

**DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK**

**BELIZE**

**SUSTAINABLE TOURISM PROGRAM**

**(BL-L1003)**

**LOAN PROPOSAL**

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<b>REQUIRED</b>	
1.	AOP <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1664631">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1664631</a>
2.	Monitoring & Evaluation Arrangements <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1605885">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1605885</a>
3.	ESMR <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1638577">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1638577</a>
4.	Procurement Plan <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1664628">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1664628</a>
5.	Safeguard and Screening Form for Screening and Classification of projects (SSF) <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1662052">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1662052</a>
<b>OPTIONAL</b>	
1.	Feasibility study <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1663923">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1663923</a>
2.	Detailed budget <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1665456">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1665456</a>
3.	Economic and Financial Analysis <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1681345">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1681345</a>
4.	Program Operating Manual <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1666718">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1666718</a>
5.	Preliminary Activity Plan <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1664633">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1664633</a>



**ABBREVIATIONS**

AOP	Annual Operating Plan
BTB	Belize Tourism Board
BTIA	Belize Tourism Industry Association
DMP	Destination Management Plan
EIA	Environmental Impact Assessment
ESMR	Environmental and Social Management Report
ESS	Environmental and Social Strategy
IDB	Inter-American Development Bank
MTCA	Ministry of Tourism and Civil Aviation
NICH	National Institute of Culture and History
OPC	Operations Policy Committee
PACT	Protected Areas Conservation Trust
PCU	Project Coordination Unit
POD	Proposal for Operation Development
POM	Program Operating Manual
SSF	Safeguard and Screening Form for Screening and Classification of Projects
VEMS	Visitor Expenditures and Motivation Survey



**PROJECT SUMMARY**  
**BELIZE**  
**SUSTAINABLE TOURISM PROGRAM**  
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Financial Terms and Conditions			
<b>Borrower:</b> Belize		<b>Amortization Period:</b>	25 years
		<b>Grace Period:</b>	50 months
		<b>Disbursement Period:</b>	50 months
<b>Executing Agency:</b> Ministry of Tourism and Civil Aviation and the Belize Tourism Board			
<b>Source</b>	<b>Amount</b>		
IDB (OC)	\$13,322,000	<b>Supervision and Inspection Fee:</b>	*
		<b>Interest Rate:</b>	Variable
Local	\$1,360,000	<b>Credit Fee:</b>	*
Total	\$14,682,000	<b>Currency:</b>	Single currency facility in US dollars
Project at a Glance			
<p><b>Project Objective/Description:</b>  The Program's goal is to increase the contribution of tourism to national economic growth in a manner that is environmentally and socially responsible. Its objective is to support the consolidation of the overnight tourism market in light of its potential to optimize the sector's contribution to the Belizean economy. The Program consists of the following two components: (i) Investments in overnight tourism destinations; and (ii) Institutional strengthening and capacity building for policy, destination planning and management.</p>			
<p><b>Special contractual clauses:</b> <u>Prior to first disbursement:</u> (i) Entry into effect of the Agreement between the Ministry of Tourism and Civil Aviation and the Belize Tourism Board in the terms described in ¶3.1; (ii) Selection of the Project Director of the Project Coordination Unit ¶3.4; (iii) designation of the sub-committee of the National Tourism Advisory Council to act as steering committee of this Program ¶3.8; and (iv) approval of the Program Operating Manual ¶ 3.7. <u>Special conditions for execution:</u> (a) prior to issuing each call for public tendering for the construction of works, signature of agreement(s) with the corresponding agencies for the purposes established in paragraph ¶3.6; (b) prior to issuing the call for public tendering for the construction of works for the San Pedro project, evidence that the specialized technical studies, an analysis of alternatives, further consultations with affected parties and a reassessment of the economic and financial sustainability of the project has been carried out ¶1.23.</p>			
<b>Exceptions to Bank policies:</b> None			
<p><b>Project qualifies for:</b>    SEQ[ ]    PTI[ ]    Sector [ ]    Geographic[ ]    Headcount [ ]</p>			

(\*) The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with the applicable provision of the Bank's policy on lending rate methodology for ordinary capital loans. In no case will the credit fee exceed 0.75% or the inspection and supervision fee exceed, in a given six-month period, the amount that would result from applying 1% to the loan amount divided by the number of six-month periods included in the original disbursement period.



## I. DESCRIPTION AND RESULTS MONITORING

### A. Background, Problem Addressed, Justification

- 1.1 Sector performance: Tourism is one of the main engines of growth in the Belizean economy and the principal source of foreign exchange. The sector generated US\$290 million in visitor expenditures in 2007, thus accounting for 71% of total services exports and corresponding to approximately 22.4% of total GDP<sup>1</sup>. In addition, over 25% of the employed labor force is estimated to be related to or driven by the sector. This is a significant contribution that places tourism at the forefront of the country's economy.
- 1.2 Belize has experienced steady growth in the tourism sector. The average growth per year of the sector from 1975 to 2007 has been 5.4%. The total annual number of tourists increased from 47,200 overnight visitors in 1975 to 251,000 in 2007.<sup>2</sup> With the appropriate enabling environment, the World Travel and Tourism Council estimates that travel and tourism in Belize will grow by 4.7% per annum in real terms between 2009 and 2018.<sup>3</sup>
- 1.3 Belize's tourism product is highly dependent on the country's natural and cultural heritage. In addition to many archaeological sites, Belize encompasses a network of both terrestrial and marine protected areas offering opportunities for diving, wildlife observation and bird-watching, hiking and other recreational activities. With convenient access to the world's second largest barrier reef and tropical forest reserves, Belize displays several competitive advantages in the sector relative to Central American and Caribbean countries. These include a largely English-speaking population and diverse culture, proximity to the United States and a relatively stable political situation.
- 1.4 Belize's tourism sector caters to two distinct market segments: (i) overnight or 'stay-over' visitors; and (ii) cruise ship passengers. A total of 251,000 overnight visitors were recorded in 2007, approximately 29% of all arrivals. The United States and Canada accounted for 60.6% and 6.6% of overnights in 2007 while Europeans represented 13.6% of the market share. Approximately 60% of all overnight visitors stayed in Belize District with the balance staying in South Stann Creek (i.e., Placencia) and Cayo Districts. The overnight segment is served by approximately 591 hotel and resort facilities offering a total of 6,075 rooms. Of this total number of hotels, only 51 had more than 20 rooms. Occupancy rates in 2007 were in the order of 43%. The highest occupancy rates occur from January to April while the lowest rates coincide with the peak of the hurricane season in September and October. Estimates indicate that 20% of the room stock generates 80% of the occupancy. In addition to seasonality, low occupancy rates are

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<sup>1</sup> Central Bank of Belize

<sup>2</sup> Belize Tourism Board. Travel and Tourism Statistics 2007.

