

PROJECT STATUS REPORT

JANUARY 2011 - JUNE 2011

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Developing the North Department as a Tourism Destination

Project Number: HA-M1037 - Operation Number: ATN/ME-12283-HA

Purpose: The purpose is to organize and facilitate private-public management of the tourism destination with the participation of local economic initiatives (community based businesses and individuals, rural and urban MSMEs), promoting a competitive tourism supply based on historical, cultural and natural attractions that are unique in the Caribbean.

Country Administrator
HAITI

Beneficiary Country
HAITI

Group
ENV - Environment

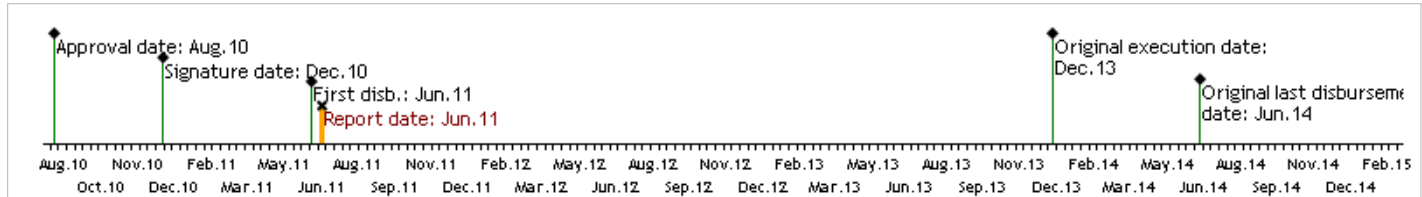
Subgroup
TOUR - Sustainable Tourism

Executing Agency: Centre for International Studies and Cooperation

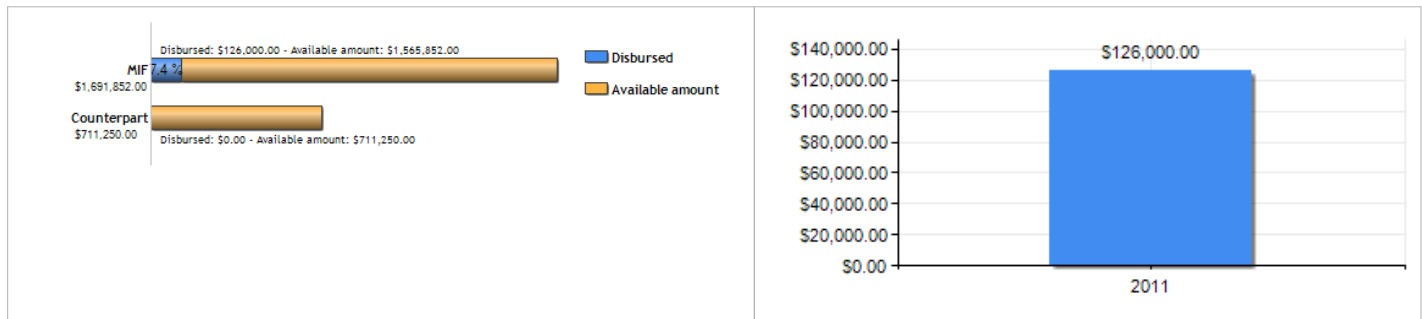
Design Team Leader: Soler, Santiago

Supervision Team Leader: Pascual, Joana

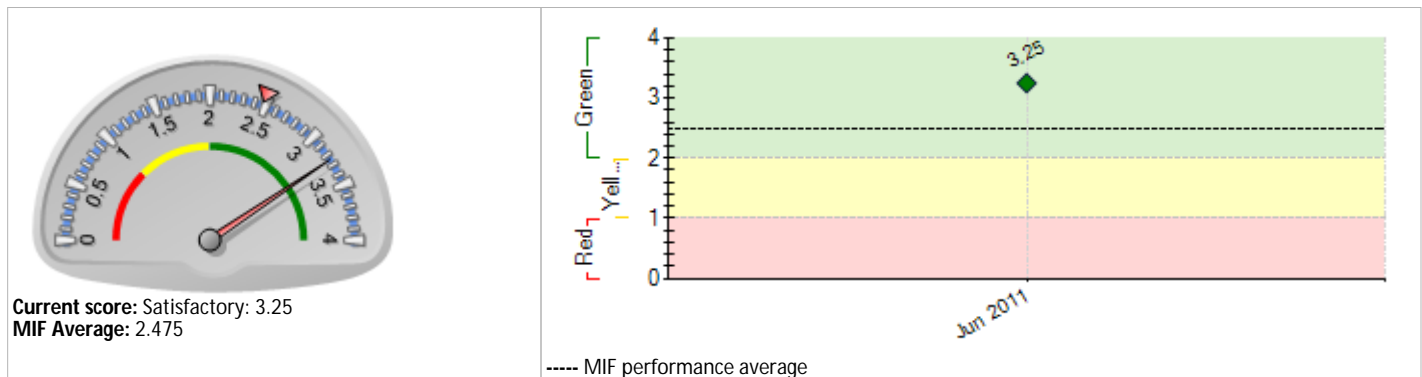
TIMELINE



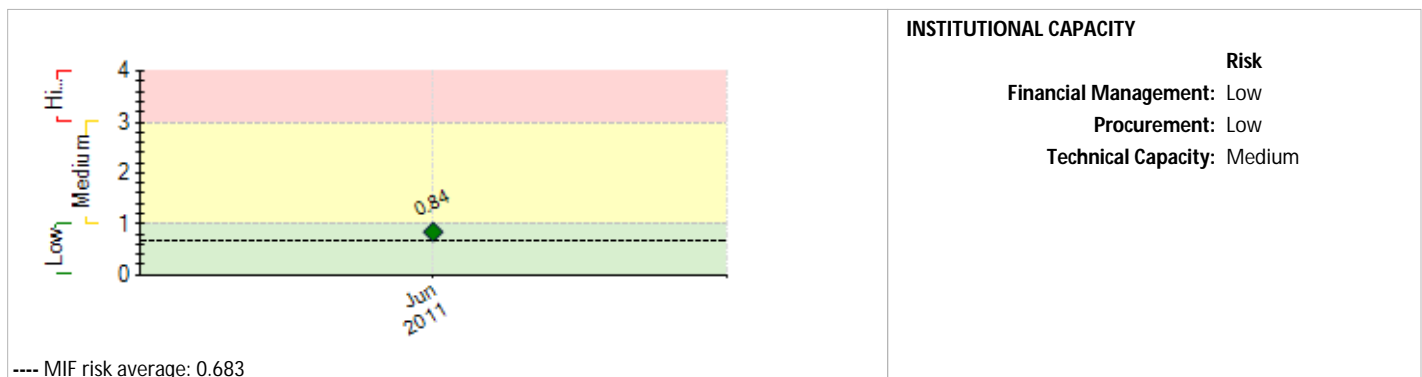
FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS



INSTITUTIONAL CAPACITY

Risk
Financial Management: Low
Procurement: Low
Technical Capacity: Medium

SECTION 2: PERFORMANCE

Summary of project performance since inception

-Arrivée du coordonnateur du projet (Jean Phariste Pharicien), en Haïti, le 19 avril 2011 - mai : Initiation aux procédures de gestion administrative avec le CECI et la BID. 2- Du 16 mai au 15 juillet : Tournée intensive de rencontres avec des acteurs diversifiés du secteur du tourisme et connexe au tourisme pour expliquer en profondeur le projet. 3- L'organisation et la tenue des deux journées d'atelier de lancement du projet, les 20 et 21 juillet 2011 avec plus de 60 participants. Les bases de l'Organisation de gestion de la destination (OGD) ont été jetées pendant ces deux jours. 