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**Sustainable Tourism Program**  
(2060/OC-BL)

**FINAL EVALUATION**



**Robert Travers**

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*The views expressed in this document are those of the consultant and do not necessarily reflect the views of the Government of Belize, the Belize Tourism Board or the Inter-American Development Bank.*

## Acronyms

ADRR	Average daily room rate		History
ATM	ActunTunichilMuknal	NSTMP	National Sustainable Tourism Master Plan
BCCI	Belize Chamber of Commerce and Industry	OECD	Organisation for Economic Cooperation and Development
BEST	Belize Enterprise for Sustainable Technology	OVI	Objectively verifiable indicator
BHA	Belize Hotel Association	OVI	Objectively verifiable indicator
BOO	Build-operate-own	PACT	Protected Areas Conservation Trust
BOT	Build-operate-transfer	PCU	Program Coordination Unit
BTB	Belize Tourism Board	PGIA	Philip S.W. Goldson International Airport
BTIA	Belize Tourism Industry Association	PGIA	Philip S.W. Goldson International Airport
DAC	Development Assistance Committee	PPP	Public-private partnership
DMO	Destination management organization	PSC	Programme Steering Committee
DMP	Destination management plan	PSP	Private sector participation
EMG	Emerging Markets Group	STP	Sustainable Tourism Program
IA	Institute of Archaeology	TIC	Tourist information center
ICDF	International Cooperation Development Fund	TSA	Tourism satellite accounts
IDB	Inter-American Development Bank		
KPI	Key performance indicator		
M&E	Monitoring and evaluation		
MOTC	Ministry of Tourism and Culture		
NGO	Non-government organization		
NICH	National Institute for Culture and History		
NICH	National Institute for Culture and		

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## ABSTRACT

The Sustainable Tourism Program's goal was to increase the contribution of tourism to national economic growth in a manner that is environmentally and socially responsible. Its purpose was to support the consolidation of overnight tourism in the light of its potential to optimise the sector's contribution to the Belizean economy. Its objectives are as follows:

- to support the improvement, restoration and diversification of overnight destinations and their products; and
- to strengthen national capacity for sector policy, destination planning and management.

The evaluation indicates that the program, while not yet fully completed, has significantly assisted in the improvement and restoration of overnight destinations, and in helping to consolidate their tourism product offer. It has worked well to strengthen national capacity for sector policy, destination planning and management.

The project has focussed attention on the delivery of significant physical improvements and redevelopments in Ambergris Caye, Belize City, Cayo, and Placencia: all important tourist accommodation hubs. A significant output has been a new National Sustainable Tourism Master Plan and destination sub-plans: These are planning-driven and will make a major contribution to ensuring the future sustainable development of Belize tourism. Other useful studies have also been produced and, as their recommendations are adopted, they will facilitate improved standards and regulation.

The program was mostly driven towards public sector entities and exclusive to publicly owned land: The Belize Tourism Board has been a significant benefactor of the program and in particular the organisation has been facilitated through strengthening Information Management, facilitating branding, strengthening hotel inspection systems and putting national and regional plans in place. These have also significantly assisted the Ministry of Tourism. The Institute of Archaeology was also assisted at selected sites. Activity planned with the Statistics Institute of Belize did not progress. Three municipalities and a village council have been supported, and Fisheries and Forestry Departments in one case. On the private sector side in addition to visible and well planned knock-on benefits from public sector interventions (such as the facilitation of small rental units), trainings for cultural tourism have been given to small enterprises, backed up by some small grants for some interesting cultural tourism projects. While this support was small scale it is important in that it was targeting minority communities and helps to preserve the unique cultural richness of the country's product offer. There is potential to develop a more structured and long term approach to training and private sector support, as per IDB's guidelines.

The program is found to have been efficiently executed and effective. Program outputs have been delivered demonstrating related economic, social and community benefits within the project timescale and within the overall budget. Positive outcomes are evident, although overall outcomes will take time to become more apparent particularly as some major capital projects are still nearing completion or full operation. Positive outcomes are however becoming apparent in the following areas:

### *Economic*

- Improving the overall visitor experience.
- Improving product quality, particularly in grant aided facilities and micro-enterprises, and through new hotel standards.
- Providing a stimulus to entrepreneurial activities and investment opportunities around development projects and in target areas.
- Providing new income opportunities for local authorities and enhancing BTB's economic efficiency.

### *Environmental*

- Strengthening the existing product through a better environment where new infrastructure has been put in place.
- Protecting the environment through sustainable planning guidelines at national and regional levels.
- Improving townscape and landscape features in tourism areas.
- Encouraging the renewal of existing urban buildings.

*Social*

- Demonstrating related social and community benefits at project sites.
- Improving traffic circulation and pedestrian linkages.
- Furthering a responsible tourism approach including enhanced local consultation processes.
- Contributing to the economic value of local culture and heritage and hence supporting its survival.

The program partners have, with some delays, worked well together and can be proud of a well-executed program. The small team at the Program Coordinating Unit has been efficient in managing contracts and consultancies, and has delivered very useful work to further sustainable tourism development in Belize. Putting management arrangements in place for component 1 outputs has in some cases been challenging and this is a sustainability concern, as is the possible relocation of cruise passenger embarkation away from the Fort George area in Belize City.

**LESSONS LEARNED***(i) Preliminary design phase*

- The program is seen as a good model of public consultation and the extent to which local peoples' wishes were taken on board as project design evolved is a positive lesson for the future.
- A clear Monitoring and Evaluation Procedures Manual needs to be developed at the start of a program, specific to its desired outputs and outcomes.
- Project management should ring fence resources for continuous monitoring and evaluation and make provision for a Monitoring Executive in program management from the outset.
- It would be useful in design to require architects to benchmark projects against international best practice in sustainable tourism, including green technology, award winning urban design and low carbon solutions.
- There is an opportunity to explore more formalised PPP approaches to development projects, to reduce dependence on state borrowing.
- The financial commitments of partners to carry projects forward as sustainable initiatives needs to be assessed prior to offers, and to be built into formal grant/loan and partnership agreements.
- Project design should take into account IDB's emerging guidelines for greater private sector engagement: Future projects might not be entirely dependent on the use of state land, for example. Pre-feasibility studies need to have greater clarity regarding land ownership issues.
- Draw-down of IDB funding should be phased realistically over the life of a project to avoid unnecessary interest payments.
- Project design should anticipate the need to develop and strengthen management arrangements post hand-over, not just studies regarding designs, investments in civil works and equipment.

*(ii) Implementation phase**a) Procurement*

- Ensure procurement limits the project's responsibilities for changes and cost overruns: partnership agreements should share risks when extras arise.

- Give greater attention to green technology and international best practice in evaluating tenders.

*b) Financial management*

- Ensure partnership agreements regarding hand-over are worked out in detail in advance, specifying how individual projects would be managed according to the complexities of the investments and the differing capacities of the municipalities.
- Partnership agreements should include commitments from utility companies to upgrade facilities: Directly subsidising third party company costs outside of tendered contracts might not be considered eligible expenditure.

*c) Stakeholder coordination*

- More time should be allowed for stakeholder coordination. It has proved very valuable in this program.
- More time should be allowed for establishing stakeholder consortiums to take over and manage projects: Insufficient time to do this became a sustainability concern as this program neared completion.
- Supporting enterprises from both men and women proved important in project success: stakeholders from both genders should continue to be ensured: A high degree of gender inclusiveness is indicated in the program and attention to minority groups. These aspects of the program have scope for expansion in future.

*d) Supervision and management*

- The thorough approach to architectural planning and the commissioning of technical reports adopted in this program is an excellent model to follow.
- The consultative approaches adopted in this program are also good models to follow: They may need to be formalised in future management structures to ensure the continuation of consultation and consensus-building regarding tourism.
- The delegation of administrative tasks on small grants management to a professional firm is also a good model to follow.
- Greater time needs to be allowed for archaeological explorations at project sites in a country as archaeologically rich as Belize.
- In future IDB should ensure that a structured and appropriately staffed monitoring and evaluation (M&E) function is in place throughout programs.
- Difficulties may arise in terms of continuity and institutional memory when changes take place in local government due to elections. This emphasises the need for more robust, detailed and legally binding partnership agreements with local authorities, together with empowered working groups involving non-elected local authority executives and the tourism industry itself where there is generally more continuity.

*(iii) Handover phase*

- Put significant effort and resources into establishing and strengthening management of facilities being constructed, in addition to managing construction contracts.
- The appointment of operations facilitators at an early stage (e.g. six to eight months prior to completion) to assist the future management organisations of funded projects has proved very helpful. Future

projects should provide for these either through direct funding, or as part of partners'/local authorities' guaranteed contributions in future project agreements.

- Establish a communications budget and strategy to promote program objectives and communicate results.
- Well planned and well funded events programmes are vital for enhancing the economic and tourism potential of public space, such as the urban enhancement projects supported by STP. Events programmes are also important for maximising the economic and social potential of visitor attractions. This is a lesson learned in this project as there are greatly contrasting early results visible between projects with a creative events program (Cayo) and those without.

## RECOMMENDATIONS

### *i) Strategic recommendations*

- Future interventions should focus on product themes highlighted as part of Belize's new tourism brand values. Researching these was supported by STP.
- The NSTMP outlined suggested improvements in transportation which will help link attractions and rural populations to markets: It also suggests regional priorities for urban and rural regeneration. Developing water-based transport options bringing Belize's canals and waterfronts into greater tourism use can also help develop competitive advantage in the region.
- Under transportation there is also an obvious need to comprehensively signpost both towns and tourist attractions in accordance with international standards as recommended in the Master Plan.
- There should be continued strong emphasis to the interpretation and conservation of both natural and cultural heritage (for example projects that maintain or re-establish a natural features that are important for ensuring the flow of tourists, for example coral reefs, or through the development of a flagship National Museum).
- Monitoring and evaluation needs to be planned for at the commencement of programs based on the specific details of the interventions being planned.
- Greater emphasis needs to be given in follow-on support programs to funding 'soft' elements in addition to physical development.
- To reduce risk and improve the chances of sustainability, full business plans robustly and realistically estimating income, expenditure and cash flow based on market research (rather than indicative scoping studies estimating possible sources of hoped for income) should be required to secure and release future program support.
- A continuation of support to improve hotel standards through certification, benchmarking and training will help to improve Belize's competitiveness and hence to attract more overnight visitors.
- The need to develop new curricula and tourism training facilities is urgent and should be prioritized as outlined in the Master Plan.
- SME development support for private sector tourism enterprises in particular appears to lack strategic direction and formal support structures. There may be a need for the Ministry to undertake a strategic review to make tourism enterprise development and tourism training more effective.

- Investment in continuing to enhance the governance and institutional capacity of the industry (MOTC, BTB, etc.) and of non-governmental organisations should continue to be supported.
- There is scope to expand the kinds of cultural tourism training and matching grants piloted in this project, possibly through establishing a revolving loan fund.
- A revolving fund might also support innovation and new product area development, for example with growing residential tourism, demand opportunities in medical tourism are likely to arise. A revolving fund of soft loans rather than grants should be considered, particularly for M-SMEs. Enterprises should be encouraged to borrow commercially rather than being offered grants.
- There is a significant opportunity to increase support for both private sector and state investments in renewable energies for tourism, energy efficiency, recycling, clean energy technologies, carbon finance, biodiversity and conservation. This should include both training and support for clustered physical development.
- PPP could play a larger role in funding tourism infrastructure development, reducing the state's need to borrow. Cost recovery opportunities need to be identified to fund depreciation and replacement: An example is the chain ferry which is presently a free service for ticket holders to a Maya site.
- Making tourism growth sustainable will require a reduction of risk by expanding the number of markets which Belize relies on. A future program should support new market development.
- Developing a network of high standard branded tourist information centres should be considered (perhaps adapting the Cayo Welcome Center as a flagship under BTB) and upgrading Belize Tourism Industry Association (BTIA) and other operations to meet these standards.
- In some cases there is an opportunity to increase social inclusion through regional prioritisation of tourism development, focusing on developing products which can engage poorer segments of the population (crafts, chocolate, coffee, voluntourism, etc.). There is also an opportunity to work more with private sector ground handlers to target these segments.
- The issue of tourism Satellite accounts (TSA) should be revisited. The reasoning is:
  - Belize has an outstanding mix of tourism attractions (beaches, sea, culture, eco-tourism etc.) and has strong growth potential;
  - In moving forward there will be a need for many different types of economic analyses to decide the best way in which to allocate resources, and there will be an increasing need for sophisticated economic analyses to back-up decision-making; and
  - Belize already has outstanding tourism statistics (arrivals, visitor survey, hotel utilisation etc.) and as such this offers a good platform for integrating all the statistics into the context of the National Accounts.

*ii) Operational recommendations*

- There is a significant need for post project follow up by MOCT & BTB to ensure the sustainability of both large and small scale projects supported by STP.
- Sub-regional plans developed under STP need to be embedded in local authorities and agencies. This will also require follow up by BTB and MoTC: For example at the time of the Final Evaluation, sub-regional

plans had been shared in Belize City and Placencia but have not been adopted. The STP sub-regional plan is being taken into account in San Pedro as part of Land Use Planning, and if followed up there is the possibility of adoption soon in Cayo through a municipal planning project.

- As recommended in the Midterm Evaluation, it is clear that an ex-post evaluation will be needed to better estimate impacts from projects still under construction and/or yet to be handed over to future management. This might help towards designing future interventions.
- Accounting to IDB should be required on an accruals rather than a cash flow basis (at present IDB requires cash flow accounting, which does not reflect actual commitments and liabilities pending).

## 1 INTRODUCTION

### 1.1 Background

The overall objective of the final evaluation of the Sustainable Tourism Program (STP) in Belize is to reliably and representatively evaluate the project outcomes, outputs and impacts through an independent and comprehensive presentation and analysis of the project and its overall performance and execution. The terms of reference for the final evaluation are attached at annex 1.

The major stakeholders in the intervention are as follows:

- The Inter-American Development Bank (IDB), which has loaned US \$ 13,322,000 to make the project happen.
- The Government of Belize, which through BTB is investing US\$ 1,360,000 in the program.
- The Ministry of Tourism and Culture (MOTC) and the Belize Tourism Board (BTB), which are co-administrators of the program.
- The wider tourism industry in Belize.
- The populations of the various target destinations (Placencia, San Ignacio, San Pedro, Belize City and others).

### 1.2 Project description

The total cost of the program is US\$ 14,682,000 according to the Loan Agreement signed on 27th April 2009.

The programme involves two components, the largest of which (US\$ 11,117,000, Component 1) was aimed at improving the quality of the natural and cultural tourism product within four key tourism destinations in Belize in order to increase tourist overnights. With an original budget of US\$ 2,403,000 Component 2 relates to technical assistance, specialized studies, training and other capacity building activities, including the development of a National Sustainable Tourism Master Plan (NSTMP) integrating a physical planning and strategic planning approach, and detailed destination-specific master plans for the key areas receiving investment under Component 1.

The loan defines the following project purposes:

#### *COMPONENT 1: INVESTMENTS IN OVERNIGHT DESTINATIONS*

*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. The programs resources will be directed at the following destinations*

##### *Ambergris Caye:*

*The activities and investments to be financed include:*

- (a) the development of a Physical Tourism Development Plan for Ambergris Caye (to be formulated as part of the Belize Tourism Master Plan process)*
- (b) waterfront improvements in San Pedro and*
- (c) support for Park management activities and visitor facilities for the Bacalar Chico National Park/Marine Reserve.*

##### *Belize City*

*The Investments to be financed by the Program include:*

- (a) a waterfront development strategy;*
- (b) the physical improvement of the Fort Street pedestrian link between the Tourism Village and the town center as a catalyst for tourism-related urban regeneration.*

##### *San Ignacio and Surrounds*

*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 of road access and visitor facilities 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.*

Placencia Peninsula and village

*The investments to be financed by the Program cover development of a small pier and plaza to 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 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.*

#### COMPONENT 2: INSTITUTIONAL STRENGTHENING

*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 Government and translate sustainability objectives into actions, an assessment of options for implementing the new Tourism Development Strategy and Responsible Tourism Policy;*
- (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 tourism attractions and the national treasury;*
- (c) establishment of tourism satellite accounts*
- (d) training and the development of tools (manuals, monitoring procedures, information systems) for physical planning, environmental management 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) and*
- b) a matching grant facility for micro and small businesses aimed at helping the private sector strengthen value chains for tourism, and offsetting the costs of complying with existing industry standards including sustainable tourism criteria.*

Source: IDB (2008) Annex to loan contract No. 2060/OC-BL between Belize and the Inter-American Development Bank. Sustainable Tourism Program LEG/SGO/CID/IDBDOCS#1711379

Most eligible activities were actioned with the exception of

- Belize City waterfront development strategy (a Taiwanese project is addressing this)
- pilot program for gaining “Blue Flag” eco-labeling status (a large rather than a small pier was constructed and the village’s footpath ‘street’ was upgraded);
- revenue sharing system for tourist attractions; and
- tourism satellite accounts (replaced by BTB database system).

The loan contract between the IDB and the Government of Belize was signed on 27 April 2009 (IDB ref. 2060/OC-BL). Project operations commenced on 2 May 2009 when a Project Director was hired. The first IDB disbursement took place on 24 August 2009. The program was scheduled to run for four years to 27 April 2013 and finish on 27 June 2013, but a six month extension has been agreed to 27 December 2013.

Project financing is as outlined in table 1. At the time of the Final Evaluation 89.7% of the available funding (including counterpart contributions) had been spent. Table 2 shows total budget and expenditure to 30 September 2013.

