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**HAITI**

**DEVELOPING THE NORTH DEPARTMENT AS A TOURISM DESTINATION**

**HA-M1037**

**DONORS MEMORANDUM**

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Document II: Detailed budget

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Document VI: Summary of the situation of the tourism sector in Haiti

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Document VIII: Haiti Country Strategy 2010-2015

## ABBREVIATIONS

ATH	<i>Association Touristique d' Haïti</i>
CBO	Community Based Organizations
CECI	Centre for International Studies and Cooperation
DMO	Destination Management Organization
DR	Dominican Republic
ESR	Environmental and Social Review
FONDTAH	<i>Fondation pour le Développement du Tourisme Alternatif à Haïti</i>
GHF	Global Heritage Fund
GSTC	Global Sustainable Tourism Criteria
IDB/MIF	Inter-American Development Bank / Multilateral Investment Fund
ISPAN	<i>Institut de Sauvegarde du Patrimoine National</i>
LAC	Latin America and the Caribbean
MINTOUR	Ministry of Tourism
MSME	Micro, Small and Medium Enterprises
NGO	Non-Governmental Organizations
PCU	Project Coordination Unit
PNH	Parc National Historique Citadelle, Sans-Souci, Ramiers
PSR	Project Status Report
RCCL	Royal Caribbean Cruise Line
STSC	Sustainable Tourism Stewardship Council
USAID	United States Agency for International Development
WHL	World Hotel Link
WMF	World Monuments Fund

# DEVELOPING THE NORTH DEPARTMENT AS A TOURISM DESTINATION (HA-M1037)

## I. EXECUTIVE SUMMARY

<b>Beneficiary Countries:</b>	Haiti						
<b>Executing Agency:</b>	Centre for International Studies and Cooperation (CECI)						
<b>Beneficiaries:</b>	The Project will directly benefit approximately 100 MSMEs in the rural and urban areas of Cap-Haitien, Labadie, Milot, Dondon, La Liberté, and the surrounding areas to the access to the <i>Parc National Historique</i> that includes La Citadelle, Palais San-Souci, and the Park. At least another 1,000 MSMEs, individuals, and community based businesses, 200 youth, and approximately 10% of the general population of the North Department will be indirectly benefited by the results of the Project and the awareness-raising activities. The Project will also benefit various municipalities by raising their income and their ability to reinvest resources in social and infrastructure programs. It will also help to organize the private sector in the provision/quality of services, primarily working with local organizations such as Tourinord, the <i>Association Touristique d' Haïti</i> (ATH) Nord, and the <i>Fondation pour le Développement du Tourisme Alternatif à Haïti</i> (FONDTAH). It will facilitate the Ministry of Tourism's capacity to implement the Tourism Master Plan in the region. The intervention will work around unique natural, cultural/historical attractions, strengthening the <i>Institut de Sauvegarde du Patrimoine National's</i> (ISPAN) responsibility for managing and conserving the natural, cultural and historical assets on which the main tourism products will be based.						
<b>Amount and Source:</b>	<table> <tr> <td>MIF</td><td>US\$ 1,720,166 (70%)</td></tr> <tr> <td>Local Counterpart</td><td>US\$ 711,250 (30%)</td></tr> <tr> <td><b>Total:</b></td><td>US\$ 2,431,416 (100%)</td></tr> </table>	MIF	US\$ 1,720,166 (70%)	Local Counterpart	US\$ 711,250 (30%)	<b>Total:</b>	US\$ 2,431,416 (100%)
MIF	US\$ 1,720,166 (70%)						
Local Counterpart	US\$ 711,250 (30%)						
<b>Total:</b>	US\$ 2,431,416 (100%)						
<b>Objectives and description:</b>	The <b>goal</b> of the Project is to develop and position the North Department as a world-class tourism destination. The <b>purpose</b> is to organize and facilitate private-public management of the North Destination with the participation of local players in order to promote a competitive tourism offering, based on historical, cultural and natural attractions that are unique in the Caribbean.						
<b>Timetable:</b>	Execution period: 36 months. Disbursement period: 42 months.						
<b>Special contractual conditions:</b>	<b>Conditions precedent to the first disbursement of the MIF funds:</b> (1) appointment of the Project Coordinator; (2) adoption of the Operations Manual, pursuant to the terms previously agreed upon with the Bank; and (3) presentation of the Work plan for the first year of the Project.						

<b>Exceptions to Bank policy:</b>	None.
<b>Environmental and social impact:</b>	This Project has been classified as a category “C” operation and accepted as such by to the ESR meeting of June 7, 2010.
<b>Coordination with other Development institutions:</b>	No other agencies are implementing projects similar to the proposed Project.

## II. Background

- 2.1 The government of Haiti is promoting tourism as an economic activity that can contribute to the economic recovery of the country after the earthquake of last January 12<sup>th</sup>, 2010 (*Action Plan for National Recovery and Development of Haiti, March 2010*). The Project will take place in the “*Département du Nord*” as defined by the “*Plan Directeur du Tourisme*” of the Ministry of Tourism<sup>1</sup>, and which is a priority area under that plan. This northern region has high-potential tourism assets, such as *La Citadelle*, *Le Palais Sans-Souci*, colonial architecture in *Cap-Haitien*, and pre-colonial and contemporary crafts at Labadie, the cruise line destination of the country. Royal Caribbean Cruise Lines (RCCL) has invested more than US\$100,000,000 in developing a private beach destination in Labadie and is increasing its tourist flow to this site to 650,000 passengers per year in 2010-2011 and expects that number to increase in 2012-2013. In addition, most of the tourism attraction sites of the North are less than four hours from Puerto Plata, a destination in the Dominican Republic (DR) with a significant flow of international visitors, where the MIF is funding another project. Last, the Haitian Diaspora is an important target in the promotion of this destination.
- 2.2 RCCL employs around 600 Haitians in its private destination of Labadie, but is generating little job and enterprise development opportunities outside the private beach site. RCCL wants to expand tours to its passengers beyond the Labadie site. The *Parc National Historique (PNH)* that includes the *Citadelle*, the *Palais Sans-Souci*, and the *Parc des Ramiers* is located within driving distance of the RCCL site, allowing cruise passengers – who typically spend only one day in the country– and overnight tourists from the DR, to visit them. Though cruise and DR passengers visited the Citadelle in small numbers some years ago, political instability, and lack of basic infrastructure, among other things, stopped the flow of those tourists. Today, there is both the political will and government and private sector support to develop the North Department Destination’s assets.
- 2.3 Typically, in other cruise destinations, most services around the key attractions visited by cruise and overnight visitors are arranged by the cruise lines and by other firms operating in the tour operation, hotel/accommodation, and transportation businesses, and most goods and services offered to tourists are supplied by MSMEs. Based on the assessment of the interest of cruise ship tourists to explore Haiti outside the Labadie

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<sup>1</sup> The latest Tourism Master Plan is from 2008. The Bank is now updating key parts of this plan through operation HA-T1090, including considerations of environmental and social impact, and economic feasibility.

site<sup>2</sup>, RCCL is planning visits to the Park and other attractions outside the beach site for its clients during 2010. This is a tremendous opportunity to develop the area and expand attraction offerings to these passengers. It is anticipated that when the *Citadelle* and the *Palais Sans-Souci* are open to the public in the second half of 2010, 200 passengers per ship, three to four times a week, could be spending around US\$100/day in the destination.

