

The income received from international visitors in 1997 reached \$368 million, more than twice the \$178.4 million received in 1990. This increase in tourists and their expenditures in the last decade have allowed the tourist industry to contribute net credits of more than \$1 billion to the financial advancement of Panama, which allows us to reduce the same amounts in deficits.

I would like to stress the importance of these data, since they indicate that the Panamanian tourism industry holds third place in the value of exports in the whole country. Exports from tourism today are higher than those coming from banana exports, sugar exports, shrimp exports, and meat and coffee exports combined. Of course, I am stressing the fact that, according to our projections, tourism will soon be the number one export in the country.

Tourism has also had a positive effect on the Panamanian economy as a source of jobs. Although we don't completely know the impact of tourism on jobs, the figures of the census organization show that the jobs generated in a direct manner by hotel establishments and restaurants alone grew from 30,000 to 33,000—plus positions in 1997—a growth of 11.1%. These establishments provide jobs for more than 3 % of the population of the

country, and according to information received by IPAT on employment generated both directly and indirectly in tourism establishments, some 54,000 persons were employed in 1997—nearly 6 % of the total population working in the Republic of Panama.

The growth of the tourism industry in Panama is concentrated in the metropolitan area of the capital city, and this is where most investments have been made. Vacation tourism in the rest of the country has barely been noticed. At this time, ecotourism is the most dynamic sector of world tourism, and Panama is extraordinarily endowed to compete internationally in this field because of the wealth of our natural and cultural heritage. In order to attract investments in tourism for the welfare of our country, we have committed ourselves to the conservation and interpretation of our natural and cultural resources. This commitment involves the need to establish political strategies and regulations, and to make investments that can be justified in economic and social terms. In view of this challenge and in the context of the world trend toward tourism, we have an unprecedented opportunity to get the resources of the world to work with us. Through our mutual interests we are working to bring about a transformation of the national

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*"At this time, ecotourism is the most dynamic sector of world tourism, and Panama is extraordinarily endowed to compete internationally in this field because of the wealth of our natural and cultural heritage."*

economy. We have to integrate both the public and private sectors in this work. In this regard, IPAT is involved in many activities, including ecotourism.

First, IPAT is negotiating with the Inter-American Development Bank (IDB) to guarantee the economic resources required for the tourism development plan. We already have a credit with the IDB for \$3 million to carry out the feasibility studies for a general plan for sustainable tourism development. These studies include 4 components: a strategic marketing plan, a socioeconomic plan, committee participation studies on institutional strengthening, and an investment plan.

Second, IPAT is developing a tourism plan that involves committees made up of those who have the greatest ecotourism potential—representatives from the civic society and local authorities to ensure its sustainability. The pilot plan was begun in Boqueté and we hope to continue it in Bocas del Toro, Portobelo, and Paracil.

Third, IPAT is developing an action plan for creating a strategic alliance for conservation in leisure tourism with the support of consultant services. The plan will be developed with IDB funds.

Fourth, IPAT has a program with indigenous communities, specifically the Teriva in Bocas del Toro, and we plan to develop one with the Cunajela Indians to establish sustainable development and tourism for the Sampras Territories. These initiatives will be developed in close

cooperation with key institutions—such as the National Institute of Renewable Resources, the University of Panama, the City of Knowledge, the Ministry of Education, the National Secretariat of Science and Technology, and the development offices of the President of the Republic. We also hope to have the participation of the Smithsonian Institute and the Civil Society through its business and civil organizations.

We are working on several initiatives such as the decree of July 8, 1997, where 5 days of the year will be transferred to the following Monday to extend the weekend in order to provide more tourism benefits to the committees and their visitors. We also have the decree of August 9, 1997, which grants tax benefits toward the restoration of the historic monument recently established in the old section of the city. This should promote and accelerate the process of restoring the properties as they existed in the area. It will also provide to the international and national markets an additional tourism product which would be unique, have high value, and be important for the establishment of complementary businesses which are and will continue to be managed by the private sector. This will allow us to increase the contribution of tourism to the country as a source of currency and business.

Ecotourism is how we define the potential of using natural resources as a way to encourage public and private investment. The capability of a potential

tourist service to take care of the people who come to Panama will be taken into account. We will need to provide training for our human resources. That's why we're starting a massive education program to train the human resources that will participate in tourism activities. This training may also impact the civic and tourist culture that will evaluate the natural heritage we need to maintain and protect. I would like to invite all of you to be part of the critical mass of professionals, investors, scientists, workers, and teachers that we will require to give this vision the energy and synergy that are necessary to make our objectives a reality.

