirements (Gössling, 2003). However there still are small-scale resort complexes that develop without much area-wide or local planning and minimal investments in water treatment facilities or other consideration to limit impacts (Huttche et al. 2002; White and Dobias, 1991 in Gössling, 2003). An example of the negative impact of coastal tourism development in the Philippines can be found in Boracay, an island located in the Visayas. Boracay made the headlines of newspapers, almost ruining the local tourism industry, because its waters were allegedly unsafe for swimming and other recreational activities due to high levels of coliform bacteria, indicating the presence of other microbes more harmful to human health. This contamination of Boracay was the result of untreated and insufficiently treated wastewater from the many small-scale septic tanks seeping into the water, or being flushed directly into the sea via beaches or streams (Gössling, 2003).

Gössling (2003), issues that in addition to environmental considerations are the social, equity and employment issues for local communities and that even with local ownership and control of tourism revenues in the country, still many poor communities are completely left out of the tourism-generated wealth in rural areas. Gössling (2003) uses the example of Olango Island. An island where one can find poverty in the midst of a healthy tourism industry. The island population of about 23,000 is extremely poor, comprised of traditional fisher families and those without any livelihood (Santos et al., 1997; Sotto et al., 2001; in Gössling, 2003). Here, scuba divers may visit a coral reef in front of the island, where no benefits accrue to the community but only to the boat operator and the hotel on a nearby island.

#### 4.1.1.3. Tourism

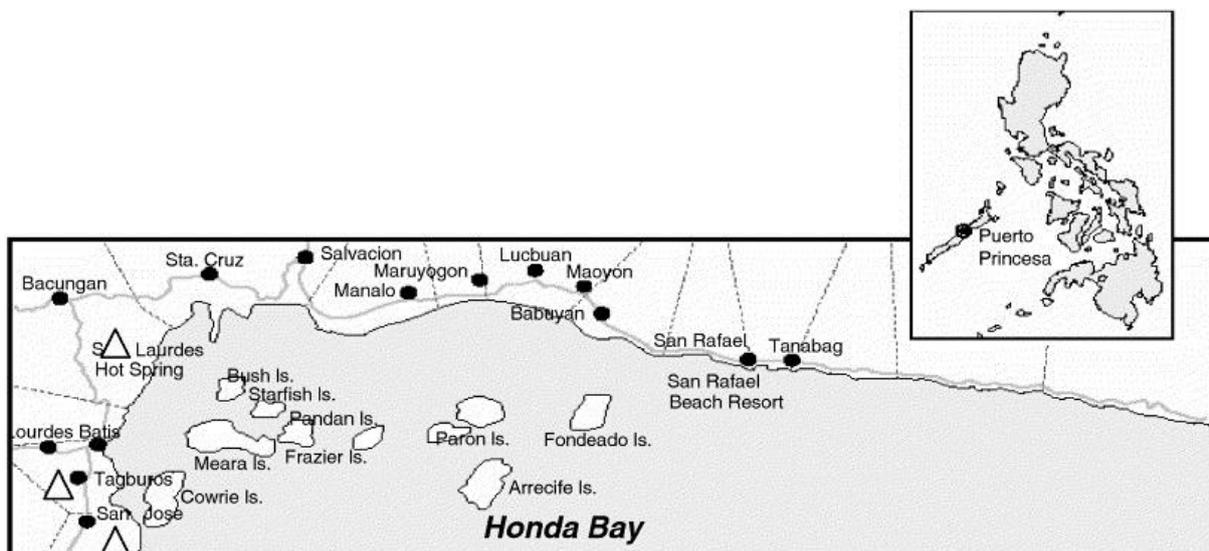
The Philippine government has put its emphasis on the development of ecotourism in specific. Hence, there is no consensus about the meaning of *ecotourism* (Goodwin, 1996; Fennell and Dowling, 2003; in Holden, 2008). Ecotourism is one of the so-called '*new forms of tourism*' for which there is also no agreement on the definition. But according to Mowforth and Munt (2009:98) new forms of tourism "share, in varying degrees, a concern for 'development' and take account of the environmental, economic and socio-cultural impacts of tourism. They also share an expressed concern, again with varying levels of commitment, for participation and control to be assumed by 'local people' and the degree to which they engage and benefit the poor." Nevertheless, in ecotourism, conservation approaches stress local benefits either as incentives for environmental protection, or as a means of promoting alternatives to unsustainable activity (Ashley et al., 2001). Benefits to local people assume secondary importance and are expressed in a protectionist or defensive way, for example in terms like 'preserving local culture' or 'minimising costs' (DFID, 1999:2).

A widely accepted definition of ecotourism is that of The International Ecotourism Society (TIES): "responsible travel to natural areas that conserves the environment and improves the welfare of local people" (Holden, 2008; Honey, 2008). Andrada (2002:169) defines eco-tourism as: "A form of sustainable tourism within a given natural and/or cultural area where community participation, conservation and management of biodiversity, respect for culture and indigenous knowledge systems and practices, environmental education and ethics as

well as economic benefits are fostered and pursued for the enrichment of host communities and satisfaction of visitors”. Bohensky et al. (2012), add: “Ecotourism is often promoted by nongovernment and government organizations as a preferred form of economic development because it potentially provides sustainable livelihoods for communities based on non-consumptive utilization of natural assets, while also generating an incentive for local communities to conserve these assets”. Thus ecotourism can be understood as a means of ecosystem-based management that results in ecological as well as livelihood and well-being benefits (Ibid).

#### 4.1.2. Palawan

Palawan is a narrow archipelago of 1,768 islands on the Western border of the Philippines – See *figure 5*. The island comprises 23 municipalities of which the municipality Puerto Princesa includes the capital city on the island, Puerto Princesa City (PPC). Palawan is part of Luzon region and is the third largest island in the Philippines, also described as ‘the last natural frontier’ of the Philippines. Palawan is considered internationally as a biodiversity hotspot and an important ecological corridor in the Southeast Asian archipelago. Hence, Palawan has probably more protected areas than any other province in the Philippines (Carlos and Carlos, 2006).



*Figure 5, Map of the Philippines and Honda Bay (Maramba et al., 2006)*

Ancient Chinese traders and waves of migrants arrived in Palawan by traversing land bridges between Borneo and Palawan. Malay settlers began arriving in Palawan in the 12<sup>th</sup> century. Because of its proximity to Borneo, southern Palawan was placed under the control of the Sultanate of Borneo for more than two centuries before the arrival of the Spaniards (Carlos and Carlos, 2006). Intermarriages among the natives and the Chinese, Japanese, Arab and Hindu were common (Ibid) and has led to 87 cultural groups and races in Palawan, today (Website of PPC Government, 2012). The growth rate of the population is still relatively high, due to migrants from other islands of The Philippines (Carlos and Carlos, 2006). The religion of Islam, Buddhism and Hinduism were introduced to the natives long before the arrival of Christian missionaries. In 1749, the Sultanate of Borneo ceded southern Palawan to Spain, which then established its authority over the entire province. The Spanish regime gave way to the American regime in 1898 when the islands got its recent name; Palawan. The capital transferred from Cuyo in the north to Puerto Princesa in the middle.

Courtney et al., 2002 started in the early 1980s, the multi-sectoral Palawan Integrated Area Development Project initially aimed at improving agricultural production and natural resource management for the Province of Palawan in the central western Philippines. The project activities were expanded in the late 1980s to address issues of environmentally sustainable development through the Strategic Environmental Plan for Palawan. One of the strategies in this plan was the promotion of CBRM through pilot-testing In different resource systems, including fisheries.

### 4.1.3. Puerto Princesa and Honda Bay

Puerto Princesa is a relatively young settlement. It was established as a city only in 1970 by the Americans who occupied the island during that time. The municipality consists of 66 barangays, majority of which are rural settlements scattered in underdeveloped land. The population of Puerto Princesa according to the latest national census (2010) is placed at 225,955 (preliminary result) (Sagun, 2011). The lone city in Palawan accounts for about 30% of the provincial population (Sagun, 2011). The urban population in 2007 accounts for 77% of the City's total and yet the urban area occupies only 6% of the total land area of Puerto Princesa (Ibid). Puerto Princesa, which forms the biggest part of the Philippines' last frontier, is a City rich in natural resources and falls under leadership of Major Edward S. Hagedorn. He launched the '*Bantay Puerto Program*' to spearhead the intensified campaign against environmental degradation in the area (Website of PPC Government, 2012). Today the city has gained the distinction of being a model local government unit in the area of cleanliness, environmental protection, conservation and local governance in general (Carlos and Carlos, 2006). The cities vision is; "*Puerto Princesa: A model city in sustainable development, exhibiting the character of a city in a forest and demonstrating the proper balance between development and environment*" (Sagun, 2011).

#### 4.1.3.1. Social services and welfare

Fishing is one of the major livelihood in the city (Carlos and Carlos, 2006), followed by agriculture. The city is considered as one big coastal community as seventy-nine per cent or 52 of its 66 barangays are located in coastal fringes, wherein most households are engaged in fishing as a vital source of livelihood. Thus, the fishery subsector is a significant economic activity in the city due to the presence of, and access by the fisher folks to several fishing grounds from inland to near shore to offshore. There are three bays located in PPC, from which Honda Bay is located on the eastern side and is perceived one of the major fishing grounds, but fish catch there has been declining (Ibid). In 1985, the reported fish catch per trip was 36.5 kg and this went down to 8.4 kg in 1989 or a reduction of 76% and further down to 5.0 kg in 1996 (Sagun, 2011). The decline in fishery yield per unit of effort was due to overfishing and destruction of marine habitats brought about by blast fishing, use of illegal fishing gears, erosion and siltation. However fishing remains a vital source of livelihood for many living in the coastal communities. The bulk of fish production goes to Manila-based buyers, either exporters or domestic traders; the rest goes to the local consumers and hotels/restaurants (Carlos and Carlos, 2006; Sagun, 2011). In 2009, total production reached 50.225 metric tons. This is 27.87% higher compared to 36.225 metric tons production in 2008. Hence, inland fisheries contributes only one-third of one per cent (0.3%) to total municipal production. In the same year, a total of 4,979 fishermen were reportedly engaged in fishing activities. More than half (53%) of this total number are full time, while the rest are part time. Numbers can be added by the commercial fisheries activities which count for another estimated 1,800 employing 178 fishing vessels (Sagun, 2011).

#### 4.1.3.2. Food self-sufficiency assessment

The city of Puerto Princesa is not self-sufficient in rice because of low production capacity and inadequate agricultural infrastructure support facilities (Sagun, 2011). Likewise, meat production is low; eggs are 100% imported from other municipalities/ province. Moreover, the bulk of livestock being slaughtered in the city's slaughterhouse come from other municipalities of the province. Meat production was not even enough to meet the demand of the local population, much less than the needs of the growing tourism industry. Because the city strives to win and keep the honour of becoming a premier tourist destination of the country, a steady flow of food plus a comfortable buffer stock of at least 45% should be available at any time. However, the city is self-sufficient in fish and other commodities (Ibid).

#### 4.1.3.3. Education

Increased accessibility of educational facilities to children and the youth province wide has resulted in a 90.19% literacy rate of persons 10 years old and above in Palawan (Ibid). However, at the elementary grade level 20% of children 6-12 years old are not in school and the proportion of rural children who are out of school is slightly higher than that among children in the urban area. What explains this difference is the physical inaccessibility

of the schools from very remote rural settlements, including those of indigenous communities. The other major reason for non-attendance by elementary school age children is sheer poverty and this is equally true in both rural and urban areas (Ibid). Due to poverty, many parents cannot afford to pay for the incidental cost of their children's schooling, no matter whether school attendance is supposed to be free of charge (Ibid).

At the secondary level, public schools are supposed to be free. However, an average of 40% of 13-16 year-old youth (nearly half of males and over one-third of females) are out of school. Again, the percentage in the rural barangays is significantly higher than in the urban area. Except where there are no existing roads the principal reason for non-participation is the prevailing low average household incomes which drives parents to force their children to work to augment their total income (Sagun, 2011). Rural youth take to farming, fishing and other natural resource extraction activities due to the ease of entry into these occupations. For their part, they find work as artisanal fisher folk in the coastal barangays or else join the informal economy as hawkers, tricycle drivers, market vendors, and the like. However, the simple literacy rate, which indicates the proportion of the total population that is able to read, write and do simple arithmetic calculations for the whole city is calculated at 98 per cent (Ibid).

#### 4.1.3.4. Health

Health institutions can be found throughout Puerto Princesa. Although the three main hospitals are located in the city centre, seven satellite clinics are found in surrounding barangays. To determine the general state of health or "unhealth" of the population the proportion of malnourished or underweight children below the age of 6 years is measured. Data for Puerto Princesa indicate nearly one out of every nine children weighs less than what is considered normal for their age. The figure for the rural area is slightly higher than that for the urban and the city as a whole (Sagun, 2011). Data by Sagun (2011) indicates two major groups of illness that account for the most deaths in Puerto Princesa: environmentally related (malaria) and coronary artery disease and hypertensive vascular disease. Yet, numbers show no high numbers of illnesses due to above mentioned diseases.

#### 4.1.3.5. Safe water and sanitation

A rural Water drinking system program was launched in 1994 to provide adequate supply of portable water to all households (Sagun, 2011). The provincial government tapped national water development programs and foreign grants for the provision of safe water supply in the communities and households.

Development of groundwater in the City proper to supply part of its water requirements has limited potential because of low yield and partly due to salt-water intrusion into the fresh water aquifers (Ibid). However, the groundwater quality of the City is relatively poor with a pH higher than 7.2, which is the benchmark for good quality groundwater (Ibid). As a whole, Puerto Princesa can be deemed to be nearly adequately served, with only 10% of households unreached. However, across smaller areas glaring disparities occur. Nearly two-fifths (38.7%) of rural households have no access to this type of service which in the worst case in some barangays where more than four-fifths (81.7%) of households who did not have access to safe water supply (Ibid). Among the urban barangays the worst case is that of Sta. Lourdes with one-sixth of all resident households without access to safe water supply. The main reason for this is the sheer distance of some rural settlements from potential water sources and hence, the high investment cost of developing a viable water system (Ibid). The health consequence of drinking untreated water is the high exposure to water-borne diseases.