- 2.4 At present, there are almost no visits to the Park. The main limitations are: inadequate road infrastructure to reach the sites, poor on-site basic services, needed restoration improvements at the monuments, lack of qualified service providers (food, transportation, guide and information services, entertainment, etc.), inadequate safety precautions, lack of transportation equipment, and other logistics constraints related to guest flow; lack of monitoring of the protected area; and lack of linkages between government (national and local) and local private sector organizations and entrepreneurs.
- 2.5 **Proposed Project.** The proposed project aims to take advantage of the immediate opportunities resulting from an increased number of visitors to the North region generated by RCCL, by helping to organize and improve the provision of quality tourism products, and structuring private and public sector stakeholders around the development of the North Department Destination. After the initial flow of tourists and income is assured, this project will work on developing products and services for overnight passengers coming from the DR, the Haitian Diaspora coming from overseas, and other types of visitors planning multi-day stays. This project will also take advantage of the new political momentum supporting the North as a development hub based on the promotion of sustainable tourism.
- 2.6 The institutional arrangement proposed to develop the North Department Destination of the North in Haiti will include various institutions working together that represent actions that are taken at three different levels. (i) **Destination:** Plan and develop an area as a tourist destination, offering various inter-related products. Commercialization and marketing mechanisms that promote the destination as a whole, giving support to every product offered and to the services associated with them. (ii) **Products:** Since it is essential to connect visitors with local sights, products should contain multiple services that provide organized access to the attractions. Developing quality products and promoting them well is key to success in the tourism business. (iii) **Services:** Services are the connection between the project's activities and local beneficiaries. Local MSMEs provide the services (transport, accommodation, food, guides) that comprise the products offered in the destination area. Generally, even though local businesses are quite small, and may be dispersed, the key is for them to organize themselves into a network serving an itinerary as this is the foundation upon which the entire sustainable tourism development system is based.
- 2.7 There are different actors involved at each of these levels, both private and public, that must participate in the development of the tourist destination. In the process of

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<sup>2</sup> Also promoted by other actors like the Smithsonian Institution through an MOU that they have signed with the Ministry of Tourism in May 2010 to give on board specialized lectures on Haitian history to the cruise line passengers.



project implementation, some actors will participate from the beginning, and others will be added as progress is made.

- 2.8 The MIF will support the development of tourism related **services**, helping organize the sector and the provision/quality of services in the value chain, primarily working with local providers of tourism services as well as local providers of non-tourism goods and services, which are primarily MSMEs. For this reason, the project will start working with organizations already active in the North such as Tourinord, ATH Nord, FONDTAH, and others. In addition the project will look to facilitate the coordination of territorial planning and the international promotion of the North as a competitive tourism **destination**. Therefore, the project will work with the Ministry of Tourism, responsible for implementing the Tourism Master Plan in the North region, and other government agencies, such as the Ministry of Transportation in charge of roads' infrastructure<sup>3</sup>. Also, the project will work to improve key tourism cultural/historical attractions that with the right services described above, will constitute the **products** to be sold to tourists visiting the North Department Destination; for this reason, the project will work with the arm of the Ministry of Culture and Communications responsible for managing and conserving the natural, cultural and historical assets (ISPAN), of the PNH.
- 2.9 Finally, the MIF project will seek to leverage its actions and funding with strategies implemented by the IDB and other actors such as USAID and RCCL. For this reason, the project will coordinate with the Bank's approved operations (HA-T1090 in the amount of US\$200,000 and HA-1493 in the amount of US\$750,000), USAID funding of US\$940,000, and RCCL and local partner operators' funding for such as the construction of roads, signs and other infrastructure works at the *Citadelle*, *Palais Sans-Souci*, and *Baie de l'Acul* (e.g., gates, bathrooms, interpretation centers, a community museum, safety enhancements, communication services, railings, and architectural restoration); the purchase of transportation equipment, and other similar items.
- 2.10 An important **value-added** of the project will be the creation and support of a public-private organization, a **Destination Management Organization (DMO)**. The DMO will be the cornerstone of the tourism strategy and the institutional integration of the region. The DMO will remain active beyond the life of the MIF project and will bring together and coordinate the planning and promotion of public and private sector investments in infrastructure. It will focus on the development of the services to be provided and commercialized by local MSMEs. The DMO will also stimulate and coordinate public and private investments in the Destination and promotion and market access for the tourism products.
- 2.11 The proposed DMO will facilitate the development of a successful tourism project in the North, and will allow for other relevant public and private organizations to join during project implementation. Moreover, this multi-scale and multi-institutional intervention approach and methodology promoted by MIF will help to ensure that this project and subsequent interventions will be inclusive and sustainable. The

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<sup>3</sup> The implementation of the Tourism Master Plan will be supported by the Bank. The North Department has been selected as one strategic area where the IDB will be focusing its resources.

proposed institutional approach has a clear practical foundation and has been successful in the past as described in the “**Guide for the Identification and Design of Sustainable Tourism Projects**” produced by the MIF in 2009<sup>4</sup>.

- 2.12 It is important to note that as part of its efforts to enhance **Access to Markets**, MIF is seeking to catalyze the impact on inclusive tourism markets through innovative partnerships that can leverage and scale-up its intervention in the LAC region. With this in mind, the project has begun discussions with partners such as the Global Heritage Fund, the US National Park Service, the World Monuments Fund, UNESCO, the Environmental Systems Research Institute, Inc. (ESRI), GAP Adventures, Planeterra, Solimar, DIAGEO, National Geographic Maps, and others. All of them have committed to collaborate, in different ways, in this project. Document VII included in the project files outlines the DMO structure and proposed roles for partners and members<sup>5</sup>.
- 2.13 This project is strategically positioned to achieve its objectives since it focuses primarily on private and public sector development at a tourism destination level in a location that differentiates itself from others through its unique cultural assets (monuments, history, local crafts, etc.). The intervention creates the conditions and social capital to ensure the sustainability of the North as a tourism destination in the long-term.
- 2.14 Finally, the Bank has defined the North as an Economic Growth Hub due to its potential contribution to job creation in sectors such as agricultural processing and tourism. This is compatible with MIF’s new strategy which seeks “**systemic impact**” by influencing actors to change behaviors. Systemic impact will only be achieved if the implementation of the project presented in this document is accompanied by learning, communicating, and catalyzing: i.e. (i) identifying lessons from past and current projects financed by the MIF, the Bank and others; (ii) communicating within Haiti what works internationally and what doesn’t; and (iii) catalyzing change with this knowledge, by promoting actions and behavior changes adapted to the local needs. The new MIF agenda “*Catalyzing Large-Scale MSMEs Involvement in Sustainable Tourism Markets through Innovative Partnerships*” and the “*IDB Haiti Country Strategy (2010-2015)*” will make possible that future projects supported by the Bank in this sector focus on systemic change and contribute to supporting economic growth and poverty reduction in the country, and the region.