<sup>3</sup> The 2008 Travel and Tourism Economic Research, Belize. World Travel and Tourism Council. 2008.



- attributed to problems in meeting quality standards which, in turn, are associated in part with high operating costs, supply constraints and other business climate limitations.
- 1.5 Cruise tourism has been the fastest growing segment of the Belize tourism industry. Cruise passenger arrivals grew from 14,183 in 1998 to 624,000 in 2007 or approximately 71% of all tourist arrivals. After a marked peak in growth in 2004, the cruise ship segment is showing signs of leveling off with a total of 278 ship calls in 2007, a 25% decline in calls relative to 2005. At the moment, passengers are transported from cruise ships by smaller vessels to the Ford Street Tourism Village in Belize City where they are taken by buses to various nearby destinations. The Government is currently considering proposals for the development of a new cruise ship terminal.
  - 1.6 There are important differences between cruise and overnight visitors that have to be taken into account in planning for the sector. Despite their relatively small numbers, overnight visitors contributed 88% of total direct tourist expenditures in 2007 compared to 12% by cruise ship visitors. In addition, the overnight segment has proven less volatile, rising steadily since the late 90s, while the cruise segment has grown faster but has been more susceptible to external events such as natural disasters. The overnight segment also accounts for 90% of all employment in the industry, with spending by cruise visitors heavily concentrated in Belize City and overnight tourism spread more widely across the country.
  - 1.7 While the tourism sector's performance in the last decade has improved significantly, growth remains modest in international terms. Belize's market share of international tourist arrivals in the Caribbean region grew from 2.8% in 2001 to 4.2% in 2005. However, Belize's market share for tourism in Central America has declined from 4.5% in 2001 to 3.4% in 2007. Overnight visitors as a percentage of overall arrivals in Belize are among the lowest in the region and, as a consequence, tourism expenditures per capita in Belize are considered low, with significant room for growth in the overnight segment.
  - 1.8 Institutional framework: The institutional framework for the sector consists of the Ministry of Tourism and Civil Aviation (MTCA) responsible for tourism policy, the Belize Tourism Board (BTB) responsible mainly for implementing tourism policy and the Belize National Tourism Advisory Council, a coordinating body. This framework is guided by a sector policy which promotes sustainable tourism (see below).
  - 1.9 The BTB is a statutory body representing a strategic partnership between government and the private sector. Its responsibilities include, among others, planning, developing and promoting the tourism industry, promoting private investment in tourism, and vetting the standards of facilities offered by the industry. BTB works closely with public sector entities in the implementation of tourism policies as well as with the Belize Tourism Industry Association (BTIA) and other organizations from the private sector family. BTB revenues are derived



mainly from accommodation taxes (80%) and the cruise passenger head tax (14%).

- 1.10 The Belize National Tourism Advisory Council is a body created by law in 2000 under the MTCA that brings together all the relevant actors from the public and private sectors. Recently reactivated, the Council includes among its objectives developing, establishing and monitoring plans and policies, procedures and guidelines, legislative measures and educational and training programs necessary for the efficient management and development of tourism in Belize.
- 1.11 City, town and village councils and local boards have the responsibility for administering basic services such as water supply and solid waste management in tourist localities but lack the capacity to provide the coverage and quality required by the sector. These and other local entities can play an important role in ensuring that tourism development is compatible with the conditions of a destination.
- 1.12 Country's sector strategy: The Government recently confirmed the central position of the tourism sector in its economic development strategy and reiterated the core message of its 2005 Policy, promoting a product focusing on the natural and cultural heritage of the country, an equitable distribution of benefits through the promotion of the overnight segment and the delivery of a world class visitor experience. The MTCA has recently proposed a new Tourism Development Strategy promotes the creation of tourism zones and fully incorporates the proposed Program. The Government is also considering financing of the Solid Waste Management Program (BL-L1006) to reduce environmental pollution and enhance key tourism destinations along the Western Corridor such as Belize City, San Ignacio and islands such as San Pedro and Caye Caulker.
- 1.13 Justification for the program: The sector faces several fundamental challenges that, if not addressed, could affect its continued contribution to the national economy. These challenges are related to: (a) resource degradation affecting the visitor experience at popular overnight destinations; (b) insufficient product diversification; and (c) weaknesses in institutional capacity and coordination.
- 1.14 The tendency of visitors to converge to a few popular sites during the short high season has led to concerns about the capacity of existing destinations for accommodating demand without damaging the quality of the visitor experience and the associated natural and cultural resources. Coastal areas and the offshore cayes are particularly vulnerable to problems such as coral reef degradation and beach erosion. In addition, congestion at sites visited by cruise ship passengers threatens the branding of the country as an environmentally sustainable destination. This situation suggests that payments for the use of resources, such as user fees or taxes, could be raised in a way that deals with excess demand and helps generate revenues for the government.
- 1.15 The rapid expansion of residential units as second homes (condominiums, time shares) in locations such as Ambergris Caye and Placencia also creates competing