Our vision is for Panama to be a preferred tourist destination due to our Canal, our unique biodiversity, and the quality of our goods and services so that tourism shall be a main source of foreign exchange.

**Cesar Tribaldos** is General Manager of the Panama Tourism Institute. He also represents the Chamber of Commerce and Industry of Panama. He has been President of the Panamanian Council on Tourism, Vice-president of the Hotel Association of Panama, and is a member of the Presidential Council for Promoting Tourism. He is also the Executive Chairman of the Heisman Group, and Executive Vice-president and board member of the Golcola, promoters and builders of the Canal Hotel and Resort.



## Keynote Presentation

### **Rafael Rodriguez,**

United Nations Environment Program, Latin America and the Caribbean

I would like to share with you some of my thoughts as well as positions of the office I represent at the United Nations Environment Program (UNEP). I am sure that this workshop will have results that will be of great significance for strengthening international programs on tourism and the environment, and for setting forth guidelines and establishing regional priorities for action. In our assessment, the importance of this workshop is to make a correlation between the environment and ecotourism. It is not necessary to emphasize to those who represent commercial tour operations the importance of the ecotourism phenomenon throughout the world. It is important to control human consumption for preservation of the environment.

In this workshop, there are representatives from both sectors to dialog. We are here to speak of the importance of the issue and the novel factors involved. Latin America and the Caribbean have a high biological diversity and beautiful natural landscapes that constitute their main tourist resource. However, in most cases the ecosystems are fragile, with limited resistance to environmen-

tal changes. So you understand that the economic and social integrity of the region go hand in hand. Either you maintain it or you condemn it to deterioration. Under these conditions and within the framework of economic and social characteristics which exist in each part of the world, we must ensure the implementation of the following actions:

- 1) Tourist development should take into consideration and respect ecological and social values of the destination;
- 2) An action plan should be prepared that would consider tourism an important element;
- 3) Implement environmental evaluation. Include analysis of cumulative impacts for commercial facilities before granting any permits for development;
- 4) The preparation of monetary-based indicators of the result, taking into consideration the priority process;
- 5) Participation of the local communities and their planning and decision-making;
- 6) Promotion of interagency cooperation at the national and regional level;
- 7) Development of training courses in environmental topics addressed to personnel who are

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linked to tourist projects in protected areas;

8) Promotion of educational programs addressed to the public in general. These should provide adequate information to ensure that the visitors and the population understand their values;

9) Economic incentives should be provided so that the returns generated to the tourism industry will also benefit the natural resources.

The previous guidelines are the result of a survey that shows that despite different economic characteristics, the concerns were the same. In order to achieve stable ecotourism, you must know the social values and the results of environmental studies when you do the design and the planning of tourist activities. An ecotourism project cannot be something isolated, it must take into account the environmental policies and development policies that were defined at the national and local levels. Whenever possible, tourism should be a productive activity and it should have a management plan that has already been established. The infrastructure is a very delicate topic. Our survey showed differences in the degree of development. Some places do not have the facilities to satisfy the basic needs of the visitors. Others have problems due to the growth in the number of visitors—increasing costs, incapability to satisfy the demand, as

well as problems with the concept and design. These facilities—water, water consumption, energy, disposal of waste, and water treatment—are some of the questions that have to be answered. The environmental evaluations are not compulsory, but they should be carried out. They are very important. They should be carried out during the planning and development stages. Water quality and social effects should be identified to be able to implement corrective actions. You can only handle what's been quantified.

We should emphasize the benefits that can be generated by ecotourism for the local population and convince the population that wildlife and natural resources have an economic value and therefore should be protected. Tourism benefits local projects through the creation of jobs and new infrastructures that improve the quality of life.

Cooperation between the public and private sectors is extremely important. The survey shows that there is a lack of this, which generates a lot of difficulties. The management of visitors requires providing adequate transportation, control of access, delimitation of zones, trails, and itineraries. All of these are important tools for maintaining a balance between conservation and tourism development, especially for vulnerable areas. To define

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and implement this management of visitors appropriately, it is essential that all personnel have a knowledge of the resources and values of the site. You should have training for the guides and information on this site. We shall have to pay attention not only to tourists, but to the local inhabitants, especially young people.