### III. OBJECTIVES AND DESCRIPTION

- 3.1 The **goal** of the project is to develop and position the North Department as a world class tourism destination. The **purpose** is to organize and facilitate private-public management of the tourism destination with the participation of local players

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<sup>4</sup> <http://www.iadb.org/mif/subtopic.cfm?lang=en&subtopic=tour&topic=env>

<sup>5</sup> The DMO should provide a consensual framework to organize tourism activity so as to balance the interests of foreign investors and local entrepreneurs and its main mission should be setting the ground rules and conditions for attracting the needed tourism investment to the North of Haiti. Moreover, the project should not limit its dialogue to tourism operators; there is an increase level of disintermediation, especially when it comes to emerging destinations such as Haiti, and new technologies offer the additional possibility of direct commercialization tapping into the independent and niche traveler market.

(community-based businesses and individuals, rural and urban MSMEs) in order to promote a competitive tourism offering based on historical, cultural and natural attractions that are unique in the Caribbean. The project strategy is based on organizing project activities across three levels of action: **destination, products, and services**. The interaction and balance of these different levels of action is essential for project success. These three levels of action provide the opportunity for optimal institutional arrangements for the execution of the project and the promotion of MSMEs that will participate in it.

- 3.2 **Component 1: Creation of a destination management model (MIF: US\$371,550; Counterpart: US\$54,900).** The purpose is to strengthen relations between the public and private sectors, with the intention of creating a sustainable management model for the North Department Destination, called a Destination Management Organization (DMO). This component will be implemented in close coordination with the Government, the Bank and other donors, and includes technical assistance activities such as: mapping stakeholders' roles and responsibilities and main attractions in the destination; designing the DMO and developing its business plan; developing the management model for the national park, including a permanent management structure consisting of a park director and professional staff, sources of funding, and a clear operational plan; preparing the feasibility study for investment projects to be submitted to funders and strategic partners; and developing the destination branding.
- 3.3 The expected results are: a DMO actively operating with public and private members and partners; a DMO model documented and disseminated for replication in other tourism destinations in Haiti; a DMO business plan implemented where at least 50% of the budget is covered by remunerated activities provided for in the plan; an updated North Destination Tourism Master Plan; and a National Park authority that is fully operational.
- 3.4 **Component 2: Development of tourism products (MIF: US\$155,000; Counterpart: US\$118,500).** The purpose is to develop the products<sup>6</sup> prioritized in the updated North Department Destination Tourism Master Plan. This component includes technical assistance activities such as: developing a market profile and segmentation<sup>7</sup>; designing selected products; conducting needs assessments at the service providers' level to guarantee market-ready products; identifying sources of funding for product development and associated services; and preparing a catalogue of products ready to be sold.
- 3.5 The expected results are: a market profile and segmentation that identifies at least five segmented groups of products to be developed with local MSMEs; and a catalog of at least 25 market-ready products available for cruise lines clients (day tours), DR outbound wholesalers and European niche markets (multi-day packages).

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<sup>6</sup> A **tourism product** is a set of natural, historical, and cultural attractions found in a **destination**, which has the services necessary for them to be appreciated and enjoyed by tourists with certain characteristics and expectations, and which are offered and purchased at the destination. Unlike a "package," the product does not include services that are provided outside the destination, such as plane tickets to reach the destination.

<sup>7</sup> Volunteer tourism, adventure tourism, nature, agriculture, history, etc.

- 3.6. **Component 3: Improvement of and increase in the supply of services (MIF: US\$509,650; Counterpart: US\$91,950).** The purpose is to increase the quantity and quality of tourism services in a pilot group of entrepreneurial initiatives<sup>8</sup>. This component includes technical assistance activities such as: raising awareness about the importance of tourism for local economic development (general public, MSMEs, local authorities; etc.); training trainers (university involvement); assessing existing services and their quality; providing specific technical assistance to MSMEs; training in skill standards (accommodation, guiding, restaurant, operators); implementing a plan for mitigation of environmental and social negative impacts, if any, including adapting the sustainable tourism criteria mentioned in Section VIII; and developing and implementing an action plan to facilitate MSMEs access to appropriate financing<sup>9</sup>.
- 3.7. The expected results are: at least 1,000 individuals and MSMEs trained in providing quality tourism services; at least 100 improved and/or new businesses (MSMEs) supported by the project, offering quality tourism services (lodging, food and beverages, transportation, communications, guide services, marketing, and entertainment); and at least 40 tourism services included in at least 25 tourism market-ready products within the North Department Destination catalog.
- 3.8. **Component 4: Marketing and commercial promotion (MIF: US\$214,800; Counterpart: US\$194,300).** The purpose is to place the newly developed products in the market, positioning the North Department Destination in the portfolio of regular offerings of the leading national and international operators. This component includes technical assistance activities such as: designing the corporate image and communication strategy; creating a web platform to link the destination with MIF's initiatives such as WHL, MIF's Haiti Learning Community, the proposed GeoAmericas platform, and others; designing promotional materials; training key players (DMO, hotels, travel agencies) in marketing; promotion on social networks; participating in Haiti focus tourism events (familiarization trips; try out tours; press trips, etc.); establishing alliances for the promotion and commercialization of the North Department Destination; and reinforcing the information service office in Milot.
- 3.9. The expected results are: the North Department Destination offers a consolidated and well diversified product catalog, including at least 25 products (day tours and multi-day special interest itineraries); RCCL full day tours and at least four international wholesalers (two in each main outbound market - North America and Europe) include the North Department Destination multi-day products in their catalogues; at least five national inbound travel agents offer in their catalogues at least 15 products available at the destination; an increase of 30% recorded in the number of visitors to the historical sites that are under UNESCO's World Heritage rules managed by ISPAN; and at least six appearances in the national specialized media, with at least two appearances in the

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<sup>8</sup> This pilot series of initiatives will have a demonstration effect that could in due course be scaled to the universe of the subsector.

<sup>9</sup> The project will work with the Bank on how to coordinate the intervention in the North Department Destination using some alternatives under consideration, including among others: international private funds, a guarantee fund, co-financing credit with local financial institutions for production purposes, first tier financing for clusters, start-up financing for social entrepreneurship, etc.

international television media, referencing the new North Department Destination offer.

#### IV. COST AND FINANCING

- 4.1. The estimated cost of the Project is the equivalent of **US\$2,431,416**, of which **US\$1,720,166** will be contributed by the MIF and **US\$711,250** by the counterpart, with at least half of that in cash. The budget is summarized below (the detailed budget can be found in the technical files). The Project execution period will be 36 months, with 42 months for disbursement.