#### 4.1.3.6. Tourism

The City of Puerto Princesa strives to win and keep the honour of becoming the "Premier Tourist Destination" in the Philippines. It abounds in diverse resources and natural scenic spots, which attract both local and international tourists to come to Puerto Princesa. There has been an increasing trend of tourist arrivals in the city for the past five years - See *appendix 3*. In 2011, there were 500,144 tourists who visited Puerto Princesa City compared to 147,806 in 2006, and they already exceeded this number in the first quarter of 2012. 90%

(416,299) were Filipinos and the rest were foreigners - See *appendix 3*. The most numbered foreign visitors originate from America, Korea, China, Canada, Japan, Germany, Britain, France, and Italy (Sagun, 2011).

To date there are 107 tourism-related establishments (hotels, apartelles, pension house/inns, resorts, etc.) spread out over Puerto Princesa. In terms of duration of their stay in the city, on average, tourists stay for three days, spending an average of P4,600.00 per person per day (Sagun, 2011). In 2009, the City Tourism Office recorded 268,942 tourist arrivals. Thus, tourist receipts for the same period are estimated at 3,711.40 billion pesos (Ibid). Herewith, tourism has become a significant source of income for many people living in the Puerto Princesa region. The increasing tourism also causes multiplier effects, e.g. the growth of the construction industry may be attributed to the growing population and the provision and improvement of infrastructure facilities supportive of tourism (Ibid). Another effect might relate to the increasing numbers of motorized tricycles and multicabs. There are 4,000 tricycle units owned and operated by 3,092 owners. External routes are served by jeepneys, air-conditioned shuttle vans, and buses plying between the city and other municipalities.

Given that natural resources can be exploited for economic purposes, it is necessary to properly manage the City's natural resources so that sustainable development can be achieved. This does not mean that these resources cannot be used. However it does require that the use of renewable resources be managed so that their use can be sustained and adverse environmental and social impacts can be avoided. The proper management of these resources will ensure that the community will continue to benefit from these resources. Conservation of natural areas protects biodiversity for future generations and provides areas for recreation and enjoyment. While it may have some environmental impacts, it does add to quality of life and enhances other economic activities for eco-tourism. Such complementary activities include operating eco-tourist destinations, making investments in tourism-related facilities and enterprises and providing specific services for local and foreign tourists (Sagun, 2011).

#### 4.1.3.7. Honda Bay

Honda Bay has a total area of 28,000 ha and has 12 charted islands varying from areas of 1.25 to 139 ha. Honda Bay is remarkable for the diversity of its fish and corals. Honda Bay is host to around 19 fishing barangays with an estimated 1,500 fishermen (OCA, 2008; in Madrono, 2008). The coastal barangays have an aggregate population of 82,890, with a household population of 12,623 (Madrono, 2008). Fifteen of the 19 barangays are fully or partly dependent on the sea's resources for their livelihood (Pomeroy, 1994; Siar, 2003). In 1990, 85 per cent of the estimated 2500 households were engaged in fishing (Sandalo, 1994 in Siar, 2003), whilst in 2008, Madrono, indicates that more than 70% of the households entirely depend on fishing within the bay for their livelihood (Madrono, 2008). These are mainly small-scale fishers using boats of three gross tons or less. Assessment of the bay in the early 1980s showed a relatively good quality of coral reef, sea grass bed and mangrove ecosystems (Pomeroy, 1994). However, Pomeroy (1994), with the increasing population pressure, fisheries resources are being depleted. Fish catch per unit effort had declined from 36.5kg in 1985 to 8.4kg in 1989 (Pomeroy, 1994) and are noted to have further decreased in the years after (Madrono, 2008).

Madrono (2008), describes the gradual deterioration of fisheries due to overfishing and destruction of marine habitats while in the meantime coastal-marine based tourism activity is booming, exerting an additional stress to Honda Bays ecosystem. Whilst Madrono, in 2008, noted three problems. First, the fact that access to Honda Bay is free and easy, no entrance fees, user fees or similar fees are imposed on visitors/tourists in the area. Second, that the unregulated entry of tourists and visitors who undertake island-hopping in Honda Bay, due to the increasing tourism numbers in Palawan in general, imposes additional stress on the bays ecosystem. And, third, the unregulated presence of low-cost tourists results in an increase of solid and liquid waste into the bay especially in the public Snake Island (which already is closed by the government for rehabilitation) and Pandan Island. As well as trampling of the coral reefs and disturbance of marine habitat and wildlife (Ibid). He also indices that maintenance of status quo in Honda Bay and its ecosystem (i.e. absence of sincere conservation efforts, open-access fisheries and unrestricted entry of local and foreign tourists), will lead to

further deterioration of the coastal-marine resources in the bay as the local government is financially constrained.

#### 4.1.3.8. Poverty

The CBMS survey define poverty incidence by counting the number of families with incomes below the poverty line. Results show that nearly one-fourth (23.6%) of all households in Puerto Princesa had incomes below the poverty line in 2009 (Sagun, 2011). The urban-rural disparity is most glaring with more than half (53.25%) of rural households as against 14.11% of urban ones considered income-poor.

The effects of poverty on access of households to various needs can be seen in a number of related indicators. For example, the proportion of households whose members eat less than three full meals a day in the rural areas is three times more than that in the urban area. Similarly, in terms of access to safe water supply and sanitary facilities rural households appear to be severely under-served compared to their urban counterparts. Rural households appear to be better off than their urban counterparts in terms of proportion of squatter families, i.e. those with no secure tenure on housing (Ibid). The poor, unable to afford the cost of housing offered in the market, are forced to join the ranks of informal settlers.

Data in 2009 indicate as many as 15% of all households in Puerto Princesa do not have their own housing. The proportion of squatters in the urban area (16%) is more than twice that in the rural area (7%). Squatters are concentrated in the coastal barangays of the urban clusters due to the relative ease of access to the public domain. Moreover, the open-access municipal waters offer an opportunity of easy entry to artisanal fishing as basic occupation. Also, proximity to public markets and other centres of activity offers opportunities to earn extra income. The government in PPC wants to reduce poverty however states:

*The government, however, is not expected to create and provide jobs for everyone. Rather, it is the private sector that is looked upon to take on the major part of the burden. The role of government is to create the climate that enables the economy to prosper. A prosperous economy in turn generates optimum employment opportunities. It is against this ideal scenario that the current status of the local economy of Puerto Princesa is assessed*

Although the government refers to the private sector, to date only two rural banks operate in Puerto Princesa which provide credit for procurement of various types of production inputs including marine engine purchases by municipal and commercial fisher folks (Sagun, 2011). Other than from banking institutions, business capital may be funded by local micro finance entities such as Kreditmate Lending Investor Corporation and Austin Keith Lending.

Other indicators for poverty in PPC are defined in the Cities Development Plan (Sagun, 2011) are; the high proportion (20%) of school children (6-12 years old) who are not studying and (35%) of 13-16 years old children who are not in secondary school particularly males (39%). The low proportion (69%) of births attended by skilled health personnel; Low contraceptive prevalence rate 27.8%; Low access (61.20) to safe water supply in the rural area; Presence of HIV/AIDS; Increased number of children at risk; Low access to information technology (IT) in rural barangays (e.g.) eight Barangays still don't have electricity.

## 4.2. LIVELIHOOD AND POVERTY

Fishing and agriculture are the main livelihood forms for people living in Puerto Princesa as well as for those in the study area of this research. Although fishing is of high importance for Palawan, some also believe it contributed to increasing poverty rates on the island (WWF, 2004; Interview Alzaga, June 2012). Basis for this believe is the increasing demand for live fish from China and Hong Kong - see *figure 6*. First it has to be understood that the Philippines is the biggest supplier of the most high value live reef fish, coral trout, to these

areas, and the province of Palawan supplies around 60 per cent of all Philippines fish (WWF, 23 February 2009). The live reef fish trade from Palawan has serviced Asia since the 1980s, bringing more than \$US100 million dollars annually to fishing communities on the island, where popular coral trout is caught often with the use of cyanide or explosives (WWF, 23 February 2009). A Filipino fisherman will get between 300 and 1100 pesos (US\$22) for a top-price live coral trout, 5 times the price of a dead fish. This makes live reef fishing very attractive (WWF, 29 January 2003). Although the trade is encouraging the use of cyanide, with a hook and line, it can take a whole day to catch 2 decent-sized fish. With cyanide you can catch dozens. In this matter the trade in live reef fish in Palawan can support more than a hundred thousand people many of whom have few alternatives for livelihoods, yet the fishery is highly unregulated and is in a serious state of decline,” said Dr Geoffrey Muldoon, Live Reef Fish Strategy Leader for WWF’s Coral Triangle Program (WWF, 23 February 2009).

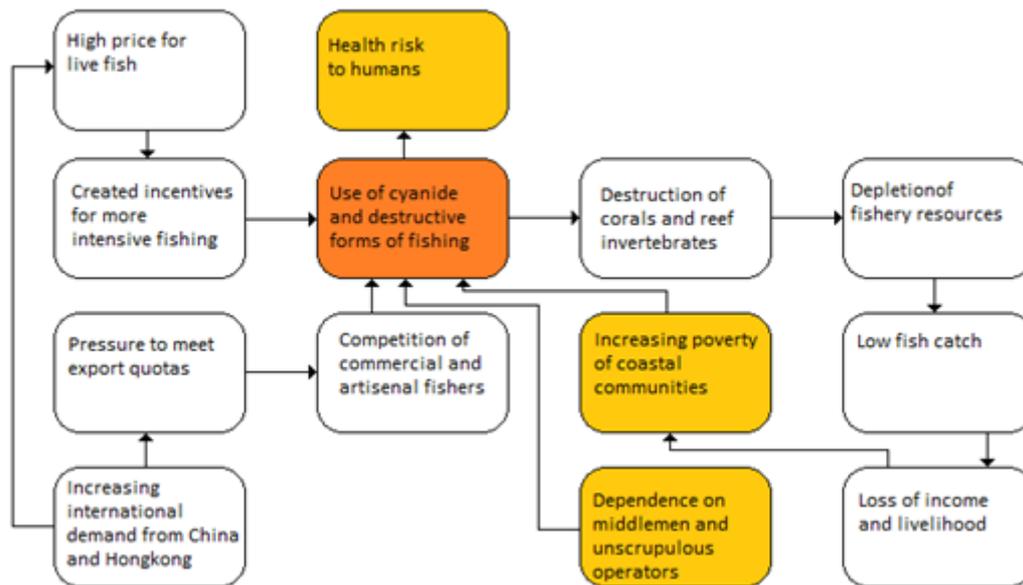


Figure 6, Causal Chain Effect of Cyanide Fishing in the LRFI (WWF, 2004:6)

Thus as live reef fishing has become very popular for sustaining in one’s livelihood, and might have been successful to do so in the start, in the long-term this increasing demand has led to loss of income and livelihoods. As there is a lot of money involved in the live fish trade, fishermen started to use cyanide and other destructive forms of fishing to higher income. These fishing methods, however, caused the destruction of corals and reefs, the depletion of fishery resources and as a consequence, low fish catch. However as it is hard to sell the fish themselves a middleman has come in between that gives relatively low prices for the fish to the fishermen and keeps most of the profit himself. The inability to catch same amounts of fish together with the low prices received from the middlemen, fishermen suddenly had to deal with a loss of income (and livelihood). Therefore they continued by going further offshore (WWF, 2004) and try to catch more and more fish by remaining to use cyanide and other destructive fishing practices, resulting in more corals and reefs being destroyed and making the situation worse for themselves and everyone else by damaging the habitat that supports the fish species they seek to harvest (Alcala and Van de Vusse, 1994). The number of fish caught is massively increased using cyanide but has resulted in chronic overfishing (WWF, 29 January 2003). The whole system ended up in a vicious circle from which the coastal communities seem unable to escape and became gradually poor whilst creating health risks for themselves and others depending on the same natural resources.

To date one can see there is a clear distinction between poverty within rural and urban areas as well as those working in the service industry, like tourism, and those depending on fishing or agriculture for their livelihoods. Bgy. Sta. Lourdes and Manalo is a model for tourism as vital source of livelihood for the community members there. The majority of the fishermen in their search for an alternative livelihood have shifted from fishing to tourism, either partly or completely. In the surrounding barangays tourism is hardly found. People in Tagburos

are mainly fisher folk and those living in Bacungan mainly depend on agriculture, hawking, slash and burn and fishing. This also has led to differences in poverty rates between the different barangays. The ones participating in tourism often did have the capital required to suit in these basic needs whilst others (not involved in tourism) lack behind.

### 4.3. ENVIRONMENTAL ISSUES

#### *Marine wildlife and corals*

By some estimates, fishermen have poured more than a thousand tonnes of cyanide into Philippine waters (WWF, 29 January 2003). "Under a business as usual scenario, Palawan's live reef fish trade will become economically unviable within the next decade and without a comprehensive management plan and the introduction of an appropriate quota system, communities who depend on the fishery for their livelihoods face a significant food security threat (WWF, 23 February 2009)." WWF (23 February 2009) argues, that at a time, when climate change threatens to place further pressures on ecosystems and on fish populations dependent on coral reefs for survival, building resilience into ecosystems is critical for the ongoing food security of millions of people in the region, such as those in Palawan (WWF, 23 February 2009). Aside from increased sea temperatures and over fishing, other causes of stress include disease, pollution, sedimentation, changes in salinity, and storms (WWF, 29 July 2010).

Environmentalists stress that there is nothing wrong in principle with eating live reef fish — the trade, if managed properly, can be of huge benefit to poor fishing communities — but they believe more controls and checks are needed on the industry to prevent it causing serious social problems in the Philippines and Indonesia, and wiping out threatened species (WWF, 11 March 2004).

Nowadays, the Philippines, together with Indonesia, host the world's most threatened coral reefs, less than 5% of which remain in excellent condition (Yann, 2009). Faced with this problem, many archipelagic countries throughout Asia have turned to the MPA (Marine Protected Areas) solution, inter or sub tidal spots reserved by law for the protection of a given area (Yann, 2009).