**TABLE 1: Sustainable Tourism Program financing**

Category	IDB contribution US\$	Local contribution US\$	Total (US\$)
Administration and supervision	735,000	298,000	1,033,000
Direct costs			
- Component 1	10,317,000	800,000	11,117,000
- Component 2	2,141,000	262,000	2,403,000
Audit and evaluations	129,000		129,000
<b>TOTAL</b>	<b>13,322,000</b>	<b>1,360,000</b>	<b>14,682,000</b>
% contribution	90%	10%	100%

Source: IDB Loan Agreement (2008)

**TABLE 2: Sustainable Tourism Program budget and expenditure to September 30, 2013**

Activity	IDB contribution to September 2012 US\$	Government contribution to September 2013 US\$	Total US\$
PCU administration and supervision	715,422		
Project start-up costs		32,134	
Administration		475,855	
Other operational		115,752	1,339,193
Direct costs			
- Component 1	10,100,269	442,969	10,543,238
- Component 2	1,126,285	75,612	1,201,897
Audit and evaluations	89,614		89,614
<b>Total</b>	<b>12,031,590</b>	<b>1,142,352</b>	<b>13,173,942</b>
% contribution	91.3%	8.7%	100%

Source: Program Coordinating Unit (PCU)

### 1.3 Evaluation methodology

### 1.3.1 Approach

The evaluation methodology proposal was presented to the PCU in outline in August 2013. A final elaborated work plan was agreed in September 2013. Annex 2 outlines the evaluation mission schedule. The evaluation approach was based on integrating secondary and primary research, together with observational research of the relevant stakeholders and of the wider context in which the IDB loan is embedded. This methodology was informed, directed and shaped by the terms of reference and IDB guidelines. It seeks to

- Describe the purpose of the evaluation and append the terms of reference
- Answer the questions posed in the terms of reference
- Describe the methodology used to collect and analyse the data
- Indicate any limitations of the evaluation or its methodology
- Indicate the reliability and validity of the data used
- Describe any samples drawn by method of sampling, number of targeted and available elements
- Include the major data, suitably analyzed, on which the conclusions are based.

As per the terms of reference, the evaluation focussed primarily on the following issues:

- 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
- iv. Lessons learned that could be applied to further projects in this sector.

An extensive programme of consultation was undertaken (annex 3). Fieldwork and site visits to relevant program-funded infrastructure and beneficiaries including potential grant recipients were agreed the PCU and undertaken (annex 4). Site visits to completed and near-completed projects and individuals concerned in the delivery and implementation process took place.

In order to more fully and critically evaluate the key issues relating to efficiency, effectiveness, sustainability etc. as a result of the program, a thorough analysis by the means outlined above has been undertaken. Actual outcomes, global and specific, in the form of key performance indicators (KPIs) have been considered in relation to revised results matrices drawn up during the independent midterm evaluation. The roles of the Ministry, steering committee, BTB and PCU, and of partner organizations, and the extent of common coherence and cooperation was reviewed. National statistical verification was sought to provide necessary objectivity, where available. The extent to which there are commitments to continue initiatives commenced under the program with government, municipalities or other funding sources was also assessed, as this is a key issue for sustainability.

The analysis focused on key activities stated in the loan agreement, the annual Operating Plans, implementation plans and the various contracts signed. Changes to the program and additional interventions added to the program were also identified and examined.

### 1.3.2 Sources of data

The consultant gathered all the relevant documentation through MOTC, BTB and PCU including the following:

- national strategy documents;
- loan agreement;
- baseline reports;
- program operational manual;
- annual operational plans;
- progress reports;
- project output reports;
- IDB reviews; and
- research and relevant statistics.

Chapter 7 lists all documents referred to.

### 1.3.3 Instruments

The main research instruments used were site visits, semi-structured questionnaires for both stakeholders and visitors (tourists), as outlined at annex 5, and desk research including the review of PCU files and other records.

In addition the evaluator undertook participant observation at sites which are complete or still under construction.

#### 1.3.4 Evaluator

The evaluator selected for the final evaluation is Mr Robert Travers, M.A., M.Sc.. Mr Travers is a graduate of the International Centre for Responsible Tourism at Leeds Metropolitan University (UK) and has 17 years' international tourism experience, specialising in sustainable tourism development. He has experience of project evaluations for IDB, the Asian Development Bank, the European Union (EU), United Nations agencies and non-governmental organisations. He evaluated the STP at midterm stage, so is very familiar with its challenges and progression.

#### 1.3.5 Limitations

Two main outputs are not yet complete (San Pedro, Bacalar Chico) and the Belize City and Placencia projects are only beginning to be used, so the overall impacts of the project will only be truly measurable well after the project ends.<sup>1</sup>

The evaluation of impacts (immediate and future) is constrained by limited of benchmark data on economic, social and environmental issues at the start of the program, and a limited ongoing and structured monitoring data on impacts during program implementation.

An evaluation is not an audit: Financial records and compliance with IDB tendering, recruitment and sub-contracting procedures have not been examined based on statistical sampling and materiality, however it is clear from the consultant's review of minutes and PCU files that strong efforts to achieve compliance were made throughout the program to date. The evaluator examined all external auditors' reports which indicate strong compliance with IDB regulations and accountancy norms.

The Joint Programme is a complex and extensive undertaking, and while most outputs have been examined, not every output could be visited or reviewed. None-the-less the consultant is satisfied that the final evaluation is representative and fair.

#### 1.4 Organization of report

The structure of the report follows the guidelines of the IDB's Office of Evaluation and Insight<sup>2</sup>, adapted to meet the specifics of the Terms of Reference. There are four main sections focussing on the following:

- Achievement of project objectives (efficiency and effectiveness)
- Sustainability
- Institutional performance
- Conclusions and lessons learned

Possible areas for future support are also suggested.

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<sup>1</sup> . These developments should be monitored over time by recording

- The number of overnight visitors in nearby accommodation (or in Bacalar Chico's case, within the development itself).
- The profits made at these developments (excess of income over operating expenditures) by their designated operators.
- The numbers of people employed in the enterprises established at these specific locations.
- The number of additional enterprises and their employment numbers surrounding each location.
- Compliance with environmental regulations in ongoing operations.
- Other social indicators in the immediate area (census data).

<sup>2</sup> <<http://www.iadb.org/ove/EngBook/evav.htm>>

## 2 ATTAINMENT OF PROJECT OBJECTIVES

### 2.1 Overall objectives

The program's goal was to increase the contribution of tourism to national economic growth in a manner that is environmentally and socially responsible. Its purpose was to support the consolidation of overnight tourism in the light of its potential to optimise the sector's contribution to the Belizean economy. Its objectives are to:

- Support the improvement, restoration and diversification of overnight destinations and their products; and
- Strengthen national capacity for sector policy, destination planning and management.  
(*IDB and Government of Belize, 2008*)

Emerging Markets Group(EMG) was appointed by IDB to develop the STP concept based on a detailed Terms of Reference. Their resulting report (EMG, 2008) chose four priority overnight tourism destinations, following scoring with MOTC and overseas tour operator consultations: Ambergris Caye, San Pedro, San Ignacio and Placencia. For each of the four target areas agreed, destination management plans (DMPs) were seen as the first step, so as to ensure a coordinated and comprehensive approach. The overall objective of the suggested program was articulated as follows:

To revitalise economies of tourism areas in rural and coastal towns, contribute to the protection and development of conservation and heritage sites (EMG 2008:96).

The DMP process was to focus on the following:

- protecting and strengthening the existing product through a better environment;
- improving townscape and landscape features in tourism areas;
- improving traffic circulation and pedestrian linkages;
- encouraging the renewal of existing urban buildings;
- improving the overall visitor experience through better interpretation; and
- demonstrating related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

These goals were translated into the objectives the loan contract, outlined in the annex to the loan agreement.

### 2.2 IDB loan contract

#### 2.2.1 Component 1

##### 2.2.1.1 Ambergris Caye

The activities to be funded were defined as:

- The development of a physical tourism development plan for the island;
- Waterfront improvements; and
- Support for park management and facilities at Bacalar Chico National Park/Marine Reserve.

##### 2.2.1.2 Belize City

The activities approved for Belize City in the loan contract involved two elements:

- The Belize City Waterfront Development Strategy; and
- Improvements to the Fort George area and a pedestrian link from the Tourism Village to the town centre as a catalyst for urban regeneration.

EMG had seen the success of this project as being dependent on the Government providing the necessary development package, infrastructure improvements and good urban design. The Fort Street

Pedestrian Link was identified as a key intervention to link the Tourism Village (cruise liner boarding area) with the old city beyond the Swing Bridge. Significant redevelopment opportunities were foreseen on this corridor which would also link the Heritage Quarter (Fort George area) with Albert Street, resulting in its further regeneration.

#### 2.2.1.3 *Placencia*

In Placencia the DMP and physical intervention were designed to focus on three areas:

- A small pier and plaza to consolidate marine services in one area;
- A pilot program for 'Blue Flag' eco-labelling regarding water quality, information and environmental education.status
- A disaster preparedness plan for the peninsula.

#### 2.2.1.4 *San Ignacio and surroundings*

The projects approved for San Ignacio were as follows:

- the development of a regional welcome centre to provide information on services, activities and attractions to enable a better understanding of heritage.<sup>3</sup>
- the improvement of facilities and road access to the Cahal Pech Heritage and Nature Park;
- a San Ignacio town centre urban design strategy; and
- improving facilities at Actun Tunichil Mukmal (ATM).

### 2.2.2 Component 2

Component 2 defined the following as eligible activities:

- A National Sustainable Tourism Master Plan including an assessment of Responsible Tourism and Tourism Development policies.
- Technical assistance on economic aspects of tourism including policy options for increasing fees and taxes, and revenue sharing mechanisms for government agencies managing tourism attractions.
- Establishment of Tourism Satellite Accounts with the Statistics Institute of Belize.
- Development of an updated country branding strategy.
- Training and development of tools for physical planning, environmental and visitor management.
- Capacity building, including
  - Support to communities promoting tourism access to Maya and Garifuna cultures in Punta Gorda and Dangriga/Hopkins; and
  - Matching grant facility for micro and small businesses to help strengthen the tourism value chain and offset the cost of compliance with existing industry standards including sustainability criteria.

An overall budget was approved for each component and administration (as outlined in table 1). It is noteworthy that the IDB loan contract does not specify indicative amounts for the various individual activities under the two components, giving STP management considerable flexibility. This flexibility, proved to be helpful for successful program execution and ability to react to changing contexts. This flexibility is illustrated in the extensive change orders which were agreed to, outlined at annex 6.

## 2.3 Key progress areas for IDB

IDB's Progress Monitoring Reports highlight visitor expenditure at supported destinations as a key outcome indicator, together with the list of project outputs. Outputs are outlined at chapter 3.11. These indicators are seen as leading to "overnight tourism market increased". However as the program did not support marketing beyond some branding research and NSTMP guidance, there is a potential gap between improving the product

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<sup>3</sup> In San Ignacio EMG assumed that it would be possible to acquire land near the river. It is understood that these proposals were dropped as an option prior to the loan proposal and an alternative site, Coronation Park, was identified.

and increasing the size of the market (i.e. demand). BTB is however helping the marketing the new facilities as they come on stream.

Key progress areas identified in the loan contract are more specific and as follows:

- *The contribution of tourism to national economic growth*

The program has made a significant contribution to economic growth potential principally through the development of the NSTMP and the delivery of effective urban regeneration projects. This is illustrated by the number of new business opportunities directly created, and regeneration around project sites, principally in San Ignacio.

In terms of new business space in San Ignacio, the development has directly created to six businesses (a Belizean food vendor, pizza vendor, Mexican food vendor, seafood bar and 2 anchor tenants- high- end cuisine and old fashioned candy shop) which are currently operating. All these with the exception of Yolis Pizza are new. There is also a business space within the information center itself for craft vendors to be operated on a rotational basis, although this is not operating fully yet. The municipality also now employs an additional 14 persons to operate the Cayo Welcome Center Development so job creation has been a direct economic impact.

In Belize City an additional 18 spaces for businesses within the park have been created and the new craft area providing lease space to 34 members of the Handicraft and Vendors Association. These are not new businesses although they are now paying trade licenses and rental whereas in the past they have operated “informally”. This ‘legalisation’ process is part of economic growth.

In Placencia four rental spaces are provided (leases under negotiation), and in San Pedro four lease spaces will be provided in addition to a duty free sales area.

Table 3 summarises new revenue streams directly provided. There has been an emphasis on providing new revenue streams to local government, which is understandable given that the project was largely focussed on public sector operations and publicly owned land. A future program might give greater emphasis to more direct private sector SME support, innovation and new product development. The program did support twenty micro enterprises (plus micro enterprises in Belize City) to legalize and become part of the cultural tourism offer. While this is a small net contributor to growth, it is substantially enhancing the product offer and the approach could be expanded significantly in future.

In overall terms there is however a continuing need to objectively verify the contribution of tourism to national economic growth. It was originally planned to commission TSA under this program but this was dropped. It is recognised that the improvements made instead to BTB’s management information systems are very useful to the organisation, but the development of TSA reporting would help to evidence and illustrate more accurately the importance of tourism to the Belize economy.

**TABLE 3: New revenue streams created**

Destination	New Revenue Streams	Currently Operating (Y/N)	Expected revenues 2014 as per Ops Manual (US\$)
Cayo Welcome Center	• Lease rental space (2 anchor tenants, 4 kiosks)	Y (all leases signed)	
	• Bathroom Facility	Y	
	• Bus Drop Off fee	Y	
	• Public Parking	Y	
	• Conference facility rental	Y	
	• Events venue fee	Y	
	Net projected income		
Belize City Pedestrian Walk	• Lease rental space	N	
	• Events venue fees	Y	
	• Bathroom facility	Y	
	Projected net revenue		
Placencia Municipal Pier and Plaza	• Lease rental space	N	
	• Wharfage fees	N	
	• Docking fees	N	
	• Events venue fees	N	
	• Service/facility fee	N	
	Projected net revenue		
San Pedro Sunset Boardwalk and Water taxi terminal	• Lease rental space	N	
	• Wharfage fee	N	
	• Head tax	N	
	• Public parking	N	
	• Events venue	N	
	• Annual Pier leases	N	
	Projected net revenue		
Bacalar Chico lodge and educational center	• Accommodations	N	
	• Tour packages	N	
	• Mooring Buoy system	N	
	• Park daily visit fees	N	
	• Increase in sport fishing license	N	
	Total net revenue as per proforma: park fee increases and accommodations		

*Note: Projected revenues should be treated with caution as some assumptions in business plans appear optimistic: An ex-post evaluation would be needed to examine whether these impacts will be achieved. In addition for San Pedro, Belize City, Cayo and Placencia there may well be an increase in Trade License revenue from stimulation of new businesses within the areas supported. This would also require an ex-post evaluation to quantify.*

- *Extent of responsible tourism in the program*

The program had a strong element of responsibility in its approach (projects which benefit locals as well as tourists) and its execution (extensive consultation).

Responsible tourism advocates a “triple bottom line” to development, seeking to manage social and environmental impacts as well as economic ones. In the social area the program has had significant positive effects, particularly in San Ignacio and Placencia where clear benefits to local populations are evident. Environmental improvements are also demonstrated in San Ignacio and other projects, including the smaller community-based ones under Component 2 which clearly enhance livelihoods, albeit on a small scale.

Responsible tourism also fundamentally involves the development and establishment of shared responsibility systems for the management of tourism destinations: In this regard the project is heavily reliant on BTB and municipal governments to take its projects forward: No new organisations giving the private or community sectors shared responsibility for tourism management have been created, although regional tourism organisations are recommended in the Master Plan and in Placencia a local village council is managing the assets created. There are opportunities to take responsible tourism further forward in future projects through enhancing social issues (such as access for the disabled, as was planned for in most STP sites); and in environmental agendas such as green buildings (which were not a priority issues in STP other than at Bacalar Chico).

- *Effects on overnight tourism*

Overnight tourism has increased during the period of the program, however only in Cayo where a project’s intervention has been operative longest can a positive impact be clearly demonstrated: Overnight tourists staying in the Cayo region increased by 24.6% between 2011 and 2012: The national rate of increase was 10.7%. The development of an active events program at the Cayo Welcome Center is also likely to have a positive effect on overnight tourism. A lesson learned here is the importance of the events program in helping to stimulate economic impact.

The Belize City project is more focussed on improving cruise tourists’ experiences and flow and stimulating growth of tourism-related business in the area rather than overnight tourism *per se*: the claim that urban improvements will encourage more overnight tourism ultimately through reducing negative feedback is difficult to prove so far. All the major STP projects based on enhancing public sector facilities require effective, committed management and events programs if they are to help deliver more overnight tourism.

- *Visitor satisfaction*

82.5% of visitors surveyed by BTB in 2012 said they will return to Belize: In 2011 the corresponding figure was 82%. In 2012 86.9% of visitors surveyed said they would recommend Belize: In 2011 the corresponding figure was 89%. These figures imply that the project overall is not yet having an impact on visitor satisfaction at a national level. With the implementation of recommendations of the NSTMP, BTB Quality Assurance systems, and future legislation of hotel standards and classification however improvements are highly probable in the medium to long term as a result of STP.

Interviews with a small sample tourists were undertaken during the final evaluation (annex 4), some of whom were repeat visitors. This showed high levels of satisfaction with developments at Cayo and Placencia.

Reaction was less positive in Belize City, possibly because the Park was not being used at the time of the interviews.

- *Destination management plans*

The overall master plan and three pilot destination management plans have been produced and, anecdotally, are being used so having a positive effect. The overall Master Plan was endorsed by the Government in October 2012 but none of the sub-regional plans has been officially adopted as yet. Plans have been shared in Belize City and Placencia-but have not been adopted.. The STP sub-regional plan is taken into account in San Pedro as part of Land Use Planning and there is the possibility of adoption in Cayo through a municipal planning project.

The Government has not yet put in place a multi-ministry task force to implement the Master Plan although it has been endorsed by the Cabinet.

- *Gender and ethnic participation*

A high degree of gender inclusiveness is indicated in the program. Most retail units established in Cayo for example are operated by women, but not exclusively so. Trainings in cultural tourism had a high degree of female participation. The majority of small businesses supported by component 2 are operated by women and the overall support component (although quite small in scale) was focussed on minority groups. These aspects of the program have scope for expansion in future.