Categories (US\$)	MIF	Local	Total
Component 1	371,550	54,900	426,450
Component 2	155,000	118,500	273,500
Component 3	509,650	91,950	601,600
Component 4	214,800	194,300	409,100
Administration	237,900	96,000	333,900
Logistics	90,500	155,600	246,100
<b>SUB TOTAL</b>	<b>\$1,579,400</b>	<b>\$711,250</b>	<b>\$ 2,290,650</b>
Baseline study, midterm and final evaluations	40,000		40,000
Final Audit and ex-post reviews	20,000		20,000
Contingencies	37,166		37,166
<b>TOTAL</b>	<b>\$1,676,566</b>	<b>\$711,250</b>	<b>\$2,387,816</b>
Impact Evaluation (0.5%)	8,600		8,600
Training in financial management and procurement <sup>10</sup>	10,000		10,000
Agenda Activities	25,000		25,000
<b>GRAND TOTAL</b>	<b>\$ 1,720,166</b>	<b>\$ 711,250</b>	<b>\$ 2,431,416</b>
Percentages (excludes agenda activities, management strengthening, and impact evaluation account)	70%	30%	100%

- 4.2. The sustainability of the Project is found at two levels: at the enterprise level, in terms of integrating large enterprises and MSMEs around an institutional model which, through its activities, encourages competitiveness, the integration of new elements of quality as a business factor, and in short, the competitiveness of tourism management based on a set of unique tourism assets of the North Department. At the project level, sustainability is based on the transfer of the DMO model for use by other tourism destinations in Haiti; the pilot implementation of this model in the North Department may be replicated in other destinations, combining local public and private sector resources or, at the national level, within the "*Plan Directeur du Tourisme*" supported by the Bank.
- 4.3. The Project includes a sustainability plan (business plan), which will be formulated starting in the second year of execution, and will include a Sustainability Workshop to be conducted by the executing agency one year before the completion of the Project.

<sup>10</sup> Resources allocated to hire a consultant to provide institutional strengthening in financial management and procurement.

## V. PROJECT EXECUTION

- 5.1. **Executing Agency.** The project executing agency will be the Centre for International Studies and Cooperation (CECI), a nonprofit organization incorporated in Haiti in 1985 that has legal power and proven technical capacity to contract for and execute the proposed Project. For the past 25 years, it has focused on promoting local development in Haiti, having managed in excess of 30 million dollars of donor- funded projects during the last 5 years.
- 5.2. During project analysis, CECI was found to have ample experience in managing projects with international agencies. CECI does not have experienced staff in tourism in Haiti; however, it has good international experience and a history of cooperation with key public and private participating stakeholders in Haiti and the North Department. The project will hire needed technical expertise in tourism to fill this gap. CECI's main responsibility will be the coordination of the execution of consulting services and contracts for goods, making sure that the local MSMEs and the members of local organizations that are promoting sustainable tourism such as ATH Nord, Tourinord, FONDTAH, and others, benefit from MIF's funding, and that the proposed private-public DMO is operational.
- 5.3. **Execution mechanism.** The project coordination unit (PCU) will be housed at CECI offices in Cap-Haitien. It will include a Project Coordinator financed with MIF funds and an accounting/financial administrator financed with counterpart funds, reporting to the CECI Program Officer. The PCU will operate on the basis of a semi-annual work plan for project technical coordination and overall execution, including project procurement.
- 5.4. CECI will sign collaboration agreements with the Ministry of Tourism (MINTOUR) and ISPAN specifying the commitments to be taken by each party. The three of them will deliver letters to the Bank attesting to their interest and committing resources to the Project. The MINTOUR's main responsibility will be to coordinate all national and local public sector activities and to lead the effort in planning and promoting tourism in the North Department region. ISPAN's role will be to coordinate all national and local public sector activities and lead the effort in the areas of conservation of natural, cultural, and historical assets on which some of the main tourism products of the Project will be based.
- 5.5. CECI will sign the agreement with the Bank, and will be responsible for assuring that the development of the tourism destination of the North is later coordinated by the tourism Destination Management Organization (DMO), to be created with MIF financing during the first year of the project.
- 5.6. Until the proposed DMO is created under Component 1, CECI will coordinate Project activities with: (i) the Ministry of Tourism on all contracts of goods and services related to the implementation of the Tourism Master Plan in the North; (ii) ISPAN<sup>11</sup> on all contracts of goods and services done in the *PNH*, complying with UNESCO's World Heritage status; (iii) the Ministry of Transportation in all work which has a relationship with road infrastructure; (iv) the municipalities of Milot and Dondon

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<sup>11</sup> ISPAN will be supported by UNESCO, the Global Heritage Foundation (GHF), the US National Park Service, and other organizations that are part of the partnership group of organizations with which the MIF is working.

located at the main entrances of the *PNH*; and (v) key private sector and civil society players at the destination level such as ATH Nord, Tourinord, FONDTAH, on all technical assistance activities benefiting MSMEs.

- 5.7. Besides coordinating MIF's activities, CECI will make sure to coordinate Project actions with the Bank (e.g., with the *Rehabilitation of Basic Economic Infrastructure Program 1493* and *Support for the Preparation National Tourism Program HA-T1090*, both under execution), and work financed by different organizations such as USAID, and private sector sources of funding that could join the Project during implementation.
- 5.8. In summary, CECI will be responsible for executing the MIF project; as part of Component 1 of the project, a DMO will be formed; and MIF will finance activities such as the DMO business plan and the first Executive Director. However, the DMO will take off on its own and will carry out other activities not financed by MIF. In any case, some of the activities financed by MIF will require coordination with the DMO.
- 5.9. The DMO is an internationally proven concept that MIF and other donors have used in the LAC region, to manage the coordination of public and private organizations in developing and positioning a tourism destination in the world market. It will be adapted to the particular situation of the North Department Destination. Once the DMO is created, and with the support of the IDB and MIF's partner network participating in the tourism Agenda "*Catalyzing Large-Scale MSMEs Involvement in Sustainable Tourism Markets through Innovative Partnerships*" (e.g.: Diageo, US National Park Service, GHF, UNESCO, WMF), there will be resources and technical reputation to attract new players to the project as it progresses. A work plan will be presented to organizations wishing to join the DMO.
- 5.10. The DMO will be a not-for-profit legal entity, and its members will be drawn from the private and public sectors. The founding members will be the Ministry of Tourism and ISPAN, and one representative from each sector that the project will be working on (accommodation, food and drink, travel agents, transportation, food/agriculture, guides, environment), relevant private sector and civil society organizations participating in the region such as ATH Nord, Tourinord, Royal Caribbean, FONDTAH; and representatives from main local governments from Cap-Haitien, Labadie, Milot, Dondon, Limonade, and Fort Liberté.
- 5.11. The institutional strategy for the project has four basic objectives: (i) to build up the economic importance of the North based on its tourism related cultural and natural resources, while preserving the ecosystems that support its social and economic development; (ii) to improve the relationship between the local community and its natural environment and tourism assets; (iii) to strengthen public institutions for sustainable development, particularly public cultural/environmental management and conservation of cultural/natural resources; and (iv) to leverage the participation of other organizations that can join in scale-up the Project.
- 5.12. **First disbursement and disbursements by results:** Project disbursements will be contingent upon the achievement of milestones, which will be agreed between the executing agency and the MIF along with their means of verification. The initial milestones agreed upon with the executing agency are set out in the Operations Manual. Achievement of milestones does not exempt the executing agency from the

responsibility to reach the project's objectives. An advance of funds of 10% will be disbursed after the satisfaction of the conditions prior to first disbursement. Subsequent disbursements will occur upon reaching the respective milestones.