- demand for shorefront property and further adds to the pressure on scarce water and other resources. This raises the need to establish, implement and monitor acceptable levels of visitation and/or visitation fees at those sites/attractions and to apply measures for restoring and protecting natural and cultural resources, thereby ensuring that visitors receive quality services and attention.
- 1.16 Recent experience with the popularity of adventure and other specialty tours (e.g., cave tubing) suggests that there are untapped opportunities that could help diversify the tourism product, raise occupancy rates, and consolidate the overnight segment without jeopardizing the country's branding. To do so however, the sector must overcome basic constraints including, for example, limited access, the absence of facilities and limited capacity to provide a greater diversity of visitor services in both inland and coastal settings.
  - 1.17 Investments in tourism to date have been largely ad hoc, underscoring weaknesses in the institutions responsible for the sector and related services and assets. Conflicts frequently arise over the compatibility of tourism development proposals with Belize's branding, national policy and sector-specific plans. These problems reinforce the need for more integrated approaches to destination planning, where needs for physical infrastructure can be assessed within the context of coherent, locally endorsed plans for zones or regions selected as priorities for tourism development. Public institutions across several sectors (tourism, natural resources and environment, coastal zone management, public works, and agriculture) need to work closely with private investors, local governments and businesses, communities and other stakeholders to achieve a common tourism strategy at each of these destinations in accordance with their role and within a common national planning framework.
  - 1.18 To address these challenges, the proposed Program will invest in the restoration and improvement of facilities in four well-established or consolidated overnight destinations selected on the basis of the current volume of overnight visitation, environmental conditions as well as economic and social impact. The four consolidated destinations are: (a) San Ignacio and surroundings (Cayo District); (b) Ambergris Caye (Belize District); (c) Placencia peninsula (Stann Creek District); and (d) Belize City (Belize District). Taken together, these four destinations account for approximately 75% of total overnight tourists annually and 64% of tourism earnings. Recognizing the need to further diversify the tourism product and promote a wider distribution of benefits, complementary investments will be made in developing new products, expanding visitor services to new locations near these four destinations and in capacity building in two emerging destinations selected based on their market potential and social needs: (a) Punta Gorda (Toledo District); and (b) Dangriga/Hopkins (Stann Creek District). Emphasis is placed on ecotourism, adventure and cultural tourism in recognition that these segments are associated with higher expenditures and average length of stay and offer greater opportunities to get communities involved in the sector. To strengthen institutional capacity in the sector, the Program will support the development of the National Tourism Master Plan and foster



improvements in the way key institutions coordinate initiatives among themselves and with private investors, conduct market research and monitor performance of the sector.

## **B. Objectives, Components and Cost**

- 1.19 Objectives: The Program's goal is to increase the contribution of tourism to national economic growth in a manner that is environmentally and socially responsible. Its purpose is to support the consolidation of the overnight tourism market in light of its potential to optimize the sector's contribution to the Belizean economy. Its objectives are to: (a) support the improvement, restoration and diversification of overnight destinations and their products; and (b) strengthen national and local capacity for sector policy, destination planning and management.
- 1.20 Components: The Program consists of the following two components: (i) Investments in overnight tourism destinations; and (ii) Institutional strengthening and capacity building for policy, destination planning and management.
- 1.21 Component 1: Investments in overnight tourism destinations (US\$11.1 million). This component will finance studies, final designs and investments in civil works and equipment aimed at improving the quality of the tourism natural and cultural products at consolidated destinations in line with Destination Management Plans (DMPs) developed during Program preparation. Each DMP encompasses a coordinated package of initiatives selected on the basis of an analysis of sector-specific, social, economic and environmental factors, including vulnerability to natural disasters. Each DMP was also developed in close collaboration with key stakeholders of the destination. The Program's resources will be directed at the following within the framework of the DMPs:
- 1.22 **San Ignacio and surroundings:** Located inland in Cayo District, this area has gained the reputation as the ecotourism center of Belize. Key natural resources including rivers, waterfalls, caves, natural scenery and diverse fauna and flora provide opportunities for a range of activities such as kayaking, cave tubing, river rafting, mountain biking and hiking. The DMP for the region proposes to reinforce San Ignacio's role as a staging area for these activities, creating a distinctive gateway to the variety of nearby attractions. The activities and investments to be financed include: (a) the establishment of a regional welcome center to provide information on tourism services, activities and attractions in Cayo District, enabling visitors and local residents to better understand the area heritage; (b) improvement in visitor facilities and access at the Cahal Pech Heritage and Nature Park; (c) the development of the San Ignacio Town Center Urban Design Strategy; (d) improvements in visitor facilities at Actun Tunichil Mukmal, one of Belize's most spectacular cave systems and archeological site.



- 1.23 **Ambergris Caye:** This area is located at the northern end of the Meso-American Barrier Reef and encompasses the town of San Pedro, Belize's main tourism destination with a focus on diving, snorkeling and fishing in nearby marine protected areas. Chaotic infrastructure development is contributing to persistent shoreline erosion, loss of environmental and scenic quality and use conflicts. There are also limited opportunities for promoting visitor and local appreciation for the coastal and marine ecosystems upon which tourism depends. The approach of the DMP for this destination is to strengthen physical planning in high use terrestrial and marine areas while solving immediate environmental problems and enhancing internationally recognized natural attractions to diversify the product offered in Ambergris Caye. With this in mind, the Program will finance: (a) the development of a Physical Tourism Development Plan for Ambergris Caye (to be formulated as part of the Belize Tourism Master Plan process) resulting in land use zoning for the entire Caye and future investment programs specifically for the environmental restoration and protection of San Pedro Town and Ambergris North; (b) waterfront improvements in San Pedro (beach restoration and enhancement involving the removal of piers causing erosion, beach nourishment, landscaping and establishment of visitor facilities, including a water sports center for the orderly provision of services such as dive shops, moorings and boat rental<sup>4</sup>); and (c) support for Park management activities and visitor facilities (campground, trails etc.) for the Bacalar Chico National Park/Marine Reserve, a UNESCO World Heritage Site.
- 1.24 **Placencia peninsula and village:** This area is another of Belize's prime coastal destinations providing ready access to marine reserves and with substantial beach frontage. The DMP calls for maintaining the small-scale, family-oriented character of the village, targeting the 'simple luxury' accommodation market while reducing risks associated with the highly vulnerable coastal location of the peninsula. The investments to be financed by the Program cover development of a small pier and plaza to expand safe mooring services, reduce anchoring on nearby reefs and consolidate public maritime services in a single location. The proposal also includes technical assistance for: (a) a pilot program for gaining 'Blue Flag' eco-labeling status in water quality, environmental education and information and for the adherence to international safety standards; and (b) development of a disaster risk management plan for the peninsula with a view to avoiding damages associated with flooding and breaching of access routes.