#### 2.4 Midterm evaluation

At midterm stage, the operational arrangements to manage the new facilities were still being firmed up (although initial operational plans had been written which include suggestions for preferred management options). The midterm evaluation highlighted the need to re-examine who was best placed to manage new facilities, the resources available for start-up and in particular to develop stronger detailed business plans for the facilities which are focussed on improving tourist experiences and attracting growth. This was felt to need particular focus as the program neared completion. The midterm evaluation suggested the following as key success factors to be achieved before or shortly after program end. STP is still very much focussed on completing physical interventions and putting in place management arrangements. It is certain that STP interventions will require vigorous post-project support and follow-up by MoTC, BTB and partner agencies.

- The adoption of the NSTMP into legislation.
  - Achieved: The NSTMP was endorsed by cabinet in 2012
- The adoption of destination sub-plans into local development strategies.
  - There has been good progress in San Pedro and Cayo but progress in adopting destination sub-plans in Placencia and Belize City has been slower.
- The stimulation of additional hotel rooms and other tourism enterprises in Belize City, particularly on the reclaimed land bank and in the Albert Street area (locations linked by the new Fort Street Promenade), as well as near Memorial Park.
  - This remains a challenging and long term process probably requiring further incentives to spur investment by the private sector. There is some evidence of stimulation of other tourism enterprises though, for example Spoonaz cafe on North Front Street. Further investment in infrastructure is taking place through the Taiwanese International Cooperation Development Fund (ICDF) project for Albert Street and the recently completed City Council investment Battlefield Park.

- Increases in visitors to sites served by the Cayo Welcome Center, and increases in room supply in Cayo.
  - Achieved
- The successful operation to a high standard of the Cayo Welcome Center
  - Achieved
- The transfer of water-taxi services to the new arrivals area being constructed by the project at San Pedro and the removal or creative reuse (new tourism product) of their current piers.
  - Not achieved yet. This process is underway through the efforts of the Start-Up Coordinator contracted under the STP. It may however require legislation to be enforced.
- The successful operation of the new terminal to a high standard.
  - Not achieved yet although an agreement regarding management arrangements is being actively pursued with the Belize Management Authority.
- The development of attractive events programs focused on tourism at the four STP-developed municipal sites.
  - Achieved in Cayo, under preparation in Placencia through newly established Placencia Pier Management Committee but not yet in Belize City or San Pedro.
- The emergence of new/stronger cultural tourism product, featured in tour operator brochures.
  - Stronger web presence through new individual business websites has been observed.

In overall terms we can see that there has been steady progress in most areas since the Midterm Evaluation.

### 3 EFFICIENCY AND EFFECTIVENESS

#### 3.1 Introduction

Efficiency relates to how well inputs have been converted into activities, in terms of quality, quantity and time, and the quality of the results achieved. This is a subjective assessment based on the evaluators' independent assessment of outputs and an objective assessment of inputs from tourism statistics, other consultees and stakeholders.

Effectiveness is an assessment of the contribution made by the results to the achievement of the project purpose, and also examines how assumptions have affected project achievements.

#### 3.2 Program management

BTB is the Executing Agency for the project with MOTC. BTB is responsible for project execution, financial administration, procurement, partnership, etc. The PCU was initially established with as having a Program Director, a Tourism/Environmental Specialist, a Physical Planning Specialist, a Financial/Procurement Specialist and an Administrator. No provision was made for monitoring and evaluation (M&E) other than midterm and final evaluations and no communications budget was allocated. The Project Director resigned in May 2011 and was replaced by the current Director who has seen the project to completion. At this time additional adjustments were made to the roles and responsibilities of all PCU team members within new contracts given the stage of execution to address the needs of the Program and a liaison officer was appointed from within MOTC with a percentage of his time funded by STP. Apart from this the project had a remarkably low staff turnover. The program opted to engage a third party company by contract to administer its small grant program and charged the cost to the component rather than to staffing. This proved to be an effective way of managing small grants.

A Program Steering Committee (PSC) was established comprising of representation from MOTC, the Ministry of Economic Development, Ministry of Finance, Department of Environment and National Institute for Culture and History (NICH); the Chief Engineer from the Ministry of Works, Protected Areas Conservation Trust (PACT), as well as the President of the BTIA together with the Director of Tourism. The PSC met bi-monthly initially and later quarterly. The evaluator met with the PSC during the final evaluation to discuss project efficiency and effectiveness and these were considered good. Minutes of this evaluation meeting are at annex 7. Some consultees noted that the lack of formalised steering groups at local level may have undermined project effectiveness: These comments relate to Belize City in particular. It is understood that local steering groups are now envisaged regarding taking over the management of projects and this is well advanced in Cayo. However it does appear evident insufficient engagement with the Belize City Council may be resulting in reluctance to buy-in regarding taking over the project now that it is complete.

M&E was not budgeted for by the program: Similarly a communications plan and budget were not provided for. Given that the IDB loan agreement did not specify specific project amounts, failing to plan for these activities in project activity early on appears to have been a project management weakness.

#### 3.3 Costs and cost control

##### 3.3.1 Management costs

EMG estimated that PCU costs should amount to US\$1,162,000 and this figure, amounting to approximately eight percent of total project costs, was written in to the IDB loan agreement. This is a reasonable percentage: Slightly more than most European Union projects (seven percent), but significant less than many United Nations administered projects.

Actual committed PCU costs to date amount to \$1,339,193 meaning that management costs exceeded the original estimate by over 15%, however it should also be noted that the project is being extended by six months and that counterpart contributions account for 46% of management costs to date.

##### 3.3.2 Costs of other inputs

Project costs for some activities are more than EMG had estimated, and for other activities significantly less. These were examined in detail in the Midterm Evaluation. The largest increases relate to the major capital projects in Belize City and San Ignacio, however there is a slight saving in San Pedro. Of more importance

however is control of contract costs between tender acceptance and project completion. Table 4 illustrates the overall figures.

**TABLE 4: Estimated project costs *versus* actual**

Activity	Actual contract price US\$	Variations and estimated future variations to complete US\$		Percentage physical completion as at September 2013	Final actual (a) or estimated actual (e) cost US\$
		IDB	BTB		
<b>Component 1</b>					
San Pedro	\$ 3,121,807.00	\$ 181,167.75	\$ 80,075.51	93%	3,493,775.20 (e)
Bacalar Chico Construction	\$ 629,198.60	\$ -	\$ 52,681.00	38%	681,879.60 (e)
Bacalar Chico management support	\$ 101,165.00	0	\$ 350.00	88%	101,515.00 (e)
Fort Point Pedestrian Link	\$ 2,997,626.68	\$ 390,603.17	\$ 96,344.65	99%	3,484,574.50 (e)
Placencia Pier and Plaza	\$ 1,480,824.92	\$ 15,612.83	\$ 19,892.50	98%	1,531,217.43 (e)
Cayo Welcome Center	\$ 1,566,347.50	\$ 160,259.53	\$ 236,910.36	100%	1,956,017.39 (a)
Archaeological Sites:					615,870.66 (e)
CahalPech&Xunantunich	\$ 252,298.37	\$ 20,594.31	\$ 2,587.50	100%	275,480.18 (a)
ATM	\$ 88,750.00	\$ 4,995.00	\$ 16,980.00	100%	110,725.00 (e)
Supervision	\$ 33,000.00		\$ -	96%	33,000.00 (a)
Feasibility	\$ 59,850.00	\$ -	\$ -	100%	59,850.00 (a)
Xunantunich Ferry	\$ 71,065.08	\$ -	\$ 5,761.34	100%	76,826.42 (a)
Xunantunich Interiors	\$ 59,979.06	\$ -		77%	59,979.06 (e)

Activity	Actual contract price US\$	Variations and estimated future variations to complete US\$		Percentage physical completion as at September 2013	Final actual (a) or estimated actual (e) cost US\$
		IDB	BTB		
<b>Component 2</b>					
National Tourism Master Plan	\$ 411,350.00	\$ -	\$ 13,320.06	100%	424,670.06 (a)
Updating brand strategy	\$ 20,000.00	\$ -	\$ 5,000.00	100%	25,000.00 (a)
Training and tools, heritage hotel classification	\$ 109,000.00	\$ -	\$ 27,250.00	100%	136,250.00 (a)
land use plans	\$ 89,000.00	\$ -	\$ 22,250.00	100%	111,250.00 (a)
Small business scheme:	\$ 50,000.00	\$ -	\$ 14,500.00	93%	64,500.00 (e)
Grant Disbursement	\$ 244,996.00		\$ -	100%	244,996.00 (a)
Mentors	\$ 16,200.00	\$ -	\$ 3,104.00	99%	19,304.00 (a)
Grant Administrator	\$ 29,000.00	\$ -	\$ -	100%	29,000.00 (a)
Tourism information/TSA (changed to BTB database)	\$ 146,218.00	\$ -	\$ 1,375.00	100%	147,591.00
Taxation Review	\$ 50,000.00	\$ -	\$ -	100%	50,000.00

Source: PCU

- The original EMG project for San Pedro (Seaward side of the island) was costed at US\$ 4.2 million. The substantially amended project (Leeward side) was tendered at \$3.1 million however the final completed cost is estimated to be around \$3.5 million. Annex 6 lists all contract variations.
- It is estimated that the final Bacalar Chico product will cost \$682,000, 8% more than the tendered price.<sup>4</sup>
- The Fort George project (Memorial Park plus pedestrian link) had a tender price of just under \$3 million. The final price is \$3.48 million. Substantial drainage and other infrastructure works were agreed as extras to the tender improving functionality and aesthetics a cost increase of 15% (see annex 6).
- Placencia Pier was tendered at \$1.48 million. The actual completed price is \$1.53 million (+3%).
- The Cayo project was tendered at \$1.3 million but eventually cost almost \$2 million (+32.5%). The addition of a pedestrianized street and other changes to project scope and design during project development account for this substantial variation and are significant positive improvements.

<sup>4</sup> The original EMG project for Bacalar Chico was projected to cost \$850,000 but significant changes were made, including the allocation of \$101,000 for management support

- Archaeological site improvements suggested by EMG were costed at \$567,000, \$492,000 of which related to Cahal Pech Heritage Park. Changes were made to EMG's proposals based in IA's priorities. \$615,000 was spent on archaeological site improvements ultimately.

Change orders were either as a result of unknown issues (soil conditions, drainage, etc.) or recommendations on the advice of engineers regarding material upgrades, etc.; or to accommodate the utility provisions or to mitigate social impacts, such as the connections to properties in Belize City. Annex 6 lists change orders.

In overall terms Component 1 has concentrated most resources on urban infrastructure and improvement projects rather than the more directly tourism product-related aspects emphasised by EMG (beach improvement at San Pedro, investing more in the Bacalar Chico marine reserve, and improving tourist experiences at archaeological sites).

Under Component 2 there is a major saving on the estimated cost of the Master Plan, and modest expenditures for most other areas.

- The master plan was estimated by EMG at almost \$1 million. The project was secured by tender at more than half this amount and provided excellent value exceeding expectations.
- Only \$25,000 was spent on branding whereas EMG had recommended \$180,000 for more comprehensive research. BTB took this forward internally.
- EMG recommended a budget of over \$300,000 on heritage and training, but this was cut back by more than 50% to \$109,000 and also covered physical planning. Given the importance of Belize's cultural heritage and its very real training needs, it is difficult to justify this reduction in resource allocation especially as it is highlighted in the grant contract, however the projects funded were useful, and the under-emphasis on training may reflect BTB's uncertain role in this area *vis-à-vis* other agencies.
- The small matching grant programme budget of \$288,000 for minority group enterprise was reduced slightly to \$245,000. Mentoring and grand administration made up the balance and were well justified.
- The proposed TSA study was replaced by a tourist database system for BTB. The development of TSA has proved difficult in the past<sup>5</sup>, not because of a lack of data but because of the difficulties of engaging with the Statistics Institute of Belize.

Component 2 delivered well and costs were more tightly managed. There were however opportunities to spend more under this component on cultural heritage and training (as recommended in some of the project's consultancy reports), however these variations were not actioned in contrast to component 1 where many additions and enhancements were facilitated. This appears to show a preference by the PSC for 'hard' infrastructure rather than 'soft' cultural and training outputs when it came to deciding where to reallocate budgets. Both hard and soft investment is however essential if infrastructure is to be brought to life as a tourism product. It is understood that the coordination of training for tourism amongst various agencies in Belize may be an issue, with possibly much duplication of effort.

#### 3.4 Standards and quality control

The consultant is impressed by the fairly consistently high quality of commissioned studies. They give evidence of a rigorous tendering process to ensure selection of competent practitioners. The PCU has taken care to ensure that physical interventions meet required building codes and environmental requirements, including the requirements of IDB. It is clear that most structures are sturdy enough to meet defined hurricane situations.

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<sup>5</sup> The evaluator has reviewed an earlier UNWTO assignment on TSA in Belize.

The various consultancy reports and especially the Master Plan are both comprehensive and thorough. The Midterm Evaluation noted that indicative business plans were in some cases weak<sup>6</sup> and would require strengthening as the projects come on stream. The PCU admits that these were not intended to be comprehensive business plans and this is a project weakness, affecting risk and sustainability. These issues remain a concern particularly in Belize City, at San Pedro and at Bacalar Chico where the existing business plan may need revision. Reaching the optimum staffing and management has been a gradual process due to lack of start-up financial capital, particularly in Placencia: This is an issue for future program design.

Concentrated work is needed to check finishes and snag lists for Ambergris Caye projects. Maintenance of the completed Belize City project also needs attention and hand over of four of the five main projects needed to be completed on October 2013 while the final evaluation was underway. The Cayo Welcome Center project had however already been successfully handed over to the Town Council.

### 3.5 Reporting

Reporting appears regular and thorough, and in accordance with IDB guidelines. Chapter 7 lists the reporting and other documents referred to during the evaluation. An improvement recommended in the midterm evaluation but not yet implemented was to improve the library section of the project website <[www.sustainabletourismbelize.org](http://www.sustainabletourismbelize.org)> by restructuring it and uploading more project outputs and reports: The program has a great deal of good material which should be communicated as widely as possible.<sup>7</sup> In addition a project final report might have been published, illustrating through photographs progress achieved in both components. There is a very positive story to be told.

### 3.6 Project finances

The program is responsible for preparation and fair presentation of financial records in accordance with International Public Sector Accounting Standards. Audits have been regularly undertaken in accordance with these standards and the specific requirements of IDB. The audit procedure included obtaining statistically valid evidence supporting the amounts and disclosures in the program's accounts, and obtaining reasonable assurance that the accounts are free from material error.

The auditors have given an unqualified opinion as to the fairness of the program's cash flow and cumulative investments, and have confirmed that as of March 2012 that the program has complied with the regulations and provisions contained in the program's Operating Manual. The auditors have also commended the programme for its positive efforts to abide by the loan guidelines. Their latest management letter to the program only makes minor recommendations for system improvements. They note that BTB was not topping up the project account in advance, and it is understood that this has been rectified. The auditors also note that the program's accounts are prepared on a cash-flow basis (as is normal in IDB projects), so do not record obligations entered into but not paid for: Preparing accounts on an accruals basis rather than a cash-flow basis would be a more useful monitoring tool and should be considered by IDB for future programs.

### 3.7 Input scheduling and delivery

#### 3.7.1 Scheduling

The program has adopted a cautious approach to input scheduling. In particular a long period was spent going through the feasibility study process for each intervention: This is commendable and has resulted in real consensus-building and interventions which are very sensitive to the needs of local people, and which have considered environmental issues in detail (*i.e.* responsible tourism). This has however ultimately resulted in an extension of the timeline by six months. There is a danger that the finalisation of projects will be rushed. The Institute of Archaeology (IA) for example has admitted its review process for the Bacalar Chico project has been hurried, despite the chosen location being located within a recorded Maya archaeological site in a UNESCO World Heritage zone<sup>8</sup>.

<sup>6</sup> It is understood from the PCU/BTB that these were not intended to be comprehensive business plans: This is a sustainability concern.

<sup>7</sup> A good example of communication is the Asian Development Bank's sustainable tourism development program in the Lao Peoples Democratic Republic: <[www.stdplaos.org](http://www.stdplaos.org)>.

<sup>8</sup> Ancient Mayan and other archaeological sites are specifically highlighted for protection within the Barrier Reef World Heritage Site designation

The two largest projects were subject to delays (San Pedro and Belize City) due to consultative processes, contract negotiations, and changes in the scope of work. San Pedro was significantly delayed. Indeed only one major contract had been signed by December 2011 and this was a source of concern to IDB. It also was an expense to Government in that the entire loan had been drawn down in one tranche at the start of the project. Table 6 illustrated the degree of completeness of each intervention as at September 2013. As all of the project's outputs are not yet complete, it has been noted that the outcomes of the project will only be fully measurable well after the project ends.

### 3.7.2 Input delivery

While some major inputs are still underway in Ambergris Caye, the quality of inputs from STP staff and its contractors on completed projects appears high. Attention now needs to be paid to effective supervision of these two ongoing projects (San Pedro and Bacalar Chico). Interpretation design for visitor centres in the various Cayo attractions and interpretative fit out for the provision of tourist information at the four Component 1 sites still needs attention, as does landscape maintenance and supervision of litter collection at Memorial Park in Belize City.

## 3.8 Problems in project implementation

The main problems in project implementation identified are as follows:

- Preliminary project planning recommendations within the project scoping study failed to consider land ownership. This resulted in a need for changes when the PCU carried out due diligence.
- Significant delays owing to the (justifiable) need to obtain public consensus.
- A concentration on physical project delivery with more attention needing to be given to future operations and management training, including a need to rigorously follow up feasibility assumptions.
- Limited provision of training, and not taking forward recommendations from training consultants on further training activity needed.
- Changes in municipal government causing delay. For example in three of the four main municipal projects key elected officials changed, including three changes of village councils in Placencia where there is no non-elected executive to carry projects forward.
- Failure to promptly address economic benchmarking of the program and to deliver on-going monitoring mechanisms.
- A need to quickly establish and empower project management organisations to take projects developed forward.
- A need to expedite hand-over.
- A need to communicate the program's achievements.