- 5.13. **Procurement and contracting:** For the procurement of goods and consulting services, the executing agency will apply IDB policies (documents GN-2349-7 and GN-2350-7) and MIF guidelines issued in the context of those policies. Before embarking on project contracting and procurement processes, the executing agency will submit the procurement plan to the Bank for consideration, and review and update it. The institutional risk assessment of the executing agency resulted in a classification of **low risk**. During the first six month period of project execution, procurement actions will be reviewed ex ante; following the first six months of project execution, procurement will be reviewed ex post on an annual basis.

## VI. MONITORING AND EVALUATION

- 6.1 **Supervision and monitoring.** The MIF personnel in Haiti will be responsible for supervising and monitoring the Project. The MIF tourism agenda team will provide technical support for project supervision. The executing agency will submit semi-annual reports, in keeping with the Bank's standard reporting requirements. These reports will indicate the status of the execution of the project according to the logical framework and annual operating plan. Any issues and how they were resolved should also be reported.
- 6.2 **Project Status Reports:** The executing agency will be responsible for presenting Project Status Reports (PSRs) to the MIF within thirty (30) days after the end of each semester, or more frequently, and on such dates as the MIF shall determine, by providing at least sixty (60) days advance notice to the executing agency. These reports will follow a format previously agreed with the MIF and will contain information on project execution, achievement of milestones, and completion of project objectives as stated in the logical framework and other operative planning instruments. The PSR will also describe project issues encountered during execution and the solutions. Within ninety (90) days after the end of the execution term, the executing agency will submit a final PSR to the MIF, which will highlight results achieved, project sustainability and lessons learned. A **Closing Workshop** will be scheduled prior to the end of Project implementation to evaluate outcomes and identify the activities needed to increase Project impact.
- 6.3 **Evaluation.** Within the first three months of the operation, the Bank will contract consulting services to design the monitoring and evaluation system and to construct the baseline set of indicators. The evaluation system will be based on the logical framework and must include total-quality criteria, allowing the following to be examined: (i) the extent to which the Project objectives are relevant, remain in effect, and have been fulfilled; (ii) quality of the services offered; (iii) Project sustainability (in technical, economic, financial, social, and institutional terms) once the MIF contribution has ended; (iv) possibilities of expanding or replicating the experience; and (v) impacts achieved.
- 6.4 The Project includes two evaluations to be performed by a specialized consultant to be selected and hired directly by the MIF. The first evaluation will occur once 50% of the



funds have been disbursed or 18 months after the first disbursement, whichever occurs first. A final evaluation will be performed when 90% of the funds have been disbursed, or three months prior to the last disbursement, whichever comes first.

- 6.5 **Financial supervision:** The executing agency will be responsible for keeping adequate financial accounts, internal control mechanisms, and filing systems for the Project, pursuant to IDB/MIF accounting and auditing rules and policies. The reviews of supporting documentation for disbursements will be conducted **ex-post** with an **annual** frequency, by the independent public accounting firm that will also perform the independent audit of the project at the end of the project execution.
- 6.6 The modality for reviewing procurement processes and disbursement support documentation and the frequency of the reviews may be changed by the MIF on the basis of reports on the reviews undertaken and/or subsequent institutional assessments during project execution. The Bank/MIF will hire independent auditors to audit the financial statements and perform ex post reviews of procurement processes and supporting documentation for disbursement requests. The cost of the audits and ex post reviews will be covered by the MIF contribution, in accordance with Bank procedures.

## VII. BENEFICIARIES AND RISKS

- 7.1. The Project will directly benefit approximately 100 MSMEs in the rural and urban areas of Cap-Haitien, Labadie, Milot, Dondon, La Liberté, and other areas adjacent to the *Parc National Historique that includes La Citadelle, Palais San Souci, Parc des Ramiers*. At least another 1,000 MSMEs, individuals and community based businesses, 200 youth, and approximately 10% of the general population of the North Department will be indirectly benefited by the results of the Project and the awareness-raising related to the North Department Destination's new tourism activities to be undertaken. The Project will also benefit various municipalities by raising their income and their ability to reinvest resources in social and infrastructure programs.
- 7.2. The Project will help organize the sector and the provision/quality of services in the value chain, primarily working with local organizations active in the North such as Tourinord, ATH Nord, and FONDTAH. The Project will facilitate the coordination of territorial planning and the international promotion of the North as a competitive tourism destination, benefiting the Ministry of Tourism's role and capacity for implementing the Tourism Master Plan in the region. The Project will work with unique tourism natural, cultural/historical attractions, strengthening ISPAN's responsibility for managing and conserving the natural, cultural and historical assets on which the main tourism products will be based. Finally, RCCL will increase the supply of products operated by them and their local partner operators that use local MSMEs service providers, contributing to the overall development of the local economy.
- 7.3. **Risks.** The main risk has to do with key public and private stakeholders and the donor community supporting the DMO's role in the North Department Destination, and the challenge of inter-institutional coordination needed within the proposed management organization. This risk is mitigated by awareness-building, training, and technical-assistance activities included in the Project, and a public outreach led by the Project's executing agency to build support from local institutions to work together. During project analysis meetings were conducted with relevant stakeholders who had input

into the project structure. In addition, from the beginning the executing agency will involve those institutions in the planning and operations of the DMO. All this will help ensure that the DMO has the required political and institutional strength to get the support of all relevant stakeholders.

### VIII. SOCIAL AND ENVIRONMENTAL CONSIDERATIONS

- 8.1. The MIF has generated knowledge and expertise in the area of sustainability, environmental preservation, local social development, energy efficiency for MSMEs through a number of the projects, including the support and incubation of the Sustainable Tourism Certification Network of the Americas (<http://www.rainforest-alliance.org/tourism.cfm?id=network>), the Sustainable Tourism Stewardship Council (STSC - <http://www.rainforest-alliance.org/tourism.cfm?id=council>) and the Global Sustainable Tourism Criteria (GSTC – [www.sustainabletourismcriteria.org](http://www.sustainabletourismcriteria.org)), administered by the **Sustainable Tourism Council**.
- 8.2. The project will support entrepreneurial initiatives and activities that are neutral or have a favorable environmental and social impact. The basis of this type of tourism that is increasingly being offered and is proposed in this project is sustainability, which takes into account the effects of tourism on the local population and the environment. The project will encourage the enterprises to take appropriate measures to protect the environment. The responsible tourist wants the revenues generated by his or her visit to be used to maintain the identity and culture of the places visited, as well as to conserve and rationally use natural resources. In addition, the project focuses on the participation of local community- based businesses and individual MSMEs, and on the preservation of the natural and cultural heritage that is a fundamental part of the attraction on which the tourism product to be offered is based. This project has been classified as category “C”.