Lastly, an important part of the income generated by tourism should be assigned for improvement and management of the place—improvement and management of infrastructures, installations, facilities, personnel recruiting and training, and for the natural resources. It is therefore important that ecotourism be well-planned and managed, and it requires strategic association in order to avoid problems. Each participant has a responsibility of placing ecotourism within the role of sustainability. The governments are responsible for establishing the rules of the game under which the private sector can operate.

Legislative action is the first step. The international convention should be ratified and there should be a follow up. There should be a legislative framework that regulates things such as physical plants, evaluation of environmental impacts, protection of flora and fauna, and rules for water conservation and pollution.

The governments also are responsible for developing national strategies for conserving ecotourism. This should be a valuable opportunity through roundtables and working groups

to stimulate the dialogue among the main participants. The preparation of codes of behavior for tourism can offer opportunities for creating an awareness on environmental topics and to stimulate dialogue and to form associations. The private sector may do and has already done a lot for the environment because it has prepared guidelines for members to see on subjects such as considering the environment in the development planning stage, and using practices that are environmentally safe. Measures have been taken for development of the codes and for adequate standards. The guidelines for the work tourism concept emphasizes these codes. Businesses can also develop useful programs. The airlines could place information at airports and on planes; travel agents could have information on the environmental performance of the travel agencies; travel operators could work with the hotel owners and visitors to provide guidelines and information to clients. The hotels could also implement environmental measures for saving water, energy minimization, recycling of waste, and training of personnel. Modifications can be very simple such as just to wash towels and sheets when the guests leave and not to use disposable glasses and replacing electric collars for gas burners. Our office has prepared, together with the International Association of Hotels and with an international initiative for hotels, a manual of tools to help hotel owners develop these practices. The non-governmental organizations have specialized information on local topics and regional topics and

can play an important role in identifying, revising, and implementing projects. All participants can contribute to the creation of an awareness through the media and the local population, and to contribute to the participation in this association.

In conclusion, I would like to mention that in the case of ecotourism it is evident that, at this time, we're at the same situation as when the development of a large scale tourism was being implemented. The probable risks are even greater here, since ecotourism is occurring in sensitive environmental areas and the consumers are looking for high quality experiences. Evidently it is essential that the local population be involved—that there be commitments from all those who are interested and monitoring of the results and impacts that result. It's also necessary that the principles and options that exist for reducing the impacts caused by tourists and visitors be applied in existing hotels. They play an important role in this project. I'm sure that this workshop will be very useful and will contribute to the development of national strategies to obtain a system of tourism efforts covering not only tourism itself within ecological areas, but also covering hotels of any category which are for lodging visitors. The pros are willing to contribute with you and with the people in the region to support the deliberation which results from this workshop. Thank you very much for your kind attention. Are there any questions?

### **Question:**

*Many of the areas which are attractive ecotourism sites are also some of the most sensitive environments and have threatened species. What is being done through the United Nations that will assure that the impact of increased visitors and tourists will not destroy the very elements that are unique, that attract tourists?*

### **Answer:**

It is impossible to summarize the information in 5 or 10 minutes. Latin America has an enormous advantage in comparison with other regions in that there's a forum concerning the environment that meets every year to define environmental priorities of the region. The next meeting will be held in Lima, Peru, and prior to this there will be a preparatory meeting related to the next ecological diversity conference. In this preparatory meeting one of the main topics that the ministers have defined as a priority is the management of protected areas. Obviously, when we're talking about protected areas we're talking about ecotourism, legal practices, economic incentives, evaluation of the diversity, etc. It's important that the deliberations we have at this workshop be sent to these ministers so that they can consider them and handle them as a priority in Latin America and the Caribbean. There's an enormous project known as the establishment of the Mesamerican Biological Corridor which involves Panama. Ecotourism is one of its components. Environmental education and management of regional

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legislation are topics that are very important in order to link the sustainable management of the resources. Many of our protected areas where the practices of ecotourism take place have not even defined buffer zones. They are areas that are decreed on paper, but no one has told the people who used to live in these natural protected areas. No one tells them that the new legislation has been modified so the areas can receive tourists, capture income and tools, and send this income back to the parks. In many places, income from the parks that have controlled access goes to the ministers of the economy and is never returned to the parks. One such case is the Galapagos Islands. These are numerous in Latin America, and it was mentioned in a previous presentation that our office does not develop or promote tourism in these protected areas. What we propose is that these be managed until the statutes and policies are well established. Then the governmental sector should be charged with developing our tourism projects. Right now there are a number of loose ends, and if they are not joined together in the puzzle, we could be promoting the destruction more than the benefit of the natural areas. There are other examples of which you have probably heard. Places that featured the monarch butterfly or whales, where the ecotourism activity grew so much that now it is unmanageable and the resource that lives off this tourism is degrading. So, as you imply with your question, we have to be cautious and sensitive to individual areas when promoting ecotourism.