## 3.9 Planned outputs, effects and contribution to project purpose: Component 1

### 3.9.1 Ambergris Caye

#### 3.9.1.1 *Saca Chispas sunset boardwalk and water taxi terminal*

Following a very lengthy period of public consultation and many design variations, work began for this \$3 million project in June 2012 with the signing of contract documents. Tourism facilities will include the following:

- A large platform and twin ark-shaped buildings, to function as the new water-taxi terminal for current operators, who will be instructed to relocate from the seaward side of the island. It will include vending units and covered customs, immigration and ticketing areas for the international traffic which prior to the project was landing in the project area. This facility will provide a modern, streamlined arrival experience for visitors landing from Mexico, Belize City and other cayes.
- Refurbishing the existing sports field, introducing a perimeter wall, new seating, vending areas, toilets, a security station and picnic facilities. The field is fenced to allow control when using it for events, including cultural events and festivals, as well as providing an emergency area for storing boats during hurricanes.
- The development also includes leasable piers and other structure for existing users; three public boat slips, an offloading pier, sealed road access, a fish and fruit market stand, leasable

structures and fish-cleaning stands and sealing downtown San Pedro's last sand-surfaced street with concrete.

Although the development is significantly different from the seaward beach improvement project originally proposed in studies prior to loan contract, and goes further than activities outlined in the loan agreement, it will

- protect and strengthen the existing product through a better environment;
- improve townscape and landscape features in tourism areas;
- improving traffic circulation and pedestrian linkages;
- encouraging the renewal of existing urban buildings;
- improving the overall visitor experience through better interpretation; and
- demonstrate related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

Because construction works are on-going, positive impacts on overnight tourism cannot be attributed to the project yet, but they are likely. Negative impacts in terms of flooding and local disturbance ("we want out football field back"!) were noted during consultations. Once complete and operating effectively the development will change visitor flows in San Pedro, probably raising investor interest in the leeward side of the town. A detailed events plan for the use of the sports field has not been developed. Following extensive consultation by the Start-Up Coordinator contracted under the project to facilitate management arrangements and operations upon completion, a decision has been made for a two-pronged approach to management: The Marine Terminal facility will operate and be managed under the Border Management Agency which is legally responsible for border entry points throughout the country; and San Pedro Town Council will be responsible for management and operations of the other components of the project (boardwalk, finger piers, field and plaza).

#### 3.9.1.2 *Bacalar Chico*

The Bacalar Chico project was given high priority by EMG as it would deliver a new tourism product based on Belize's rich maritime heritage and which would also help to preserve it. Progress in delivering the project was extensively delayed owing to the challenge of locating a suitable site which would not impact on pristine undeveloped ecosystems within the National Park which is a UNESCO world heritage site. Obtaining agreement from Government stakeholders (principally the Ministries of Fisheries and Forestry) proved difficult. Despite this the specific site eventually chosen is not ideal from a sustainable tourism point of view, as it is within a partially excavated known Maya site (San Juan). However it is understood that the site chosen was previously occupied by a private landholder and hence was previously built on and disturbed. The evaluator has noted that all required permissions regarding permission to build had been obtained by STP, and that IA was called in by the PCU following disturbance of possible archaeological remains by the contractor.

The final product is not the luxury eco-lodge envisaged originally, but it will be an attractive eco-friendly building providing hostel accommodation. Improving interpretation at the existing visitor centre is no longer part of the project, although some trails and landing facilities will be developed. It incorporates some green technology (the only STP project to take up this theme). The project will

- protect and strengthen the existing product through a better environment;
- improving the overall visitor experience through better interpretation; and
- demonstrate related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

As in other STP projects, decisions about who will operate the facility had not been firmed up at the time of the Final Evaluation, a sustainability concern; and this is an overall weakness in the program. Whether a private sector operator (such as a specialist tour operator), or a Government entity, or a trust takes on the running of the centre are key issues still to be resolved. The outline business plan assumes that the Government run it, but the evaluator has difficulty following the consultants' logic in this regard.

At the time of the evaluator's visit, ground works were underway and initial construction had commenced. It will be challenging to complete the project fully by December 2013. Because construction has only just commenced, positive impacts on overnight tourism cannot be attributed to this project, but (*if successfully managed and marketed*) they would seem likely. Depending on who operates the centre and how well they market it, this product could be a very interesting and successful addition to Belize's tourism portfolio.

### 3.9.2 Belize City

The Fort George intervention was based on sustainable urban tourism principles which sought to balance current benefits to tourism with future opportunities for the local community. The recommended approach sought strong emphasis to governance processes involving multi-stakeholder approaches and robust private-public partnership. The project sought to deliver a 'special visitor district' at the Fort George peninsula which historically guarded the entrance to the Belize River and the old city on the opposite bank. The concept was to have

An urban locale that enables visitors to move easily from one attraction to another and encourages visitation due to the existing critical mass of attractions in a relatively small urban area. Projected success is premised on the beliefs that the area can attract significant numbers of foreign and domestic tourists, provide better amenities for local residents and be a catalyst for facilitating the renewal of Belize City. *GOP Oficina de Proyectos SA & Belicana Consulting and Development Ltd. (2011: 4)*

The STP intervention has focussed on delivering physical improvements in the Fort George area as follows:

- The Fort Point Pedestrian Walk, involving urban improvements south-eastwards of Queen Street. A paved footpath, expanding to a bricked roadway, runs from the marine water-taxi terminal and Swing Bridge to the Tourism Village cruise liner terminal and through the Memorial Park, with some improvements to other urban areas within the zone (including the improvement of roads and footpaths in a socially deprived street). Gate structures were erected at the main vehicle access points to the area.
- The extensive reconstruction and re-landscaping of the Memorial Park (World War I memorial), to enhance it as an events venue and flexible facility for better managing large volumes of cruise passengers (the project seeks to re-route tour busses picking up and dropping off from the Tourist Village by encouraging them to park further away and drop off/pick up via the Park). The project includes an event area, the re-designed war memorial with restored obelisk, a new band stand, and extensive vendor facilities.

These have all been achieved to robust standards as per the technical specifications.

The project will

- protect and strengthen the existing product through a better environment;
- improve townscape and landscape features in tourism areas;
- improve traffic circulation and pedestrian linkages;
- encourage the renewal of existing urban buildings;
- improve the overall visitor experience through better interpretation; and
- demonstrate related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

Objectively verifiable indicators (OVIs) for this specific intervention mostly show positive signs, as in table 5:

**TABLE 5: Objectively verifiable indicators: Belize City**

OVI – Belize City	2008	2013	Comment
Increase in the number of overnight visitors to hotels <sup>9</sup>	186,756	179,188 (2012) (decrease)	While the number of overnight visitors to the City and district recovered from a significant drop in 2010-11, it has not yet recovered to the 2008 level
Average daily expenditure by tourists	US\$ 123.46 (2011)	US\$ 152.92 (2012)	.
Numbers employed in overnight accommodation (hotels)	1199 (2011)	2007 (2012)	
Number of registered tour guides	229	362 (2012)	Because Belize City is a cruise liner destination, this figure should be treated with caution in assessing overnight tourism
Number of hotel beds	1,647	1,813	Increase not in the Fort George area
Room occupancy	43.2%	43.2%	
Average achieved daily room rate	US\$ 78.21	US\$ 85.76	While the number of rooms overall in the wider area has expanded in spite of a slightly reduced number of overnight visitors to Belize City compared to 2008, occupancy and hotel revenue returns have held up.

Source: BTB

Some caution needs to be exercised in drawing conclusions from these indicators. This is because Memorial Park operation is not yet finalised, nor is there an active events programme in place.

Despite the significant efforts of the PCU and BTB this investment is felt to be under-performing at present, largely due to unresolved responsibility for future management. Consultation with nearby tourism businesses described it as follows.

*“greatly improved, but not being used to anything like its potential”.*

*“It looks much better but is still a dead space with little life in it by day or by night.”*

Official handover to the eventual managing agency has not yet taken place, so it is not surprising that the Park is not being used to its full potential. The operation of the Park as a tourism facility seems at present to be in limbo with future responsibility possibly falling to BTB. (The Tourist Board already has human resources on the ground managing the tourism aspects on cruise days and currently makes significant investments in terms of management of the area on an annual basis.) A handover agreement with the Municipality (the site’s owner) had not been agreed at the time of the evaluation visit. The park has been used for occasional events, principally annual Independence Day celebrations although it is understood that these may move to another restored park next year.

The vision for the area was to see shared responsibilities between MOTC, Belize City Council, BTB, BTIA, Belize Chamber of Commerce and Industry (BCCI), the Fort George Home Owners’ Association and the Tourism Police Unit, operating through a management committee, the development of which was to be facilitated by the program. This has not been achieved. Consultations with City Councillors suggested that

*“co-management (between the City Council and BTB) would be the best way to go”.*

It is recommended that STP continue focus attention on establishing a broadly based management committee to ensure a wide sense of ownership, in particular including municipal ownership. While BTB has a

<sup>9</sup>Room capacity (number of rooms x365 days) x average room occupancy x assumed average number of people per room (1.2 Belize District, 1.6 elsewhere)

role in helping to manage cruise tourists in this area, encouraging overnight tourism will require greater attention to facilitating events in the Park and making it a more attractive place to relax in when cruise visitors are not present. Consultations with City Council members indicate a desire to “take back” the area for local people:<sup>10</sup> It is understood that repeated efforts are being made to engage the City Council and discuss implementation or changes to the management arrangements proposed in the initial vision for the Park.

Very positively, the IDB project may have inspired similar upgrading of other municipal park areas. Two city park areas are seeing substantial upgrade at present, one of which (BTL Park, smaller than Memorial Park) will see an investment of US\$ 505,000 by the municipality involving a complete re-build.

An international cost comparison is the award-winning restoration of Forodhani Park in Zanzibar. This is part of a comprehensive programme for urban rehabilitation in Stone Town, a world heritage site. The restoration was undertaken by the Aga Khan Trust for Culture in cooperation with the Revolutionary Government of Zanzibar and pays particular attention to the restoration of historic park features and to the creation of pro-poor business opportunities through facilitating daytime craft sales and night markets. The objective of the project was to restore and secure the city’s major urban open space while improving the quality of civic life for Zanzibaris. The project components included:

- Restoration of the walkways, infrastructure and landscape of the Park;
- Improvement of infrastructure, including lighting, sewerage and drainage;
- Upgrading of civic amenities;
- Restoration of the seawall in front of the Park;
- Stimulation of economic activities and small enterprise, with improvements for vendors; and,
- Promotion of related socio-economic development.

The project cost was \$2.5 million with greater attention to restoration of historic features in the case of the Aga Khan Trust. While Forodhani Park is larger and gave more emphasis to mature trees and historic features, the cost and objectives are comparable with the STP project indicating value for money. Future project design proposals in Belize could make greater use of examining international best practice examples such as this, in particular the emphasis on facilitating integration with community use, rather than creating a visibly ‘gated’ tourism zone.

### 3.9.3 Cayo

#### 3.9.3.1 Cayo Welcome Center

This project is felt to be the most significant success of STP to date. It involved the reconstruction of Coronation Park in the centre of San Ignacio to provide a large circular Welcome Center, a small new bus station with toilets and an events stage, four vendor kiosks and two anchor tenant shops, and the re-landscaping of the remaining park area including sculpture, a water feature and seating. In addition Burns Avenue was excavated yielding some interesting Maya artefacts (now displayed in the Welcome Center) and pedestrianized. Site drainage and liquid waste management have also been improved. STP funds were allocated towards the hiring of an Executive Director whose priority was to develop the business plan and take the lead in putting the “soft” elements into the center as a collaborative effort with other agencies and STP. The PCU took the lead in this initiative by drafting of the terms of reference, selection criteria and also assisted recruitment in partnership with the Council, BTB and MOTC.

The overall development has been very successful with clear evidence of attention to detail in management, strong engagement from the Town Council and visible signs of regeneration as a result of the development. The Municipality has for example contributed \$15,000 towards additional landscaping. Property and rental values in the immediate location are rising fast, according to the Mayor. The project has been fully completed although not all letting arrangements have been finalised, including the final extent of BTB’s engagement with the Welcome Center. A website had yet to be developed at the time of the evaluation. One issue for follow up is the Welcome Center itself, where information about other attractions in the centre is however described by consultees as “minimal” and “poor” at present: The evaluator agrees that there is a lack of high visibility information maps in the main hall directing visitors to Cahal Pech and other important sites as

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<sup>10</sup>Councillors consulted also suggested that Memorial Park design should be revised at an early stage to include much more landscaping and green space, and a children’s playground.

was the building's original intention, however BTB is currently in the process of establishing TIC services and facilities within the Center including branding. The overall impact of the redevelopment is however undoubtedly very positive, as summed up by the Mayor:

*"It has given everyone a new sense of pride in the destination".*

The development may also have helped stimulate private sector interest in major investment nearby, including a tourist accommodation element.

The project is clearly

- protecting and strengthening the existing product through a better environment;
- improving townscape and landscape features in tourism areas;
- improving traffic circulation and pedestrian linkages;
- encouraging the renewal of existing urban buildings;
- improving the overall visitor experience through better interpretation; and
- demonstrating related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

### 3.9.3.2 Maya sites

The improvement of visitor interpretation and facilities at two very significant Maya sites has been supported. A new visitor centre and WC facilities for groups have been built at Xunantunich (the centre was awaiting supply of interpretation at the time of the evaluation) and a new chain ferry has been supplied giving increased access to the site. An interpretation plan has been developed for Cahal Pech. At ATM new toilets were built and improved site access has been developed.

Objectively verifiable indicators (OVIs) for Cayo interventions, some of the only major interventions in tourism in the district during the project timescale, are positive as illustrated in table 6:

**TABLE 6: Objectively verifiable indicators: Cayo**

OVI – Cayo	2008	2013	Comment
Increase in the number of overnight visitors to hotels	226,415	310,325 (2012)	
Average daily expenditure by tourists	US\$ 107.87	US\$136.41 (2012)	
Registered tour guides	197	288	
Numbers employed in overnight accommodation (hotels)	1,375	1,334 (2012)	
Number of hotel beds	2,710	3,228	Expanding hotel supply also having a positive effect on overnight tourism. Further hotel expansion underway
Room occupancy	39.4%	40.2% (2012)	
Average achieved daily room rate	US\$ 96.65	US \$117.39 (2012)	
CahalPech visitor numbers	14,103	23,875 (2012)	
Xunantunich visitor numbers	48,079	73,912 (2012)	Increase cannot wholly be attributed to larger ferry improving access, because it did not start operating until 1 November 2012

Source: BTB

The Cayo projects will

- protect and strengthen the existing product through a better environment;

- improve landscape features in tourism areas;
- improve traffic circulation and pedestrian linkages;
- improve the overall visitor experience through better interpretation; and
- demonstrate related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

#### 3.9.4 Placencia

At Placencia a very attractive new municipal pier has been constructed, designed to withstand category 4 hurricanes and providing an attractive new public area, as well as accommodating traditional fisheries use. It forms the terminus of Placencia's famous 'sidewalk' which has also been resurfaced, widened and provided with improved 'heritage' lighting. A waterfront plaza was originally envisaged beside the pier, but land ownership difficulties resulted in this being scaled down. The development will be managed by the Village Council and formal handover is pending.

Objectively verifiable indicators (OVIs) for this intervention are positive as illustrated below (these should be treated with caution as the project was only completed in 2013):

**TABLE 7: Objectively verifiable indicators: Placencia**

OVIs – Placencia	2008	2013	Comment
Increase in the number of overnight visitors to hotels	132,762	145,504 (2012)	
Average daily expenditure by tourists	US\$ 117.21	US\$138.21 (2012)	
Number of registered tour guides	75	67	
Numbers employed in overnight accommodation (hotels)	434	509 (2012)	
Number of hotel beds	1,160	1,210	Expanding hotel supply is also having a positive effect on tourism performance
Room occupancy (hotels)	32.3%	33%	
Average achieved daily room rate	US\$ 150.53	US \$137.16 (2012)	

Source: BTB

The project will

- protect and strengthen the existing product through a better environment;
- improve townscape and landscape features in tourism areas;
- improve traffic circulation and pedestrian linkages;
- encourage the renewal of existing urban buildings;
- improve the overall visitor experience through better interpretation; and
- demonstrate related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

#### 3.10 Planned outputs, effects and contribution to project purpose: Component 2

The following Component 2 outputs have been completed:

- The National Tourism Master Plan was completed to a high standard and endorsed by the Government in October 2012, however ensuring its implementation requires a multi-ministry approach ideally chaired by the Prime Minister's department: An implementation body has not yet been put in place.

- The training program for cultural tourism business development (feedback is that this was delivered very successfully).
- The taxation review.<sup>11</sup>
- BTB Database project.
- BTB branding review.
- Small grants programme.

The small grants programme in particular has produced and improved significantly Belize's cultural tourism product offer, mostly in rural areas. Table 8 outlines these.