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<sup>4</sup> The San Pedro beach nourishment and pier construction initiative is a complex project involving technical, environmental, social, economic and financial considerations that will require further investigation to be financed by the Program to determine its feasibility. Evidence that the following have been carried out will be provided prior to issuing the call for public tendering for the construction of works for this project: (a) specialized technical studies (e.g. geotechnical and oceanographic); (b) an analysis of alternatives; (c) further consultations with affected parties, including a verification of rights and compensation if required; and (d) a reassessment of the economic and financial sustainability.



- 1.25 **Belize City:** Belize City's center serves as the gateway for most overnight visitors and all cruise ship passengers. The center offers generally poor pedestrian access and an unattractive streetscape, thereby resulting in a negative first impression. The DMP calls for the creation of a vibrant downtown area that reflects the essence of Belize's history and forges strong physical and visual links between neighborhoods. With this in mind, the Program will finance: (a) a waterfront development strategy; (b) the physical improvement of the Fort George area and the pedestrian link between the Tourism Village and the town center as a catalyst for tourism-related urban regeneration.
- 1.26 Component 2: Institutional strengthening and capacity building for policy, destination planning and management (\$2.4 million). The Program will finance the following institutional strengthening activities: (a) the preparation of a National Tourism Master Plan for the entire sector that will provide for the zoning approach proposed by the Government and translate sustainability objectives into actions, an assessment of options for implementing the new Tourism Development Strategy and a Responsible Tourism Policy<sup>5</sup>; (b) technical assistance on the economic aspects of tourism, with particular emphasis on the development of policy options for increasing fees and taxes, and the design of revenue sharing mechanisms administered by the government agencies responsible for the management of the tourism attractions and the national treasury; (c) establishment of a Tourism Satellite Account in collaboration with the Statistics Institute of Belize to monitor the total value of the sector to the national economy; (d) the development of an updated country branding strategy, including assistance in customer research and competitor analysis; and (e) training and development of tools for physical planning, environmental and visitor management. Capacity building activities include: (a) support to communities in promoting tourist access to the Maya and Garifuna cultures in the emerging destinations of Punta Gorda and Dangriga/Hopkins; (b) a matching grant facility for micro- and small businesses helping strengthen value chains for tourism, offset the costs of complying with existing industry standards, including sustainable tourism criteria.
- 1.27 Cost: The total cost of this Program is US\$14.482 million. The Bank will finance US\$13.322 million and the Government of Belize will finance US\$1.360 million as counterpart to be provided by the BTB. The following table summarizes costs by component and source of funding:

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<sup>5</sup> The Policy refers to strategic guidelines for sustainability applicable to the public and private sectors. The Responsible Tourism Policy is to be unveiled at the International Responsible Tourism Conference to be held in Belize in 2009.



Table I-1				
Category	IDB/OC	Local	Total	%
<b>1. Administration and supervision<sup>6</sup></b>	\$735,000	\$298,000	\$1,033,000	7%
<b>2. Direct Costs</b>				
2.1 Component 1	\$10,317,000	\$800,000	\$11,117,000	76%
2.2 Component 2	\$2,141,000	\$262,000	\$2,403,000	16%
<b>3. Audit/evaluations</b>	\$129,000		\$129,000	1%
<b>Total</b>	<b>\$13,322,000</b>	<b>\$1,360,000</b>	<b>\$14,682,000</b>	<b>100%</b>
<b>Percentage by source of financing</b>	90.7%	9.3%	100%	

## C. Key Results Indicators

1.28 The key indicators selected for the Program are presented below.

Table I-2	
Key indicators	Reason for selecting indicator
Increase in annual total number of visitors in areas of intervention	This is a key indicator to confirm that the overall strategy and specific investments correspond to market demand
Increase in % of overnight visitors relative to overall visits	This is a key indicator that the Program will contribute to a more favorable balance between overnight and cruise ship passengers and a consequent increase in visitor expenditures
% of return tourists in ecotourism, adventure and culture tourism (measured as visits to protected areas)	This is a key indicator to confirm that the Program contributes to Belize offering a competitive product in sustainable tourism (measured as visits to protected areas)
Increase in overnight visitor expenditures	This is a key indicator to ensure that the emphasis is on quality of the tourism business and not simply on volume.

## D. Viability

1.29 The principal benefits from the Project will be derived from creating conditions in the targeted areas capable of attracting additional tourists and appropriate levels of investment. These benefits are expressed in terms of the difference between “without project” and “with project” scenarios. The preliminary results of the economic analysis show that all projects have positive net present values and internal rates of return exceeding 12%. The net present value of the projects analyzed is as follows: US\$0.82 million for the Bacalar Chico project, US\$0.21 million for San Pedro, US\$0.15 million for Belize City, US\$0.02 million for Placencia, US\$0.03 million for Cahal Pech, and US\$0.02 million for Cayo Welcome Center. The estimated internal rates of return are: 32.5% for Bacalar Chico, 13.2% for San Pedro, 13.5% for Belize City and 12.3% for Placencia, and 13.6% for Cahal Pech, and 12.3% for Cayo Welcome Center. For the financial analysis, increased revenue accrued from increased visitation, is captured through implementation of user and entrance fees, consumer spending, and docking and other fees. The analysis considers all investment costs as well as yearly outlays

<sup>6</sup> Includes salaries, equipment and operating costs of the Project Coordination Unit.



for operation and maintenance. For all projects a lifespan of 25 years is assumed and a financial discount rate of 10% has been used in the estimation of the financial NPV. The financial net present value (and corresponding Financial Rate of Return) are the following: Bacalar Chico is US\$0.70 million (22.0%); San Pedro is US\$0.89 million (12.5%); Placencia is US\$0.36 million (12.5%); Cahal Pech is US\$0.63 million (19.7%); Cayo Welcome Center is US\$0.34 million (13.1%). Because of cost recovery measures, all project components produce positive financial flows with the exception of Belize City, which by its nature does not generate positive cash flows due to the infeasibility to institute mechanism that can charge tourists directly. Belize City's finances would have to be recovered in time through property taxes, for which a study is planned (BL-L1008).