Cebu was the first Philippine MPA declared as a no-take zone in 1974 - a time when cyanide and blast fishing were at their peak (Ibid). Today the Philippines hosts about 10% of the world's MPAs - over 500, a figure far greater than any in Southeast Asia (WWF, 14 September 2009). In addition to the Sustainability Assessment project, WWF-Philippines has an on-going enforcement programme called *Bantay Dagat* (WWF, 29 January 2003), which is also positioned in Puerto Princesa, Palawan. The programme trains and deputizes members of the local community, mostly fishermen, to assist local governments and other organizations to patrol marine areas and arrest illegal fishermen (Ibid). Results already have shown the positive effects of these MPAs. For example in the Tubbataha Reefs just off Palawan, where yearly fish biomass has doubled from 166 to 318 metric tonnes per square kilometre - a yield seven times more productive than a typical reef (Yann for WWF, 14 September, 2009). In addition, most of the coral reefs found on the eastern coast of PPC have good to excellent cover (Sagun, 2011). Honda Bay has a large area covered by soft corals and also good cover of seagrass could be found from San Pedro to Tagburos, Luli Island and Tadio/Pundeado island. In the contrary, poor seagrass cover was also noted in some parts of Honda Bay, namely: Sta. Lucia, Sta. Lourdes, Bacungan, Sta. Cruz, Salvacion and San Rafael, attributed to their silty condition (Ibid).

#### *Mangrove*

The ECAN Zoning Project, using 2004 SPOT5 imageries, measured the area of remaining mangrove cover in Puerto Princesa City to be 5,737 hectares (Sagun, 2011). The decrease of 180 hectares over a period of 18 years or about 10 hectares per year is attributed to the rampant cutting of trees for fuel wood, charcoal making and housing materials (Ibid). Presidential Proclamation 2152 declares that all mangrove areas in Puerto Princesa are part of the Mangrove Swamp Forest Reserves and prohibits any conversion of mangrove into other land uses

such as fishpond. However, before the implementation of this law, there were already 723.6 hectares of mangrove in Puerto Princesa covered with Fishpond Lease Agreement (FLA) which are located in Honda Bay (272.6 ha), Ulugan Bay (301 ha) and Puerto Princesa Bay (150 ha) (Ibid).

#### 4.4. TOURISM DEVELOPMENT

The city government of Puerto Princesa has stated one of its goals to become a world class eco-tourism destination (Sagun, 2011; Interview E. Alzaga, June 2012). The government of Puerto Princesa has chosen to specialize in eco-tourism because this type of tourism is the most environment-friendly and sustainable (Ibid). Among other benefits, eco-tourism offers pleasurable experiences with minimal tourist impact upon the natural environment (Ibid).

Along the west coast, the Puerto Princesa Underground River (PPUR), part of the Puerto Princesa city Subterranean River National Park, triggers the influx of tourists. Ever since the PPUR was included in the list of World Heritage Sites and entered as a candidate for the search for the New Seven Wonders of Nature, the inbound stream of local and foreign tourists has grown by several folds (Carlos and Carlos, 2006). Recently, PPUR has become part of the New Seven Wonders of Nature and tourism numbers have been booming which has led to already exceeding the carrying capacity of the site (Interview E. Alzaga, June 2012). Tourism arrivals have increased from 222,736 in 2008 to 500,144 in 2011 and already have exceeded last year's number in April 2012 (Interview E. Alzaga, June 2012). The increasing tourist traffic, both local and foreign, is contributing no doubt to increased volume of business for the local economy (Sagun, 2011). The multiplier effect of these money inflows on the transport, hospitality, hotel, and related industries.

Apart from the Underground River, Puerto Princesa boasts of no less than 60 natural and 20 man-made cultural, historical, anthropological and religious attractions that could be packaged to offer a variety of visitor experiences (Carlos and Carlos, 2006). The main challenge to the economic sector in general, and to the tourism subsector, particular, is how to string up the different tourist attractions into tourism circuits or packages of varied experiences suited to the visitors' length of stay (Sagun, 2011). The hidden purpose behind such marketing strategy is to entice the visitors to extend their stay for a few more visitor-nights, to make return visits, or to recommend Puerto Princesa to their friends (Ibid). Policies and other development plans to realize the city's envisioned role as the centre for eco-tourism stated by the LGU can be found in *appendix 4*.

#### 4.5. DEFINING THE VULNERABILITY CONTEXT FOR THE STUDY AREA

Information in this chapter indicates that the vulnerability context of the community members in Puerto Princesa, Honda Bay, consists of several aspects. First, the Philippines know a high number of poverty which can especially be found in rural areas. With this poverty come low levels of education caused by the fact that parents are unable to pay for education (no matter whether school attendance is supposed to be free of charge), as well as their low average household income drives parents to force their children to work to augment their total income. To date one can see that there is a clear distinction between poverty within rural and urban areas as well as between those working in the service industry, like tourism, and those depending on fishing or agriculture for their livelihoods, which leads to the second point.

Most households in PPC are engaged in fishing as a vital source of livelihood, or use fish catch as a means to supplement their diet. However, their dependency on fishing has been argued to greden the vulnerability context. The degrading natural resource, due to overfishing and destruction of marine habitat, has made it more difficult to catch fish, which is basis for an insecure income and in some cases has contributed to increasing poverty. In addition, the city of Puerto Princesa is not self-sufficient in rice, eggs, and meat

production. These products have to be imported from other municipalities / provinces. Meat production was mentioned as an example of food that was not enough to meet the demand of the local population and is being even much less than the needs of the growing tourism industry. Third, this rapidly increasing tourism industry has put new stresses on the vulnerability context of local communities. Aside the benefits tourism development has caused, it also brought new risks for the environment (e.g. destruction of marine habitat due to tourist boats) as well as it raised social (e.g. urbanisation and increasing inequality) and economic (e.g. industry instability) concerns. This has led to tourism development becoming one of the main concerns for LGUs, i.e. how to make and keep tourism a responsible development tool?

The Local Government Code has strengthened the role of LGUs in local planning and implementation processes and has led to new rules and regulations. The challenge for LGUs is how to significantly improve the lives of people and how to improve the distribution of income over the island as a whole. Environmental sustainability is of high importance as the natural resource, Honda Bay, is a vital resource for the national, and international, economy and a valuable asset for the tourism industry.

## 5. RESULTS AND ANALYSIS

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Within this chapter research results will be presented and analysed according to the theory and own observations. This will help to give answer to the sub questions stated in chapter 2 (§3) and to answer the main research question in the next chapter. This chapter starts with an overview of demographics of the respondents, followed by the results from the sustainable livelihood analysis.

Mitchell and Ashley (2010), suggest direct effects to come from participation in the tourism sector (whether or not the poor person engages face to face with the tourist) and can be divided in labour and non-labour income and indirect effects occur where a change in tourism expenditure impacts on the non-tourism economy e.g. food sales to restaurants. It is, therefore, likely that to be a difference in the impacts on tourism participants and non-participants, therefore a distinction between these two groups will be made here. Tourism participants, in this report, are defined as those who depend on tourism for their livelihoods and thus are directly participating in the tourism industry such as, boat men, vendors and tour guides. Non-tourism participants can be described as those not being depended on tourism for their livelihood, although maybe occasionally participating, such as, fishermen, farmers and tricycle drivers. Tourism development has also been suggested to lead to unintended consequences and multiplier effects. All these aspects will influence the vulnerability context as well. This will be discussed at the end of this chapter.

### 5.1. DEMOGRAPHICS

Results indicate that the respondents represent a middle aged, low educated group of households, living among the (self-estimated) poverty line.

#### 5.1.1. Origin, age, gender and education

In total twenty-eight people have been interviewed, eleven are participating directly in tourism and seventeen are partly- or not participating in tourism activities. Twenty-six interviewees are local people, two are migrants from Mindanao in the South of the Philippines. Their age ranges from 21 to 72 years old with an average of 37 years. Ten out of twenty-eight interviewees are women what means that the majority of the respondents is male. This might be due to the fact that still more men than women are involved in the island hopping tourism industry in Honda Bay. Twenty-three out of twenty-eight interviewees are married.

Six out of twenty-eight interviewees has only had elementary education level. Thirteen out of twenty-eight interviewees has started (7) or finished (6) a high school degree. In total 7 out of 28 interviewees started college level from who four got a degree. This relatively high enrolment number can be explained by the LGUs support for free education. It might also be the case that some respondents mentioned the level of education they followed, even though they did not receive a degree.

#### 5.1.2. Household size and expenditure

Respondent have indicated their household expenses a month and estimated how much they would need a month to sustain in their family needs in order to live above their own estimated poverty line - *See appendix 5*. Household size is varying from 1 to 14 with an average households size of 5.2. The average income among these households is PhP1,648,- (€31,-) per person a month. However their own estimated income for a family consisting of 5.2 persons to be able to sustain in basic household expenditures in order to not be considered poor anymore is PhP1715,- (€33,-) per person a month. Considering the self estimated poverty line this would mean, 14 out of 28 interviewees lives under this line and for 4 others this is unknown. There is an average household income gap of PhP12,212 among the 28 respondents. However, there are differences between the families, some live on the poverty line, but others are far below. Interviewees expressed they spend money mainly on food, rent, education for their children, interest on loans and for maintenance of their boat or

tricycle. Many interviewees see education as an investment for both the future of the family and the children, in order to help them to have a better / easier future.

## 5.2. TOURISM

### 5.2.1. Tourism as an alternative livelihood

Honda Bay seems quite unique in its management regarding the involvement of local community members within the tourism industry. Whereas in many other places foreign investors come in and take over the jobs of the locals, in Honda Bay one can find local community members participating in all aspects of the tourism industry. However if you focus more on the broader tourism industry further around Honda Bay, in Puerto Princesa City, hotels and restaurant have many Asian owners.

The majority (exact numbers are not available) of the villagers of Sta. Lourdes has changed their livelihood form from fishing towards tourism to have a more secure source of income now fish populations are declining and fishing is prohibited in certain areas [14]. Tourism is perceived as a good alternative livelihood form mainly as it is perceived an easy job, including a high demand for new employers [05], which allows people to have a relative secure source of income. The ones working in tourism perceive this as a secure and safe form of income as they are sure that they will earn money, and in most cases also know how much money they will earn, even before starting the day.

*“It improved a lot for the people in the community (...) Before they went fishing and were unsure if they would catch something and earn money. With tourism they are sure they have money”*

*Interview; R. Basulgan*

Another aspect that seems to affect the choice of the respondents is ‘family’. They want to be able to sustain in the needs of their family, to have food three times a day and be able to provide a better future for their children and for them to have good education, an aspect most of the interviewees lack themselves. Flexibility in a job [12] or location to a job [09] is perceived important as well as the money they can earn with it [16; 19; 22]. The tourism industry is quite easy to access, also for those lacking education [10]. Some also refer to the ability to share their culture [26]. Filipinos in Palawan seem to be proud of their country and in particular their island and want to share this with the tourist visitors. Others also build on the idea that tourism will help them with a future career. They might start as a boatmen but end up as a boat owner.

### 5.2.2. Impacts on Livelihood assets

#### 5.2.2.1. Perceived positive effects of tourism

Due to tourism new and more job opportunities were created, such as: boatmen, tour guide, vendor, van driver, cook etc., also for those lacking the education to do something else – see *image 1*. The transportation industry has also rapidly increased with the increasing tourism arrival. Puerto Princesa has multicabs and tricycles serving locals as well as tourists. Tourism has given some the opportunity to tour guide tourists through the city as well. Similarly the food and other shops might have experienced a significant change. For tourists to be able to visit Honda Bay they often stop at the local market where the bus port is situated (researcher observation). While waiting they might decide to visit the market and buy some foods. In addition, on the road towards the boat wharf many Sari Sari stores are located (Ibid). When tourists are done with island hopping and have some spare time left they could easily walk down the road and buy some food or souvenirs from the locals there. Likewise at the boat wharf itself HOBBAI has given women the opportunity to open up stalls to for example sell foods and drinks and rent camera cases. Furthermore, some people try to occasionally benefit from the tourists visiting Honda Bay. For example, the ice-cream guy who is selling ice-cream from his bike. As well as the little girl I met during fieldwork trying to sell homemade ice-candy to tourists leaving the boats (Ibid).

Tourism has generated many new jobs, not only within the tourism industry but also outside. It allowed new business to open their doors and suppliers but also suppliers from suppliers have been influenced by the rise of this industry. For example, tourists do not only visit the Honda Bay area. They also need a place to stay and to eat as well as some might hire a bike to see more of the area then just the jump off point in Sta. Lourdes. In return the people who indirectly benefit from tourism also spend their money within the local economy, giving those who are not related to the tourism industry directly a share in the benefits by maybe spending more money on products in the cities shops and markets. In general tourism could contribute to a more flourishing economy. Another aspect might be that those who choose to participate in tourism open up jobs for those who do not participate. For example, when a tricycle owner decides to work in the tourism industry as a tour guide another can take his place as a tricycle driver. In this sense by creating new job opportunities not only new jobs within the tourism industry have started but also in the supply side and the non-supply side. Another example might be those who start as a boatman and eventually are able to have their own boat, they need people to work on their boats and might ask friends and family



*Image 1: Examples of new jobs as: boatmen, floor manager, cook, and massage therapist.*

These increasing job opportunities have led to an increase in financial capital and helped respondents participating in tourism to improve their financial assets. With the (additional) money earned respondents are able to save money for education for their children, unexpected things that might occur it gave them the ability to expand their physical assets [23]. Not only financial assets but also human and social assets are influenced by participating in the tourism industry. Respondents explain that with their job in the tourism industry they can develop new and improve existing skills such as language skills and communication skills. Organisations – such as the HOBBAI and the Legend Hotel – support their members and employees by providing training opportunities [13]. In effect, working in tourism has given people increased confidence and changed their social status. For example the women vendors and massage therapists used to sit at home the whole day, playing card games but now can get out of the house and earn some money themselves. This has helped them to become more independent from their husbands and of more value for their families [12]. Being a member of HOBBAI also has its benefits as members can get financial support (to be paid back with interest) and are provided with a job when needed. However, it has to be noted that there is clear distinction between the jobs for men (on the boats) and women (as vendors), although this can mainly be observed when arriving at the boat wharf and does not count for all jobs in the tourism industry (researcher observation). Tour guides, for example, are observed to be from both sexes.