Thank you very much for your attention.

**Rafael Rodriguez** is regional coordinator at the United Nations Environment Program (UNEP) for natural resources of Latin America and the Caribbean. He is a biologist who specializes in coastal resources. He is an ex-Board Member of UNEP's Secretariat for the Global Environment Conference in 1992, where he was responsible for capacity building and oceans.





## Conservation of the Environment in Panama and its Relationship with Ecotourism

### Oscar Vallarino,

Executive Director, National Association for the Conservation of Nature (ANCON) in Panama

Good morning to all of you representatives of the national government, colleagues, Mr. Watson, founder of ANCON, ladies and gentlemen. I would like to talk a little bit today about how an organization such as ANCON ends up channeling itself towards developing a new ecotourism project. I would like to begin by saying that if we do not change with the times and become more efficient as we enter the new millennium, we will disappear. ANCON has gone on for 13 years, and our mission is to protect biodiversity and natural resources for the benefit of future generations. For all these 13 years, ANCON has achieved a great many things concerning preservation in Panama. However, like other non-governmental organizations (NGOs) in Panama, it is suffering at the present time, and all kinds of problems, especially lack of resources, have led it to develop a new ecotourism project. This new project will lead us to what Hana Ayala spoke of—to give the world a quality product that will allow our country to be involved in ecotourism and to have ecoreserves that are of low environmental impact.

Panama has more than 10,000 species of plants. More than 1,200 of these exist only in Panama. If they disappear from Panama they disappear forever. We have more than 900 species of birds, many species of mammals, and hundreds of reptiles and amphibians. Unfortunately, our forests are being destroyed. Every year in Panama we lose around 120,000 - 170,000 acres of forest coverage, which represents a big problem. This deforestation is mainly caused by slash and burn forestry practices which pollute the watersheds that supply water for population centers. The Panama Canal is our main economic resource, and it depends 100 % on fresh water. Likewise, our cities and many of our hydroelectric plants depend upon water. To give you an idea of the scope of the problem, in 1950, 60 % of Panama was covered by natural forests. In 1985, the estimate was only 40 %. These losses have been concentrated in the high country, the Darien region, and the Canal basin. Projections show that pressures on these natural resources will continue to increase according to the pressures of population. If we

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continue at this pace, we will probably deplete our natural resources by the next century.

What has ANCON done so far? ANCON is a nonprofit organization exclusively dedicated to protecting the natural resources we still have. We are conducting field work to try to stop deforestation in cooperation with national entities and other NGOs. The Darien National Park, with over 1.2 million acres, is one of the sites in our country where the culture, tradition, and mystique of our aboriginal people is still intact. The Darien has its own unique traditions, its own people, its own way of living. Likewise, we have in Chagres National Park nearly half a million acres of forest which are critical to the water in the watershed. We at ANCON have cooperated with the National Institute of Renewable Resources (INRENARE) in the demarcation of these national parks. We have created trails through many of these areas for environmental education. We have been able to transfer technology to more than 7 farms where we try to get the people to create sustainable agriculture. Also ANCON, through agroforestry projects, produces more than 1 million plants per year, which we use for reforestation and recovery of soil in degraded areas making them productive areas again. In one sector, ANCON started with a series of environmental training centers. We did not intend to develop ecotourism; our intention was to create centers that would address conservation problems and develop techniques and capabilities to restore these areas. Then from there we would

be able to learn and know a lot more about conservation of these natural resources.