## **II. FINANCING STRUCTURE AND MAIN RISKS**

### **A. Financing Instruments**

- 2.1 The Sustainable Tourism Program will be implemented as an investment project. A Rotating Fund of 5% of the amount of the loan will be established to provide advance resources for the execution of the activities to be financed by the Program. The disbursement period of the Program is 50 months. The following table shows the tentative disbursement schedule:

**Table II-1**

<b>Source</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Total</b>
<b>IDB (OC)</b>	<b>\$1,700,000</b>	<b>\$4,300,140</b>	<b>\$4,416,360</b>	<b>\$2,905,500</b>	<b>\$13,322,000</b>
<b>GBL</b>	<b>\$200,000</b>	<b>\$ 464,000</b>	<b>\$ 348,000</b>	<b>\$ 348,000</b>	<b>\$1,360,000</b>
<b>Total</b>	<b>\$1,900,000</b>	<b>\$4,764,140</b>	<b>\$4,764,360</b>	<b>\$3,253,500</b>	<b>\$14,682,000</b>

### **B. Environmental and Social Safeguard Risks**

- 2.2 The Environmental and Social Strategy (ESS) for the Program was presented to the IDB Environmental and Social Review in July 2007. The ESS presented the Program as a Category B in accordance with the IDB Environment and Safeguards Compliance Policy.
- 2.3 The Sustainable Tourism Program is considered environmentally and socially viable. According to the assessment conducted during the preparation of the Program, the improvements in priority destinations combined with the institutional strengthening activities will result in environmental benefits such as: (a) improved land use planning integrating ecological factors and disaster vulnerability; (b) recovery of coastal resources and reduction in environmental degradation; (c) improved management of natural and cultural protected areas and biodiversity conservation; and (d) enhanced public awareness and appreciation for natural attractions and the need to protect them. Positive social impacts are expected in terms of the increased participation of micro and small local businesses in the sector, employment and the promotion of cultural identity. The Tourism Master Plan will translate into actions and concrete performance



indicators the environmental and social sustainability goals set in the Responsible Tourism Policy and related initiatives such as the Action Plan for Shared Stewardship of a Cruise Ship Destination.

- 2.4 Given the nature and moderate scale of the proposed civil works as well as to the fact that construction will take place within existing developed properties cleared of vegetation, the Program is not expected to generate permanent, widespread or irreversible significant negative impacts. With the exception of the San Pedro beach nourishment and pier construction project, the civil works to be constructed are small-scale with a limited footprint (visitor centers, pedestrian walkways and piers). In general, the negative impacts of the Program can be characterized as easily identifiable; minor to moderate in magnitude; temporary in duration; spatially restricted; easily controllable with widely available; technically simple and cost-effective mitigation measures; and reversible in the sense that an affected area can return to a preexisting condition after an impact occurs. Potential negative impacts during construction include: (i) soil erosion and sediment runoff in nearby rivers and coastal waters resulting from earth movement; (ii) physical disturbance of the seafloor; (iii) temporary loss of a limited extension of marine habitat; (iv) generation of dust, noise and gases associated with the operation of construction equipment and vehicles; and (v) traffic congestion. Direct impacts during post-construction are associated with increased numbers of visitors and associated increases in water and energy consumption and solid waste production. A Solid Waste Management Program (BL-L1006) under development is expected to complement this Program and will contribute significantly to the sustainability of the tourism sector.
- 2.5 The potential negative impacts will be mitigated through effective application of environmental management and risk reduction specifications recommended by Environmental Impact Assessments (EIA) and included in Environmental Compliance Plans in accordance to national laws and regulations. In turn, these specifications will be included in tender documents and contracts for construction.
- 2.6 The Program is in compliance with the applicable directives of OP-703. Further information is provided in the Environmental and Social Management Report (ESMR).

### **C. Fiduciary Risk**

- 2.7 The fiduciary risk of the Program is moderate. The BTB has experience in managing projects with international financing, including Bank-funded programs. The organization has operated as a statutory body since 1990 and has a clearly articulated mission which is revisited annually in its planning process. There is an organized, formal structure with established roles and responsibilities. Operations are defined in manuals and the BTB's procurement policy requires a competitive tender process for goods and services and this is standard procedure for all tenders.



- 2.8 The Department of Finance and Administration of BTB is responsible for the overall financial management of the institution. The BTB has satisfactory internal controls on financial management aspects, especially when referred to the operational budget, including approvals, budgetary and accounting reviews for all transactions. While there is no financial procedures manual, the Board subscribes to generally accepted accounting principles. The BTB does not currently have established internal audit procedures but is currently hiring an internal auditor and instituting internal audit procedures as part of its internal control system. Financial performance is audited each year by an external auditor. To mitigate the risk of delays associated with the relative lack of experience with Bank policies, the BTB will require regular assistance with procurement procedures during at least the first year of implementation. The establishment of a Program Coordination Unit (PCU) with both fiduciary and technical capacity will ensure that these risks do not cause untimely delays in execution.

#### **D. Other Key Issues and Risks**

- 2.9 In the table below, the principal risks associated with the program are identified along with measures to manage those risks:

**Table II-2**

<i><b>Risks</b></i>	<i><b>Risks Management Actions</b></i>
1. Lack of cooperation in executing projects from other agencies & local governments	Involve sector agencies and local governments with jurisdiction over project sites through agreements specifying responsibilities, including for operation and maintenance.
2. Delays in execution due to land ownership over project sites	Require that evidence of property ownership be presented as a condition prior to the bidding of civil works.
3. Conflicting interventions of sector agencies	Provide a forum for coordination through a sub-committee of the National Tourism Advisory Council.
4. Insufficient local involvement in the implementation of physical tourism development plans	Establishment of designated tourism development areas combined with the introduction of physical planning controls within those areas, these controls to include a formal consultation process that ensures local community participation in decision making.
5. The Government may not be able to capture economic rents from tourism or distribute them effectively	Provide technical assistance for an in depth assessment and revision of cost recovery mechanisms.
6. Baseline, monitoring and evaluation systems not put in place, producing difficulties in demonstrating results	Provide technical assistance to the BTB to incorporate within their existing information systems the site-specific data required to establish a baseline and monitor results.

### **III. IMPLEMENTATION AND MANAGEMENT PLAN**

#### **A. Borrower, Executing Agency and Participating Agencies**

- 3.1 The Borrower will be Belize and the Executing Agencies (EA) will be the Ministry of Tourism and Civil Aviation (MTCA) and the Belize Tourism Board (BTB). **An agreement between MTCA, representing the central government,**



**and BTB will be signed in order to specify the responsibilities of each party in the execution of the Program, including the financial relationship, transferring of resources to BTB, accountability and monitoring of the Program. The entry into effect of this agreement will be a condition prior to first disbursement.**

## **1 The Ministry of Tourism and Civil Aviation**

- 3.2 The MTCA will provide general oversight, ensure ongoing integration with the Government's economic and social policies and plans, and coordinate among government departments involved with the sector, including informing the National Tourism Advisory Council.