Hence, as Archer and Fletcher (1996) have argued, it should not be assumed, however, that in the absence of tourism all of these jobs would be lost. In reality some would be maintained, especially those jobs which catered primarily for household demand, but at a very much reduced real level of remuneration (Archer and Fletcher, 1996). As said earlier, not all respondents are depending fully on tourism for their livelihoods. For some of them tourism functions as an additional source of income. For example [17], who occasionally helps out on ferrying the tourists along the islands. Or, [16], who's family prepares lunch for tourists visiting Pandan

island. For these occasional jobs, respondents often depend on their networks. Friends and neighbours will ask them to help out on the boat or guide their group of tourists along the shops or take them to one of the resident huts for lunch. Impacts on their livelihoods will be considerably less than those fully depending on tourism, however they are still perceived as significant by the respondents.

In general the opinion is that bgy. Sta. Lourdes has, financially, benefitted most from tourism but that even within bgy. Sta. Lourdes benefits are not equally distributed. Differences in benefits from tourism might be allocated to the fact that people live in different distances from the tourist attraction in Honda Bay and also because they serve different jobs within the tourism industry.

#### 5.2.2.2. Perceived negative effects of tourism

Considering the impacts on the natural assets all of the respondents perceive eco-tourism as a good thing. They argue that tourism contributes to the conservation of the natural area of Honda Bay due to the new rules instituted by the government and regulation of these by the maritime and tourist police. It is also believed to have increased awareness among local community members about the need to conserve the area they depend on for their livelihoods.

However, not all is positive. Several respondents say tourism has led to increased prices. Hence, this idea does not hold pace among all interviewees. A few respondents had to deal with displacement, unfair prices for their services, and some have less time to see their family due to long working hours. Others have to undergo the daily hassle to sell products to tourists as dealing with a middleman for their products often means they would get a lower price for these products [07]. The last issue happens on Pandan island where fishermen try to sell part of their fish catch directly to tourists. Even though these fishermen prefer dealing with a middleman (e.g. the Legend Hotel) as long as they do not receive a fair wage, they will remain selling the fish to tourists themselves [07]. Another example includes the power some stakeholders emit over the other. The women massage therapists, for example, have to get to Pandan island with at least seven of them every day, even during low season when there is hardly any tourist to be found. And although the Legend does pay them on these days it makes working in low season fairly boring. Another issue for the women massage therapists is that their employer helps them to improve their working environment (they want to place sheltered massage areas, so tourists can get a massage when it's raining) but for this improvement they also have to cede 10 % of their salary to the organisation. Something they cannot choose as the improvement is going to happen nonetheless what they want [12].

Competition from other barangays is one of the things respondents do perceive as a possible risk for the future as well as new government authorities (the current major is going to be replaced in the next year) [09]. The government supports the development of new tourism initiatives in Puerto Princesa. Even though this might be needed in order to be able to satisfy the rising tourism numbers and thus expand the carrying capacity of the area, it also means that people who would take off from Sta. Lourdes before will not in the future. At the moment neighbouring village, bgy. Tagbueros is planning to build their own boat wharf to guide tourists around the islands in Honda Bay (Interview barangay captain; Zulveta, May 3th, 2012). Too, the beaches in bgy. Bacungan might become tourist places in the future. At the moment the roads towards it are very bad, which might prevent tourists visiting the place [02]. However as the government is improving roads all over the island this might no longer be an obstacle in the future, resulting in more people visiting the now empty beach (*see image 2*) over there, instead of visiting Honda Bay.

However competition cannot only be perceived a risk but also as a solution and a chance. It can function as a solution as tourism numbers are increasing rapidly, putting additional stress on the carrying capacity of the major tourist attractions in Puerto Princesa, PPUR and Honda Bay. The government's plan to 'steer' tourists to less frequently visited areas might not only result in spreading out the tourism impacts over the area as well as it creates the chance for other barangays to grasp a slice of the tourism pie and improve their livelihoods.



*Image 2: Nagtabon beach in Bacungan*

When tourism is to be developed in for example Tagburos or Bacungan, more awareness among a broader community can be generated for the need to sustain the natural resources of Puerto Princesa. If they all benefit themselves they are likely to be more willing to preserve the environment they depend on as well. Therefore, proper implementation and strict management are key issues to safeguard the sustainability of both, the people living in the tourist area as well as the natural resources they depend on.

Shifting livelihood form from fishing but also from being a tricycle driver, famer or vendor towards tourism has resulted in some people becoming fully dependent on tourism [e.g. 10;13-16;28]. Others depend on tourism but can survive when tourism numbers would have a downfall [e.g. 05;06;12]. Interviewees were all very positive towards the impact of tourism on the livelihoods of people living in the community [07;15], even those not being able to participate [01;08;17;19;26]. They see many improvements, mainly that financial assets have improved a lot, which lead to an increase in the other livelihood assets as well.

### **5.3. NON TOURISM PARTICIPANTS**

#### **5.3.1. Living alongside the tourism industry**

Simpson (2007) already gave a description of the possible positive livelihood impacts tourism could create - See *chapter 2*. Mitchell and Ashley (2010) referred to the difference in direct and indirect impacts on communities livelihoods. Therefore it is not surprising that the livelihoods of local community members are both, directly and indirectly influenced by tourism around Honda Bay. Direct effects relate to the new job opportunities created in which they can participate. This has led to an increase in financial assets of many of the people living in Sta. Lourdes. Working in the tourism industry has helped these people to develop new and improve existing skills (e.g. language skills) which also has yielded in more confidence and a better view of themselves (social assets). With the money they earn they can save for the future (decreased vulnerability), send their children to school, and invest in physical assets which might help them to benefit more in the future. Thus participating in tourism has helped them to improve their livelihood assets in general and become less vulnerable from outside influences.

Indirect effects can be related to people who are not directly participating in the tourism industry but do serve it in a secondary fashion. For example, tricycle drivers who occasionally drive tourists towards the bay but also are asked to do a city tour. It has also offered the opportunity for young and old to earn some extra money by selling their vegetables, fish and ice-cream to the tourists – see *image 3* (researcher's observation). Attention has been given to women to participate; to get them out of their houses and make them more independent and more important for the livelihood support of their families, which helps improve their social assets.

One could state there is a distributional effect as inequalities between villages have increased. Sta. Lourdes is the main priority as here the boat wharf is already established and boats are located. It is easier for the government to build a sort of 'Bay walk' here as well to 'beautify' the place for tourists. However the focus has



*Image 3: Some decide to remain fish vendors (but also occasionally sell to tourists) others choose a livelihood from dry fishing*

been on Sta. Lourdes for so many years that other barangays are lacking behind in development. Especially in Bacungan one notices people are still very poor. They depend on collecting charcoal and fishing for their livelihoods. Which both do not yield high revenues. Most families earn just enough to sustain in their primary needs, food, healthcare and shelter. It is not that they have become poorer over the years it is just that Sta. Lourdes has become wealthier, that is why inequality was able to increase.

Natural resources seem to have declined rapidly in the waters around Puerto Princesa in the past couple of years. As a reason fishers mention the cyanide fishing [28], which is almost completely banned now. However much of the coral is already permanently damaged (bleached or dead). Fishing, therefore, is perceived as a very insecure livelihood form [21]. Fish catch has declined and fishermen have to go further offshore and stay longer to catch the same amounts of fish as before [04]. This does not only cost the fishermen more time but also money on gasoline and maintenance of the boat. Thus their jobs are becoming increasingly more difficult and sometimes respondents mentioned they do not catch anything and come home empty handed, without any money or food for their families [06]. Even though it is an insecure job, they remain doing this as they need the income they derive from it to sustain in the needs of themselves and their families. Not only the fishermen but also others depending on this natural resource have been affected due to the decline of this same resource. For example, women who were working with Lamayo (a Philippine dried fishing technique) had to stop their activities as fish became more expensive as there was less to be caught [23].

Seasonality also affects people living around Honda Bay in trying to sustain in their livelihood needs. During typhoon season and bad weather during other months of the year the fishermen cannot go out for fishing as they often only own small fishing boats which are not suitable for these weather conditions. Too, charcoal collectors are unable to collect during these times of the year. Nevertheless, seasonality does not only affect the ones not participating in tourism, also the ones participating in tourism have to deal with the high and low tourism season. Some choose to go fishing when tourism numbers are declining in order to be able to sustain in their primary needs.

*“When it is lean season they use hook-in-line fishing to suit in their livelihood needs. It provides them with enough money to survive in lean season”*

*Interview; T. Sejor sr.*

Others mention they started a job that supplies the tourism sector (e.g. cleaning the beaches) but they did not get a good wage for this and decided to return to fishing instead. Another example is the example of the fishermen on Pandan Island who sell fish directly to the tourists or prepare their lunches. This example relates to the idea of Martinez- Alier (1987: 17) who suggests that even not yet born, people have difficulties in making

their presence in today's market. For some groups in the past their fate seemed destined even before they were born. If your parents were fishermen, you would become a fisherman. If your parents were farmers, you would become a farmer. However, nowadays, job opportunities have increased and new sectors, such as the tourism industry have started to arise. It is no longer predestined what one is to become if they are born in a fisher-, or farmers family.

### 5.3.2. Continue to do what they know best

So if fishing is perceived as an insecure job and tourism as the better option, one could wonder why people choose to remain in fishing or collecting charcoal. It has to be clear that a distinction should be made between the ones who choose to keep this job and those who do not have the choice to do something different.

First, the people who are satisfied with their current livelihood form and do not feel the need to change often refer to the generations of their family who have done the same. For example, their father and grandfather were fishermen as well and this is all they know and like to do. Some respondents mention they like the freedom and flexibility of their current jobs, by not having a boss to work for and being able to decide when they work and for how long [26]. Or they prefer to live in the area they live now and do not want to move for another job. In this respect some are waiting for tourism to spread out to their community before they would consider participating in it. People tend to do what they already know and to be satisfied with this, if new opportunities are there they might shift livelihoods after all.

*“Comparing to being a boatmen, as a fishermen his income is not sure, and he would like to have a secure income like them. Therefore he would probably change to tourism when given the chance”*

Interview; R. Ruiz

Second, there is the group who might prefer working in the tourism industry (or another) but do not have the possibility to do so. This is mainly due to the fact that they lack the skills and education needed for the other job. Many people, and especially men, have not finished high school or college level. As stated before -See chapter 4., the boys often do not finish high school as they have to get to work to help to raise extra income for their families. These boys start driving a tricycle, collecting charcoal, help out with farming or become a fisherman. Due to this lack of education and knowledge they now are unable to participate in the tourism industry when no training for this group is provided [06; 08].

In the case of tourism in Honda Bay, it also is related to the inaccessibility of the industry when you lack the network or when living outside Sta. Lourdes. The HOBBAI has set the rule that only those living in Sta. Lourdes for at least one year are allowed to become a member and thus be able to participate in the tourism industry.

As a consequence from tourism establishment some people now have restricted access to the natural resource they depend on for their livelihood, e.g. fishing grounds. For example, the Honda Bay area is declared a marine protected area and therefore fishing (except for hook-in-line) is not allowed. This results in some families having to find another form of livelihood for example in drying fish; [08]. Whilst for others it raised the costs for fishing [15] as they have to pay more on gasoline to go further offshore.

## 5.4. UNINTENDED CONSEQUENCES - INDIRECT EFFECTS

As mentioned in chapter 2 – see §2.2.1, tourism can generate direct effects by means of participation of community members in the tourism sector, as well as it can lead to unintended consequences or indirect effects. Puerto Princesa is developing at a rapid pace and tourism is expected to at least double in the coming years. So it might be logic that many people want to work in this industry. However, it might also create new risks in the long term. Although working in tourism has helped these people to have a secure income, the

question is if this is a sustainable form of livelihood for the future. Most of the people who have shifted towards tourism do fully depend on it for their livelihood, which might create new risks in the future.

#### 5.4.1. Stopping education at an early age to serve the tourism industry

Is tourism a good alternative livelihood form that helps people to develop new skills and improve current ones? Respondents, participating in tourism, have mentioned that participation has helped to improve skills. Hence, some of the respondents explain they quit high school or college to work in this new tourism industry in Honda Bay [16; 20]. They seem to misconceive the importance of a good education for their futures. Instead these young fellows decide to join the tourism industry were they do not need further education to become a boatmen or life guard. With help from some training and workshops they will suit perfectly for their new jobs. All the same if it weren't for tourism these young boys would possibly have searched for another job they could fulfil to help their families.

#### 5.4.2. Commoditization

Commoditization, a process that involves the conversion of phenomena into saleable items (or 'commodities') (Cohen, 1988), is a normal consequence of tourism development, in so far as tourists are inherently involved in the consumption of a destinations tourist product, while the tourism industry and relatively impoverished host societies usually and understandably become keen to exploit the economic opportunities created by the presence of tourists. As a sociocultural cost, commoditization can assume many forms. Examples might include the local resident who demands a small payment for having provided some simple directions to a tourist, or the would-be guides who try to harass tourists into purchasing their services and who may become aggressive when the services are declined. In both instances, the tourist is objectified and treated purely in terms of the self-interest of the local person (Nash, 1989), while the tourist acquires a stereotyped image of the locals as bothersome, greedy and unfriendly (Weaver, 1998:58). From researchers own experience some tricycle drivers also charge a higher transport fee to tourist than to local people. Something most of the tourist realise themselves but have accepted.

#### 5.4.3. Displacement

Displacement is one of the consequences from tourism development. Many people in the past already had to leave their house, and still more people in the future are expected to have to leave their houses to make place for tourism to develop [15]. In some cases there was little or hardly any (financial) support from the government [21]. In Sta. Lourdes many people had to move due to the establishment of the boat wharf - see *image 4*. Some of the families had to move to the upper part of the barangay [12] which did not suit their livelihood as a fisher, who are usually located near the waterfront.