The Punta Patino Reservation, with 75,000 acres in Darien, has more than 10 % of the mangroves that exist on the Pacific side of Panama. For this reason, this reservation is very important for the protection of marine resources, especially commercial fishing. In Chagres, we have the Chagres Center, which has been used for ecotourism. This center is adjacent to a park which has trails visited by 5-6,000 persons a year. Additionally, the agricultural farms adjacent to the parks act as buffer zones. At Bocas del Toro, where hundreds of sea turtles arrive every year, ANCON protects this park with INRENARE and other organizations. In this area, ANCON has another center which is used by the communities for ecotourism and environmental education activities. We worked with groups such as Save the Rain Forests in the United States which sends approximately 12 groups of students every year to train at these centers. We are talking with all local operators to seek a way to work together with them and to offer them our services.

I think that the NGO, as part of the private sector, has to try to be more efficient and more effective in the work that it carries out. In the case of ANCON, we have been working for 4 years doing everything from ecotourism to environmental education. Finally, some of this work clashed with our mission. Our mission is not to carry out ecotourism, but to protect biodiversity. This is when we

decided to create outside of ANCON a for-profit organization producing direct benefits in order to reinvest them in conservation of natural resources for the benefit of Panama's biodiversity. This is important and it is a new model. I do not think that it has been done in this manner anywhere in the region. There are similar examples in Bolivia, Nicaragua, Honduras. However, we are experimenting with the sole idea of creating a world class product. I think it's part of the role of ANCON to help develop this new challenge of ecotourism for our country. All organizations like ANCON should join the effort carried out by the Panamanian Tourism Institute (IPAT), the Smithsonian, and others in a positive manner, with experiences that are tangible and that can be measured over time. I think that it is up to all of us to work together to help define and achieve this new challenge, the development of ecotourism in Panama. Thank you. Are there any questions?

**Question:**

*Will this benefit other companies?*

**Answer:**

Of course. It will benefit other businesses and it will sell the products of other companies that are not a part of it. We are working with many of the other local operators in Panama by using ANCON centers or through tourism packages. Eventually, when these services are placed for sale, we are going to be open for anyone willing to invest or to be a part of this ANCON experiment.

**Question:**

*Is this a nonprofit organization that will later be profit making?*

**Answer:**

Yes. The investment has been made with nonprofit donations. The ANCON centers are maintained for nonprofit purposes, under the leadership of ANCON. They are not being sold. The company will administer them, but the profit will be a donation to fulfill the mission of ANCON. This is one of the mechanisms that is being used in other countries. For example, there is a group in Bolivia where the NGO has planes that they rent or lease to take the tourists to the parks, and with these resources they protect the parks. The problem is that when the income reaches a certain level, you must legally start paying taxes. However, it is also important for us to see the effort that is being done through ANCON expeditions. I think it is a good example of how we can contribute to the environment.

This is a nonprofit organization. The net income of the company goes to conservation. It is an example that is uncommon and interesting. I think that all companies who make a profit off of ecotourism should find a way to cooperate by protecting this natural environment that we all use for ecotourism in Panama. So the investor has to know that anything that is earned will go back to the environment. If there's a shareholder, you pay for the shares, then what is left will be returned to conservation or preservation. Right now, ANCON is 100 % owner, and anything that is earned by the company at this time goes to conservation. However, if shares are sold, we will have to pay the shareholders and then the part of the money ANCON receives will be used for conservation. Thank you very much.

**Oscar Vallarino** is the Executive Director of the National Association for the Conservation of Nature (ANCON) in Panama. He started there in 1987 as director of the Science Division. In 1989 he became Assistant Director of Administration and Development, and in 1992, Director of Operations. He has a degree in marine biology, and has done post-graduate work in physiology and zoology of marine vertebrates.



## Benefits to the Hotel Industry of the Development of Ecotourism

### Herman Bern,

Ventas & Proyectos, S.A., Developer of Gamboa Tropical Rain Forest Resort

Good morning. I would like to thank the organizers of this event for inviting us to speak and to discuss ecological issues which are of concern to us all. This is the first time that we're going to present to the public our project, Gamboa Tropical Rain Forest Resort. I was even telling the director of the Panamanian Tourism Institute (IPAT) that tomorrow we're going to present it to them so that they can be aware of it. So this is something in advance.