## **2 Belize Tourism Board**

- 3.3 The BTB is a statutory body that has been in operation for eighteen years and is the preeminent public sector tourism development organization. The BTB will be charged with the procurement, financial administration and day-to-day technical supervision of the Program and will provide the counterpart resources needed for the Program.
- 3.4 The BTB will be responsible for the establishment of the Program Coordination Unit (PCU) within its organizational structure. The PCU will be headed by a Project Director, with demonstrated experience in sustainable tourism and management, and should be staffed as a minimum by the following officers: (i) A Financial and Procurement Specialist; (ii) a Tourism Specialist; and (iii) Physical/environmental Planner. **The selection of the Project Director will be a condition prior to first disbursement.**
- 3.5 The PCU will have the following responsibilities during program implementation: (a) prepare and obtain Bank approval for all bidding documents required to hire the civil work contractors and consulting firms; (b) carry out, control and register all administrative and accounting procedures needed; (c) coordinate the bidding processes according to the Bank and Government of Belize rules; (d) monitor the works and construction contracts through consulting firms specifically hired to that effect; (e) maintain adequate accounting and financial controls as well as appropriate support documentation filing systems for verification by the Bank and the external auditing firm; (f) prepare and submit to the Bank disbursement requests and corresponding justification of expenses; (g) prepare and submit to the Bank semiannual reports on the revolving fund, program execution including annual updates of the Annual Plan of Operations (APO), audited financial reports, and other financial reports as required by the Bank; (h) record and control the results of the Program through the agreed indicators; and (i) address and resolve contractor claims and address related contract adjustments. In addition, the PCU will maintain separate files for the operations of the Program, and allow for financial and accounting monitoring of the Bank resources, and the local counterpart, in accordance with Bank requirements.



### 3. Participating Agencies

- 3.6 Several participating agencies will cooperate with the EA in the subsequent operation and maintenance of the facilities financed by the Program. In cases where the civil works are within the legal jurisdiction of a city or town, the BTB and the municipal bodies or any other appropriate entity will enter into agreements to delegate to BTB the function of procurement of the works and to agree on the transferring of those works to the city or town or to the appropriate entity once completed for operation and maintenance. Depending on the type of civil works, the Ministry of Works will need to be a party to the agreements. In the case of civil works located in villages, the agreement would be signed between BTB and the Ministry of Works and the Ministry of Local Government, when needed. Civil works included in natural parks and archaeological sites will require agreements with the Ministry of Natural Resources and NICH. In general, participating agencies will be responsible for clearing terms of reference for studies and final designs of works within their jurisdictions, monitoring the work of the supervision firm during construction, clearing and accepting completed works and operation and maintenance. **The signature of these agreements with corresponding agency will be a condition prior to issuing the call for public tendering for the construction of works. .**

### 4. Program Operating Manual

- 3.7 A Program Operating Manual (POM) will guide execution, setting out the responsibilities, norms and procedures for the EA and participating agencies for programming activities, preparing APOs as well as procedures for the environmental, economic and financial analysis of investments by type, record-keeping and reporting and the procedures for the small grants facility. **The approval of the POM will be a condition prior to first disbursement.**

#### B. Stakeholder Participation

- 3.8 Overall strategic guidance and stakeholder participation in the Program will be provided by a sub-committee of the National Tourism Advisory Council created for that purpose, in accordance with the Council's enabling legislation. The sub-committee will be responsible for approving the POM, vetting and disseminating the APO and results of the Program, recommending adjustments in targets and monitoring overall performance. The sub-committee will be comprised of the following members: the MTCA, the Department of the Environment, NICH, the President of the BTIA, the Director of Tourism from the BTB, the Ministry of Works and the Ministry of Economic Development. **The designation of the sub-committee to act as steering committee of this Program will be a condition prior to first disbursement.**

#### C. Procurement

- 3.9 Procurement of contracts to be financed with resources of the financing will be carried out in accordance with the Policies for the Procurement of Works and



Goods Financed by the Inter-American Development Bank (GN-2349-7); and the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-7) both of July 2006.

#### **D. Monitoring and Evaluation**

- 3.10 The BTB will monitor and evaluate the achievement of the Program's objectives. It will be responsible for developing the system for gathering and maintaining the data related to the different indicators included in the Results Framework. To do so, the BTB will incorporate in its existing statistical information system indicators that will permit a quantitative assessment of progress at the destination level and overall.
- 3.11 Progress toward meeting targets will be communicated to the Bank in semi-annual progress reports containing: (i) the Program's financial performance; (ii) a breakdown of projects completed and findings on the maintenance of the civil works; (iii) findings of monitoring of environmental impacts and implementation of mitigation measures; and (iv) an analysis of problems encountered and steps taken to resolve them.
- 3.12 At the end of 24 months from the date of the loan contract or after 50% commitment of the resources, whichever comes first, a **mid-term evaluation** will be prepared with the help of an external consultant who will focus on: (i) level of progress in attaining the program's objectives based on the indicators in the Results Matrix; (ii) the degree of effectiveness in complying to the POM; (iii) degree of compliance with environmental specifications for civil works as established in applicable regulations; and (iv) degree of effectiveness of the internal and the Bank's monitoring and supervision system.
- 3.13 The **final evaluation**, to be carried out also with the help of an external consultant, is to take place after 90% of loan resources have been committed. The evaluation will assess: (i) degree of attainment of program objectives in relation to plans and reasons for any variances; (ii) effectiveness of the organization and arrangements established for program execution; (iii) sustainability of the activities funded under the program; and (iv) lessons learned that could be applied to future projects in this sector. The results of this final evaluation will be made available through the BTB's website and used for the program completion report to be prepared by the Bank.

#### **E. Significant Design Activities Post Approval**

- 3.14 The execution arrangements for the small grants facility will be developed during the first year of execution. Disbursement under this facility will follow those execution arrangements to be approved by the steering committee of the Project (National Advisory Tourism subcommittee) with prior non objection of the Bank.