*Image 4: Houses in Sta. Lourdes that have been moved down the street and of which people are afraid will be demolished when tourism keeps expanding*

Especially people living in Tagburos are worried as they have seen many people being displaced and they expect that more of their neighbours will be asked to leave. Also on Pandan Island, the only inhabited island in

Honda Bay, displacement has been a striking issue in the past. There used to be many houses on the island but with the island falling in hands of a private owner it was decided that the people living there had to leave [07]. Nowadays only five families are allowed to be permanent resident of the island. Although people were displaced most of them have accepted their destiny, [24]: *“He was just unfortunate to live in the coastal area so that he needed to move for the development of the wharf.”*

#### 5.4.4. Increasing inequality

As discussed in chapter 2. - See §2.1.1. Blom et al. and Schmink, argue that communities cannot be seen as static, homogeneous or generalizable entities. Instead they should be seen as heterogenic and complex, they might be seen as hybrids that change over time. Not everyone in society is the same, and they certainly do not all strive for the same goals in life. Same is the case in Honda Bay. Some choose to take part in tourism whilst others are contented with their life as it is. This has led to differences in the community and it might be suggested that inequality has increased. The ones living in Sta. Lourdes able to participate in the tourism industry seem to have improved their livelihood assets and herewith their livelihoods in general. This confirms the suggestion of Erenstein (2010) and DFID (1999) that those with more assets are more likely to have greater livelihood options to pursue their goals and reduce poverty. Tourism has resulted in increasing financial and human assets, which in return helped to strengthen the other livelihood assets and reduce the vulnerability context. This also reflects the idea of Erenstein et al. (2010) that implies that there is an inverse relationship between livelihood assets and poverty, and that a solid foundation of all five assets is generally needed for livelihood security and to enable people to rise above the poverty line. Poverty has been reduced for a large part for the community in Sta. Lourdes. However, poverty can be seen as something that changes over time as well and as Wall (1997) argued, it is highly subjective and situational. It depends who defines poverty. From a Western point of view, comparing to themselves, one could state that the people living around Honda Bay are still poor. They live in relatively simple houses, earning a minimum income, which allows most of them to sustain in their primary needs but the majority is for example unable to spend money on ‘luxury’ as going on holiday, which seems to be considered part of development in the First world. Moreover, there also are people who are balancing on the edge of the poverty line and can easily fall back into poverty. However, asking people themselves if they consider themselves as poor might yield different results. From a grassroots perspective respondents do not perceive themselves as poor. They explain that they have a house, good health and are able to feed their family three times a day. These people also make a comparison to the past, when things were less good and state that their livelihoods have been improving in the past years. Especially their financial status has increased.

Because benefits of tourism do not spread out equally among a community and its surrounding area, inequality has been possible to arise. One can see a clear distinction between those living in Sta. Lourdes and the ones in the surrounding barangays. It seems that community members of Sta. Lourdes, Tagbuana, have been able to reap the benefits of tourism. However, also within this barangay there is a notion of inequality as there is no equal distribution of benefits as well due to the different jobs community members ply, and the inability for some to participate in tourism. However, the ones participating and being a member of HOBBAI can rely on the organisation to share the benefits equally among her members [14].

In Tagbueros and Bacungan people hardly benefit from tourism in the area because there is no tourism activity existing. And even on Pandan Island, residents are only benefiting slightly from tourism as they are not directly involved in the tourism industry but operate on the side-line as vendor or cook. But then again following the words of [17] is it not up to people themselves to make work of it and try to benefit from tourism if they want to, instead of passively waiting for it to happen?

#### 5.4.5. Increased accessibility

Tourism has set path for the government to develop the city as a whole. Paving new roads and improving existing ones includes one of the plans (Sagun, 2011). Already the establishment of new roads is yielding its desired effects. Upgrading roads for tourism access has not only made tourism sites more accessible, it also has given neighbouring village's better access to the outside world. For example, to get to the market or city will take less time. However cementing the roads is a plan under construction and still many parts of the island are unpaved and difficult to access. So is the case in Bacungan, were a beautiful stretch of beach is located, which hardly ever is visited by tourists due to the bad road [02]. To give an idea how bad the road is [02] gives the example of two tourists who tried to come down to the beach on their scooters and 'crashed' due to the bad road down. Also from the researcher's own experience it can be said that the ride is unpleasant and if a tricycle could make its way down safely, it would be impossible to get up again unless it would be pushed. So currently these places cannot establish tourism yet and have to wait for the government to undertake action first.

#### 5.4.6. Increased awareness for conservation of natural resources

The LGU has chosen to implement ecotourism as a sustainable tourism development form. Hence, tourism will always have environmental impacts and has led to big changes in the natural environment in Honda Bay. Facilities needed to be build, which meant part of nature needed to go. For example in Sta. Lourdes where the boat wharf had to be established, which before was surrounded by the sea and mangrove forest but is now one piece of cement with some grass around - see *image 5*. Tourists boats also damage the corals, although this fact is often neglected by the ones working in the tourism industry themselves, any visitor with a snorkel mask on can see the anchors laying in between the corals. Therefore it would be good to search for alternatives in the spirit of new boat routes, a boat ramp or buoys.



*Image 5: Sta. Lourdes boat wharf; jump off point for tourists to go island hopping*

Then again, tourism is also perceived to contribute to the conservation of the natural area of Honda Bay due to new rules and regulation of these by the maritime and tourist police [15]. For example, now due to tourism, fishing (except for hook-in-line) is not allowed to protect the reefs in Honda Bay [13]. Furthermore, tourism has increased awareness among local community members about the need to conserve the area they depend on for their livelihoods. As an argument respondents use the idea that people want to sustain the natural resource as they depend on it for their livelihoods [14; 27].

### 5.5. TOURISM AND THE VULNERABILITY CONTEXT

In order to be able to answer the impact on the vulnerability context a division should be made between the different livelihood assets. Regarding the financial, human, social and physical livelihood assets one could state that much improvement has been made and people have become less vulnerable for outside shocks such as

seasonality and natural disasters. Working in tourism has helped them to improve their livelihood assets which will help them to recover when something would happen. Most people are able to save money for the future.

On the other hand, natural assets might still be at risk. First, people fully depend on the bay for their livelihoods. Research has shown that the natural resource is rapidly declining, fish populations are decreasing due to damaged and bleached corals and boats that are crossing the waters for island hopping who drop their anchors on the corals. Strict management is needed to prevent the bay for further depletion and to safeguard it for future purposes. Second aspect is the waste management which is lacking at Pandan Island. Third, for further development of tourism trees have to be cut and people might have to move i.e. to make place for tourism to be established. Thus, although livelihood assets have improved which might help to deal with future risks these others should not be neglected. In addition, tourism development has generated new risks for the community to deal with (e.g. tourism seasonality and tourism dependency).

### 5.5.1. Seasonality

Seasonality is one of the most common aspects of vulnerability for the tourism industry. Also in this study, results show that respondent's incomes are affected by this phenomenon. Seasonality impacts differ among each individual, for example, depending on the job one employs within the tourism industry. Boatmen, tour guides and others working on the islands are likely to be more affected by seasonality than those who are not depending on island hopping only, for example tricycle drivers, van owners, hotel employees and vendor who can sell their products and services to local people as well. Hence seasonality affects these groups of people it does not lead to the inability to sustain in their livelihoods during these times of the year. In addition respondents note that there is no specific time off the year [10] that tourism revenues are not enough for people to suit in their livelihood needs. Mostly it is due to bad weather (which it is not every day) and still in the rainy season tourists are visiting Honda Bay due to holiday season in their own country. Although, it is likely for the summer months to be the best months for the tourism industry [07; 27; 18; 14]. Hence, most of the respondents earn enough money during the year which they can save to suit in their livelihood needs when it is low season. Others continue fishing [14] and seaweed farming [05] during these times of the year, or depend on the income of their partners [12].

### 5.5.2. Competition

The focus on tourism, also, has attracted many foreign investors who opened up new businesses – see *image 6*. More and more Palawenõs are moving towards the city, numbers of urbanisation have never been so high, with 30 per cent of the people living in PPC district. In this way these people are the first to reap the benefits of new jobs created and to make use of the new facilities, for example the Robinsons Mall that just opened up last May 2012 (researchers own observation). This has also led to the perceived risk of increased competition from other barangays. Some of the interviewees in bgy. Sta. Lourdes do perceive competition as a risk (for the future) as more people working in the tourism industry means less work for them [10; 14]. However, they do support tourism development in other areas as well and see it as no other than 'the right of the people there to have the same'.



*Image 6: Competition by large companies such as The Legend Hotel and 'normal' boatmen*

Weaver (1998:55) also argues that competitions perspective holds that tourism consistently outbids agriculture for labour, land and financial allocations, thereby forcing the local farming sector into an even more marginal position (Bryden, 1973; Young, 1973; de Vries, 1981 in Weaver, 1998). This can be related to the notion of displacement. Some people have to move for tourism being able to expand. However, the competition between the tourism sector and other sources for livelihood can also have a positive

result. In Antigua, for example, tourism emerged in the 1960s as a viable alternative to sugar-based agriculture, prompting local élites to transfer their investment laterally from farming into resort tourism (Weaver, 1988 in Weaver 1998). This can also be noted in Honda Bay where one could no longer depend on fishing for their livelihoods and tourism offered an alternative livelihood.

### 5.5.3. Tourism dependency

Shifting livelihood form from fishing towards tourism has resulted in some people becoming fully dependent on tourism. If tourism would decrease it might cause some serious problems for the ones depending on it for their livelihoods. Many of the villagers in Sta. Lourdes fully depend on tourism for their livelihoods, with the disappearance they would not have a source income any more. Some only partly depend on tourism but they still perceive tourism decline as a risk as they already live under the poverty line and need this additional income (R. Vila, r.27). Others depend on tourism but can survive when tourism numbers would have a downfall. They suggest they would go back to their former livelihoods forms such as fishing [09], being a driver [16] or vendor [05]. The dependency of tourism can become a risk when it grows more and over dependency occurs. (Shrivastava and Bihari, 2010:168) argue that this can lead to erosion of the quality of the communities natural and cultural attraction as well as to increased economic vulnerability to economic fluctuations in the marketplace which are beyond their control.

### 5.5.4. Decreased natural resources

Natural resources seem to have declined rapidly in the waters around Puerto Princesa in the past couple of years. As reason fishers mention the cyanide fishing, which is almost completely banned now. However much of the coral is damaged (bleached or dead) resulting in fishermen having to go further out in the sea which costs more time and money but also lead to catching less fish. Another example comes from O. and N. Obña who collect charcoal for their living. They mention it is becoming harder to cut trees, they also take the risk to end in jail since harvesting trees is illegal so they have to go further into the mountains to cut trees. Asking if they perceive the decline in forest and the new rules against cutting them as a threat they answer no, *“As long as there are trees we have a job”*. In this case they are not aware of the consequences it brings to cut trees. They do not plant new trees, they just go to other areas. They explain that they keep doing this job as this is all they know. Hence, they elucidate that fishing is used as an additional source of income to feed their family.

Even though the majority of the respondents perceive it as a good thing that tourism numbers would increase, as this would mean more jobs [09; 13], and allows other community members to benefit from it, it should also be looked into from a more critical perspective. As the increasing pressure on the natural resource of Honda Bay, and the rest of PPC, might also be seen as a possible risk for the future. With the PPUR as one of the seven world wonders of nature attracting an increasing number of tourists to Palawan more tourists come in and the carrying capacity of this area has been exceeded. The government now wants to spread out tourism among the less frequently visited areas. However, what happens when the tourist arrival keeps increasing and also Honda Bay has to fear to exceed its carrying capacity. It already is at its limits and changes have to be implemented quickly to safeguard the sustainability of this tourism attraction and to prevent an irreversible impact on the natural resource so many depend on.



Image 7: crowd of tourists going for snorkelling at designated area

### 5.5.5. Government, tourism fees and taxes

The Local Government Code provided several radical changes in local taxation and fiscal matters. It enhanced the share of LGUs in the national taxes (i.e. internal revenue allotments) as well as in the proceeds derived

from the utilisation and development of the national wealth within the area of the respective LGU. Moreover, local government received enhanced autonomy to generate and mobilise financial resources. It broadened their power to exercise taxing and other revenue-raising. Now, LGUs can create their own sources of revenue and levy taxes, fees, and charges. Tourists, visiting Honda Bay, have to pay a tourist fee when they want to go island hopping. This fee is used for payment of staff and further development of the area and safeguarding of the natural features. In addition, local taxes can be used for further development. For example, in the case of Rwanda where the Gorilla tourism industry has led to support costs of conservation and can help financing other (tourism) projects. This could also be done in Honda Bay. The money could, for example, be used for development of tourism projects in surrounding barangays and in this way help reduce vulnerability.

## 5.6. CONCLUSION

*“People here all have different ways to make a living but most people like the tourism most”*

Interview; M. Odesta

This quote from M. Odesta summarises the general opinion among the respondents. Participating in tourism or not, they all see the benefits tourism brought to the community members of Sta. Lourdes [22; 23]. Some respondents would prefer a job in tourism themselves, mainly those who find themselves under the poverty line, as it would be an easy and secure job, which when accessible can help improve their livelihoods significantly. Positive impacts can be related to the increase in employment resulting in improved financial and human assets which allows respondents to invest in and strengthen the other livelihood assets as well. Respondents tend to focus on the positive aspects tourism contributes to instead of the possible new risks such as; tourism dependency, decreasing natural resources and competition in the future.