4- Les termes de référence ont été publiés pour la recherche d'un consultant pour l'activité 1.6 : *Développer un modèle de gestion d'un parc national*. 6- Les termes de références des deux premières consultations ont été publiés en date du 27 juillet 2011.

Le projet a subi des retards dans l'élaboration des termes de références et le lancement des appels d'offre pour les consultations du premier trimestre, compte tenu du premier décaissement fait le 16 juin 2011, soit presque à la fin du premier trimestre. Au cours des prochaines semaines, un accord sera signé entre le ministère du Tourisme, la BID et le CECI. Cet accord devait être signé plus tôt mais le contexte politique ne s'y prêtait pas. Un accord sera également signé avec l'ISPAN

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Political situation in Haiti:

Unlike other MIF projects, the effective implementation of ATN/ME-12283-HA requires support from the public sector, particularly from the Haitian Ministry of Tourism, Ministry of Culture and the Institut pour la Sauvegarde du Patrimoine National (ISPAN). A new Haitian President was elected in May 2011 however as of September 2nd, 2011, the new Government of Haiti is still not in place. This has implications for the MIF project since the set-up and implementation of a Destination Management Organization - in essence a public private partnership for the promotion of tourism in the North - requires active participation from the aforementioned government bodies. In spite of this, CECI, our local partner, has managed to effectively carry out a tourism workshop in Cap Haitien with all the key stakeholders, entertain meetings with ISPAN and the current Ministry of Tourism working towards an MOU, as well as launching the first consultancies of the project.