**ANNEX I - Results Framework**  
**Matrix of Indicators**  
**SUSTAINABLE TOURISM PROGRAM (BL-L1003)**

<b>Project Objective</b>	<p>The Program's goal is to contribute to the long-term growth of tourism in Belize, distributing its economic benefits more widely throughout the country and ensuring its development in a manner that is environmentally and socially responsible.</p> <p>Its objective is to support the consolidation of the overnight tourism market in light of its potential to optimize the sector's contribution to the Belizean economy.</p>		
<b>Outcome Indicators</b>	<b>Base Level -2007</b>	<b>Target Level</b>	<b>Comments</b>
Annual total number of visitors in areas of intervention increases	San Ignacio/Cayo: 31,000 Ambergris: 61,000 Placencia Peninsula: 14,000 Belize City/District: 23,000	End of project: San Ignacio/Cayo: 43,000 Ambergris: 86,000 Placencia Peninsula: 20,000 Belize City: 32,000	<u>Means of Verification:</u> Annual statistics generated by the BTB, the SIB and Central Bank Annual Visitor Expenditures and Motivation Surveys (VEMS)
% of overnight visitors relative to all visits increases	2007: overnight visitors represent 29% of all arrivals	End of project: overnight visitor represent 35% of all arrivals	PCU annual reports
Average length of stay increases	2007: Average length of stay: XX days	End of project: Average length of stay: XX days	<u>Assumptions</u> There are no major disruptions in the originating markets (US, Europe, Canada)
% of return tourists in ecotourism, adventure and culture tourism increases	2007: 25% return visits	End of project: 30% return visits	Annual visitation patterns are not affected by a major hurricane
Average visitor expenditures per day increases	San Ignacio (Cayo): US\$136 Ambergris: US\$170 Placencia: US\$161 Belize City: US\$167	San Ignacio (Cayo): US\$167 Ambergris: US\$209 Placencia: US\$198 Belize City: US\$205	Government continues to give high priority to the sector in its national agenda, assuring the sustainability of the activities
			BTB Hotel Tax Collection data



Room revenues increase as translated into hotel taxes	San Ignacio: US\$650,000 Ambergris: US\$2,250,000 Placencia: US\$700,000 Belize City: US\$650,000	San Ignacio (Cayo): US\$1,100,000 Ambergris: US\$3,800,000 Placencia: US\$1,200,000 Belize City: US\$1,150,000	BTB Hotel Tax Collection data
Strengthened national and local capacity for sector policy, destination planning and management	2007: There is no systematic approach to sector and destination planning and management with a lack of coordination among parties that need to work together towards national targets.  2007: The National Tourism Council has been inactive for several year .	End of project: A Cabinet-endorsed National Tourism Master Plan provides the framework for destination planning and management with its implementation overseen by strengthened institutions.  End of project: The National Tourism Council actively oversees and monitors the implementation of the National Tourism Master Plan.	<u>Means of Verification</u>  PCU annual reports  <u>Assumptions</u>  Government continues to give high priority to the sector in its national agenda, assuring the sustainability of the activities
Environmental and social sustainability indicators indicate improved conditions at destinations	Baseline: to be established in Year 1 as part of Physical Development Plans and EIAs	Sustainability indicators (biodiversity, water quality, environmental management and indigenous participation) remain constant or improve relative to 2009 baseline	<u>Means of Verification</u>  PCU annual reports



							Comments (Means of Verification,
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Component 1	Base	Year 1	Year 2	Year 3	Year 4	Target	Responsible, Assumptions)
<u>Outputs</u> Four DMP implemented <u>San Ignacio</u> - Welcome center - Cahal Pech and Actun Tuchiañil Mukmal facilities - Urban design strategy <u>Ambergris</u> - Physical Plan - Beach nourishment - Marine Sports Center - Bacalar Chico facilities and management <u>Placencia</u> - Pier and plaza - Disaster risk management - Blue Flag ecolabel <u>Belize City</u>	DMP has been consulted with stakeholders	Physical and tourism development plans completed	At least 50 % of the works initiated	At least 50% of the works completed	At least 90% of the works completed	DMPs implemented in accordance to plans	Annual PCU reports  BTB/PCU  Continued support of town and village councils and local private sector  Close collaboration between BTB, NICH, Natural Resources/DOE  No major hurricanes or natural disasters
- Waterfront development strategy - Pedestrian link							



<b>Intermediate Outcomes</b>							
New tourism developments comply with physical planning and environmental guidelines of the DMPs	Locally endorsed physical plans and environmental norms do not exist		Participating ministries, town and village councils sign off on cooperative agreements and endorse plans within 24 months of disbursement eligibility of the Program		Participating ministries, town and city councils use plans in the review of tourism developments and issuance of permits	Participating ministries and town and city councils comply with plans	
Improved visitor attractions incorporated into circuits	Currently does not exist			At least 20% of tour operators incorporate improved attractions in packages	At least 50% of tour operators incorporate improved attractions in packages	At least 50% of tour operators incorporate improved attractions in packages	BTB statistics There is continued support from local tour operators and guides for offering new and improved products to their clientele
<b>Outcomes</b>							
Relative importance of overnight visitors at selected destinations increases	San Ignacio: Ambergris: Placencia: Belize City:		San Ignacio: Ambergris: Placencia: Belize City :		San Ignacio: Ambergris: Placencia: Belize City:	San Ignacio: Ambergris: Placencia: Belize City:	BTB Statistics
<b>Component 2</b>	<b>Base</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Target</b>	
<b>Outputs</b>							
National Tourism Master Plan completed	Does not exist	TA for formulation of Tourism Master Plan is contracted	Tourism Master Plan is formulated in consultations with stakeholders	Tourism Master Plan published		Tourism Master Plan published	Annual PCU reports Government continues to provide strong support for the formulation of the National Tourism Master Plan
Branding strategy completed	Does not exist	TA for branding strategy is contracted	Branding strategy is formulated and approved			New branding strategy is released and applied to	Annual PCU reports BTB annual reports



