

KWAMALASAMUTU COMMUNITY RURAL DEVELOPMENT

SU-T1014

I. EXECUTIVE SUMMARY

- Requester:** Head, Village of Kwamalasamutu, Suriname.
- Executing Agency:** Conservation International – Suriname (CI-S)
- Target Beneficiaries:** The 1,200 residents of the Village of Kwamalasamutu, Suriname, including 35 individuals trained in eco-tourism activities.
- Financing:** Bank: US\$149,000 Japan Special Fund Poverty Reduction Program (JPO). Local counterpart: US\$40,000 cash from CI-S and US\$15,000 in-kind from community. Total: US\$204,000.
- Objectives:** The objective is to reduce poverty in the indigenous Kwamalasamutu community by providing training and equipment for a community owned and operated tourism facility. The funds will be used for training for a community-based development organization; training in tourist product development (i.e., cultural, ecological, and archeological), market, management and operations; and materials and equipment to support tourism development.
- Execution Timetable:** The Execution Period is five months and the Disbursement Period is eight months.
- Special Contractual Conditions:** The Executing Agency has established the Program Steering Committee.
- Exceptions to Bank Policies and Procedures:** None
- Environmental and Social Review:** Completed (February 2, 2006).
- Coordination with other Official Development Finance Institutions:** None

II. BACKGROUND AND JUSTIFICATION

- 2.1 The community of Kwamalasamutu is located in southwestern Suriname adjacent to the border areas of Brazil and Guyana. This community of indigenous Trio people of 1,200 is physically isolated and the only transport connection with the outside is by small charter plane. The high costs of air transportation results in a limited supply and high costs for all imported items, including items and materials for education and health services, and limits the potential of the community to develop income-generating activities and alleviate poverty.
- 2.2 The economy of Kwamalasamutu remains largely subsistent, with shift and burn agriculture, hunting, and fishing being the primary activities; all of which are targeted towards the procurement of food for subsistence needs. Cash income employment is largely limited to the few government paid authorities of the community and the trade in wildlife. Other than remittances of money from family members working in small-scale gold mining and timber in distant interior locations and from family members working in Paramaribo, there is little cash available within the community to purchase food supplies and other basic needs.
- 2.3 In the recent past the community has experienced rapid population growth, which has put increased pressure on the natural resource base resulting in agriculture, hunting and fishing becoming unsustainable. Significant degradation of all natural resources is rapidly occurring in areas near the village. Community members are now required to travel long distances in order to open up new cassava fields within the forest. A similar situation exists for both hunting and fishing, as over exploitation of resources has depleted supplies and extensive travel to remote areas is now required to secure food supplies. This situation can only be expected to deteriorate as the population grows and the demand for food increases.
- 2.4 In order to reduce poverty and slow environmental degradation in Kwamalasamutu it will be necessary to look for more sustainable ways to use available natural resources. Given the extreme physical isolation of the community, few income-generating alternatives are readily available. One activity that holds significant promise in the generation of cash income and reduction in poverty is tourism (refers to cultural, ecological, and archeological tourism), including related activities that will support the local tourism industry. The community has been debating the merits of tourism and the village council has recently established Iwana Samu Environmental Enterprise (ISEE), a local community-based organization, to lead development of tourism. The immediate goal of the community and ISEE is to establish a community managed and operated tourist facility near the village and to establish a protected area around a recently discovered nearby archeological site to promote tourism. To work towards this goal, the community has requested financial and technical assistance from Conservation International – Suriname (CI-S), a local NGO. CI-S has indicated a willingness to provide support for the protection of the archeological sites and help assist with the development of initiatives for tourism. However, the community needs further financial and technical assistance to train its members in

tourism product development, marketing, and operations and to procure essential materials and equipment necessary to promote tourism.