The Gamboa Tropical Rain Forest Resort is a project that resulted from ecological concerns we had more than a year ago concerning the old Golf Club in Gamboa. The project has been approved and we are in the process of ratifying the contracts. This will be a chance to show our country the strengths that we really have. Panama is a country that is known for its trade and the Panama Canal, but it is not known as a tourist destination or even as an ecological destination. We think that we have a great future here. I discussed this with Dr. Hana Ayala before the meeting, and we agree that Panama has a great future, especially by exploiting those things

where we are unique, where we have competitive advantages with other countries. Panama probably would have difficulty competing with the Caribbean beaches, or attractions such as Disney World, because these are unique for those places. But Panama also has its unique things--one of these of course is the Panama Canal. Another unique advantage we have in this tropical area is the great reserve we have around the Canal, which protects the Canal watershed. That is where our interest came up, developing a tourism project on the banks of the Canal. And that's where the idea came up to develop a project at the site of the old Gamboa Golf Club.

I want to show you some slides of the project--the first time they've been presented in public. Our consultants and architects are working at full speed in developing the concepts and in developing the plans and drafts that will be part of this resort. We are addressing our tourism activities toward high-level tourists. Just as the National Association for the Conservation of Nature (ANCON) has its reserves, Darien, Bocas el Toro, and even national parks, we have to find a

*"I want to start by telling you that for this project to be feasible, the most important thing besides building it is to be able to market the project adequately. We found out the project cannot be marketed if we do not first market in our country Panama as a destination."*

high-level tourist that has enough money and time to be able to visit a project such as Gamboa, and then offer him or her the attractions surrounding this project.

I want to start by telling you that for this project to be feasible, the most important thing besides building it—and I believe that we know something about construction—is to be able to market the project adequately. We found out the project cannot be marketed if we do not first market in our country Panama as a destination. So one of our first objectives is going to be to market Panama. A few days ago I was showing the director of IPAT some of the things that we're planning. We have created a new logo for Panama, "A New Panama." So I'm going to show you some slides and then I'm going to present a little bit more about the project, and then will open it up for questions.

What you see in this first slide is a logo we have created called "The New Panama." We think that to promote tourism outside the country, we need to forget about the past. I will be able to sell a new image, a new Panama, a Panama full of hope for the 21st century. One of our troubles is that we don't have something as marketable as a theme park, like Disney World. However, we have nature as our theme park.

This slide shows the logo, "The New Panama," and in the lower part we have the Canal with a cruise ship going by. We are located at what was called the Gamboa Country Club, which is

on the banks of the Chagres River, precisely where the river joins the Canal.

I want to give you the image that we'll make a project that wealthy people will want to visit. The people who have the leisure time and funds are people from the United States, from Germany, and from other parts of Europe. They're going to travel on cruise ships and on planes, and they're going to stay at the best hotels. That's our market. That's the market we're aiming for.

As part of the resort, we have planned a series of activities. Gamboa is 30 minutes away from this location, 30 miles from the city of Panama, easy to reach by highway. It's beautiful; practically a little national park with very little traffic. If people want to see ecology, they can stay a week or however long they want to, to enjoy nature and the diversity that we have in this place. For this we have created a series of different tools, or experiences. We believe that each ecological expedition will be a unique one, and that each person that takes the tours can have experiences he or she will remember always. So we have these tours. Some will be on foot, depending on the degree of difficulty. We can also have those with great difficulty where they will be exposed to sun, rain, etc.

Some of the things that we can show from Gamboa, we can also show them from many other different places in Panama. Other things make us different from the neighboring countries. One of these things happens to be the

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indigenous culture. We are lucky in that very close to Gamboa, we have several indigenous communities. We want to interact and work very closely with them, so that we can show their culture, their way of living, and so that people will want to visit us. Obviously, the boats of all the rivers within the Canal are very important for river tours, fishing, observation of nature, ecology, birdwatching, etc.

One of the most important components we want to offer in Gamboa is a cable car, stretched between 2 towers on wires so that people can just go up easily to visit an area such as a rain forest. Not all the tourists will be able to climb up and down mountains, and across rivers. But by installing this type of system, it won't matter how old you are. You could be children or adults; you will be able to enjoy the beauty of our nature. This is the area where we are going to build this type of lift—places where there are things like alligators or the crocodiles. While these are an important part of nature, and very attractive, we will put in this type of activity here because tourists don't like to be eaten by crocodiles.

Fishing is a very important part of our project, and bass fishing is an important market that has to be exploited. Obviously we'll have a need to visit the rain forest. It will be part of the tours that we'll be offering through the Gamboa Tropical Rain Forest Resort. Panama is a country that is well known for its great variety of tropical birds, and Gamboa is in the middle of the protected Canal

watershed which has a great diversity of birds. This is something else that we would be offering as a tour.

