Building a Secure Financial Future: Experience of Annapurna Conservation Area Project (ACAP), Nepal

Some lessons from conventional PAs
1. High cost of relocating local people to establish a conventional PA
2. High opportunity cost of Culture, Traditional Skills and Knowledge in conventional PA
3. High cost of involving Armed Force
4. Park – People conflict

Annapurna Conservation Area, Nepal
The ACA was established to address –
- Financial issues in conventional PAs
- Cultural and traditional issues in conventional PAs
- Socioeconomic development issues in conventional PAs

Annapurna Conservation Area, Nepal
- 1,000 m to 8,091 m asl in an air distance of less than 35 km
- Subtropical wet to alpine dry
- Rich biodiversity – habitat of endangered species
- Rich culture – Shamans, Buddhists, Hindus
- Largest Protected Area
- Most popular trekking destination of Nepal
Establishment of ACA

With the following principals ACA was established
1. Include local people in ACA management
2. Investigate financial sustainability
3. ACAP basically play “catalytic roles”
4. Promote ACA as ICDP

Options for Financial Sustainability

1. Minimising the cost
2. Generate internal income in addition to Funds from Government’s central budget and Supports from Non-governmental organisations

Reduction of Cost

1. No displacement of people from the area
2. Community involvement in ACA management
3. No use of armed-force for ACA management

Generate internal income

1. Plough back the Tourists Entry Fee to the ACA management
2. Utilise other internal revenues for ACA management

Income generation
- Tourism
- Nature and Culture
- Socio-economy
- Infrastructure

- Income generation
### Financial Sources of ACAP

![Graph showing financial sources of ACAP]  
- Donor support
- Government
- Internal revenue

### Miscellaneous and potential revenue sources

**Miscellaneous revenues**
- High value cultural tourism in Upper Mustang
- Mountaineering revenue
- Revenue of drinking water in downstream urban centre

**Potential revenues**
- Revenue from commercial use of natural resources – NTFPs - based on scientific management
- IPR – of the resources within the PAs
- Revenue from use of water resources – hydro power
- Increase the amount from drinking water revenue, mountaineering fees, open new peaks for mountaineering

### Mitigating Park – People Conflict

**(A strategy of minimising cost)**

**A. Promote Multiple Land Use Management at Landscape Level**

![Map showing land use management]  

**B. Promote Integrated Conservation and Development Programme (ICDP)**
- Nature and culture conservation
- Tourism management
- Income generation activities
- Social development activities
- Basic infrastructure development activities
Thank You