**TABLE 8: Cultural tourism projects supported**

Approved Projects	IDB Grant BZ\$	Counterpart		Total costs BZ\$	Project Objective
		Cash BZ\$	In-Kind BZ\$		
Mayan World	23,492.00	1,468.00	4,405.00	29,365.00	Business expansion project improving the workshop space to facilitate improved interactive tourism experience of authentic Belize woodcarving, and increased marketing activities
Giddyup Cultural and Historical Carriage Tours	26,608.00	1,663.00	4,989.00	33,260.00	To enhance the authentic Kriol horse and carriage cultural tours fostering a heightened awareness of the values and heritage of Belize City through improved standards of all aspects of the tour: to include animal husbandry, carriage outfitting, tour guiding etc
WarasaGarifuna Drum and Dance School	20,755.00	3,200.00	3,700.00	27,655.00	Enhance and expand the cultural experience offered through the provision of a spacious traditional thatch construction that will allow for interactive lessons in Garifuna singing, dancing and drumming.
The Living Maya Experience	22,294.00	2,348.00	3,225.00	27,867.00	Foster entrepreneurship of new business venture, improve structures and facilities to a market ready standard, and promotion activities of a unique Maya experiential attraction that aim to attract 800 visitors during the first year of operations.
Golden Gifts	15,454.00	1,243.00	2,850.00	19,547.00	Expansion and renovation project to increase the variety of cultural arts and improve the presentation and display, including videostream interpretation of the products which tell the story of the art and artisans.
Maya Center Mayan Museum Expansion and Enhancement	23,989.00	1,515.00	5,999.00	31,503.00	Enhancement project improving displays, interpretation and aesthetics, increasing Maya Museums capacity to allow for demonstrations such as the new Cacao hands-on experience and also cultural dance activities.

<sup>11</sup> The Government has decided not to move forward with proposals recommended in this report at this point in time as wider tax reform is being assessed.

Approved Projects	IDB Grant BZ\$	Counterpart		Total costs BZ\$	Project Objective
		Cash BZ\$	In-Kind BZ\$		
Vern's Garifuna Kitchen	32,000.00	4,000.00	4,000.00	40,000.00	As the first local cultural tourism business within the village- an expansion and improvement project "RisitiWarassa" to promote and preserve the Garifuna Culture and attract more tourists to Seine Bight. Includes infrastructure upgrade and improved amenities, also allowing for cultural display and performance.
Uwarani Dance Group	12,080.00	755.00	2,265.00	15,100.00	New equipment and new performance facility in addition to increased recruitment and training activities to develop more professional performers within the group and ensure continued growth of the dance group as well as authentic translation of the Garifuna dance.
Outta Griga Dang Productions	16,008.00	1,000.00	3,000.00	20,010.00	Goal to improve the quality and standards of local cultural presentation by improving the professionalism of all aspects of stage management, product promotion, advertising, script writing and events planning
Maroon Creole Drum School	21,918.00	1,980.00	3,550.00	27,448.00	Relocation project to include infrastructure and landscaping improvements to expand visitor capacity, and increased marketing and cultural enhancement activities to increase visitation and enhance the Kriol cultural experience in PG
Cyrila's Chocolate	22,777.00	1,426.00	4,279.00	28,482.00	Expansion and improvement project for family run Maya Cacao attraction and accommodations upgrading facilities to improve opportunity for experiential learning and increased cultural interpretation. Includes business support and promotion activities.
Aguacate Homestay	23,998.00	1,500.00	4,500.00	29,998.00	Improve the facilities of the homestay experience to include accommodation and bathroom upgrades, and a new facility fir demonstrations and hands-on experiential activities.
San Miguel TEA Guesthouse	17,393.00	1,087.00	3,261.00	21,741.00	Infrastructure improvement project to improve quality and standards of guesthouse accommodations in addition to cultural revival of the Maya harp music through skill transfer from national cultural icon to the local youth to be developed as a cultural tourism product unique to the village.
WE Art Gallery Museum	33,325.00	4,240.00	7,810.00	45,375.00	Improvement and expansion project of town cultural attraction (Art Gallery and tea room) including training in various cultural art-forms to market upcoming artists, and develop new cultural products
Palmento Grove Lodge	22,400.00	1,400.00	4,200.00	28,000.00	Improvement of infrastructure and product enhancement, marketing and delivery of a traditional Garifuna cultural experience to incorporate active guest interaction.

Approved Projects	IDB Grant BZ\$	Counterpart		Total costs BZ\$	Project Objective
		Cash BZ\$	In-Kind BZ\$		
Lebeha Drumming Center	22,562.00	1,410.10	4,230.30	28,202.00	Improvement and expansion project to allow for better organized and marketed drumming lessons and performances as well as increased training of drummers, and add-on hospitality beverage services to improve the overall experience.
Blossoming Gifts	11,576.00	723.50	2,170.50	14,470.00	Business facility upgrade and expansion from a vending facility to an all-weather permanent gift store, allowing for increased stock, improved display, increased visitor interaction to become market ready.
Pen Cayetano Studio Gallery	28,851.00	3,606.00	3,606.00	36,063.00	Improved product development and marketing to create a leading cultural tourism attraction and the stage upon which to deliver an increased range of authentic cultural tourism products.
Austin Rodriguez Drum Shop	16,340.00	1,022.00	3,063.00	20,425.00	Expansion of drum-making business anticipating an increase in 100% production over the next 2 years through improved marketing, increased tools and improved marketing and networking activities.
Mercy SabalGarifuna Cultural Treasures	22,336.00	1,396.00	4,188.00	27,920.00	Increase production and maintain a minimum supply of diverse cultural dolls and wall hangings, allowing for translation of an authentic unique story to be told through each piece. Include home visits as part of a tour circuit.
Belize Arts and Craft makers and vendors union  *to be confirmed	50,000*	5,000*	5,000*	60,000*	Support will be given to a project to develop and strengthen the union, stimulate small business capacity, market and impact all vendors positively

Source: PCU

The following matching grant beneficiaries were directly related to increasing tourism overnights in that they included an accommodation component:

- Palmento Grove Resort
- Lebeha Drumming School
- TEA Guesthouse – San Miguel Village
- Aguacate homestay
- Cyrilas Chocolate(Now Ixcacao)

Direct investments to the accommodation component were made to all of the above, except Lebeha Drumming School which was focused more on improvements to the drumming facility.

Most projects were completed in June 2013 (with the exception of Aguacate which was completed in March 2013) so effects are only beginning to be seen. Completion reports submitted in May and June do

indicate some increase in the number of tourists as outlined below, however the project's lack of systems for M&E is also apparent in the widely varying way in which results are being reported:

- Cyrilas Chocolate- increase in 10% (does not specify breakdown of day tours or overnights)
- Lebeha- 200 students were fed and entertained for which they did not have capacity to accommodate previously (no indications as to whether they stayed overnight though )
- Palmento Grove Resort- no increase in visitor bookings but a 25% increase in inquiries.

As noted above, a formal M&E system needs to be put in place at the start of future tourism projects, and provision made for ongoing M&E expertise on project teams. The grant scheme administrators, Belize Enterprise for Sustainable Technology (BEST) have highlighted this, and the need for an ex-post evaluation:

*“the real impact of this support program is not yet clear”.*

It is clear however that in general Component 2 outputs will

- protect and strengthen the existing product through a better environment;
- improve townscape and landscape features in tourism areas;
- improve traffic circulation and pedestrian linkages through better planning;
- encourage the renewal of existing urban buildings through the NSTMP;
- improve the overall visitor experience through better interpretation and raising quality standards; and
- demonstrate related economic, social and community benefits, and providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.

### 3.11 Impact indicators

#### 3.11.1 Background context

In 2007 and 2008 when the STP was being designed, Belize was affected by a hurricane, tropical storms and a tropical depression leading to floods in some parts of the country which destroyed crops, and postponed construction projects. The economy was also depressed: Growth fell sharply in 2007, as government spending was cut back and the external commercial debt was substantially restructured. The economy picked up in the first half of 2008 but the global financial crises led to reduced foreign investment in Belize, lower growth in foreign remittances, and lower domestic consumption. At the same time, grant inflows were down sharply on the previous year. The result was a slight decline in real GDP in 2009 when STP commenced. The need for the program has been summarised by the Belize Hotel Association (BHA) as

*“so much needed at the time and absolutely necessary”.*

The year 2010 began with Belize's economy in recession and external debt exceeding US\$ 500 million. Renewed growth of about 2.7% did however take place in 2010. The tourism economy remained affected through the reduction in inflows of foreign direct investment, slower growth in foreign remittances, and a decline in overnight tourism.

Economic growth dropped back to 2.5% in 2011, partly due to a drop in the price of oil. In tourism the following initiatives took place, in addition to the commencement of STP projects on the ground:

- Upgrading of local airstrips including Placencia.
- The introduction of targeted online marketing by BTB.
- Greater emphasis on culture through an expanded network of Houses of Culture.
- Continued problems of crime with large drugs seizures in 2011, and the withdrawal of Carnival Cruise visits in January 2011 following a dispute with tender operators (an estimated loss of 10,000 day visitors).

2011 also saw the completion of the NSTMP, an important milestone resulting from the STP.

In 2012 the Government of Belize endorsed the NSTMP and there was also some economic and tourism recovery and this has continued through 2013, although due to a large public debt burden, fiscal spending is likely to remain tight. Air and land arrivals increased by 10.7% overall between 2011 and 2012: Air access is a key issue determining overnight visitor growth or decline, because the vast majority (76.4%) of tourist visitor traffic comes through the Philip Goldson International Airport (PGIA)<sup>12</sup>. Cruise tourism however declined by 12% in the same period, but there is currently (2013) strong reported interest in developing new off-shore cruise terminals *cum* resorts off Belize City and off Placencia in the south.

Table 9 illustrates changes in overnight visitor numbers during the period 2008-2012. These show very strong recovery from Belize's primary North American markets in 2012 as well as growth from the Middle East, Australia and Asia from a very small base. Latin American overnight visitors continue to decline. Europe (also in recession) has remained static at levels below 2008.

**TABLE 9: Belize overnight visitors 2008-2012**

Market	2008	2009	2010	2011	2012
Africa	512	668	577	472	453
Middle East	588	400	863	628	1,324
Caribbean	2,307	2,388	2,505	2,049	2,288
Oceania	2,460	2,514	3,133	2,741	3,490
Asia	2,774	2,459	2,937	2,995	3,443
Belizeans living abroad	8,779	8,365	8,817	10,157	12,102
Canadian	17,695	17,211	18,246	20,093	24,223
Latin America	27,000	29,080	28,944	24,692	23,809
European	34,269	29,603	30,025	30,142	29,362
American	148,624	139,561	145,872	156,293	176,642
<b>TOTAL</b>	<b>245,007</b>	<b>232,249</b>	<b>241,919</b>	<b>250,263</b>	<b>277,135</b>
Annual growth		-5.2%	+4.2%	+3.4%	+10.7%

Source: BTB

BTB reports continuing growth in overnight visitors for the first eight months of 2013. This growth and BTB's marketing has been assisted by initiatives such as Delta Airlines special offers for longer stays in Belize, extensive BBC Travel features on the many attractions of the country and excellent reviews for some resorts on social and other websites. In addition the end of the Maya calendar in 2012 was highlighted as a tourism promotion. Belize also received considerable international media attention in 2013 as a result of the McAfee affair.

These factors indicate an improving tourism economy as the background to STP, increasing its chances of achieving sustainability.

### 3.11.2 Impact indicators agreed for program

Overall impact indicators agreed for the project initially and in the Midterm Evaluation are as shown in table 10:

<sup>12</sup>The second largest port of entry in terms of tourist visitor traffic is the Belize Northern border station. Many tourists from Europe come through this port while visiting Guatemala and Belize and pass through San Pedro.

**TABLE 10: Overall project indicators**

Result area	Key performance indicator 2008 (baseline)	Key performance indicator midterm (2011)	Suggested success indicator, post project	Latest data (Sept 2013)
<i>Contribution to national economic growth</i>				
Overnight tourists - overall	245,007	250,263	Increased growth trend ACHIEVED	277,135 (2012), 166,305 (Jan – Jun 2013)
Overnight tourist expenditure	US\$185.9 million	US\$207.6 (2010)	Increased growth trend ACHIEVED	US\$319.6 (2012) US\$191.9 (Jan–Jun 2013)
Average daily expenditure – Belize District		US\$ 123.46	Increase above inflation ACHIEVED	US\$152.92 (2012)
Average daily expenditure – Ambergris Caye		US\$ 135.63	Increase above inflation ACHIEVED	US\$162.30 (2012)
Average daily expenditure – San Ignacio		US\$ 107.87	Increase above inflation ACHIEVED	US\$136.41 (2012)
Average daily expenditure – Placencia		US\$ 117.21	Increase above inflation ACHIEVED	US\$138.21 (2012)
Numbers employed in overnight accommodation (hotels) – Belize City		1,199	Increase ACHIEVED	2,007 (2012)
Numbers employed in overnight accommodation (hotels) – Ambergris	1,887	1,438	Increase ACHIEVED	2,049 (2012)

Result area	Key performance indicator 2008 (baseline)	Key performance indicator midterm (2011)	Suggested success indicator, post project	Latest data (Sept 2013)
Numbers employed in overnight accommodation (hotels) – Cayo	1,375	1,174	Increase Not achieved	1,334 (2012)
Numbers employed in overnight accommodation (hotels) - Placencia	434	445	Increase ACHIEVED	509 (2012)
Number of registered tour guides – Belize City	299	315	Increase ACHIEVED	362 (2012)
Number of registered tour guides – Ambergris Caye	141	188	Increase ACHIEVED	252 (2012)
Number of registered tour guides – Cayo	197	215	Increase ACHIEVED	288 (2012)
Number of registered tour guides – Placencia	75	67	Increase ACHIEVED (minor)	69 (2012)
<i>Effects on overnight tourism</i>				
Number of hotel beds– Belize City	1,647	1,468	Recovery of growth ACHIEVED	1,813
Number of hotel beds– Ambergris Caye	2,701	3,364	Increase Not achieved	3,228
Number of hotel beds– Cayo	1,766	1,908	Increase ACHIEVED	1,970
Number of hotel beds- Placencia	1,160	1,131	Increase ACHIEVED	1,210

Result area	Key performance indicator 2008 (baseline)	Key performance indicator midterm (2011)	Suggested success indicator, post project	Latest data (Sept 2013)
Hotel room occupancy – Belize City	43.2%	39.6%	Recovery ACHIEVED (minor)	43.2% (2012)
Hotel room occupancy – Ambergris Caye	44.3%	43.7%	Recovery ACHIEVED	47.7% (2012)
Hotel room occupancy - Cayo	39.4%	38.2%	Recovery ACHIEVED	40.2% (2012)
Hotel room occupancy - Placencia	32.2%	38.5%	Increase Not achieved	33.0% (2012)
Average daily room rate (ADRR) – Belize city	US\$ 78.21	US\$ 79.93	Increase ACHIEVED	US \$85.76 (2012)
ADRR- Ambergris Caye	US\$ 169.24	US\$ 179.17	Increase ACHIEVED	US \$200.66 (2012)
ADRR - Cayo	US\$ 96.65	US\$ 99.13	Increase ACHIEVED	US \$117.39 (2012)
ADRR - Placencia	US\$ 150.53	US\$ 131.14	Recovery Not achieved	US \$137.16 (2012)
<i>Visits to specific supported sites</i>				
CahalPech	14,103	16,706	Increase ACHIEVED	23,875 (2012)
Xunantunich	48,079	51,087	Increase ACHIEVED	73,932 (2012)
ATM	N/A objective is not to increase visitation			

Result area	Key performance indicator 2008 (baseline)	Key performance indicator midterm (2011)	Suggested success indicator, post project	Latest data (Sept 2013)
Bacalar Chico	n/a	n/a	Numbers recorded Not achieved	
Overnight visitors (hotels) Belize District <sup>13</sup>	186,756	162,694	Reverse trend Not achieved	179,188
Overnight visitors (hotels) Ambergris Caye	302,499	475,197	Increase trend Achieved automatically (no project intervention completed yet))	437,936
Overnight visitors (hotels) Cayo	226,415	244,951	Increase trend ACHIEVED	310,325
Overnight visitors (hotels) Placencia	132,762	162,110	Increase trend Achieved automatically	145,504

Source: Consultant based on BTB published statistics

### 3.12 Outputs

The program has delivered an impressive number of outputs all of which contribute to project objectives. These include under component 1 detailed and comprehensive studies leading to the improvement of visitor facilities in four target destinations including visitor facilities and improvements to archaeological sites. While not all studies commissioned could be reviewed in the timescale of the evaluation, most were referred to and these are outlined at chapter 7. Similarly under component 2 the delivery of outputs has been very thorough. IDB's Progress Monitoring Reports have tracked the progress of the delivery of these outputs.

The final evaluation notes that most outputs defined in the loan contract have been delivered, and delivered to a high standard.

### 3.13 Outcomes

The outcomes of STP can be summarised as follows:

<sup>13</sup>Room capacity (number of rooms x365 days) x average room occupancy x assumed average number of people per room (1.2 Belize District, 1.6 elsewhere)

- The existing product in Ambergris Caye, Belize City, Cayo and Placencia has been (or in the case of Ambergris, is being) protected and strengthened through a better environment;
- Townscape and landscape features in these four tourism areas are being improved. The overall planning context has also been strengthened through the NSTMP.
- The vision and direction of the tourism industry has been examined, consolidated and road-mapped through the NSTMP.
- Management and interpretation of heritage sites has been improved and training in cultural heritage management provided.
- Traffic circulation and pedestrian linkages have been improved, and will be improved in future through better planning.
- The renewal of existing urban buildings has been improved, and will be improved through the NSTMP.
- The overall visitor experience is being improved through better interpretation and raising quality standards.
- Dialogue and consultation between residents and tourism interests has been facilitated.
- Economic, social and community benefits are evident, providing a stimulus to local people's employment, entrepreneurial activities and investment opportunities.
- Capacities and systems within BTB have been improved and project management skills have been strengthened.
- Revenue streams have been created for local authorities and strengthened for BTB and Government.
- Training and development support for some micro-enterprises has been provided and the legalisation of informal small traders facilitated.

#### 3.14 Unplanned effects

In Belize City the experience of cruise passengers will probably be improved, although this was not a stated project objective.

It is also noted that the program may have helped to galvanise public concern about tourism development, particularly in Placencia regarding cruise tourism: It is being held up as a good example of how public consultation should take place. This empowerment of local communities is a good thing and a key part of responsible tourism, which calls for critical tourists and critical locals, aware of the disbenefits as well as the benefits which tourism might bring.