The most important part of the resort is the hotel. This is going to be a deluxe, 5-star hotel in the rain forest. You have a series of facilities within a very natural environment. When people come back from their hike in the forest they will be happy to find a jacuzzi, champagne, etc.

This slide shows the location of the facility. This used to be a golf course. It was obviously maintained, with the lawn already cut. But we're not going to play golf in Gamboa. We're going to give it another use, an ecological use. This spot here in the back part of the resort is the national forest where we want to install the lift. So, directly from the resort you can take the lift or go to the mountain that you see in the back part. Also, where you see the yellow broken line, we're going to have what we call a scientific pathway. These are a series of houses and wooden cabins that are unoccupied and in very poor shape. We want to rehabilitate them completely and offer them to scientists and students to use while conducting research. Guides that we're going to be using for our activities will be scientists or people with great knowledge of the topics so that the experience will be very enriching for our visitors.

We're applying the use of the different areas for different purposes. We also have the marina area which will be rehabilitated with restaurants, safety, gas, boats, all

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the things that people need for fishing or for taking boat tours of different parts of the area.

What you're seeing here is where we're going to have the hotel itself. In the first phase it will have 100 rooms. It will have swimming pools, tennis courts, maintenance areas, and a botanical garden where we can grow some plants that we cannot see in the forest. On the banks of the river we're going to have some cabins that may be rented or bought as time-sharing cabins. Anyone who might want to stay for weeks does not need to be in the hotel, but could be in an environment that is much more rustic and in contact with nature.

This is a view of something else we want to do. We give these photos to our architects and say "This is what we want to achieve." This is a luxurious environment but it is also rustic because it uses local materials timber, rocks, etc. I like to imagine myself in Gamboa, in a room with a view of the mountain and the river, but with all the luxury that I could want. We want to provide an ecological experience, but we also want to provide a big world experience. That's why we have the champagne here, the big bed, and a view of nature. This is a photo composite, some from Gamboa, some taken from other resorts, to show how we want the exterior of the resort to look. The use of water is very important. The interior we want to have is very luxurious but with simplicity and a rustic look that won't clash with the environment.

Here we have a map of Panama, and we are convinced that for any project of this nature, in order for it to be successful, we have to sell the country, Panama. When it has achieved a good name abroad, then it would be much easier to market a product such as Gamboa Tropical Rain Forest Resort. I think that the photos speak more than anything I could say, but I will gladly answer any questions that you might have. Thank you for your attention.

### **Question:**

*Have you considered the environmental impact of this project?*

### **Answer:**

We are at this time contracting a company to conduct environmental studies that are necessary for this type of project and to conclude in a scientific manner the capacity for the tourists. We do not have the answers yet because we're just entering the design phase and the economic feasibility study phase but we have discussed this topic.

### **Question:**

*I congratulate you for such an ambitious project. I think that in Panama, the people have neglected this type of thing. But I think in the planning stage it is important that we include conservation ideas as mentioned by Mr. Rodriguez, so that this site will provide first-class tourism and would also use conservation practices and procedures. So I must say that I was shocked when I saw so much wood used. We don't want to give the example that we're extracting so much wood when there are commercial*



*timber companies nearby who could provide this type of material.*

**Answer:**

Aside from experiencing this tropical rain forest, this project includes conservation elements. This is very important. We will not just pay lip service to conservation, but will include it from the very beginning. Thanks for the tip. Aside from being good for conservation, it is also very good for business to market it this way, because tourists who come to this place now are interested and want to know that it is not a destructive use of timber or whatever. Yes, I agree with you, and there are several topics that we are discussing to this end. For example, we are discussing the partial use of solar lighting. Obviously, energy needs cannot be fulfilled completely with solar energy, but we are considering it. As for the use of timber or wood, we're probably not talking about natural timber in Panama, because we have termites and the timber that's going to be used in a resort is going to have to be treated with chemical substances which we do not have in Panama. So, we're talking about using imported timber, from forests that have been cultivated for harvest, not natural forests. This is very important and all these things are being considered.