- 2.5 This program to promote rural development in Kwamalasamutu is a pilot project that feeds into the planned GEF/OAS/IDB biodiversity protection project for the Trio Community in southern Suriname. The program will thus add value to and be complimentary with both the planned biodiversity protection project and the efforts by the community and CI-S in the protection of archeological sites.
- 2.6 The program identified here is consistent with the Bank's country strategy and will compliment the Bank's ongoing Community Development Fund (1246/OC-SU) project and the MIF funded technical cooperation in Sustainable Tourism Development (ATN/ME-8977-SU) in the Central Suriname Nature Reserve. The Community Development Fund is planning a small electricity project to serve the Kwamalasamutu community. While this project will promote the social and economic development of the community, the electricity will not be connected to the planned tourist facility which will be distant from the village. The development of tourism activities in the Central Suriname Nature Reserve will complement tourism in Kwamalasamutu by increasing the number of high profile tourism core sites in the interior, which will be a necessary condition if Suriname is to become an international destination for eco-tourism.

III. PROGRAM DESCRIPTION

- 3.1 The overall objective of this pilot project is to reduce poverty in the indigenous peoples community of Kwamalasamutu by providing training and equipment for a community owned and operated tourist facility. The purpose of the project is to create a cash income generating opportunity for the citizens of Kwamalasamutu, who have traditionally relied upon subsistence agriculture, hunting and fishing for their livelihood. The project will take advantage of the community's abundant and scenic natural resource base and recently discovered archeological sites to promote and create a high quality and sustainable local tourism industry.
- 3.2 The project will consist of three components: 1) training for a community based development organization, 2) training in tourist product development (i.e., cultural, ecological, and archeological), marketing, and tourism management and operations, and 3) materials/equipment to support tourism development. The Executing Agency will be responsible for the contracting of consulting services and the procurement of goods. Bank procurement rules shall apply in the contracting of consultants and the procurement of goods.
- 3.3 **Component 1.** This Component will provide training to strengthen community decision making to better organize and plan for the undertaking of rural development activities in general and this program specifically. The training will assist the community in developing its plans and strategies in the use of its natural resources, with particular emphasis on tourism and the supporting and complementary activities necessary for successful tourism. These will include activities that support tourism, including plans for the development of an eco-tourism site, and activities concerning cultural events and attractions and

local arts and craft production. The output of Component 1 will be plans and a strategy indicating how the community will develop, guide, and manage its tourism activities and those activities that directly compliment and support the sector. The Team Leader, who will be contracted by the Executing Agency, will carry out all activities of Component 1.

- 3.4 **Component 2.** Training for community and ISEE members in the development of tourism products, marketing, tourism enterprise activities, and the management and operation of a local tourist facility will be provided under Component 2. The output of this component will be a general set of tourist products that the community wants to promote, identification of specific tourist enterprises, a general tourism marketing plan, community citizens trained in the full operation and management of a local tourist facility, and ten trained forest and archeological guides and ten trained cultural guides. A tourism product/marketing/management training consultant and a tourist guide consultant will be contracted by the Executing Agency to carry out the activities of this Component. The consultants will work under the supervision of the Team Leader.
- 3.5 **Component 3.** The third Component will use JPO funds to purchase and transport a generator and tools, outboard engines and boats, water pump and accessories, solar power units and a satellite connection, computer and printer, digital and video camera, and field guide books on birds, plants, and animals. The local counterpart cash and in-kind funds will be used to purchase and transport the building materials for the development of the planned tourism facility. The output from Component 3 will be a small-scale tourism facility that can accommodate up to 12 persons in separate living quarters, a central dining area, an area for community operators, and a boat service to transport tourists. The Executing Agency will procure all goods and transportation services. At the end of the disbursement period, the Executing Agency will transfer the ownership of all procured goods to the Kwamalasamutu Community by official letter, with a detail listing of all goods. The Team Leader, whose honorarium is included under Component 1, will direct the construction of the tourism facility in conjunction with community authorities.