There have been some negative impacts in San Pedro due to unexpected flooding, but these are being attended to.

## 4 SUSTAINABILITY

### 4.1 Financial sustainability

The extent to which there are commitments to continue initiatives commenced under the program with Government, municipalities or other funding sources is a key issue for sustainability. General agreements were signed with municipal land owners at the start of project works. Handover agreements have also been drafted, and in one case, signed. BTB retains a strong interest in all projects, and in Belize City and Cayo is taking a particularly active role. The IA has a statutory duty to continue to protect and manage archaeological sites. Formal commitments regarding ongoing shortfall funding (should losses occur) and future investment to cover depreciation seem to be lacking however, highlighting the need for stronger business plans and partnership agreements in future. There is however no reason to think that projects funded will be abandoned should losses occur.

Because Component 1 is mostly funding long term physical interventions at municipal level, its effects will be financially sustainable if sufficient resources are generated or available to maintain developments to a good standard, market them and ensure the facilities are regularly used for local and touristic purposes. Component 2 relates to activities which benefit BTB, the industry as a whole, and small businesses. Considerable care was taken to assist the selected small businesses towards financial sustainability through mentoring support. A continuation of this enterprise development support for tourism businesses (including larger tourism businesses) would be desirable as specific tourism-related SME development support is not currently available in Belize resulting in sustainability concerns.

Each major STP-funded project included the development of operational manuals which explored financial issues regarding projected income. These were not conventional business plans and did not explore such issues as the need to provide for depreciation of assets being constructed or repay the value of the intervention. They did however identify possible income streams, some of which are being realised. In the case of San Ignacio financial sustainability looks good as most income streams are being realised: The Mayor advises that the cost of running the development is being met from its revenues. In other cases however (Belize City, Placencia), income streams may have been optimistic, for example 'gazebo rental income' of \$12,000 was suggested for the bandstand in Memorial Park. The Fort Street operations manual sees the operation of Memorial Park as a revenue generating exercise: In reality the operation of public space in urban settings generally require subsidy through landscape contracts, events support and security, as part of the municipal services. It is however noted that some income assumptions here have actually been exceeded, for example the rental income on stalls in Memorial Park (assuming that tenants agree to remain and honour their leases).

Although in all cases commitments from those who would take over the various projects was agreed, it is a sustainability concern that the details of what management commitment actually involves is proving problematic in some cases. In one case (Belize City) the envisaged operator has not stepped forward and project operation may fall to BTB itself either as operator or co-manager. While it is recognised that tourism dynamics in Belize City are unique, international best practice suggests that a national tourism organisation's function is not likely to extend to running a municipal park, even one catering substantially to cruise tourists.

The financial sustainability of this project is also dependent on the cruise liner port remaining where it is. It is noted that the Government is presently considering a proposal to turn an island off Belize City (State Bank) into the country's main cruise liner port, connected to the city via a causeway. While this project could take up to five years to develop, it does call the sustainability of the current Memorial Park project into question (and government commitment to the NSTMP). If another Belize City cruise terminal is developed it will be more important than ever to focus on local in addition to touristic use to ensure the sustainability of the

program's interventions, such as by developing night activity targeting the business traveller and the overnight market, as well as aiming to attract locals.

Under Component 2 sustainability of inputs to BTB appears good as projects initiated in branding, information technology and grading are all underway and being taken forward. BTB's financial standing appears sustainable at present due to strong income from tourism taxes and registration fees, but this income could always be vulnerable to a change in the law or the centralisation of state revenues in the Ministry of Finance. Considerable efforts have been made through BEST mentoring to ensure the financial sustainability of the micro-businesses supported.

For future projects financial sustainability would be strengthened if there was earlier engagement with the entities that are to run eventual projects. Ideally these should be formally and legally agreed before the commencement of siteworks through more elaborate contractually binding partnership agreements which define how risks are to be shared. Business plans based on conventional profit and loss and cash flow accounting should form part of the project development process. The business plan for Bacalar Chico for example (Small Planet Consulting, 2013) repeatedly raises concerns about the operational capabilities of Government entities to run the recommended facilities and suggests alternatives. These issues do not appear to have been satisfactorily addressed which is also a sustainability concern: Such issues should be fully resolved and clearly demonstrated in a business plan before IDB-funded projects commence construction.

In the case of archaeology-based projects sustainability assumes a continuation of current funding arrangements (i.e., central support through ticket sales). This is generally appropriate as the features created under the programme (interpretative facilities and services) are not stand-alone. In the case of the new ferry however it would make sense to include a charge for cars and a substantially larger charge for coaches to provide for depreciation of the ferry and increase revenues to for visitor management, conservation and research. The present arrangements (the ferry crossing is provided free) is a missed opportunity.

#### 4.2 Political and socio-economic sustainability

With the exception of changing Government policy on cruise liner port locations, consultations undertaken indicate a high degree of political and socio-economic sustainability and support for projects developed under STP. This applies particularly where robust management systems have been put in place. The San Ignacio Welcome Center and its surroundings is a good example of what can be achieved to ensure sustainability, an issue which project design took into account in ensuring income streams for all municipal projects.

A good working relationship with Belize City regarding the Memorial Park still needs to be established, based on a realistic sharing of responsibilities and shared future investment. This was clearly signalled in the original project feasibility study:

*Successful operation of the Fort George Tourism Zone will require a multi-stakeholder approach to governance and management (EMG, 2008)*

The Component 2 cultural tourism projects are also working to achieve better political and social sustainability through tourism.

#### 4.3 Institutional frameworks and governance

As noted above the project has given much support to BTB and strengthened its role in information management and certification, increasing its sustainability. It has also provided Government with excellent planning documentation. The NSTMP has resulted in recommendations for improving institutional frameworks and governance.

One-off trainings were funded by the program in the area of cultural heritage. Although participants record high satisfaction with trainings provided by STP in culture and business planning, in the long term one off trainings may not be that effective. The consultancy report on cultural heritage clearly recommended further investment in training and outlined how this might be delivered. No action has been taken by BTB to action these recommendations and it is the evaluator’s view that the whole area of tourism training requires a more comprehensive and strategic approach.

4.4 Ecological sustainability

Environmental sustainability has been considered in individual project design and the Bacalar Chico project is specifically related to environmental tourism product development. In San Ignacio specific measures were taken to improve environmental conditions through better sewerage and waste water disposal. In Belize City improvements have been made to drainage which has significantly reduced flooding of the project area during heavy storms.

Belize does face major environmental challenges such as solid waste disposal, the treatment of pollution (particularly marine pollution due to cruise liners and oil exports) and tourism development. The master plan should help to address these issues and make the destination more sustainable.

Coastal protection related to climate change is a fundamental issue in Belize. The project has relied on conventional approaches to addressing this using sea walls and substantial concrete structures with a high carbon footprint. A future project might include mangrove barrier planting as a more eco-friendly and sustainable approach in some locations and utilize more low carbon technology. As noted in the midterm evaluation, greening tourism development and favouring eco-solutions was not prioritised in the scoring of tenders or project design specifications aside from Bacalar Chico. The project did not go much beyond legal requirements environmentally: Recycling centers were conceptualised at the start of the project, however as the structures at a local level are not in place to support such practice at this time, these proposals were dropped. This was perhaps unfortunate as all recycling schemes have to start somewhere and almost always the full chain of recycling services is not in place when they start operating. Future IDB tourism projects, and tourism projects generally, should give more attention to this in response to both growing global demand and green economy opportunities.

4.5 Satisfaction and sustainability ratings

4.5.1 Method

These ratings are based on methodology agreed in the Final Workplan for the evaluation. They are subjective assessments based on the overall consideration of evaluation inputs. They *relate to conditions at the time of the final evaluation* and may change once projects still under construction become fully operational.

4.5.2 Component 1

4.5.2.1 Ambergris Caye– San Pedro water taxi terminal

**Satisfaction**

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
The project has exceeded expectations	The project has been delivered to meet expectations and on time	<b>The project has not made a significant difference yet</b>	The project has not delivered on expectations	The project has had a negative effect

**Sustainability**

<i>Clearly sustainable</i>	<b>Probably sustainable</b>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
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Operating successfully and generating revenues Business plan in place Management in place	<b>Not yet generating funds but business plan in place and management arrangements in place</b>	Business plan drawn up but management agreements not yet in operation	Business plan proving unrealistic, or management difficulties	Unforeseen problems have arisen
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#### 4.5.2.2 Ambergris Caye – Bacalar Chico

##### Satisfaction

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
The project has exceeded expectations	The project has been delivered to meet expectations and on time	<b>The project has not made a significant difference yet</b>	The project has not delivered on expectations	The project has had a negative effect

##### Sustainability

<i>Clearly sustainable</i>	<i>Probably sustainable</i>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
Operating successfully and generating revenues Business plan in place Management in place	<b>Not yet generating funds but business plan in place and management arrangements in place</b>	Business plan drawn up but management agreements not yet in operation	Business plan proving unrealistic, or management difficulties	Unforeseen problems have arisen

#### 4.5.2.3 Belize City

##### Satisfaction

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
The project has exceeded expectations	<b>The project has been delivered to meet expectations and on time</b>	The project has not made a significant difference yet	The project has not delivered on expectations	The project has had a negative effect

##### Sustainability

<i>Clearly sustainable</i>	<i>Probably sustainable</i>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
Operating successfully and generating revenues Business plan in place	Not yet generating funds but business plan in place and management arrangements in place	<b>Business plan drawn up but management agreements not yet in operation</b>	Business plan proving unrealistic, or management difficulties	Unforeseen problems have arisen

Management in place				
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#### 4.5.2.4 Cayo Welcome Center

##### Satisfaction

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
<b>The project has exceeded expectations</b>	The project has been delivered to meet expectations and on time	The project has not made a significant difference yet	The project has not delivered on expectations	The project has had a negative effect

##### Sustainability

<i>Clearly sustainable</i>	<i>Probably sustainable</i>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
<b>Operating successfully and generating revenues Business plan in place Management in place</b>	Not yet generating funds but business plan in place and management arrangements in place	Business plan drawn up but management agreements not yet in operation	Business plan proving unrealistic, or management difficulties	Unforeseen problems have arisen

#### 4.5.2.5 Placencia pier & boardwalk

##### Satisfaction

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
<b>The project has exceeded expectations</b>	The project has been delivered to meet expectations and on time	The project has not made a significant difference yet	The project has not delivered on expectations	The project has had a negative effect

##### Sustainability

<i>Clearly sustainable</i>	<i>Probably sustainable</i>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
Operating successfully and generating revenues Business plan in place Management in place	<b>Not yet generating funds but business plan in place and management arrangements in place</b>	Business plan drawn up but management agreements not yet in operation	Business plan proving unrealistic, or management difficulties	Unforeseen problems have arisen

## 4.5.3 Component 1 summary and overall rating

**Satisfaction**

	<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
San Pedro			X		
Bacalar Chico			X		
Belize City		X			
Cayo	X				
Placencia	X				
<b>Overall</b>		X			

**Sustainability**

	<i>Clearly sustainable</i>	<i>Probably sustainable</i>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
San Pedro		X			
Bacalar Chico		X			
Belize City			X		
Cayo	X				
Placencia		X			
<b>Overall</b>		X			

## 4.5.4 Component 2

4.5.4.1 National Tourism Master Plan**Satisfaction**

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
<i>The project has exceeded expectations</i>	The project has been delivered to meet expectations and on time	The project has not made a significant difference yet	The project has not delivered on expectations	The project has had a negative effect

**Sustainability**

<i>Clearly sustainable</i>	<i>Probably sustainable</i>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
<i>Being fully implemented and adopted by all regions</i>	<i>Beginning to be implemented and adopted by some regions</i>	Completed and adopted but not yet implemented	Completed but not adopted	Unforeseen problems have arisen /not completed

4.5.4.2 Destination branding**Satisfaction**

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
The project has	<i>The project has</i>	The project has	The project has	The project has

exceeded expectations	<b>been delivered to meet expectations and on time</b>	not made a significant difference yet	not delivered on expectations	had a negative effect
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**Sustainability**

<b>Clearly sustainable</b>	Probably sustainable	Neutral	Some concerns regarding sustainability	Not sustainable
<b>Being fully implemented by BTB</b>	Beginning to be implemented and adopted by some regions	Completed and adopted but not yet implemented	Completed but not adopted	Unforeseen problems have arisen /not completed

4.5.4.3 Tourism taxation study**Satisfaction**

<i>Very satisfied</i>	<i>Satisfied</i>	<b>Neutral</b>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
The project has exceeded expectations	<i>The project has been delivered to meet expectations and on time</i>	<b>The project has not made a significant difference yet</b>	The project has not delivered on expectations	The project has had a negative effect

**Sustainability**

<i>Clearly sustainable</i>	Probably sustainable	Neutral	<b>Some concerns regarding sustainability</b>	Not sustainable
<i>Being fully implemented and adopted by all regions</i>	Beginning to be implemented and adopted by some regions	Completed and adopted but not yet implemented	<b>Completed but not adopted</b>	Unforeseen problems have arisen /not completed

4.5.4.4 Tourism database management system**Satisfaction**

<i>Very satisfied</i>	<b>Satisfied</b>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
The project has exceeded expectations	<b>The project has been delivered to meet expectations and on time</b>	The project has not made a significant difference yet	The project has not delivered on expectations	The project has had a negative effect

**Sustainability**

<b>Clearly sustainable</b>	Probably sustainable	Neutral	Some concerns regarding sustainability	Not sustainable
<b>Being fully implemented and adopted by</b>	Beginning to be implemented and adopted by some	Completed and adopted but not yet implemented	Completed but not adopted	Unforeseen problems have arisen /not

<i>all regions</i>	regions			completed
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#### 4.5.4.5 Hotel standards framework

##### Satisfaction

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
The project has exceeded expectations	<b>The project has been delivered to meet expectations and on time</b>	The project has not made a significant difference yet	The project has not delivered on expectations	The project has had a negative effect

##### Sustainability

<b>Clearly sustainable</b>	Probably sustainable	Neutral	Some concerns regarding sustainability	Not sustainable
<b>Being fully implemented and adopted by all regions</b>	Beginning to be implemented and adopted by some regions	Completed and adopted but not yet implemented	Completed but not adopted	Unforeseen problems have arisen /not completed

#### 4.5.4.6 Micro & small grants scheme

##### Satisfaction

<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
<b>The project has exceeded expectations</b>	The project has been delivered to meet expectations and on time	The project has not made a significant difference yet	The project has not delivered on expectations	The project has had a negative effect

##### Sustainability

<i>Clearly sustainable</i>	<b>Probably sustainable</b>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
All businesses supported appear sustainable	<b>Most businesses supported appear sustainable</b>	Future viability of businesses uncertain	Concerns regarding sustainability of most businesses	Unforeseen problems have arisen /not completed

## 4.5.5 Component 2 summary and overall rating

**Satisfaction**

	<i>Very satisfied</i>	<i>Satisfied</i>	<i>Neutral</i>	<i>Not satisfied</i>	<i>Not at all satisfied</i>
NSTMP	<b>X</b>				
Branding		<b>X</b>			
Taxation study			<b>X</b>		
Tourism database		<b>X</b>			
Hotel standards		<b>X</b>			
Small grants	<b>X</b>				
<b>Overall</b>		<b>X</b>			

**Sustainability**

	<i>Clearly sustainable</i>	<i>Probably sustainable</i>	<i>Neutral</i>	<i>Some concerns regarding sustainability</i>	<i>Not sustainable</i>
NSTMP		<b>X</b>			
Branding	<b>X</b>				
Taxation study				<b>X</b>	
Tourism database	<b>X</b>				
Hotel standards	<b>X</b>				
Small grants		<b>X</b>			
<b>Overall</b>	<b>X</b>				

## 5 INSTITUTIONAL PERFORMANCE

### 5.1 Introduction

This chapter examines what the performance has been of the PCU and the executing agencies with respect to the contractual conditions of the loan proposal, the operation manual, and IDB policies and priorities.

### 5.2 Operational performance

#### 5.2.1 Introduction

Operational performance is assessed based on a review of project reports and minutes of steering group meetings, and consultations with some key players as outlined in the annexes to this report.

#### 5.2.2 Belize Tourism Board

BTB has been closely involved in project direction and, while changes in senior staff in BTB did result in some delays in approving terms of reference for studies early on, its engagement was reviewed with the appointment of a liaison officer to the program. The liaison officer post was discontinued in April 2013 when it was no longer considered necessary. The auditors noted delays in providing funding for project activity in advance, otherwise BTB's engagement and support appears good.

#### 5.2.3 Ministry of Tourism and Culture

MOTC is very closely involved in the project following some changes in senior staff. The Ministry is clearly offering a guiding hand to the program and helpful to it in addition to providing support with legislative and policy issues.

#### 5.2.4 National Institute for Heritage and Culture

NICH, like BTB, is both a beneficiary and an adviser to the program. A cautious approach to development is evident, as is appropriate for an archaeologically responsible organisation. NICH has stepped in to assist the program when archaeological remains were found during Burns Street site works in San Ignacio. It is currently assessing the impact on archaeology of the Bacalar Chico project works. NICH had a significant influence on project proposals at archaeological sites, which in some cases are significantly different from those suggested by EMG. This is appropriate and in accordance with NICH's mandate.

#### 5.2.5 Project Coordinating Unit

The effectiveness of the PCU is extensively covered in the preceding chapters. The small team at the PCU has been efficient in managing contacts and consultancies, and has generally delivered useful work to further sustainable tourism development in Belize. The team's priority in terms of changes and variations has been on physical components rather than softer elements (training and cultural tourism). Consultations also suggest that the eligibility criteria for the small grants program need to be clearer. The scheme's administrators, BEST have highlighted an apparent inconsistency in the qualification of the beneficiaries of the Matching Grant Scheme. There were no clear income qualification for participation in the scheme and the range of incomes displayed by the beneficiaries was wide with a few who were perhaps at the poverty line and a few who could be classified as middle income. This meant that in some instances, the investments were made to individual enterprises which could have accessed capital from lending institutions without much difficulty. In essence, then, there could have been much greater impact if the assistance were given to businesses in more difficult circumstances.