## ANNEX I

### DEVELOPING THE NORTH DEPARTMENT AS A TOURISM DESTINATION (HA-M1037)

LOGICAL FRAMEWORK			
	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<b>A. GOAL</b>			
The project <b>goal</b> is to develop and position the North Department as a world class tourism destination.	<p>Three years after the execution of the project has ended:</p> <ol style="list-style-type: none"> <li>1. A 75% increase of day tours visitors recorded in the North Destination</li> <li>2. A 50% increase on multi day tours visitors recorded in the North destination.</li> <li>3. The North destination contribution to total job in the Haitian tourism sector exceeds 35%.</li> <li>4. The North destination contribution to income generated by the tourism activities in Haiti exceeds 35%.</li> </ol>	<ul style="list-style-type: none"> <li>• IHSI statistics</li> <li>• Baseline report</li> <li>• Ex-post evaluation report</li> </ul>	<p>The tourism industry in Haiti is not affected by external and internal shocks.</p> <p>The North continues to be a priority for the Government as the main tourism pole to be developed.</p> <p>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.</p> <p>The DMO is fully operational.</p>
<b>B. PURPOSE</b>			
The <b>purpose</b> 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	<p>By the end of the project:</p> <ol style="list-style-type: none"> <li>1. A PPP management model at the North Destination level (based on DMO model) is actively operating.</li> <li>2. 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.</li> </ol>	<ul style="list-style-type: none"> <li>• DMO legal documentation and operation records</li> <li>• Baseline report</li> <li>• Final evaluation report</li> <li>• Final PSR</li> <li>• Statistics service</li> <li>• DMO surveys</li> <li>• National Park management plan</li> <li>• Survey on services supply</li> </ul>	<p>Increased public investment in basic infrastructure services (road access, signposting, etc.).</p> <p>The DMO is supported by the public and private institutions including the international donors' community.</p>

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urban MSMEs), promoting a competitive tourism supply based on historical, cultural and natural attractions that are unique in the Caribbean.	3. A catalog of high quality products and services is commercialized at national and international level.	and quality	
<b>C. COMPONENTS</b>			
<b>Component 1: Creation of a destination management model.-</b>	<p>By the end of the project:</p> <ul style="list-style-type: none"> <li>• A DMO is actively operating including at least 20 PP members and 10 partners.</li> <li>• DMO model is documented and disseminated for replication in other tourism destinations in Haiti.</li> <li>• The DMO business plan is applied providing at least 50% of self-financing for the institution.</li> <li>• An updated North Destination Tourism Master Plan is available and in execution.</li> <li>• 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.</li> </ul> <p>By the end of the second year of project execution:</p> <ul style="list-style-type: none"> <li>• 5 new partners join FOMIN in supporting the DMO activities.</li> <li>• Destination Master Plan updated.</li> <li>• At least US\$2 million additional funds are mobilized at the end of the second year of the project.</li> <li>• The Park should have a five-year management plan, that outlines how the park's resources will be protected and how the visiting public will be served.</li> </ul> <p>By the end of the first year of project execution:</p> <ul style="list-style-type: none"> <li>• DMO conceptualized, organized and formally registered with at least 5 funding members and 5 active partners.</li> </ul>	<ul style="list-style-type: none"> <li>• Mid-term evaluation report</li> <li>• PSR</li> <li>• DMO legal and administrative documents</li> <li>• Documentation of the management Model</li> <li>• Quarterly progress report published by the DMO Coordination Unit</li> <li>• Agreements signed with new partners</li> <li>• FOMIN visit report</li> <li>• UNESCO visit and report</li> </ul>	<p>Civil society, public and private sectors collaborate in developing and promoting the tourism destination.</p> <p>Good collaboration between DMO members.</p> <p>Increased community participation in the planning and implementation phases of the Tourism Master Plan.</p> <p>Local authorities and the principal private stakeholders acknowledge their role in the development of tourism, and maintain their interest and commitment to participate.</p>

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	<ul style="list-style-type: none"> <li>• DMO and partners provide information bases and inventories for Destination planning and management plan updating.</li> <li>• At least US\$1 million additional are mobilized at the end of the second year of the project.</li> <li>• Pilot National Park management model is created, validated and applied by an “ad hoc” institution created by the Haitian Government.</li> <li>• A fee structure for visiting the park and for operating commercial concessions within the park should be established and an accounting system for the funds agreed to.</li> </ul>		
<b>Component 2: Development of tourism products</b>	<p>By the end of project execution:</p> <ul style="list-style-type: none"> <li>• 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).</li> </ul> <p>By the end of second year of project execution:</p> <ul style="list-style-type: none"> <li>• At least 5 segmented groups of products developed with local MSMEs and validated and promoted by DMO.</li> </ul> <p>By the end of first year of project execution:</p> <ul style="list-style-type: none"> <li>• Needs assessment report for product development is validated by the DMO.</li> <li>• 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.</li> </ul> <p>By the end of the first Year of project execution:</p> <ul style="list-style-type: none"> <li>• At least one product developed and tested<sup>1</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>• Mid-term evaluation report</li> <li>• PSR</li> <li>• Market analysis and segmentation report</li> <li>• Catalogue</li> <li>• FOMIN meeting aide-memoire.</li> </ul>	<p>The public and private actors organized through the DMOs facilitate and contribute to the definition and development of the destination’s tourism products, and ensure their social implementation.</p> <p>Existence of entrepreneurs interested to invest and provide high quality services directed to the identified market segments.</p> <p>Representatives of the tourism operators and other key actors remain interested in the development of tourism in the area, and participate in the product validation activities, providing their knowledge about tourists, their needs, and expectations.</p>

<sup>1</sup> The project will try to develop a first product to be commercialized shortly by RCCL.