IV. COST AND FINANCING

- 4.1 The total cost of the program is estimated at US\$204,000 with the amount of US\$149,000 coming from the Japan Special Fund Poverty Reduction Program (JPO) and US\$55,000 coming from local counterpart funds. Local counterpart funds are composed of US\$40,000 in cash, which will be contributed to the project by Conservational International – Suriname, and US\$15,000 in-kind for labor and local materials that are contributed by the community. The large amount of funds indicated for travel reflects the high cost of travel by charter plane to Kwamalasamutu. All of the training activities will take place in the community. The materials and equipment in Component 3 includes tools, computer, solar equipment and other items from the JPO fund and building materials from local cash and in-kind counterpart funds.

- 4.2 The tourist facility that will be developed as part of this project will be financially self-sustainable and thus all recurrent operational costs will be met. Additional training needs will be provided using resources generated from the business. Given the cultural, archeological, and natural attractions of the Kwamalasamutu area and the high transport costs, the tourist enterprise in the initial stage will be targeted at the upscale eco-tourism market.

Type of Expense	Number of Months	Cost per Month	JPO Total	Local Counterpart	TOTAL
Component #1					
Honorarium.	5.00	6,000	30,000	0	30,000
Travel:			2,500	0	2,500
Per diem:			0	2,000	2,000
Component #2					
Honorarium.	5.00	5,600	28,000	0	28,000
Travel:			12,500	0	12,500
Per diem:			4,000	4,000	8,000
Component #3					
Travel and transport:			23,000	0	23,000
Per diem:			2,000	4,000	6,000
Materials/equipment			45,000	15,000	60,000
Local materials			0	15,000	15,000
General support:			0	10,000	10,000
Auditing and Eval.			2,000	0	2,000
Contingencies			0	5,000	5,000
TOTAL			149,000	55,000	204,000

V. EXECUTING AGENCY AND MECHANISM

- 5.1 Conservation International – Suriname (CI-S), a local environmental NGO, is the Executing Agency for this TC. CI-S, which has operated for 12 years in Suriname, is among the larger NGOs in Suriname in terms of staff, budget, and program activities and is currently the executing agency for an IDB MIF funded project (ATN/ME-8977-SU Sustainable Tourism Development Program) for tourism development in the Central Suriname Nature Reserve. CI-S, which can attract international financial resources, has demonstrated through the Sustainable Tourism Development Program that it has both the managerial and administrative capacity and the experience to execute the program. CI-S has an excellent relationship with the Kwamalasamutu community and will also assist the community in the conservation of its archeological sites.
- 5.2 The Executing Agency will execute the program from their offices in Paramaribo. The program's Team Leader, who will be contracted from program funds, will lead and supervise the consultants hired to undertake program activities. The Team Leader will be located in Kwamalasamutu and will be the chairperson of a

Steering Committee that will be made up of at least five Kwamalasamutu Community members and appointed by the leader of the community. This Steering Committee will review and approve all program execution activities.

- 5.3 The execution period of the program is five months and the disbursement period is eight months from signature of agreement.
- 5.4 The Executing Agency will submit a procurement plan to the Bank for approval prior to the acquisition of good and services. The acquisition of goods and services shall be in accordance with the provisions set forth in Document GN-2349-4 of the Bank. The selection and contracting of consulting services will be carried out by the Executing Agency in accordance with the provisions set forth in Document GN-2350-4. The shopping procedure will be used for the acquisition of goods and related services, and the Quality - and Cost-Based Selection process will be used for the contracting of consulting services. The procurement of goods and related services as well as the contracting of consulting services will be reviewed by the Bank under the modality ex-ante.

VI. MONITORING AND EVALUATION

- 6.1 The Suriname Country Office (COF/CSU) will be responsible for administering, monitoring, technical supervision, and disbursement for the program. The Executing Agency will submit a progress report at the end of the first three months of execution and a final report within one month of the final disbursement date of the program. The reports shall provide relevant information on all procurement activities and output activities undertaken by component. The reports shall also present a sources and uses financial statement for the period in question.
- 6.2 The program will be evaluated internally in the Bank at the end of the disbursement period. The following description of outputs by Component will be used as a guide in the evaluation:
 - Component 1: Plans and strategy to develop, guide, and manage tourism and training of community leaders.
 - Component 2: Tourism products and marketing plan (5–10 persons trained); tourism operation and management plans and training (15 persons); and tourism guide training in forestry and archeological (10 persons) and cultural (5 persons).
 - Component 3: Completed tourism facility for 12 persons and list of procured equipment and material.
- 6.3 The Executing Agency will present an audited financial statement on the program at the end of the disbursement period. The costs for the financial audit will come from budgeted program funds.