With fishing becoming a less secure livelihood form, tourism is seen as a good (sustainable) alternative for the people living around Honda Bay. First, it provides them with a safer job as they no longer have to go far out on the sea and dive with equipment that most of the time is not suitable for these activities. Second, their income derived from tourism is same as not more than they earn compared to fishing. Third, working in tourism will help them to develop new skills that they can use to continuously improve their livelihoods. Communities around Honda Bay are aware of these benefits as well and therefore many fishermen have chosen to shift their livelihood form from fishing towards tourism. As the main tourist activity in Honda Bay is island hopping, which takes off from Sta. Lourdes, most of the direct impacts on livelihoods of local community members can be measured here as well as on Pandan island. Not only did tourism offer a new form of livelihood for the fishermen but also for the broader community living in Sta. Lourdes. For example, women who sat at home playing cards, taking care of their children and who were depending on their husbands income, have become active as vendors of all types of goods, foods and drinks or started a small shop themselves and some of them received training to become a massage therapist. Other community members found a job as tour guide or Van driver for one of the hotels in town and some others only occasionally participate by transferring tourist from town to whatever place or sell products to them when they visit the local market and shops. Even children try to take their share by selling ice candy to the tourists undertaking island hopping.

Nevertheless, one could conclude that there is an unequal distribution of tourism benefits. Bgy. Sta. Lourdes has, financially, benefitted most from tourism and even within bgy. Sta. Lourdes benefits are not equally distributed. People living in Sta. Lourdes are the ones benefitting most, in Tagburos tourism is to be developed but they receive hardly any benefits at the moment, on Pandan Island the people depend on the goodwill of the owner, and no benefits can be found in Bacungan. Even though Sta. Lourdes is benefitting most, also here benefits are not shared equally. It appears that the ones who are able to participate in tourism were able to improve their livelihoods and escape poverty but others lack behind. People who lack the financial, human and physical capital to participate continue fishing which is a very insecure job that does not yield in high returns.

Nevertheless, many interviewees support the thought that tourism has helped reducing poverty in bgy. Sta. Lourdes, not in the neighbouring barangays. However they believe that future tourism development will contribute to improving financial assets and herewith reducing poverty for the other barangays as well. Mainly due to the fact that tourism generates a secure income. People know they will earn money when they go to work and in the cases of tour guides and boatmen also how much. This allows them to save money for future investments and necessities. Also working on the sideline of the tourism industry results in some benefits by occasionally participating or by supplying to it. Multiplier effects are hard to measure but the Comprehensive Development Plan shows that many changes are made to suit the needs for becoming a world class eco-tourism destination.

In conclusion those participating in tourism can reap the benefits tourism can bring. Those on the sidelines of this industry try to get in as they see it as the solution to improve the livelihoods of themselves and their children. Others are contented with what they have although there is no doubt tourism would be a good alternative livelihood whenever needed. Thus does this mean that some win and others lose? Well that is up to the people themselves to decide. Desired livelihood outcomes were related to the ability to have enough food and good health for respondents themselves and their family. However if they would be given the chance to have a more secure livelihood option they would not hesitate to grasp it. If this means participating in tourism, then it will be tourism. Nevertheless, if they would not be given the chance they will be contented as well, they rest in their fate, so it seems. Things happen as they do and it is up to them to make the best out of it and to be happy with what they have, instead of what they lack. This positive attitude will have contributed to the fact that respondents experience tourism as a good thing happening to them.

## 6. DISCUSSION AND CONCLUSION

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This study has attempted to assess different stakeholders' (male and female among all age groups, in four barangays participating and not participating) perspectives on the livelihood impacts of tourism development in Honda Bay. It examined how livelihood strategy options (e.g. participating in tourism or not) play a role in the livelihood outcomes of this group. In addition, a link between tourism and sustainable development and poverty reduction has been made. The analysis specifically focussed on the impacts of tourism on the livelihoods of the people participating in the tourism industry or depending on the same natural resources. Research has been conducted from a grassroots perspective, in order to explore how tourism can influence ones livelihood both positively and negatively.

### 6.1. CONCLUSION

*How does the tourism sector directly and indirectly affect the livelihoods of the local communities, participating and not participating, living around the tourist attraction of Honda Bay in Palawan, Philippines?*

The principal purpose of this study was to analyse the impacts of tourism on the livelihoods of the people living around Honda Bay. It also focussed on the broader context of tourism expansion in Puerto Princesa. Tourism in Honda Bay, as in any other case, has its positive and negative effects on society and peoples livelihood. It has created significant numbers of new job opportunities and also has led to financial benefits and change in other livelihood assets for the ones participating. On the downside it has led to displacement, increased inequality and created new risks such as depletion of the natural resource when not managed well, as well as the risks dependency on this 'shock' sensitive industry can bring. Whether tourism impacts are 'good' or 'bad' depends on the eye of the beholder. In this case, the local communities involved by participating or just living alongside the tourism industry.

Even though tourism has its negative impacts on the society (e.g. displacement, increased inequality), causing new risks (e.g. tourism dependency) I would like to refer back to the citation of Friedmann (*pg. 10*) and argue that, yes, tourism in Honda Bay has meant a clear improvement in the conditions of life and livelihoods of ordinary people; the community members able to participate in the tourism industry. Tourism has touched the lives of many as it has created many new jobs, even for the unskilled, supported the community to earn enough money to sustain in their livelihood needs and improved the livelihood assets allowing opportunities for further livelihood development.

Negative tourism impacts are mainly suggested by literature but not confirmed by respondents own perspectives and experiences. So instead of continuing to focus on the possible negative aspects, we should focus on the fact that tourism can be a successful tool for sustainable livelihood development. This research shows that economic, social and environmental benefits are derived from tourism. The economy in Puerto Princesa City is flourishing and the city as a whole is developing at a rapid pace due to tourism development. Financial assets of those participating have been increasing, giving people more confidence and self-esteem while in the meantime allowing them to develop new, and improve existing skills. Even though not everyone is able to participate in the tourism industry now, future perspectives and plans will generate new opportunities to reap benefits either directly or indirectly. Apart from the increasing economy, environmental issues as well are affecting the community in total. Nature and locality are placed on a high standard and are taken in consideration with every step taken in the elaboration of the tourism sector in Honda Bay. In addition, tourism has created more awareness among the broader community for the need to preserve this natural resource they depend on for their livelihoods.

Albeit, the success of tourism, it does not mean that one should neglect the negative impacts or not remain critical regarding the positive impacts of tourism in this area. It is important to keep a close look at the changes that occur so management can be adapted to the new situation when needed, in order to minimize the negative impacts of tourism. Therefore, Local Government Units (LGUs) should take the lead in raising awareness, setting up guidelines and regulate these to protect the environment and to safeguard the sustainable livelihood support derived from tourism for future generations.

## 6.2. DISCUSSION

This research can be set in a broader perspective within the tourism debate about the perceived need for community participation (Shrivastava and Bihari, 2010), the link between tourism and sustainability, and the relation between tourism and the vulnerability context.

### *The need for participation ...*

The Sustainable livelihood analysis (SLA) has helped to define the changes tourism has created in Honda Bay. It has been made clear that the ones participating in tourism have been able to reap the benefits from it and were able to improve their livelihoods. Numerous scientists (Boo 1991; Ceballos-Lascura, 1996; Ross and Wall 1999; cited in Pipinos and Fokiali, 2007:7) have argued that the role of local participation is an essential prerequisite in shaping tourism, as well as an extremely effective tool that can make a positive contribution to both environmental conservation and the empowerment of local populations. Hence, participation in the tourism industry happens in varying degrees. Some actively participate by directly working with the tourists as a boatmen or tour guide. Others choose to participate in a secondary fashion by selling food to tourists or by means of transportation services. Shrivastava and Bihari (2010) have mentioned that aspirations to participate in tourism are often high among local residents and employment in the tourism trade is often regarded as a 'good job,' though the preferred forms of participation vary between households. This can also be noted in Honda Bay where tourism is perceived a popular alternative livelihood form compared to fishing. Shrivastava and Bihari (2010) state that the motivation of local communities to participate can be based on protecting their surrounding natural resources. Results, however, point out that this is often just a side effect and that tourism is seen in a more economic perspective; as a means to (easily) gain income.

This study pointed out that many community members (especially in Sta. Lourdes) have shifted their livelihoods from fishing to tourism, benefits to local communities (and the poor) from tourism depend on *whether* and *how* they can participate economically in the industry (Ashley et al., 2000). Livelihood assets are considered of high importance and a major influence on the choice and ability to participate in the tourism sector (DFID, 1999; Ashley et al., 2000; Erenstein, 2010; Shrivastava and Bihari, 2010), and are influenced by the policies and structures by LGUs and the private sector. The HOBBAI has a lot of power in the tourism industry in Honda Bay. They are the only organisation allowed, by the LGU, to operate in Sta. Lourdes. Being a member of HOBBAI one can enjoy benefits, like job security, training opportunities as well as financial support when needed. However, the HOBBAI highly influences management of tourism in Honda Bay. They decide the amount of memberships, those allowed and not allowed to participate, and further development of this tourist attraction. I would not state that it is a wrong way of managing this tourist attraction, and it relates to the problem discussed by the DFID (1999) that 'projects while favouring some people can disadvantage others'. Moreover, it does put much of the power in one hand and I would argue that it has contributed to the unequal distribution of tourism benefits among the several barangays surrounding the bay. One could question if this is not just due to location of these barangays or the attitude of the people living there. For example, Amsterdam is a popular tourist destination, however it is not self-evident that the surrounding villages should benefit from it as well. It could result in tourists visiting neighbouring villages as well, however

this does not have to be the case. Whereas PPCs LGU is focused on using tourism as a tool for conservation of the natural resources whilst allowing economic development for the host community, it does not cede this aim. Thus, there is an important role for LGUs in expanding the tourism pie in order to let more communities reap the benefits tourism can bring. A suggestion comes from the idea of DFID (1999) and Erenstein (2010), that stated that those who have a wide variety of assets are most likely to be able to make positive livelihood choices as they have more options to choose from and are not 'forced' into any given strategy because it is their only option. LGUs, in this matter, should focus on creating possibilities for the community to expand their livelihood assets. This idea suits the idea of Liu (2003), which implies that the ideal is *self-mobilisation*. The plan of the LGU (Sagun, 2011) to cluster the different barangays, and set up 1-2-3-day tours, will be helpful to guide the tourists to the less frequently visited areas and give other community members (unable to participate) the opportunity to make the step to do participate in the tourism industry.

Sen (2001), adopted the 'substantial freedom enhancement' perspective to development and in that light development organizations should concern and confine themselves to the establishment of a supportive or enabling environment in which the poor, like everyone else, are responsible for their own livelihood improvement (Mosselaer, 2010:97). Mosselaer (2010) suggests to consider the poor as clients so that the client and organization only have a mutual (contractual) obligation towards each other with respect to the services at stake (Mosselaer, 2010:97). This can be related to the LGUs that should set up the tourism industry in such a fashion that it is possible for all community members situated around Honda Bay to participate if they want to derive personal benefits from this 'business'. Moreover, considering the poor as clients they are not considered with a label or role and instead they are addressed to their individual 'freedom of choice' (Ibid). Thus, those who wish to participate are provided the opportunity to do so and those who are contented with their lives as it is have the freedom not to participate. Tourism should not be seen as the only solution for poverty reduction in Puerto Princesa and for that matter Honda Bay. It is one of the options one can choose from to change their livelihood if they wish. Hence, to support the tourism industry, attention should also be focused on the improvement of the supply sectors such as the fishing and agricultural sector. Only by developing the economy as a whole, real development will be possible and in this manner benefits can trickle down the society.

*... in order to enhance sustainable tourism development ...*

In order to make tourism sustainable in the long-term for both human and nature, local participation is necessary. This 'sustainability' concept related to tourism can be found in new rules and regulations from the international government as well as LGUs, but also within the tourism sector one can take notion of this. The expected growth and the new trends observed put tourism in a strategic position to make a positive contribution to, or to negatively affect, the sustainability of natural protected areas and the development potential of surrounding areas and their communities (Shrivastava and Bihari, 2010:111). Even though Mowforth and Munt (2009) state that in a way tourism can never be sustainable as tourists have to fly in, tourism has been argued by Shrivastava and Bihari (2010), and confirmed by this study, to be a major tool for the conservation of such areas and for raising the environmental awareness of residents and visitors.

These objectives can be achieved through the generation of financial resources from tourism that can be dedicated to conservation measures (See also §5.5.5), and through appropriate information, interpretation and education programmes for visitors and residents. Additionally, tourism operations within protected areas need to be carefully planned, managed and monitored in order to ensure their long-term sustainability. Otherwise, negative impacts will instead contribute to the further deterioration of these areas. Nonetheless, long term impacts of tourism on the environment as well as the communities involved (either by working in it or by sharing the same natural resources) should be questioned, as well as how this notion of sustainability fits in.

For tourism to expand, islands will have to develop more and more to suit the increasing tourism demands by building more huts, restaurants and to build resorts so tourists can overnight. This can only happen when the

tourist site gets reorganized which can result in the need to cut mangroves (e.g. Sta. Lourdes) or displacement (e.g. Pandan Island). Increasing tourism activity in Honda Bay also means an increase in boats operating in the bay. Boats that disturb and destroy the marine habitat by dropping their anchors on the corals (researcher observation). The danger is that interviewees themselves do not see the risk of this phenomenon, whilst it can result in decreasing tourism numbers when tourists that once people came to do island hopping and snorkelling in the bay, in the future will not see anything and thus stay away. Respondents think that the natural resource of Honda Bay on which tourism depends is sustained in a good way and increasing tourism numbers are welcomed as it will create more jobs so more people can benefit from this expanding industry. In reality, increasing tourism numbers are putting extra stress on the bay. In fact, they are already close to exceeding the bays carrying capacity (Interview Alzaga, June 2012). Therefore it is key issue that management will focus on sustaining the natural resource these people depend on for their livelihoods.