As highlighted in the Midterm Evaluation M&E was a weakness throughout the program and remains so: Future projects would be advised to commission a realistic M&E Procedures Manual at inception stage.

Significant effort will be needed to bring the remaining Ambergris Caye projects to completion to a high standard and on time, but the team appears to be rising to the challenge.

### 5.2.6 Inter-American Development Bank

The effectiveness of the internal and the Bank's monitoring and supervision system is evident in this program. There has been close supervision despite changes in staff at the Bank. Regular monitoring reports are being logged and there is regular follow up. The drafting of the loan contract was broad enough to allow for flexibility in the design. IDB was accommodating of project design change throughout execution based on changing contexts and realities. Close engagement has helped the program. It would be desirable in future projects to ring fence budgets for M&E and public consultations.

Given restrictions on Government borrowing applying in Belize at present, IDB might in future consider more innovative ways of supporting development than through a direct Government loan. The San Pedro terminal, for example may have offered potential for a build-operate-transfer (BOT) or build-operate-own option (BOO) arrangement<sup>14</sup>: rather than being built as an additional municipal facility: A partnership agreement could have allowed for duty free sales and landing fees in return for a capital contribution. It is noted that IDB itself has a policy of trying to engage more with the private sector<sup>15</sup> which could result in more direct interventions to enhance overnight tourism product in Belize if applied.

### 5.2.7 Other stakeholders

Collaboration with other stakeholders, and in particular municipalities and village councils, was extensive. In Belize City there seem to have been some stakeholder collaboration difficulties with the City Council although Collaboration with the Fort Street Tourism Village (the cruise terminal) has been strong: They invested in the stampcreting of Fort Street to complement the project, and have reorganized visitor flow inside the terminal and engaged in all meetings and consultations. The street vendors' association, and the Association of Cruise Service Providers as well as independent tour operator and taxi tour associations have been cooperating well with the BTB destination planning and STP. Discussions to achieve consensus with Belize City Council on the type of management agreement which is preferred for the area have however proved inconclusive so far..

In other destinations however comprehensive stakeholder collaboration appears to have been good, although a constant request for "more information" was noted particularly in the midterm evaluation. This highlights the need for a more formalised (and funded) communications strategy in future programs.

## 5.3 Conclusions and lessons learned

STP program inputs have been efficiently converted into activities, although necessary exploration of the issues of land ownership and community engagement delayed the program start. Some significant changes in project design occurred and most of these result from welcome community engagement. The steering group and project team have done an efficient job.

The project has supported the improvement and restoration of overnight destinations. There has been some new product developed, but the overall output has been described by consultees as one of "consolidation". The project has strengthened national capacity for sector policy, destination planning and management by putting important tools in place.

Early results in Cayo indicate a good impact on overnight tourism: At other destinations it is too early to judge impact on visitor overnights but it is likely to be positive. In Belize City the experience of cruise passengers will probably be improved, although this was not a stated project objective. There are however some concerns regarding the future management commitment in Belize City, and running the Park may fall to BTB. The intervention's sustainability is also called into question, should the city's cruise tourism terminal be relocated. Similarly the future management of Bacalar Chico falling to the state also raises some sustainability concerns.

<sup>14</sup>It is understood that there is already some experience of PPP in San Pedro (the northern toll bridge).

<sup>15</sup>IDB (2013) *Assessment of IDB-9's Private Sector Development Framework Background Paper*. Office of Evaluation and Oversight

Additional emphasis might have been given to expanding successful 'soft' elements such as implementing additional recommendations on training and cultural tourism. More emphasis should have been given to putting "soft" elements into place for all urban projects (*i.e.* clear management agreements up front and more assistance in training site managers). An alternative approach to be considered for future projects would give greater emphasis to developing earlier and more robust partnership agreements to ensure a sharing of risk with municipalities when extras arise, and commitments to ongoing future funding.

Stronger M&E guidelines need to be established at the start of IDB tourism programs, and conventional log frame-based project management applied to ensuring the achievement of outcomes.<sup>16</sup>

There is an opportunity to communicate the very visible results of this program and its many successes. This might be done electronically (electronic library of project reports and outputs) and through a hard copy review.

#### 5.4 Lessons learned

Lessons learned are summarised as follows:

(i) *Preliminary design phase*

- The program is seen as a good model of public consultation and the extent to which local peoples' wishes were taken on board as project design evolved is a positive lesson for the future.
- A clear Monitoring and Evaluation Procedures Manual needs to be developed at the start of a program, specific to its desired outputs and outcomes.
- Project management should ring fence resources for continuous monitoring and evaluation and make provision for a Monitoring Executive in program management from the outset.
- It would be useful in design to require architects to benchmark projects against international best practice in sustainable tourism, including green technology, award winning urban design and low carbon solutions.
- There is an opportunity to explore more formalised PPP approaches to development projects, to reduce dependence on state borrowing.
- The financial commitments of partners to carry projects forward as sustainable initiatives needs to be assessed prior to offers, and to be built into formal partnership agreements.
- Project design should take into account IDB's emerging guidelines for greater private sector engagement: Future projects might not be entirely depended on the use of state land, for example. Pre-feasibility studies need to have greater clarity regarding land ownership issues.
- Draw-down of IDB funding should be phased realistically over the life of a project.

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<sup>16</sup>An example of the type of M&E manual which a tourism loan project should put in place at inception stage can be found at the Asian Development Bank's Sustainable Tourism Development Project website <[http://stdplaos.com/progress\\_reports.html](http://stdplaos.com/progress_reports.html)> - see *Performance Monitoring System*.

*(ii) Implementation phase**a) Procurement*

- Ensure procurement limits the project's responsibilities for changes and cost overruns: partnership agreements should share risks when extras arise.
- Give greater attention to green technology and international best practice in tendering.

*b) Financial management*

- Ensure partnership agreements regarding hand-over are worked out in detail in advance, specifying how individual projects would be managed according to the complexities of the investments and the differing capacities of the municipalities.
- Partnership agreements should include commitments from utility companies to upgrade facilities: Directly subsidising third party company costs outside of tendered contracts might not be considered eligible expenditure in the future.
- Draw down of funding should be phased to avoid unnecessary interest payments.

*c) Stakeholder coordination*

- More time should be allowed for stakeholder coordination. It has proved very valuable in this program.
- Supporting enterprises from both men and women proved important in project success: stakeholders from both genders should be ensured. A high degree of gender inclusiveness is indicated in the program. Most retail units established in Cayo for example are operated by women, but not exclusively so. Trainings in cultural tourism had high female participation. The majority of small businesses supported by component 2 are operated by women and the overall support component (although quite small in scale) was focussed on minority groups. These aspects of the program have scope for expansion in future.

*d) Supervision and management*

- The thorough approach to architectural planning and commissioning technical reports adopted in this program is an excellent model to follow.
- The consultative approaches adopted in this program are good models to follow: They may need to be formalised in future management structures to ensure the continuation of consultation and consensus-building regarding tourism.
- Ensure in future that a structured and appropriately staffed monitoring and evaluation (M&E) function is in place throughout programs.
- Greater time needs to be allowed for archaeological explorations at project sites in a country as archaeologically rich as Belize.
- Difficulties may arise in terms of continuity and institutional memory when changes take place in local government due to elections. This emphasises the need for more robust, detailed and legally binding partnership agreements with local authorities, together with on-going working groups involving non-elected local authority executives and the tourism industry itself.
- The appointment of facilitators at an early stage (e.g. six to eight months prior to completion) to assist the future management organisations of funded projects has proved very helpful. Future projects should provide for these either through direct funding, or as part of partners'/local authorities' guaranteed contributions in future project agreements.

*(iii) Handover phase*

- Put significant effort and resources into establishing and strengthening management of facilities being constructed, in addition to managing construction contracts.
- Establish a communications budget and strategy to promote program objectives and communicate results.
- Well planned and well funded events programmes are vital for enhancing the economic and tourism potential of public space, such as the urban enhancement projects supported by STP. Events programmes are also important for maximising the economic and social potential of visitor attractions.

## 5.5 Recommendations

*i) Strategic recommendations*

- Future interventions should focus more on product themes highlighted as part of Belize's new tourism brand values. Researching these was supported by STP.
- The NSTMP outlined suggested improvements in transportation which will help link attractions and rural populations to markets: It also suggests regional priorities for urban and rural regeneration. Developing water-based transport options bringing Belize's canals and waterfronts into greater tourism use can also help develop competitive advantage in the region.
- Under transportation there is also an obvious need to comprehensively signpost both towns and tourist attractions in accordance with international standards as recommended in the Master Plan.
- There should be continued strong emphasis to the interpretation and conservation of both natural and cultural heritage (for example projects that maintain or re-establish a natural features that are important for ensuring the flow of tourists, for example coral reefs, or through the development of a flagship National Museum).
- M&E needs to be planned for at the commencement of programs based on the specific details of the interventions being planned.
- Greater emphasis needs to be given in follow-on support programs to funding 'soft' elements in addition to physical development.
- Full business plans robustly and realistically estimating income, expenditure and cash flow, (rather than scoping studies estimating possible sources of income) should be required to secure and release future program support. Indicative studies on possible income sources should not be considered sufficient as they increase risk and threaten sustainability.
- A continuation of support to improve hotel standards through certification, benchmarking and training will help to improve Belize's competitiveness and hence to attract more overnight visitors.
- The need to develop new curricula and tourism training facilities is urgent and should be prioritized as outlined in the Master Plan.
- SME development support for tourism also appears to lack strategic direction and formal support structures. Gender issues should continue to be considered: Support for female entrepreneurs has proved productive under STP. There may be a need for the Ministry to undertake a strategic review to make tourism enterprise development and tourism training more effective.

- Investment in continuing to enhance the governance and institutional capacity of the industry (MOTC, BTB, etc.) should continue to be supported.
- There is scope to expand the kinds of cultural tourism training and matching grants piloted in this project, possibly through establishing a revolving fund.
- A revolving fund might also support innovation and new product area development, for example with growing residential tourism, demand opportunities in medical tourism are likely to arise. A revolving fund of soft loans rather than grants should be considered, particularly for M-SMEs. Enterprises should be encouraged to borrow commercially rather than being offered grants.
- There is a significant opportunity to increase support for both private sector and state investments in renewable energies for tourism, energy efficiency, recycling, clean energy technologies, carbon finance, biodiversity and conservation. This should include both training and support for clustered physical development.
- PPP could play a larger role in funding tourism infrastructure development, reducing the state's need to borrow. Cost recovery opportunities need to be identified to fund depreciation and replacement: An example is the chain ferry which is presently a free service for ticket holders to the IA site.
- Making tourism growth sustainable will require a reduction of risk by expanding the number of markets which Belize relies on. A future program might support new market development.
- Developing a network of high standard branded tourist information centres should be considered (perhaps adapting the Cayo Welcome Center as a flagship under BTB) and upgrading Belize Tourism Industry Association (BTIA) and other operations to meet these standards.
- In some cases there is an opportunity to increase social inclusion through regional prioritisation of tourism development, focusing on developing products which can engage poorer segments of the population (crafts, chocolate, coffee, voluntourism, etc.). There is also an opportunity to work more with private sector ground handlers to target these segments.
- The issue of tourism Satellite accounts (TSA) should be revisited. The reasoning is:
  - Belize has an outstanding mix of tourism attractions (beaches, sea, culture, eco-tourism etc.) and has strong growth potential;
  - In moving forward there will be a need for many different types of economic analyses to decide the best way in which to allocate resources, and there will be a need for sophisticated economic analyses to back-up the decision-making; and
  - Belize already has outstanding tourism statistics (arrivals, visitor survey, hotel utilisation etc) and as such this offers a good platform for integrating all the statistics into the context of the National Accounts.

*ii) Operational recommendations*

- There is a significant need for post project follow up by MOCT & BTB to ensure the sustainability of both large and small scale projects supported by STP.
- Sub-regional plans developed under STP need to be embedded in local authorities and agencies. This will require follow up by BTB and MoTC: For example at the time of the Final Evaluation, plans had been

shared in Belize City and Placencia-but have not been adopted. (The STP sub-regional plan is taken into account in San Pedro as part of Land Use Planning and there is the possibility of adoption in Cayo through a municipal planning project.)

- As recommended in the Midterm Evaluation, it is clear that an ex-post evaluation will be needed to better estimate impacts from projects still under construction and/or yet to be handed over to future management.

Accounting to IDB should be required on an accruals rather than a cash flow basis (at present IDB

The program has a very high degree of continued relevance. Belize needs to continue to improve its overall product offer to gain more market share of Central American and Caribbean tourism. As the only English-speaking nation in Central America with a small, friendly and culturally diverse population, it has a clear competitive advantage if it can be seen to offer better value for money. The challenge of improving tourism management and protecting the environment, both terrestrial and marine, for responsible and sustainable tourism remains very real.

## 6 FUTURE FUNDING

### 6.1 Possible intervention areas

Possible area for future funding should be in accordance with the Master Plan which STP has delivered. In terms of furthering the Master Plan the following issues should be acted upon:

- Other Ministries (those outside MOTC) must be brought on board through an inter-ministerial steering group, ideally chaired by the Prime Minister's Department.
- Some existing laws, policies, and other administrative procedures must be updated if the Master Plan is to be implemented as envisioned. Further specialist legal advice will be needed in such areas as PPP's, taxation opportunities for seed funding, and investment partnership options are to be realised. Collaborative efforts such as PPPs should be encouraged and pursued: This will help to improve balance between cost and quality of public services, and help to reduce the state's borrowing.
- Several concepts require further planning and feasibility testing before they can be designed or constructed.
- Tourism training and SME enterprise support require a strategic approach to be taken forward effectively.

Areas which the Bank or others should consider for future support are as follows:

1. **Public-private partnership, urban redevelopment and transport:** Some of the current STP projects (for example the San Pedro pier) might have been funded as a PPP with a duty free element. Further urban improvement projects are desirable as outlined in the Master Plan, but there is an opportunity to explore more formalised PPP approaches to development projects, to reduce dependence on state borrowing. The Master Plan outlined suggested improvements in transportation which will help link attractions and rural populations to markets: Consultation with BTIA also highlighted the need to improve access to tourism sites.

*"There is no infrastructure at many Maya sites to cope with cruise tourism"* BTIA

It also suggests regional priorities for urban and rural regeneration. The Director of BTB highlighted the need for infrastructure improvements in the north and south of the country, in addition to the current STP development locations. Developing water-based transport options bringing Belize's canals and waterfronts into greater tourism use can also help develop competitive advantage in the region. Under transportation there is also an obvious need to comprehensively signpost both towns and tourist attractions in accordance with international standards.

2. **Education, training and standards:** A continuation of support to improve hotel standards through certification, benchmarking and training will help to improve Belize's competitiveness and hence to attract more overnight visitors. The need to develop new curricula and tourism training facilities is urgent and should be prioritized as outlined in the Master Plan. This was emphasised by the Director of BTB in consultations:

*"Belize currently has no hotel school, no tour guiding school, and tourism textbooks and training materials being used are devoid of Belize context"*

In addition the BHA indicates that 90% of hotel chefs are currently engaged from outside Belize due to lack of local training.

The private sector operates under heavy import duties and relatively high taxes. Making the private sector more quality-focussed to enable the destination to become 'boutique' rather than 'mass

tourism' could also be a useful focus for future IDB loans. A strengthening of the hotel association so that it can commission hotel performance benchmarking studies might also help to raise standards, competitiveness and hotel profitability. The Director of BTB has highlighted the need for more focussed entrepreneurship and service standards training in tourism to be supported.

There appears to be some duplication and confusion regarding responsibility for training and enterprise development in tourism at present.

3. **Greening tourism:** There is a significant opportunity to increase support for both private sector and state investments in renewable energies for tourism, energy efficiency, recycling, clean energy technologies, carbon finance, biodiversity and conservation. The Bank could also focus on supporting environmental and climate change policies and necessary institutional and industry-led changes in which make market-based solutions feasible. BTB is currently exploring a regional "sustainability seal" and this should be encouraged.
4. **Natural and cultural tourism:** There should be continued strong emphasis to the interpretation and conservation of both natural and cultural heritage (for example projects that maintain or re-establish a natural features that are important for ensuring the flow of tourists, for example coral reefs, or through the development of a flagship National Museum). Projects that protect concentrated and strategic assets that were identified in the Master Plan should be given support, for example nature reserves. The establishment of a biodiversity fund might be considered, as could the establishment of a rolling fund to support micro and small businesses in cultural tourism, and those linked to protected areas. These are aspects of Belize's product that is given particular emphasis in its new brand values.

*"Perhaps support should be more product and less district-based. For example diving is one product which covers multiple districts."* Senior BTB staff member

5. **Research and marketing:** Making tourism growth sustainable will require a reduction of risk by expanding the number of markets which Belize relies on. In addition, domestic tourism needs to be researched.<sup>17</sup> A future program might support new market development. Through marketing support the Bank could focus on the importance of reaching scale through existing platforms and distribution networks, and sustainable engagement by aligning the delivery of a service or product with payment mechanisms suitable to the customer's needs identified through market research.
6. **Tourism information centres:** Improving the standard and services of tourist information centres should be considered (perhaps adapting the Cayo Welcome Center as a flagship under BTB) and using TICs to ensure delivery of Belize's brand values in-country.
7. **Social inclusion:** In some cases there is an opportunity to increase social inclusion through regional prioritisation of tourism development which can reach poorer segments of the population. There is also an opportunity to work through private sector tour operators to target neglected segments like the poorer groups in society. The project's matching grant recipients and more similar products in the future need to be introduced to tour operators and travel writers. These will be important in helping to realize the Belize brand values partly developed under this program. There is an opportunity for the Bank to support more representative corporate governance and greater social responsibility at regional level through more broadly-based regional destination management, creating greater awareness of responsible tourism, and to directly favour more interventions aimed at gender and/or ethnic issues, such as Mayan homestay for example.