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<p><b>Component 3: Improvement of and increase in the supply of services.</b></p>	<p>By the end of project execution:</p> <ul style="list-style-type: none"> <li>• 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).</li> <li>• At least 40 tourism services are included in at least 25 tourism market ready products within the North destination catalog (offer).</li> </ul> <p>By the end of second year of project execution:</p> <ul style="list-style-type: none"> <li>• At least 1000 individuals and MSMEs educated in providing quality tourism services.</li> <li>• 4 programs to support youth (200 youths) inclusion in the tourism sector</li> <li>• At least 50 improved and/or new businesses (MSMEs) supported by the project, offer quality tourism services</li> <li>• At least 20 MSMEs have accessed financing sources to improve or develop their services capacities.</li> </ul> <p>By the end of first year of project execution:</p> <ul style="list-style-type: none"> <li>• About 10% of the population in the North Department (85,175 persons<sup>2</sup>) included in the destination have been exposed to educational campaign through the local communications media.</li> <li>• At least 25 improved and/or new businesses (MSMEs) supported by the project, offer quality tourism services.</li> <li>• At least 10 MSMEs have accessed financing sources to improve or develop their services capacities.</li> </ul>	<ul style="list-style-type: none"> <li>• Mid-term evaluation report</li> <li>• PSR</li> <li>• List of business ventures</li> <li>• FOMIN visit report</li> </ul>	<p>Private sector actors collaborate to increase and improve supply of services.</p> <p>There is a critical mass of potential and existing business ventures in the Destination that are willing to invest in cofinancing and become part of the tourism industry.</p> <p>The financial sector develop services and there is demand from the beneficiaries of the project.</p>
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<sup>2</sup> Calculation is based on the 2003 IHSI census. The North department had a population of 851,758.

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<p><b>Component 4: Marketing and commercial promotion.</b></p>	<p>By the end of the project:</p> <ul style="list-style-type: none"> <li>• The destination offers a consolidated and well diversified product catalog including at least 25 products (day tours and multi day special interest itineraries).</li> <li>• 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.</li> <li>• At least 5 national inbound travel agents offer in their catalogues at least 15 products available at the destination.</li> <li>• An increase of 30% recorded in the number of visitors to the historical sites under UNESCO's World heritage rules managed by ISPAN.</li> <li>• 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.</li> </ul> <p>By the end of the second years of the project:</p> <ul style="list-style-type: none"> <li>• RCCL promotes the new supply of products developed in the destination.</li> <li>• At least 2 national inbound travel agents offer in their catalogues at least 10 products available at the destination.</li> <li>• An increase of 15% recorded in the number of visitors to the historical sites under UNESCO's World heritage rules managed by ISPAN.</li> <li>• An increase of 15% in sales invoiced by the new and improved businesses (MSMEs) participating in the project by the time it ends.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Mid-term evaluation report</li> <li>• PSR</li> <li>• Monthly visitor report</li> <li>• FOMIN meeting aide-memoire.</li> </ul>	<p>Haiti image is not deteriorated at international level</p> <p>The Haitian Government promotes actively the North destination</p> <p>RCCL, international wholesalers, and travel agencies participate actively in the promo-commercialization of the Destination.</p> <p>DR tour operators collaborate within the DMO and its promotional efforts.</p>
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D. ACTIVITIES			
<p><b>Component 1: Creation of a destination management model for developing and promoting the tourism destination.</b></p> <p>1.1. Defining destination, mapping stakeholders roles and responsibilities in the destination.</p> <p>1.2. Mapping and inventory of the main attractions in the destination.</p> <p>1.3. Designing and validating the DMO.</p> <p>1.4. Development of DMO business plan.</p> <p>1.5. Launching/operations of the DMO.</p> <p>1.6. Develop the national park management model.</p> <p>1.7. Prepare feasibility study for investment projects to be submitted to funders and strategic partners.</p> <p>1.8. Destination branding tool development.</p> <p>1.9. Presentation of DMO and destination to stakeholders.</p>	<p>1.1. By the end of month 6<sup>th</sup> of execution destination, stakeholders roles and responsibilities are defined.</p> <p>1.2. By the end of month 6<sup>th</sup> of execution an inventory of the main attractions in the destination is available.</p> <p>1.3. By the end of month 9<sup>th</sup> of execution DMO is validated by the Haitian Government.</p> <p>1.4. By the end of month 12<sup>th</sup> of execution business plan completed.</p> <p>1.5. By the end of month 12<sup>th</sup> of execution DMO is launched.</p> <p>1.6. By the end of month 6<sup>th</sup> of execution national park management model developed.</p> <p>1.7. By the end of month 18<sup>th</sup> of execution feasibility study executed.</p> <p>1.8. By the end of month 12<sup>th</sup> of execution a Destination branding tool developed.</p> <p>1.9. By the end of month 15<sup>th</sup> of execution the DMO and destination are presented to stakeholders.</p>	<p>Document presenting destination, stakeholders roles and responsibilities.</p> <p>Inventory of the main attractions in the destination.</p> <p>Le Moniteur.</p> <p>Business plan.</p> <p>Aide-memoire.</p> <p>National park management model.</p> <p>Feasibility study report.</p> <p>Destination branding tools.</p> <p>Meeting aide-memoires.</p>	