LGUs should take action, to prevent a similar thing to happen as was the case in other parts of the Philippines such as in El Nido (on the North of Palawan) and Boracay (an island close to Manila). In both cases tourism management, in the past, has failed (CBMS, 2008). El Nido still suffers severe problems of open access, overexploitation and destructive methods of resource use. Since the 1980s a number of highly committed and engaged actors coming from local resource users, NGOs and government agencies temporarily or continuously joined the struggle against the vicious cycle of poverty, economic exploitation and coastal degradation as well as the vested interests of local and transient resource users, business and politicians of various governmental agencies in El Nido (CBMS, 2008). However, due to lack of community participation and mutual trusts they are still far from being sufficient to save the overall ecosystem reproduction and the subsistence of the local community (Ibid). This, again, represents the importance of participation of local communities. Apart from that, the tourism industry in El Nido has stepped up and became one of the most important forces pressing ahead sustainability issues there (Ibid). This example corresponds with the ideas of sustainable tourism according to Butler (1993:29, *see chapter 2.*) and indicates that, apart from the government, the tourism industry and community members should take their responsibilities and take initiatives to downsize tourism related impacts as well. This search for sustainability in tourism has been suggested by Prosser (1994; in Liu, 2003) to lead to social change. Environmental awareness of the natural resources one depends on is growing and destination regions, including developers (LGUs) and tour operators, respond to this by changing attitudes. The notion of Wall (1997) that humans have often been viewed as being separate from nature, which is there for humans to exploit, manage, and control is therefore no longer the case. Instead, they are intertwined and both depend on each other for their existence.

Finally, Shrivastava and Bihari (2010:131) note that however tourism will always have environmental impacts it also is important to consider what environmental impacts would have occurred if the park and its tourism industry were to be replaced by some other forms of land use. This can also be accounted for Puerto Princesa City. At the moment the LGU has a zero tolerance for mining industries to develop in their municipality, which is happening in other parts of Palawan. Instead, they seek their solution for development and poverty reduction in ecotourism. Mining is associated with having high environmental impacts but if it weren't for the 'success' of ecotourism in Honda Bay (and other tourism attractions in Puerto Princesa) such businesses could be developed as well. In this light, I would argue that the limited environmental impacts caused by the tourism industry outweigh the environmental impacts a mining industry could bring.

*... and to reduce the vulnerability context.*

Apart from the environmental concerns, this research has been linked to the vulnerability context. The vulnerability context was shaped by aspects of poverty (leading to low education levels), dependency on fishing as a vital source of livelihood and degrading natural resources (due to destruction of marine habitat and increasing tourism development) – *see §4.5.* Aspects as seasonality, displacement, tourism dependency and

poverty reduction have been discussed and a link has been made between tourism and other means of livelihood support.

Results have shown that a clear distinction can be made between the groups of people who participate and those who do not participate (either voluntarily or not). It also has shown that tourism benefits have been unequally distributed among the different barangays. As the DFID (1999) and Erenstein (2010) already argued the importance of livelihood assets and strategies in shaping the vulnerability context, it is of no surprise that the role of participation has influenced the degree of reduction of one's vulnerability.

It can be discussed whether participation in tourism is a suitable alternative livelihood compared to fishing. I would argue that tourism clearly has its benefits over fishing for the following reasons. First, tourism does not only increase the financial assets, it is also a secure income compared to fishing where uncertainty of fish catch is the major problem. Second, tourism supports the development of new, and the improvement of existing skills (e.g. cultural exchange, improvement of English skills) which are likely to increase chances for other job employment in the future which chances are less when depending on fishing. Third, fishing, in the past, has led to degradation of the natural resources due to overfishing and destruction of marine habitat. Hence, tourism leads to awareness about conservation issues among community members and can contribute to sustaining the natural resources (due to tourism fees and taxes received by the government). Fourth, fishing has been discussed to be believed to contribute to increasing poverty rates on the island (WWF, 2004; Interview Alzaga, June 2012) whilst tourism has been believed as a possible way out of poverty. Fifth, even though seasonality is often declared as a negative consequence of tourism, this study shows that its appearance is less harmful than the insecurity of fishing. At the end of the day, people are sure they will earn some money whilst depending on fishing they might end up empty-handed.

Nonetheless, even though tourism is perceived a better option than fishing, it did also create new risks. First, increasing inequality was mentioned as it is difficult for tourism benefits to be shared equally among the community as a whole. This was already noted by the DFID (1999) who argues that people (poor or not), always try to get the best out of things for themselves and compete for jobs, for markets etc. which makes it difficult for everyone to achieve simultaneous improvements in their livelihoods. Second, some of the young people stop education to serve the tourism industry in order to be able to contribute to the household incomes of their parents. This, however, also happened before tourism was established in the area. Third, the risk of competition from inside the country as well as outside. Puerto Princesa has become more attractive for foreign investors, due to the expansion of the tourism industry, though it should be safeguarded that these do not squeeze out the host community. Fourth, there is the risk of tourism dependency. Outside risks such as seasonality, currency fluctuations and political instability as well as tourism trends make tourism in a way an instable industry to depend on as well. The latter, in particular, is of importance as there is often an imbalance of power in the relationship between tourists and residents. Tourists can provoke changes, often unintentional and subtle, without consent from residents (Shrivastava and Bihari, 2010). It might be easy for a destination to pull tourists when all goes well in a country and tourists have good experiences, however, it can easily change and distract tourism numbers rapidly generating an enormous economic downfall which in return can lead to numerous other problems.

The contribution of tourism development to poverty reduction has been explored and while argued by many scientists that it is difficult to link tourism to poverty reduction it can be suggested that in the case of Honda Bay tourism did contribute. Though it is difficult to state to what extent tourism was the key for poverty reduction in the areas development, if it weren't for tourism these people would still be working as fishermen and continue the lives they had. Tourism can be seen as the driving force for the cities development and has directly and indirectly changed the livelihoods of many in a positive fashion. Even though benefits are not spread equally among the area, Ashley et al., (2001) have argued that poverty reduction does not have to mean everyone is benefitting same, 'as long as poor people reap net benefits, tourism can be classified as "pro-poor"

(even if richer people benefit more than poorer people). Nevertheless, Shrivastava and Bihari (2010:150) argue that whatever their initial reaction to tourism, local residents are often unprepared for its demands and that those who do not want tourism have no means to stop it. They are suggested to often not be able to compete with the powerful tourism industry or the fiercely independent travellers who want to discover new areas. Shrivastava and Bihari (2010:150), stress that those who are interested in pursuing tourism may not be familiar with its costs and benefits because many local community members have little experience in tourism business enterprises and are not connected to international markets. In this respect, it is important to adequately inform communities about both, the benefits and costs, that tourism development can bring and then let them decide for themselves the degree of change to which they wish to subject themselves.

### 6.3. RECOMMENDATIONS AND FURTHER RESEARCH

This research was able to explore how tourism impact influences the livelihoods of the people living around Honda Bay, in particular in Sta. Lourdes, Pandan Island, Tagburos and Bacungan. Results can be used for management issues for LGUs. The SLA was useful to identify the impacts on the different livelihood aspects that together construct ones livelihood outcome. Due to time constraints, this research was limited to the local communities situated in Puerto Princesa, Palawan, Philippines. However, suggested is in order to be able to define possibilities for change in the Tourism industry, the entrepreneurs and tourists should be researched as well. In addition, future research could focus on linking impacts on the host community to management plans by researching the tourist site of the tourism industry in Honda Bay. What they can do and want to do to support sustainable development in the area to further develop the tourism industry. Additional research can be done focussing on the economic aspect of tourism including the 'pro-poor tourism' context in Honda bay, which includes the money flow; following the tourism dollar and measure how it trickles down and what are the 'real' financial benefits and multiplier effects for the poor by means of a value chain analysis. Follow up research could, as well, focus on interlinkages of tourism products with the other barangays around Sta. Lourdes, or explore what other alternative livelihood possibilities could be developed for these groups. At last, as the study area is changing so rapidly, one could do a similar research taking up the sustainable livelihood approach to measure impacts again in five years from now.

Recommendations for LGUs for further tourism development and research:

#### 1. *Self-mobilisation*

It is important for the LGUs to provide the setting for all community members living around Honda Bay to participate in tourism. This does not mean to establish tourism everywhere were possible, instead it is recommended to discuss with the host communities how they wish their area to be developed, to prevent forcing them in the position of living in a tourist attraction against their will. Exploring the options in less frequently visited areas as planned is a chance to inform the community about tourism impacts and to build ground for participation. To support the ability to participate training opportunities should be set up and be easily accessible for those interested to participate in tourism in the future. In addition, a micro-credit system should be established with a low interest rate. Last is important as it often happens that people are unable to grow out of poverty as they have to pay high debts. An idea for setting up a loan system without high risks of non-payment is derived from one I heard of in El Nido. Here community members got clustered in groups of five and each individual had to wait his or her turn to get their money until the person before them had paid a certain amount back or had set up a successful enterprise that could guarantee the money to be paid back. As people feel responsible for

others and are checked up at by these others who depend on them, they are likely to perform better or receive help from the other parties. A similar thing could be thought of in Honda Bay.

### *2. Keep it local*

Rules of the HOBBAI prevent that community members from other barangays around Honda Bay (who wish to) are able to participate in island hopping. However, to share the benefits this should be changed. One option for the LGUs as supporter for this organisation is to change the policies of the HOBBAI of only giving out memberships to people living in Sta. Lourdes. Second as there is an increasing tourist demand for island hopping, this attraction should be expanded. Therefore it could be allowed to open up the bay for other private and / or governmental organisations to operate in the bay. Strict rules and regulations should be put in place to take the environmental concerns in considerations. These rules and regulations should also safeguard the locality of the tourism industry, to prevent foreign ownership taking over. However, this does not mean that foreigners cannot be included in the tourism industry at all. Instead they could function as a financier when setting up new businesses and with this taking up a minority interest in this business. This is already happening in Palawan and should be prolonged in the future.

### *3. Prevent tourism overdependence*

Even though ecotourism is perceived as a good development tool in PPC, to secure sustainability of the industry as well as minimize the negative effects it can bring related to increased vulnerability to some shocks and stresses, development of other industries (that can serve the tourism industry) should be focussed on as well. There are more ways to develop the island and it is important to inform the host community about the short and long term impacts tourism can create.

To refer back to the example of Krishna before (paragraph 2.1.), by diversification of income sources, such as tourism as a new market, people create a new or additional source of income that helps people escaping poverty. Extending livelihood assets as well as the choice and opportunities for the poor are crucial for poverty reduction. Thus, only promoting tourism and herewith increasing visitor rates and length of stay will not automatically result in increased benefits and involvement of the poor. Therefore research into the possibilities for livelihood improvement for fishermen and those not involved in tourism is important. Solutions can be found together with other organisations such as NGOs operating in the region. When LGUs will work close to other local parties such as NGOs, the private sector and local communities they will be able to gradually make positive changes for the lives of their people.

### *4. Strict management to safeguard the sustainability of the natural resource of Honda Bay*

In order to safeguard the sustainability of the natural resource, as well as the tourism industry, strict management is needed. When a good balance between tourism and preservation of the natural resource can be captured, tourism can be sustainable in the long term so Honda Bay can also support future generations in their livelihoods. The main responsibility lies with the tourism

sector, both tourists and the tourism industry, and should be supported by the LGU. Management, for example, includes, training of the ones involved so they now how to operate and be able to give information to tourists and the tourist pulis that controls both boatmen as tourists (also tourists should be kept responsible for their possible misbehaviour). Environmental fees should be used for preservation purposes of the MPA, waste management should be regulated on all islands, and new tourism establishments should meet the standards of being environmentally but also socially friendly. Aside the strict management, it is needed to increase awareness about the need to preserve this fragile marine area. Again not only the tourism industry itself but also tourists should be aware of the consequences of their misbehaviour. The tourism industry should get training and be regularly checked by the LGU. Tourists could be informed by brochures, boatmen ferrying them from island to island, and some general information about the do's and don'ts available on the islands themselves.

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## APPENDICES

### Appendix 1. SL COMPONENTS AND KEY RESEARCH ISSUES (Ashley and Hussein, 2010:24)

Key components of SL framework	Issues to explore
<p><i>Assets and capital endowments</i></p> <ul style="list-style-type: none"> <li>- Human capital</li> <li>- Physical capital</li> <li>- Financial assets</li> <li>- Social capital</li> <li>- Natural capital</li> </ul>	<p><i>Impact on assets:</i></p> <ul style="list-style-type: none"> <li>• Does the enterprise affect access to assets, or change their quality or productivity?</li> <li>• If natural resources are used, are they used sustainably?</li> <li>• Does it strengthen or undermine community co-operation and institutions, particularly institutions for common property resource management?</li> <li>• Does it change access to social networks of households or the broader community?</li> <li>• Does it change the community's relations with the outside world, in terms of influence, co-operation or conflict?</li> <li>• Are cash earnings invested in human capital (education, health) or other reserves (financial, physical assets)? Are skills acquired that enhance human capital?</li> <li>• Are assets used up in the enterprise activity?</li> <li>• How significant are these impacts on assets compared to other sources of change/investment?</li> </ul>
<p><i>Multiple livelihood activities</i></p> <ul style="list-style-type: none"> <li>- On farm</li> <li>- Off farm</li> <li>- Migration</li> <li>- Etc.</li> </ul>	<p><i>Conflicts and complementarities with other activities<sup>5</sup>:</i></p> <ul style="list-style-type: none"> <li>• Is time spent on this enterprise taken away from other activities?</li> <li>• Do enterprise activities conflict with or complement the seasonal timetable of other existing activities?</li> <li>• Is there competition for inputs (e.g. land, resources) between the wildlife enterprise and other activities (i.e. what is the opportunity cost)?</li> <li>• Does the enterprise develop complementary skills, assets, markets that can enhance other activities?</li> <li>• Does it damage other activities (e.g. wildlife damage to agriculture)?</li> </ul>
<p><i>Outcomes (or components of improved livelihoods)</i></p> <ul style="list-style-type: none"> <li>- Improved well-being (health, education...)</li> <li>- Increased income</li> <li>- Less vulnerability</li> <li>- Empowerment</li> <li>- More sustainable use of natural resources</li> </ul>	<p><i>Direct contribution to outcomes:</i></p> <ul style="list-style-type: none"> <li>• How does the enterprise contribute directly to improved livelihood outcomes e.g. cash, food, physical security, empowerment, sustainability?</li> <li>• How significant is the contribution compared to other sources e.g. how do cash earnings compare with other sources of cash? What is the value in terms of what can be bought? Is the timing of earnings of any significance?</li> </ul>
<p><i>People's strategies, priorities and preferences</i></p>	<p><i>'Fit' with livelihood strategies and priorities:</i></p> <ul style="list-style-type: none"> <li>• Does the enterprise match the strategies that people use when selecting and combining activities e.g. minimising risk, coping with drought, diversifying, keeping assets liquid, maintaining flexibility?</li> </ul>
<p><i>Context</i></p> <ul style="list-style-type: none"> <li>- Natural, economic and demographic context</li> </ul>	<p><i>Relevance to the context:</i></p> <ul style="list-style-type: none"> <li>• Does the enterprise change people's ability to cope with shocks or capitalise on positive trends?</li> <li>• Does it help people 'cope' with temporary change, or 'adapt' to a permanent change?</li> <li>• How does it relate to long-term trends – does it counter or amplify them?</li> </ul>
<p><i>External influences: organisations, institutions, policies</i></p>	<p><i>Impacts on and of external influences:</i></p> <ul style="list-style-type: none"> <li>• Does the enterprise affect any of the external forces – organisations, institutions, policies markets, and social norms – that influence local livelihoods?</li> <li>• Does it change policies or behaviour of others towards local residents?</li> <li>• Does it change local people's access to institutions and their influence over them?</li> </ul>