**Question:**

*It is important that private enterprise participate in this type of project, and your work is commendable. It's not conservation for the sake of conserving, but it is constructive. You were*

*mentioning whether the ecosystem could withstand having tourists. The tourists could pay for this as a part of a hotel package. The tourists could say, "I will pay \$100 every day for the room, but \$5 of it will be assigned to conservation programs," and the owner would promise to re-invest it in conservation programs. I do not know what the area looks like and I do not know the local community, but this is the type of program that can change people's lives. If local fishermen work in the hotels making beds or in the restaurant of the hotel, it can change their mentality and their way of life. These are things that should be included in the environmental impact study. My thought is that if you consider these things in the planning phase instead of making serious mistakes later when nothing can be done, you benefit and the community benefits and the natural areas are conserved.*

**Answer:**

Yes, of course. And this is just like thinking about which came first, the chicken or the egg. It is very worrisome. Obviously, the first phase would be to negotiate with the Interoceanic Regional Authority (ARI), and we are doing that. It's difficult to contract a large number of studies. First, what you want to know is that you have a contract to see what you can do. Then, our idea was to conduct some preliminary studies to determine some basic issues which are very important, such as private investment. But now we are entering into the details and we have to delve into these issues. We are aware of the

fact that we want to have a president manage all the resources and not to have an offer that could bring us problems in the future. But we are following these steps based on milestones that we planned. First, we had to talk to the ARI, then to IPAT and the National Institute of Renewable Resources, to ensure that we comply with all the requirements. And a very important point which I did not mention was that once the project is completely established, if we have all the elements, we can take advantage of Law 8, tourism article 23, where we get shareholders. People can be shareholders in this project, and not just a small group of people. We're going to expand our base so that anyone who is interested in being part of an ecological project of this nature, can be a part of this activity. And this has some tax benefits also that shareholders can take advantage of locally.

### **Question:**

*How are you going to assure that this project will not be a major problem for indigenous peoples?*

### **Answer:**

To achieve cooperation from the indigenous people, we have to work very closely with them and be able to affirm that they will receive some benefit from their cooperation. We have an expert in indigenous activity on the committee advising us of these aspects, and it will be part of the environmental impact assessment. There won't be a problem in the future. I don't want to go into all the details because we're doing this analysis at the present time, but it is very important.

*Herman Bern has developed several construction and real estate companies under the holding company Ventas & Proyectos, S.A. He is currently developing the Gamboa Tropical Rain Forest Resort in Panama. Mr. Bern received a degree in civil engineering from Santa Maria La Antigua University, Panama, and has pursued post-graduate studies in economic planning, port industry, administration, economic analysis, and project administration. He began his career as an engineer for the Panama Canal Company and for the Panama Ministry of Public Works. He is a former president of the Panamanian Construction Chamber.*



## Luncheon Presentation: Accomplishments and Plans for Environmental Conservation

### **Oscar McKay,**

Executive Director, Fundación Natura

Good afternoon ladies and gentlemen. First, we wish to thank the organizers of this important symposium for the opportunity to present to you the vision, mission, and development of Fundación Natura as a financial strategy for the conservation of Panama's ecology.

We have divided this presentation into 3 parts: First, the conceptual framework, which includes the actors within this strategy—Fundación Natura and Panama's ecological trustee. Second, the accomplishments or achievements obtained in the program's development in which we have been involved since its inception; and finally, our strategic vision.

Within the framework of this financial strategy for the conservation of ecology we have 2 very strongly intertwined elements: Fundación Natura and FIDECO (Trust).

Fundación Natura is a private, nonprofit organization that was incorporated on March 28, 1991. Its mission is to protect, conserve, and recover Panama's biodiversity, natural resources, and ecology through the promotion, financing, and strengthening of ecological initiatives. Among the

driving values that have been identified by our Board and Executive Team is that the Foundation must be innovative in accomplishing the work of its mission. It must work with honesty and clarity. We believe in the conservation of biodiversity and of natural resources; we are committed to the solution of ecological problems, and we respect life in all its forms.

After its formation, Fundación Natura received an initial grant of \$280,000 from the United States' Agency for International Development (USAID), and an ecological grant from The Nature Conservancy. These donations were used for the initial operational expenses of a number of small projects in the Panama Canal watershed and to develop a training program for the agencies in charge.

Initially, a debt exchange was tried to establish a National Ecological Fund. These efforts were not fruitful. After a long period of negotiation, direct capitalization of the Ecological Trust of Panama was established with an initial heritage fund of \$25 million. This was an unprecedented milestone, at least in our country.

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