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<p><b><u>Component 2:</u></b> <b>Development of tourism products.</b></p> <p>2.1. Market profile and segmentation.</p> <p>2.2. Identification of potential products.</p> <p>2.3. Design of selected products.</p> <p>2.4. Needs assessment at service level to guarantee market readiness products (identify potential funders to sell the products; and associated services).</p> <p>2.5. Prepare a catalogue of products ready to be sold.</p>	<p>2.1. By the end of the 6<sup>th</sup> month of execution a report on market segmentation is available.</p> <p>2.2. By the end of the 6<sup>th</sup> month of execution a list of at least 30 potential products (inventory that results from the market profile and segmentation) to be developed are identified.</p> <p>2.3.1 By the end of the 12<sup>th</sup> month of execution at least 5 products are designed (museum tour, Voodoo tour; special interest tour, etc.).</p> <p>2.3.2 By the end of the 18<sup>th</sup> month of execution at least 15 products are designed.</p> <p>2.3.3 By the end of the 24<sup>th</sup> month of execution at least 20 products are designed.</p> <p>2.4. By the end of month 12<sup>th</sup> month of execution a needs assessment report available.</p> <p>2.5. By the end of the 24<sup>th</sup> month of execution a catalogue of market ready products is available.</p>	<p>Report on market segmentation.</p> <p>List of 30 products to be developed.</p> <p>List of products designed.</p> <p>Needs assessment report.</p> <p>Catalogue of market ready products.</p>	
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<p><b><u>Component 3:</u></b> <b>Improvement of the services needed for the promotion of the products.</b></p> <p>3.1. Social engineering (awareness raising) on importance of tourism for local economic development (general public, MSME, local authorities; etc.).</p> <p>3.2. Definition of the training curricula based on need assessment.</p> <p>3.3. Train the trainers (in coordination with school and university programs).</p> <p>3.4. Technical assistance/ training on skill standards (accommodation, guiding, restaurant, reception).</p> <p>3.5. Identify, design and implement a plan of mitigation of environmental and social negative impacts, including sustainable tourism criteria.</p> <p>3.6. Design an action plan to help tourism MSE to have access to appropriate financing (action plan).</p> <p>3.7. Implement the action plan to help tourism MSE to have access to appropriate financing.</p>	<p>3.1. By the end of month 6<sup>th</sup> of execution at least 3 events organized with general public, MSME, local authorities on importance of tourism for local economic development.</p> <p>3.2. By the end of month 12<sup>th</sup> of execution training curricula available.</p> <p>3.3. By the end of month 15<sup>th</sup> of execution training of trainers completed.</p> <p>3.4.1 By the end of month 6<sup>th</sup> of execution assessment of existing services and quality conducted and report available.</p> <p>3.4.2 By the end of month 24<sup>th</sup> of execution TA is provided to services providers.</p> <p>3.5. By the end of month 12<sup>th</sup> of execution a plan of mitigation of environmental and social negative impacts is available.</p> <p>3.6. By the end of month 12<sup>th</sup> of execution an action plan to help tourism MSE to have access to appropriate financing available.</p> <p>3.7. By the end of month 18<sup>th</sup> of execution the action plan is implemented.</p>	<p>Aide-memoire about events organized.</p> <p>Training curricula.</p> <p>List of trainers and training attendant list.</p> <p>Report on existing services and quality.</p> <p>List of services providers that received TA.</p> <p>Plan to help tourism MSE to have access to appropriate financing.</p> <p>List of entrepreneurs that have access to financing.</p>	
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<p><b><u>Component 4:</u></b> <b>Marketing and commercial promotion.</b></p> <p>4.1. Design the corporate image and communication strategy.</p> <p>4.2. Creation of a web platform for linking the destination with Geoamericas and WHL.</p> <p>4.3. Design of promotional materials (brochures, video, etc.).</p> <p>4.4. Promotion of the destination and establishment of alliances in collaboration with the key players (DMO, hotels; travel agencies)</p> <p>4.5. Social networking promotion.</p> <p>4.6. Participation on tourism events (familiarization trips; try outs; press trips, etc.).</p> <p>4.7. Reinforcement of the information office in Milot.</p>	<p>4.1. By the end of month 12<sup>th</sup> of execution corporate image and communication strategy designed.</p> <p>4.2. By the end of month 24<sup>th</sup> of execution webpage for the destination created.</p> <p>4.3. By the end of month 30<sup>th</sup> of execution promotional materials designed.</p> <p>4.4. By the end of month 30<sup>th</sup> promotion of the destination and contacts established for the promo-commercialization of the destination.</p> <p>4.5. By the end of month 30<sup>th</sup> at least 3 specialized social media or virtual communities collaborate to the destination promotion and consumer participation in the product development.</p> <p>4.6. By the end of month 30<sup>th</sup>, at least 10 tourism events organized.</p> <p>4.7. Tools provided to the office.</p>	<p>Corporate image and communication strategy.</p> <p>Webpage for the destination.</p> <p>Promotional materials.</p> <p>Training attendance list divides by group of players.</p> <p>List of tourism event participants and aide-memoire.</p> <p>List of institutions that are participating in the promo-commercialization of the destination.</p>	
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## Annex II

### Developing the North Department as a Tourism Destination (HA-M1037)

CATEGORIES	MIF US\$	Counterpart	TOTAL US\$
<b>Coordination and Logistics</b>	<b>328,400</b>	<b>251,600</b>	<b>580,000</b>
Coordination	237,900	96,000	333,900
Logistics, Equipment and Central Office	90,500	155,600	246,100
<b>Component 1. Creation of a destination management model for developing and promoting the tourism destination</b>	<b>371,550</b>	<b>54,900</b>	<b>426,450</b>
1.1 Defining destination, mapping stakeholders roles and responsibilities in the destination	35,000	-	35,000
1.2 Mapping and inventory of the main attractions in the destination	17,250	-	17,250
1.3 Designing and validating the DMO	11,000	-	11,000
1.4 Development of DMO business plan	22,300	-	22,300
1.5 Launching/operations of the DMO	179,500	-	179,500
1.6. Develop the national park management model	-	53,300	53,300
1.7. Prepare feasibility study for investment projects to be submitted to funders and strategic partners	50,000	-	50,000
1.8. Destination branding tool development	56,500	-	56,500
1.9. Presentation of DMO and destination to stakeholders	-	1,600	1,600
<b>Component 2. Development of tourism products</b>	<b>155,000</b>	<b>118,500</b>	<b>273,500</b>
2.1. Market study and segmentation	22,000	-	22,000
2.2. Identification of potential products	13,000	13,000	26,000
2.3. Design of selected products	120,000	30,000	150,000
2.4. Needs assessment at service level to guarantee market readiness products (identify potential funders to sell the products; what associated services to provide in order to implement the products)	-	62,000	62,000
2.5. Prepare a catalogue of products ready to be sold	-	13,500	13,500
<b>Component 3. Improvement of the services needed for the promotion of the products</b>	<b>509,650</b>	<b>91,950</b>	<b>601,600</b>
3.1. Awareness raising (Social engineering) on importance of tourism for local economic development (general public, MSME, local authorities; etc.)	8,750	-	8,750

3.2. Definition of the training curricula based on need assessment	63,500	-	63,500
3.3. Train the trainers (in coordination with school and university programs)	27,800	5,700	33,500
3.4 Technical assistance (TA)/ training on skill standards (accommodation, guiding, restauration, reception)	50,000	75,000	125,000
3.5. Identify, Design and implement a plan of mitigation of environmental and social negative impacts, including sustainable tourism criteria	-	11,250	11,250
3.6. Design an action plan to help tourism MSE to have access to appropriate financing	38,000	-	38,000
3.7 Implement the action plan to help tourism MSE to have access to appropriate financing	321,600	-	321,600
<b>Component 4. Marketing and commercial promotion</b>	<b>214,800</b>	<b>194,300</b>	<b>409,100</b>
4.1. Design the corporate image and communication strategy	26,000	37,500	63,500
4.2. Creation of a web platform for the destination linking with the GeoAmericas and WHL	22,800	10,000	32,800
4.3. Design of promotional materials (brochures, video, spot)	16,000	16,000	32,000
4.4. Promotion of the destination and establishment of alliances in collaboration with the key players (DMO, hotels; travel agencies)	90,000	60,000	150,000
4.6. Participation on tourism events (familiarization trips; try out; press trip, etc.)	40,000	60,000	100,000
4.5. Social networking promotion and information in Milot	20,000	10,800	30,800
<b>SUBTOTAL</b>	<b>1,579,400</b>	<b>711,250</b>	<b>2,290,650</b>
Contingencies	37,166	-	37,166
Baseline and Monitoring System, Midterm and Final Evaluation	40,000	-	40,000
Final Audit and ex post reviews	20,000	-	20,000
<b>TOTAL</b>	<b>1,676,566</b>	<b>711,250</b>	<b>2,387,816</b>
Agenda Activities	25,000	-	25,000
Training in financial management and procurement	10,000	-	10,000
Impact Evaluation (0,5% )	8,600	-	8,600
<b>GRAND TOTAL</b>	<b>1,720,166</b>	<b>711,250</b>	<b>2,431,416</b>
Percentage (excluding Agenda activities, impact evaluation account, and managing for results)	70%	30%	100%