	<ul style="list-style-type: none"> <li>• How does the policy, institutional and political environment influence the project and its impacts? (e.g. what is the role of political culture, power differences, institutional structures?)</li> <li>• How does the policy and institutional environment affect the sustainability of project impacts?</li> </ul>
<p><i>Sustainability</i></p> <ul style="list-style-type: none"> <li>- Resilience in the face of external shocks</li> <li>- Not dependent on external support</li> <li>- Not compromising the livelihoods of others or the NR base</li> </ul>	<p><i>Impact on sustainability:</i></p> <ul style="list-style-type: none"> <li>• Does the enterprise affect the sustainability of the natural resource base?</li> <li>• Is the activity financially sustainable?</li> <li>• Are people more or less dependent on outsiders?</li> <li>• If dependent, is the outsiders' role sustainable in the long-term?</li> </ul>
<p><i>Links between the components, dynamic change</i></p>	<p>Does the enterprise affect how households invest their incomes into assets, or how external institutions influence household opportunities? Does it change the underlying household priorities that shape the livelihoods framework? How does it affect livelihood trends and processes of change?</p>

## Appendix 2. INTERVIEW FORMAT

### Personal details

Date:

Name:

Gender: M/F

Age:

Civil status:

Household size:

Member of community:

Nr. Of years:

Membership:

Education:

Occupation:

Nr. Of years:

Additional income source:

Average monthly income:

*Perceived*

Poor

on the line

Not poor

-----|-----

If poor: In your opinion, how much money would your family need for home expenses each month i.e. to be not considered poor anymore? P

If not poor: In your opinion, for a family as large as yours but poor, how much money would they need to spend each month on home expenses i.e. to be not considered poor anymore? P

### Questions

#### Livelihood outcomes:

- What do you consider as important aspects to have i.e. to be happy with your life?
  - More income
  - Reduced vulnerability
  - Improved food security
  - More sustainable use of the natural resource base
- Why did you choose this job? (what are important features in a job e.g. money, social contact, safety, learning, independency)
- If you had the choice would you consider another job, which one, why?
- Do you experience working in tourism as a good job?
- What skills did you develop or improve while working in tourism
- How does your job help you to develop new skills or improve current ones?
- Does tourism seasonality impact your life (less income, food, more quietness)
- What is your general opinion about tourism, what are positive and negative aspects?
- Can you describe how your community has changed the last 10 years?
- What do you perceive has been the role of tourism in this?
- How has tourism in Honda Bay affected your livelihood? Could you describe how your livelihood has changed with the rise of tourism in Honda Bay.
  - Does it help you to improve your financial status?
  - Do you save money for low season?

- How has tourism changed your social status?
- Where do you spend your money on?
- What do you see as a possible threat for your livelihood ?
- Do you have access to healthcare?
- Do you think benefits of tourism are shared equally among the community?
- How is the relation between tourism and fishers in Honda Bay?
- Do you consider the tourism industry as environmentally friendly? Why? Are you worried about the consequences of tourism for the environment?
- How do you think the increasing tourism will change the community? And what will change for you?
- What do you perceive should be the role of the government?
- How is the natural resource regulated?
- What would you state are positive consequences of tourism in Honda Bay for the community
- What would you state are negative consequences of tourism in Honda Bay for the community
- How do you think tourism will change Palawan in the coming 10 years
- 

#### **Physical:**

- Affordable transport
- Secure shelter and buildings
- Adequate water supply and sanitation
- Clean (waste management)
- Affordable energy
- Access to information

#### Local community members not working in tourism

- What is your profession
- Why did you choose this work for a living
- Can you describe how Palawan has changed over the last 10 years? And do you perceive this as positive or negative
- If you had the chance would you want to work in the tourism sector, why?
- Do you feel you have the choice to work in the tourism industry or not
- How would working in tourism change your personal life
- How does tourism affect your livelihood?
- What do you perceive as positive consequences of tourism in Honda Bay for the community
- What do you perceive as positive consequences of tourism in Honda bay on you personally
- Did tourism help you to expand your personal network
- Did tourism made your work easier cause for example there are better roads, boats, more business to sell products to (increased demand)
- Do you feel excluded from certain types of facilities in Palawan, education, healthcare?
- What do you perceive as negative consequences of tourism in Honda Bay for the community
- What do you perceive as negative consequences of tourism in Honda bay on you personally
- How do you think tourism will change Palawan in the coming 10 years

**Appendix 3. TOURIST ARRIVALS 1991-2011** (Sagun, 2011)

Tourist arrival 1991 - 2011			
Year	Domestic	Foreign	Total
1991	4,020	3,687	7,707
1992	7,379	6,870	14,249
1993	15,129	10,385	25,524
1994	19,659	13,684	33,343
1995	14,604	25,503	38,107
1996	35,218	15,257	50,475
1997	59,495	19,464	78,959
1998	54,121	17,201	71,322
1999	71,580	23,453	95,033
2000	86,667	19,436	106,103
2001	66,098	12,357	78,455
2002	69,704	9,499	79,203
2003	89,203	8,958	98,118
2004	112,194	8,580	120,674
2005	120,971	13,853	134,824
2006	130,390	17,416	147,806
2007	154,387	21,960	176,347
2008	199,790	21,946	221,736
2009	241,916	27,026	268,942
2010	335,599	69,831	405,430
2011	416,299	83,845	500,144

**Appendix 4. GOVERNMENT DEVELOPMENT PLANS** (Sagun, 2011)

Government Development plans		
Policies		
Programs/Projects	Non-Projects/Services	Legislative/Regulatory Measures
<ul style="list-style-type: none"> <li>• Development of more accommodation facilities, tourist attractions, sports, activities and events.</li> <li>• Development of infrastructure support facilities to distant tourist destinations</li> <li>• Installation/provision of communication facilities and utilities</li> <li>• Tourism skills training for front liners, tour guides, hotel and restaurant workers and other tourism industry related workers</li> <li>• Formulation of Master Plan for Ecotourism</li> </ul>	<ul style="list-style-type: none"> <li>• Tourism Marketing Promotion</li> <li>• Activation of tourist police force</li> <li>• Implementation of EO 481 (Promotion and development of organic agriculture in the Philippines)</li> <li>• Implementation of climate change adaptation measures</li> <li>• Implementation of all environmental laws</li> <li>• Improvement of air and sea linkages to major tourist destinations</li> <li>• Licensing and certification of skills and trade of workers</li> </ul>	<ul style="list-style-type: none"> <li>• Amendment of Ordinance No. 171 (Tourism Code) and formulation of IRR by the Sangguniang Panlungsod</li> <li>• Ordinance on Institutionalization of Community Based Sustainable Tourism (CBST) Amendment of Ordinances on Marine Protected Areas and Fish Sanctuaries to include Ecotourism Guidelines and Carrying Capacities</li> <li>• Declaration of Babuyan River and its environs as Local Protected Area</li> <li>• Amendment of Environmental Code of Puerto Princesa to include policies and guidelines on the utilization of navigational lane for water sports</li> <li>• Ordinance Creating the Barangay Tourism Council</li> </ul>
Other development plans contributing to tourism development		
<p><u>Concreting of Roads</u></p> <p>The total road network in the city is 803.949 kilometres. This comprises the 176.531 of concrete-paved, 65.462 asphalt-paved, 694 gravelled, and 21.262 earth-paved. Density of road is 3.55 kilometres for every 1,000 population or 0.3 km for every square kilometre of land area. This is way below the national standard of 1.0 km for every sq. km. The project covers concreting, asphaltting, gravelling and opening of roads in various barangays. The expanded road network is expected to provide incentives for entrepreneurs in the influence area since these roads are interconnected and it will serve as alternate route for commuters to avoid the traffic in the main thoroughfares of the city. During the project implementation, labour force will be utilized thereby creating employment in the vicinity of the project. It is also expected to reduce vehicle operating costs.</p>		
<p><u>Agricultural Development Program</u></p> <p>The program aims to increase agricultural productivity and provide an avenue for capacity building of farm families (farmers, rural women, and farm youth) in terms of crop production, institutional capacity, agri-processing and postharvest.</p>		
<p><u>Coastal Renewal Program</u></p> <p>This reclamation of more or less 5 hectares of coastal areas is the 2nd phase of the program. More or less 1,000 informal settlers will be affected by the project. Among the components of the program are: land purchase for relocation sites of affected families, disturbance fee and site development. This will enhance the tourism and recreational potential of the area.</p>		
<p><u>Agri-tourism Tour Product Development and Development of Rural Industries</u></p> <p>The project will be a public-private sector partnership that aims to develop agri-tourism as an important form or type of tourism, in consonance with the sustainability goals of the City of Puerto Princesa that are anchored on two major economic activities which are agriculture and ecotourism. The project will be able to create new destinations, opportunities for livelihood and additional income to farmers as well as address the food needs of city residents.</p>		
<p><u>Cultural Mapping and Heritage</u></p> <p>The project consists in cultural mapping activities, consultation with stakeholders, formulation of the plan and project details, heritage and cultural resource activities, policy framework and promotion for cultural awareness and appreciation, crafting of City Ordinance on heritage/cultural policy and guidelines to set-up interactive information system that will make for better cultural appreciation of residents and tourists.</p>		
<p><u>Coastal Belt Project</u></p> <p>This project aims to protect the beach forest area in Tacduan-Tagbarungis by planting beach forest trees and ornamentals. The area serves as buffer between the shore and the road. It has a very high potential as tourism product.</p>		

## Appendix 5. SELF-ESTIMATED POVERTY LINE

Respondent	HH size	Barangay	Average monthly income	Self-estimated poverty line	Income gap	Under self-estimated poverty line
A. Canino	8	Bacungan	3,000	15,000	- 12,000	yes
Y. Dagolo	3	Bacungan	Monthly allowance *	-	-	Unknown
O. and N. Obña	6	Bacungan	1,000	1,500	- 500	yes
E. Martinez	10**	Bacungan	6,000	6,000	0	No
N. Malato	8	Manalo	10,000	6,000	+ 4,000	No
G. Quilantang	10	Manalo	3,000	7,000	- 4,000	yes
R. Villa	5	Manalo	2,500	7,500	- 5,000	yes
Anonymous	14	Sta. Lourdes	10,000	-	-	Unknown
E. Byllones	3	Sta. Lourdes	10,000	16,000	- 6,000	yes
M.I. Espanola	3	Sta. Lourdes	6,000	5,000	+1,000	No
V.I. Guevas	1	Sta. Lourdes	4,500	-	-	Unknown
Women massage therapists	-	Sta. Lourdes	6,500	-	-	Unknown
N. Mercado	3	Sta. Lourdes	10,000	6,000	+ 4,000	No
T. Sejour sr.	3	Sta. Lourdes	25,000	7,000	+ 18,000	yes
M. Odesta	9	St. Miguel	6,000	20,000	- 14,000	yes
R. Buhgalso	1	Sta. Lourdes	3,500	3,500	0	No
R. Basulgan	6	Sta. Lourdes	4,000	10,000	- 6,000	yes
G. Villanueva	8	Sta. Lourdes	10,000	50,000	- 40,000	yes
A. Bautista Jr.	4	Tagburos	8,000	4,000	+ 4,000	No
N. Sulaimah	2	Tagburos	18,000	15,000	+ 3,000	No
H. Monera	5	Tagburos	12,000	6,000	+ 6,000	No
B. Nanol	4	Tagburos	-	10,000	-	Unknown
J. Subaan	7	Tagburos	6,000	6,000	0	Unknown
R. Ruiz	4	Tagburos	8,000	10,000	- 2,000	yes
F.R. Plaza	12	St. Miguel	3,000	9,000	- 6,000	yes
G. Mano	3	San Jose	7,500	6,000	+ 1,500	No
R.O. Grimpola	5	San Pedro	Retirement fund	-	-	Unknown
B. Miniaves	1	Roxas	5,500	15,000	- 9,500	yes
<b>Average (p.p.)</b>	<b>5.2</b>	<b>-</b>	<b>1,648<sup>A</sup></b>	<b>1,715<sup>B</sup></b>	<b>- 12,212<sup>C</sup></b>	<b>12</b>

\* In food and accommodation

\*\* has to pay monthly allowance to his first family consisting of 5persons.

$$A \quad \frac{\text{Total average monthly income}}{\text{Total Household size – ones with missing income}} = \frac{222,500}{148 - 13} = \text{PhP}1648,-$$

$$B \quad \frac{\text{Self-estimated poverty line}}{\text{Total Household size – ones with missing income}} = \frac{231,500}{148 - 13} = \text{PhP}1,715$$

$$C \quad \frac{\text{Total income gap – Total income above income gap}}{\text{Number of respondents}} = \frac{105,000 - 41,500}{28} = \text{PhP}12,212,-$$