Summary of project performance in the last six months

Au cours des prochaines semaines, l'équipe du projet procédera au processus de sélection des candidatures reçues pour réaliser les mandats définis sous les activités 1.1, 1.2 et 1.6. De plus, au cours du prochain trimestre, il y aura la préparation, l'affichage, le recrutement et la réalisation des mandats pour les activités suivantes : 1.3 : *Design et validation de l'OGD*; 1.4 : *Développement du plan d'affaire de l'OGD*; 1.7 : *Étude de faisabilité pour des projets d'investissement*; 2.1 : *Études de marché et segmentation*; 2.2 : *Identification des produits potentiels*

Concernant les risques du projet : 1-Les divergences d'intérêts chez les acteurs dans leur vision du développement touristique de la région. Pour amenuiser ce risque, l'accent a été mis dès le début des premières rencontres sur l'importance de la chaîne des valeurs en impliquant une représentativité d'acteurs et opérateurs et ce, sans perdre de vue leurs intérêts particuliers qui vont de pair avec le développement global de la destination et la satisfaction de tous et chacun.

2-Le projet a été défini selon la limite départementale du Nord ce qui ne correspond pas à l'intérêt manifesté par les différents acteurs et opérateurs locaux pour un développement régional (Nord et Nord-Est). Une analyse budgétaire et opérationnelle sera adressée à la direction régionale des Amériques du CECI dans le but de relever les impacts sur la mise en œuvre du projet et de proposer les ajustements nécessaires au FOMIN.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Purpose: The purpose is to organize and facilitate private-public management of the tourism destination with the participation of local economic initiatives (community based businesses and individuals, rural and urban MSMEs), promoting a competitive tourism supply based on historical, cultural and natural attractions that are unique in the Caribbean.	P.I1 A PPP management model at the North Destination level (based on DMO model) is actively operating.	0				1 Dec 2013	0	
	P.I2 A PPP management model at the site level is generating sustainable income and conservation based on a pilot executed at La Citadelle, Palais Sans Souci et Ramiers Historic National Park.	0				1 Dec 2013	0	
	P.I3 A catalog of high quality products and services is commercialized at national and international level.	0				1 Dec 2013	0	
Component 1: Creation of a destination management model	C1.I1 • A DMO is actively operating including at least 20 PP members and 10 partners.	0				1 Dec 2013		
	C1.I2 DMO model is documented and disseminated for replication	0				1		

Weight: 20% Classification: High Satisfactory		in other tourism destinations in Haiti.					Dec 2013		
	C1.13	The DMO business plan is applied providing at least 50% of self-financing for the institution.	0				50		
	C1.14	A National Park authority is fully operational and representatives of UNESCO's World Heritage Centre visit the park and are satisfied that the park's resources are adequately protected and managed.	0				1		
	C1.15	5 new partners join FOMIN in supporting the DMO activities.	0				5		
	C1.16	At least US\$2 million additional funds are mobilized at the end of the second year of the project.	0				2000000		
	C1.17	DMO conceptualized, organized and formally registered with at least 5 funding members and 5 active partners.	0				1		
							Dec 2011		
Component 2: Development of tourism products Weight: 20% Classification: Satisfactory	C2.11	A catalog of at least 25 market ready products is available for cruise lines clients (day tours), DR outbound wholesalers and European niche market (multi-days packages).	0				1		
	C2.12	• Needs assessment report for product development is validated by the DMO.	0				1		
	C2.13	A market profile and segmentation is made and allow the identification of at least 5 segmented groups of products to be developed with local MSMEs.	0				1		
	C2.14	• At least one product developed and tested .	0				1		
							Dec 2011		
Component 3: Improvement of and increase in the supply of services. Weight: 40% Classification: Satisfactory	C3.11	At least 100 improved and/or new businesses (MSMEs) supported by the project, offer quality tourism services (lodging, food and beverages, transportation, communications, guide services, marketing, and entertainment).	0				100		
	C3.12	At least 40 tourism services are included in at least 25 tourism market ready products within the North destination catalog (offer).	0				40		
	C3.13	At least 1000 individuals and MSMEs educated in providing quality tourism services.	0				1000		
	C3.14	4 programs to support youth (200 youths) inclusion in the tourism sector	0				4		
	C3.15	At least 50 improved and/or new businesses (MSMEs) supported by the project, offer quality tourism services	0				50		
	C3.16	At least 20 MSMEs have accessed financing sources to improve or develop their services capacities.	0				20		
	C3.17	About 10% of the population in the North Department (85,175 persons) included in the destination have been exposed to educational campaign through the local communications media.	0				10		
	C3.18	At least 25 improved and/or new businesses (MSMEs) supported by the project, offer quality tourism services.	0				25		
	C3.19	At least 10 MSMEs have accessed financing sources to improve or develop their services capacities.	0				10		
							Dec 2011		
Component 4: Marketing and commercial promotion. Weight: 20% Classification: Satisfactory	C4.11	The destination offers a consolidated and well diversified product catalog including at least 25 products (day tours and multi day special interest itineraries).	0				25		
	C4.12	RCCL full day tours and at least 4 international wholesalers (2 in each main outbound market - North America and Europe) are including the North Destination products in their catalogues.	0				4		
	C4.13	At least 5 national inbound travel agents offer in their catalogues at least 15 products available at the destination.	0				5		
	C4.14	An increase of 30% recorded in the number of visitors to the historical sites under UNESCO's World heritage rules managed by ISPAN.	0				30		
	C4.15	At least 6 appearances in the national specialized media and at least two appearances in the international television media, referencing the new North Destination offer.	0				6		
	C4.16	RCCL promotes the new supply of products developed in the destination.	0				0		
	C4.17	At least 2 national inbound travel agents offer in their catalogues at least 10 products available at the destination.	0				2		
	C4.18	An increase of 15% recorded in the number of visitors to the historical sites under UNESCO's World heritage rules managed by ISPAN.	0				15		
	C4.19	An increase of 15% in sales invoiced by the new and improved businesses (MSMEs) participating in the project by the time it ends.	0				15		
	C4.110	At least 3 appearances in the national specialized media and at least two appearances in the international television media, referencing the new North Destination offering.	0				3		
							Dec 2012		