						marketing program	Private sector supports the formulation of an updated branding strategy
Training and planning tools completed	Technical capacities limited		Training courses delivered to at least XX staff within 24 months of eligibility			XX staff trained in physical planning and environmental norms	Annual PCU reports Availability of staff to participate in technical training
TSA established	Does not exist	TA for TSA contracted				TSA established and producing reports annually	Annual PCU reports Support of SIB and Central Bank in the establishment of the TSA
Capacity building activities in emerging destinations provided	Quality and diversity of services limited		Training courses delivered to at least XX local businesses within 24 months of eligibility			XX local businesses trained in the provision of improved services	BTB annual reports Availability of local businesses to participate in training and other capacity building activities
<b>Intermediate Outcomes</b>							
Tourism Master Plan approved by Cabinet	Does not exist	National Tourism Council reactivated	Cabinet Paper prepared and presented			Tourism Master Plan approved by Cabinet as national policy	Annual PCU reports Tourism sector remains high priority in the national economic development agenda
Marketing promotion strategy incorporates new branding and updated products	Market promotion strategy is outdated					New market promotion strategy is implemented	Annual PCU reports BTB annual reports
Emerging destinations are systematically incorporated into marketing strategy of BTB and tour operators	Emerging destinations (Toledo and Dangriga) are not part of a systematic		Local businesses in Toledo and Dangriga organize for a coordinated		50% Tour operators market incorporate product in Toledo and	50% Tour operators market incorporate product in Toledo and	BTB Visitor Expenditures and Motivation Surveys (VEMS)



	marketing strategy		promotion strategy		Dangriga as part of packages	Dangriga as part of packages	
<u>Outcomes</u> Strengthened national and local capacity for sector policy, destination planning and management	2007: There is no systematic approach to sector and destination planning and management with a lack of coordination among parties that need to work together towards national targets.  2007: The National Tourism Council has been inactive for several years.					A Cabinet-endorsed National Tourism Master Plan provides the framework for destination planning and management with its implementation overseen by strengthened institutions.  The National Tourism Council actively oversees and monitors the implementation of the National Tourism Master Plan.	



**Project: Belize Sustainable Tourism Program****Project number: BL-L1003 and Loan Contract number: \_\_\_\_\_** *[when available]***Period included in this Procurement Plan: From: January 2009 until June 2010**

Ref No	Description and Type of the Procurement Contract	Estimated Contract Cost US (000)	Procurement Method	Review (ex ante or ex post)	Source of Financing and %		Prequalification	Estimated Dates		Status	Comments
					IDB%	Local %		Publication of specific procurement notice	Completion of Contract		
	<b>1. Works</b>										
	<b>2. Goods</b>										
	Computer hardware, software for PCU	\$12,000	PC	Ex-ante	100%	0%	no	Jan-09	Jan-09		
	Computer hardware, software for Tourism Master Plan Project	\$8,000	PC	Ex-ante	100%	0%	no	Jul-09	Jul-09		
	Vehicle for PCU	\$27,500	PC	Ex-ante	100%	0%	no	Jan-09	Jan-09		
	Vehicle for PCU and Tourism Master Plan Project	\$27,500	PC	Ex-ante	100%	0%	no	Jul-09	Jul-09		
	<b>3. Consulting Services</b>										
	<b>Belize City Pedestrian Link</b>										
	Preparation of designs and related preliminaries of pedestrian link between the swing bridge and the tourism village in Belize City consisting of pedestrian walkway, sidewalks to streets, concrete boardwalk linking the streets, street upgrades and landscaping	\$410,000	QCBS	ex-ante	100%	0%	no	Jul-08	Dec-09		
	<b>Placencia Pier and Plaza</b>										
	Preparation of designs and related preliminaries of a municipal pier complete with commercial outlets and public facilities. Upgrading of the Beach, development of the road and plaza areas, including landscaping	\$430,000	QCBS	ex-ante	100%	0%	no	Apr-09	Dec-09		







	Hire of relevant specialists for design and delivery of training	\$240,000	QCBS	ex-ante	92%	8%	no	Jun-09	Jan-10		GOB to pay for Manuals & Tools IDB to pay for trainers
	<b>Destination Branding</b>										
	Hire of Marketing firm to conduct consumer research and develop destination brand	\$167,000	QCBS	ex-ante	100%	0%	no	Sep-08	Apr-10		
	<b>Matching Grant Scheme</b>										
	Hire consultant to develop and implement scheme i.e. publicize program, review applications, make recommendations to Grant Panel, manage implementation	\$37,500	NICQ	ex-ante	100%	0%	no	Dec-09	Dec-12		Consultant to work part-time over the life of the project
	<b>Emerging Destination – Hopkins</b>										
	1) Cultural Specialist to conduct training in local product development and to advise on the cultural aspects related to the design of the tour. 3) Marketing Specialist 4) Web Design Specialist	US\$15,000 US\$10,000 US\$3,200	NICQ NICQ NICQ	ex-ante	73%	27%	no	Jan-10	May-10		GOB to fund Cultural Specialist
	<b>Responsible Tourism Policy - Toledo</b>										
	Hire of external facilitator and administrative support to deliver the Policy	\$15,800	NICQ	ex-ante	95%	5%	no	Jan-10	Jun-10		GOB to fund Administrative support
	<b>4. Procurement of non-consulting services</b>										
	Hire of venue and hospitality services for stakeholder consultations in the following projects under component II: Update of the Tourism Policy, Training in Physical Planning and Environment, Toledo Responsible Tourism Policy										
	Rent services for Update of the Tourism Policy,	\$40,000	NCB	ex-ante	0%	100%	no	May-09	Jun-09		8 sessions anticipated
	Rent services for Training in Physical Planning and Environment	\$3,000	PC	ex-ante	0%	100%	no				
	Rent services for Toledo Responsible Tourism Policy	\$1,000	PC	ex-ante	100%	0%	no	Feb-10	Feb-10		10 sessions anticipated



DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-\_\_\_/08

Belize. Loan \_\_\_\_/OC-BL to Belize  
Sustainable Tourism Program

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with Belize, as Borrower, for the purpose of granting it a financing to cooperate in the execution of a sustainable tourism program. Such financing will be for the amount of up to US\$13,322,000, from the resources of the Single Currency Facility of the Bank's Ordinary Capital, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on \_\_ \_\_\_\_\_ 2008)

LEG/SGO/CID/IDBDOCS#1675798  
BL-L1003