VII. PROGRAM BENEFITS AND RISKS

- 7.1 The development impact of this program is to increase the economic development of the Kwamalasamutu community through cultural and eco-tourism. The outcomes of the program are an increase in cash income generating opportunities for the community and its members directly through tourism and indirectly through related activities that support and complement tourism. The indicators of the outcomes will be direct and indirect tourist spending within the community and the number of community members involved, both directly and indirectly, in the tourism sector.
- 7.2 The target beneficiaries are the Kwamalasamutu community as a whole, the ISEE, and individual community members. Community leaders will be trained in general tourism development and the 10 members of ISEE will be trained in the operation and management of tourist facilities. Thirty other community members will be trained in selected tourist facility operations, tourist transportation, and cultural, forest, and archeological guides.
- 7.3 The major risk to the program is the high costs of air transport service to Kwamalasamutu, which will price the tourist package at the high end cost level. This risk will be minimized by building a tourist facility that will exactly accommodate a small plane load of up to 12 passengers and by marketing the tourist package at the international level. As the tourist facilities at Raleigh Falls become more developed, the tourist package could include stays at both facilities, which should be more marketable because of the greater diversity in tourist attractions.

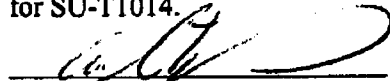
VIII. ENVIRONMENTAL AND SOCIAL ASPECTS

- 8.1 The CESI review date was February 2, 2006 and no environmental objections were found.
- 8.2 There are measures that will be taken to avoid and minimize potential social and environmental impacts. The measure taken to avoid and minimize social impacts that tourism can have on the community is to have the community identify the different types of contact and the standards and regulations for contact by tourists with community members. There is already a working model for these types of measures in Suriname, as the indigenous community of Palumeu and the Maroon community of Awarra Damn have established strict standards and regulations on tourists that visit their community.
- 8.3 The measures taken to avoid and minimize potential environmental impacts of tourism in the Kwamalasamutu are to use environmentally friendly technologies and materials in the construction and operation of the tourist facility and transportation. In this regard, four-stroke boat engines will be used to transport tourist and high standard sanitation facilities and solar power will be installed at the tourist facility. All non-organic solid wastes will be transported back to

Paramaribo for disposal. Strict standards will be set in the viewing of archeological sites and wildlife, such as that of the Cock-of-the-Rock, that are plentiful in the archeological site area.

IX. CERTIFICATION

- 9.1 The Chief of the Japanese Special Fund certifies that sufficient resources exist in the JPO Community Based Program up to the equivalent of US\$ 149,000 available to finance the activities described and budgeted in this Plan of Operation for SU-T1014.




Goro Mutsuura, RE2/FSS
Japanese Special Fund


February 10, 2006
Date

X. APPROVAL


- 10.1 According to Document CC-5290, approved by the Coordination Committee on August 2, 1995 and the corresponding simplification memorandum (Simplification of Procedures and Delegation of Authority to Approve Non-Reimbursable Technical Cooperation) of September 12, 1995, this Technical Cooperation is presented for approval of the Manager of Regional Operations Department 3.