Milestones	Planned	Due Date	Achieved	Date achieved	Status
M0 [*] Conditions Prior	6	Jun 2011	6	Jun 2011	Achieved

[*] Indicate that the milestone has been reformulated

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

- [X] Community/political opposition
- [X] National political changes

SECTION 4: RISKS**MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Increased public investment in basic infrastructure services (road access,	Medium	Showing the results of this project that keep private and public sectors interested	Project Coordinator

signposting, etc.).

2. -The tourism industry in Haiti is affected by external and internal shocks.

Low

Pay attention to general's country development.

Project Coordinator

-The North continues to be a priority for the Government as the main tourism pole to be developed.

-The Government and donors invest in infrastructure services (road access, water and sanitation, airport improvement, etc), needed to support the development of the tourism destination.

-The DMO is fully operational.

PROJECT RISK LEVEL: Medium **TOTAL NUMBER OF RISKS:** 2 **IN EFFECT RISKS:** 2 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

Issue

[X] Lack of **commitment** from the executing agency to continue or expand the project's services and/or activities

[X] Lack of **cost recovery** mechanisms or **external financing sources** (government, donors and/or private sector) to continue the activities of the project once MIF resources are expended

[X] Lack of organizational, managerial and financial management capacity to **continue** and sustain the program once the execution phase is finalized.

Comments

CECI has a set mandate for 3 years for the duration of the project. Hence, despite great execution to date, we have to be aware that the project needs to leave the DMO in place and well functioning since CECI does not have a stake in tourism in the North once the project is completed.

A successful development of the tourism sector in the North of Haiti is depend on strategic investments in infrastructure by other donors which go beyond the scope of the MIF project. Hence, this is a risk for project sustainability. There is interest from other donors such as the World Bank, the European Union and the Clinton Bush Haiti Fund to foster tourism development in Haiti however funding still has to be committed since negotiations with the new Haitian Government are yet to take place.

This is a risk that the project seeks to address by establishing a Destination Management Organization (DMO). The MIF and CECI teams will do their best to ensure that its structure, management, strategic business and operation plan are designed in such a way that ensures capacity beyond the project. However, at this stage of the project execution, this is still a risk.

Actions related to sustainability which will be or have been implemented:

Du 16 mai au 15 juillet : Tournée intensive de rencontres avec des acteurs diversifiés du secteur du tourisme et connexe au tourisme pour expliquer en profondeur le projet.

Cette tournée de rencontres a permis de :

a.faire un contact individuel avec chacun des acteurs clés et de bien cerner leurs attentes (et enjeux) au projet avant le lancement officiel (deux journées d'atelier);b. assurer une bonne compréhension du projet et d'échanger sur les objectifs du projet et la vision de développement de ces acteurs pour la région Nord.c.faire converger leurs attentes vers un appui au développement touristique tel que le propose le projet, et non au financement de projets.

SECTION 6: PRACTICAL LESSONS

1. Les contacts individuels avec les acteurs clés sur le terrain, permettent de mieux cerner les enjeux liés à leurs intérêts individuels. Par conséquent, l'unité de coordination du projet, est plus sûr de pouvoir utiliser des stratégies adéquates pour faire converger les attentes et intérêts vers la nécessité de la mise sur pied de l'organisation de gestion de la destination (OGD). Une fois l'intérêt suscité chez les acteurs, ils sont impatients de voir la formation de l'OGD.

Relative to
Implementation

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