Alicia S. Ritchie, Manager
Regional Operations Department 3


2/27/07
Date

Concur: 
Christian Gomez Fabling, Deputy Manager
Regional Operations Department 3


2/27/06
Date

Concur: 
Pablo E. Adam, Representative
Suriname

Feb. 17, 2006
Date

Concur: 
Michael Jacobs, Chief
Social Programs Division
Regional Operations Department 3

27 Feb 2006
Date

Concur: 
Dora Currea, Chief
Country Division
Regional Operations Department 3

Feb 24, 2006
Date

KWAMALASAMUTU COMMUNITY RURAL DEVELOPMENT

Japan Special Fund Poverty Program (JPO)

Inter-American Development Bank

And

Conservation International – Suriname Project Executing Unit

Terms of Reference for Project Coordinator

I. BACKGROUND

- 1.1 The community of Kwamalasamutu, located in southwestern Suriname, has received funding from the Japan Special Fund Poverty Program (JPO) at the IDB to undertake rural development in the area of cultural, archeological and eco-tourism. The economy of Kwamalasamutu is largely subsistence, with hunting and fishing and shift and burn agricultural being dominant. Alternatives to a subsistence economy are severely limited because of the remoteness of the village and the high cost of air travel. One of the most promising areas for development is tourism. The village is located in a very remote area, with most natural resources still in their pristine condition.
- 1.2 The overall objective of the project is to reduce poverty in the indigenous peoples community of Kwamalasamutu. In this regard, the project will establish a community owned, managed, and operated tourism facility near the village.

II. CONSULTANCY OBJECTIVE

- 2.1 The objective this consultancy is to provide the leadership for the undertaking of all activities of the project.

III. CHARACTERISTICS OF THE CONSULTANCY

- 3.1 **Type of consultancy.** The consultancy is for overall management of the project.
- 3.2 **Date of Consultancy.** The consultancy will commence in February 2006 and end in July 2006.
- 3.3 **Place of work.** The workstation or location of the consultancy will be at the office of the consultant in Suriname, the office of the project executing unit, and the village of Kwamalasamutu as deemed necessary.
- 3.4 **Qualifications.** The consultant shall have a degree from a recognized university in a relevant area of study and at least 5 years of experience in the area of tourism development in an environment similar to that of Suriname and Kwamalasamutu. The consultant shall also have direct experience in management of projects similar or related to the project identified and shall have experience in working

with traditional and/or indigenous peoples. The consultant shall be fluent in English and have a working knowledge of Dutch and Sranan Tongo. This consultant shall also be in excellent physical condition and be willing to travel frequently to Kwamalasamutu.

IV. ACTIVITIES

4.1 The consultant will be responsible for the following:

- a. Development of procurement documents for all goods to be procured. Activities in procurement of goods will also include the writing and submission of newspaper advertisements, identification of suppliers for short listing, evaluation of bids, preparation of bid contracts, organizing for transportation to Kwamalasamutu of goods, and all other activities associated with the procurement of goods. Advise the Kwamalasamutu community on the storage, protection, and maintenance of all goods procured.
- b. Development of the terms of reference for the following consulting activities:
 - Development of plans for eco-tourism facilities.
 - Translation of training documents into the Trio language.
 - Training consultants as required.
- c. Development of papers for the legal establishment of the tourism facility and submission of these papers to proper legal authorities.
- d. Advise the Kwamalasamutu village leaders on insurance needs of the tourist facility, and assist in the securing of insurance if found necessary.
- e. Advise the Kwamalasamutu village and undertake a workshop(s) to determine the detailed plans for development of the tourist facility.
- f. Advise the Kwamalasamutu community on the setting up of a protected area around the tourist facility.
- g. Development of training materials and delivery of training for the Kwamalasamutu community in the areas of tourist product development, marketing, tourism management and operations, tourist facility business plan, and other tourism activities as deemed appropriate.

V. REPORTS

- 5.1 The consultant will prepare an Action Plan to undertake the project that will take into consideration all the activities and outputs identified above. This Action Plan will be submitted to the project executing unit and the Bank for approval within two weeks of the start of the consultancy. This Action Plan will detail all activities and outputs and their timeframes for completion. Once approved by the Bank, the identified activities and outputs and their timeframes will become the deliverables of the contract that the consultant signed. All reports will be submitted in English in both hard copy and electronic version.

VI. COORDINATION

- 6.1 The consultant's work will be coordinated by COF/CSU.