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<sup>17</sup> BTB is considering this for 2014

8. **Tourism satellite accounts:** Although not delivered under STP, the development of transparent TSA is very desirable and will significantly assist the tourism industry to estimate its true importance in Belize's economy, and assist the IDB and Government to measure tourism's true impact. Support for the strengthening of the Statistical Institute of Belize and the enhancement of research-sharing with BTB should be facilitated as part of a future TSA development process.

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## ANNEXES

### Annex 1: Terms of reference

#### CONTEXT

Project Background & Objectives The Belize Sustainable Tourism Program (STP) (2060/OC-BL) is a four year program in response to challenges that must be faced if Belize's tourism sector is to grow in a manner that is economically, environmentally and socially sustainable. The overall 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 overnight tourism in the 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 capacity for sector policy, destination planning and management. (IDB and Government of Belize, 2008)

The project is being funded by the Government of Belize and the Inter-American Development Bank (IDB) (herein referred to as The Bank) through a loan of US\$13.322 million and a counterpart contribution of US\$1.36 million.

#### Project Components

The Program comprises the following two components: (i) Investments in overnight tourism destinations; and (ii) Institutional strengthening and capacity building for policy, destination planning and management.

#### Mid term Evaluation

A mid-term evaluation was undertaken in September 2012 which appraised the project rationale and assessed the results to the point when 50% of project funds had been spent. The midterm evaluation examined the rationale and project design; the efficiency, effectiveness, relevance and institutional performance; and made specific recommendations for strengthening the project in its final year. The final evaluation will build upon the mid-term evaluation report in its assessment of project performance; providing an examination of the planned and unplanned impact and effects of the project at completion and anticipated for the long term, and concluding developmental and operational lessons learned.

#### OBJECTIVES OF THE CONSULTANCY

The purpose of the final evaluation is to reliably and representatively evaluate the project outcomes, outputs and impacts of the STP through an independent and comprehensive presentation and analysis of the project and its overall performance and execution. Consistent with the loan contract section 4.09 the final evaluation shall assess:

- 1) Degree of attainment of Program Objectives in relation to plans and reasons for any variances
- 2) Effectiveness of the organization and arrangements established for Program execution
- 3) Sustainability of the activities funded under the Program
- 4) Lessons learned that could be applied to further projects in this sector.

To this aim, key objectives of the evaluation include:

- o To determine the success of the project in **effectively** and **efficiently** achieving its overall goals and objectives and executing the planned outputs and activities
- o To establish the effectiveness of past and ongoing co-ordination among executing agencies, partners and stakeholders and areas for improvement;
- o To determine the direct and indirect impacts and effects of the interventions as related to the destinations and overall overnight tourism sector to date, and determine likelihood of future impacts;

- To determine the likelihood and level of sustainability of the investments
- To serve as an instrument for strengthening future project design and programming and to optimize capacity for execution, sustainability, relevance and impact of similar development initiatives through the identification of lessons learned.

In consultation with the PEU the consultant will be required to develop and utilize a “satisfaction rating” in evaluating the execution of the project and performance attainment of objectives, outputs, activities and planned results, and present a “Probability rating” as it relates to the achievement of development objectives, impacts, effects, and sustainability of the project components to ensure alignment with the Project Completion Reports required at project close.

#### **ATTAINMENT OF OBJECTIVES, PLANNED RESULTS, OUTPUTS AND ACTIVITIES.**

The evaluation should assess the extent of progress towards the project’s major objectives and whether such progress has been **effectively** and **efficiently** achieved. The consultant should provide an assessment of the project’s success in achieving each of the programmed outputs.

The consultant should use the revised results framework indicators established in the midterm evaluation report as the basis of this assessment and present an overall conclusive satisfaction rating for the overall attainment of objectives.

In evaluating the effectiveness and efficiency attention should be given to:

#### **Financial planning, Control and Cost Effectiveness**

A review of the quality and effectiveness of the financial planning and control of the financial resources through the life of the project should be undertaken. The evaluation should assess whether the use of project funds is commensurate with the physical outputs and progress attained and evaluate the strength of financial management systems, planning and reporting and their adequacy in achieving a timely flow of funds. An assessment of counterpart contributions over the life of the project should also be undertaken with the same considerations of efficacy and contribution to the success of project deliverables.

Cost- effectiveness of the activities of the project should be considered and if possible a comparison made with costs of similar projects.

#### **Stakeholder Participation, levels of ownership and Partner engagement.**

The consultant is required to examine the mechanisms established for stakeholder consultation and public awareness identifying their strengths and weaknesses and assessing the degree of effectiveness and levels of influence of these inclusion and information dissemination mechanisms upon the achievement of the goals and objectives of the projects. The levels of engagement of project partners and institutions should also be assessed.

#### **Project Implementation**

The evaluation should assess the overall project management framework at all levels, the roles of the PSC, strengths and ability to overcome problems and constraints, and adaptation to changes during the life of the project to enable its implementation. Assess the effectiveness and efficiency of Inter-agency communication, collaboration and general support with emphasis on supervision and support from the Bank and the Government of Belize.

Project execution arrangements should be evaluated taking into consideration size, organizational structure, and administrative or technical challenges which may have influenced effective implementation. An assessment should also be made of project execution as it relates to procurement activities and the performance of consulting firms for technical studies and plans, their overall management and the usefulness of outputs delivered. The framework for and execution of project management and supervision of works should also be assessed.

#### **M&E during project implementation**

Taking into consideration the M&E constraints and challenges as noted within the midterm evaluation, the final evaluation should verify and assess the systems in place to ensure timely tracking of results and progress throughout the project implementation period. An evaluation should be made of how information provided by the M&E system was used during the project to improve project performance and to adapt to changing needs and comment on the adequacy of the support and budget for M&E for the needs of the project.

#### **IMPACT, EFFECTS AND SUSTAINABILITY**

Given the type of investments, long term impacts and effects stemming from the project may take time to be fully realized, and indeed the destinations receiving infrastructural investments may have encountered negative impacts during the construction phase. As far as possible the consultant shall evaluate the immediate impact of the project interventions and assess and comment on the potential probability of longer term impacts on economic, socio-cultural, ecological, technological and institutional factors. Social impacts should consider gender, and ethnic participation and inclusion, and ecological impacts should consider the ecological safeguards carried out during project implementation.

The consultant should formulate recommendations for approaches which could be used to facilitate impact assessment over the long term.

Sustainability relates to whether the positive outcomes of the project and the flow of benefits are likely to continue. The evaluation will aim to identify and assess the key conditions or factors that are likely to contribute to or undermine the persistence of benefits after the project ends thus affecting the sustainability of the project outcomes. The sustainability of the interventions in Component 1 will largely depend upon the ongoing maintenance, management and levels of ownership and use of the developments. In terms of the institutional strengthening and planning tools developed in component 2 sustainability will to a large degree be dependent on political will, ongoing institutional strengthening and capacity building, resource mobilization and overall stakeholder ownership and acceptance.

Four aspects sustainability should therefore be addressed within the assessment: financial, socio-political/socio-economic, institutional frameworks and governance, and ecological.

##### *i. Financial resources.*

What is the likelihood that financial and economic resources will be available for the ongoing management and maintenance of the infrastructural investments. Review of transfer documents and maintenance plans for the key infrastructural investments will be necessary. What is the likelihood that the NSTMP will generate the resources (through public or private) to ensure the level of investment necessary for its continued rollout and implementation.

##### *ii. Socio-political/Socio-economic:*

Is the level of stakeholder ownership conducive to sustained positive benefits and outcomes? Is there sufficient public/stakeholder awareness and understanding in support of the long term objectives of the project? Assessment should be made of the mechanisms for consultation and involvement of stakeholders and the mitigation measures of any potentially adverse social impacts which could have resulted in negative repercussions on the overall success and sustainability of the various interventions.

iii. *Institutional framework and governance.*

Are the necessary legal and institutional frameworks, policies and governance structures, and management processes in place to allow for the project outcomes and benefits to be sustained? At what level is the required technical know-how and capacity to ensure future sustainability. Assess the level of relevance of the project to the National Development agenda of the country, national ownership and commitment to the long term sustainability of the project.

iv. *Ecological.* Have there been any ecological benefits as a result of the project? What is the likelihood that ecological impacts will affect the sustainability of the project?

## METHODOLOGY

The consultant will perform the following tasks in the execution of this consultancy:

- 1) A desk review of project documents including, but not limited to: project monitoring documents (PPMRs), disbursement reports, progress reports, audit reports, and other information available.
- 2). Interviews. The Evaluator shall identify an interview list in close consultation with the executing agencies and the PEU of the STP. As appropriate, these interviews (face-to-face or by phone) could be combined with an email questionnaire or other methods as proposed by the consultant and agreed by the Project Team. Interviews and surveys should include the following:
  - i. IDB staff, PEU staff, PSC members and representatives of the Executing Agencies; directly involved in project execution;
  - ii. Representatives of the partner agencies and industry stakeholders;
  - iii. Direct users and visitors in the areas of intervention;
  - iv. a sample of consultants and/or technical assistance providers who were hired by the STP-PCU since the Project's inception should be included.
- 3). Field visits to project sites to include: Cayo Welcome Center, Placencia Pier and Plaza, Belize City Fort Point, San Pedro Sunset Boardwalk and Water Taxi Terminal, Bacalar Chico National Park and Marine Reserve tourism investments and Xunantunich Visitor Center. A selection of Matching Grant program beneficiaries should be included for visitation.
- 4). Research into Statistical data and data mining. An analysis of tourism data from BTB, Statistical Institute of Belize (SIB), NICH and any other relevant sources as proposed by the consultant will be necessary to provide the necessary information for input into the Results Framework.
- 5) A half day Exit Workshop hosting the Project Steering Committee, representatives of the municipalities benefitting from the STP project investments, the Fisheries Dept, NICH, the executing agencies of BTB and MoTC, the IDB and other project partner agencies. The workshop will include the presentation of the draft PCR and results framework of the project and an assessment of the communication mechanisms and levels of project partner engagement.

### Key evaluation principles:

The evaluator shall:

respect the right to provide information in confidence and respect anonymity where requested

have an obligation to ensure that the evaluation report and presentation are accurate, complete and reliable.

Carry out the evaluation with transparency and stakeholder consultation

Minimize risks and negative harm to those participating within the evaluation without compromising the integrity of the evaluation.

provide clearly documented evidence and analysis, and unbiased assessment.

## TASKS AND SCHEDULE

### Preparation:

Work-Plan for in-country visits and interviews during program implementation. This proposal

should include draft travel agendas and identify persons to be interviewed in Belize. The proposal should be presented to the STP-PCU and the IDB for review and approval no later than August 15<sup>th</sup> 2013.

#### Exit Workshop

The Workshop program and invitee list will be developed in conjunction with the IADB and the STP PEU. Lead time for invitations should be at least 20 calendar days prior to the event. The consultant is expected to deliver a summary highlighting key points and lessons learned (positive and negative) for presentation in Microsoft Powerpoint format.

#### Project Completion Report

The consultant will assist in the preparation and compilation of draft project completion report (PCR) data as per the PCR template of the IDB.

#### Final Evaluation.

Consultant will present draft Final Evaluation report, to the STP-PCU and the IDB for comments and feed-back. Feedback will be provided within 7 calendar days. A **Final Evaluation Report** will be due **1 week** after receiving such feedback. STP PEU and consultant should agree upon the outline and framework of the evaluation report.

The consultant is expected to deliver a summarized version of the report in **PowerPoint format** highlighting key points and lessons learned (positive and negative) for presentation by the PEU to the PSC and other Government agencies and stakeholders.

**The completed evaluation should conclude no later than October 15th 2013.**

### **CHARACTERISTICS OF THE CONSULTANCY**

#### Responsibility

The consultant will work closely with the STP Project Team through the Tourism Environmental Project Coordinator (TEPC) as primary contact within the STP-PEU. The TEPC will provide all reasonable assistance in ensuring that related data and information necessary for the evaluation are accessible.

The consultant will be responsible for all costs associated with the consultancy including but not limited to research and data collection, travel, accommodations, and per diems, equipment, local taxes, and administrative materials. Where possible STP will participate in joint site visits providing assistance with transportation. The Exit Workshop will be hosted at the IDB and all expenses covered by the executing agencies.

The consultant will work out of their office with required travel to Belize to conduct necessary interviews and acquisition of first hand information.

The deliverables, reports and other works of the consultant for this assignment shall be the property of the STP. The consultant should keep all work and services carried out for this assignment entirely confidential and shall not use, publish or make known without written approval of the STP PEU.

#### Duration and type of consultancy

The consultant will be offered a lump sum contract. The consultancy is expected to commence no later than **August 15<sup>th</sup> 2013** and shall conclude by **October 15th 2013**. Level of effort is 30 days discontinued effort with 14 days in the field.

#### Payments

The consultant will be paid in the following manner:

Payment		Deliverables	Time Frame
1	10% contract cost		At contract signature
2	20% contract cost	Final Workplan including stakeholder lists, Exit Workshop Agenda, travel itinerary etc.	August 2013
3	40% contract cost	Completion of field visit  Completion of Exit Workshop  Draft Project Completion Report	As per approved workplan
3	30% contract cost	Draft STP Final Evaluation Report  Final STP Final Evaluation Report  PowerPoint Summary Document	No later than October 15 <sup>th</sup> 2013

#### Qualifications and experience

The consultant assigned to the job must have demonstrated knowledge of current evaluation theory and practice and several years of experience in evaluating development projects, preferably those that are related to the Tourism Sector. In-depth knowledge of Tourism Management, Destination Planning, Marketing and Tourism Policy, and, preferably, a good understanding of the tourism industry in Belize. Relevant specialized training in areas such as evaluation methodology, statistical research etc and strong analytical skills will be considered favorably.

#### Minimum requirements:

As a Project Evaluation Specialist the consultant must have a minimum of 5 years experience in similar project evaluation with a minimum of an Advanced Degree in a relevant discipline. The consultant must be fluent in verbal and written English.

**Annex 2: Field mission itinerary**

Date	Activity
Monday 30 September	Arrival Belize City 1105 hrs, Delta 703 Briefing meeting with Project Coordinator/PCU to agree mission schedule Review of midterm evaluation recommendations Meeting with IDB team leader
Tuesday 1 October	Meeting BTB Director and MOTC Meeting with BTB statistics department Meeting with STP Director, STP Accountant. Meet with Belize City Council Collection of desk research materials Belize City primary research, stakeholder consultations (BTIA, BHA) and site visit
Wednesday 2 October	Early transfer to San Ignacio- Xunantunich Visit and interviews Meet with San Ignacio Town Council pm- Cayo Welcome Center site visit and interviews Stakeholder meetings o/n San Ignacio
Thursday 3 October	Early transfer to Belmopan, stakeholder consultations including NICH Transfer to Placencia Evening-meeting with Placencia stakeholders o/n Placencia
Friday 4 October	Placencia site visit, interviews, stakeholder meetings pm: Drive to Toledo- grant beneficiaries Return drive to Hopkins o/n Hopkins
Saturday 6 October	am Grant beneficiaries & interviews, Hopkins Return to Belize City Flight to San Pedro o/n San Pedro
Sunday 7 October	Rest day
Monday 8 October	San Pedro Site visit, interviews

	o/n San Pedro
Tuesday 9 October	Site visit to Bacalar Chico Evening : San Pedro Stakeholder meetings o/n San Pedro
Wednesday 10 October	Return to Belize City Clarification meetings with STP executive, BTB executive, BTB statistics dept as necessary; literature review, hand-over documents review o/n Belize City
Thursday 11 October	Preparation Workshop with PSC Final clarifications o/n Belize City
Friday 12 October	PSC presentation, Belmopan Wrap up meeting with STP o/n Belize City
Saturday 13 October	Depart BZE 1150, Delta 664

**Annex 3: Consultations undertaken**

<b>Organization</b>	<b>Consultee</b>	<b>Date</b>
Bacalar Chico hostel &Cayo projects	Mr Alex Laasner, Architect	8 October 2013
Banyan Bay Resort, San Pedro/ Radisson Fort George Hotel, Belize City	Mr Jim Scott	7 October 2013
Belize City Council	Cltr Kevin Singh	11 October 2013
Belize City Council	Clr Michael Theus	11 October 2013
Belize City Council	Mr Kenny Morgan, Public Relations Department	11 October 2013
BEST	Mr Dennis Jones, Managing Director	4 October 2013
BEST	Ms Michelle Lonsworth	4 October 2013
BHA	Mr Douglas Johnston, Chairman	1 & 11 October
Blossoming Gifts, Hopkins	MsDhalia Miranda	5 October 2013
BTB	Ms Laura Frampton, Director of Tourism	1 October 2013
BTB	Ms Karen Pike, Director Information Management	1 October 2013
BTB	Mr Michael Arana, Tourism Data Analyst	1 October & continuous
BTIA	MsEsteleRequena, Executive Director	10 October 2013
Department of Environment	Mr Anthony Mai	11 October 2013
EMG Group	Mr Oliver Bennett, Consultant	24 September 2013
IA	Mr George Thompson	11 October 2013
IDB	Ms Sybille Nuenninghoff, Sector Specialist and Team Leader	30 September 2013
IE Arctitects, Placencia& San Pedro Projects	Mr Daniel Aguellez, Architect	9 October 2013

Ixcacao Chocolate, San Felipe	Mr Juan Cho	4 October 2013
Lebeha Drumming Group, Hopkins	MrsLambey	5 October 2013
Living Maya Experience	Mr Call	5 October 2013
Maya Center Museum	MrsSaqui	4 October 2013
Mercy SabalGarifuna Cultural Treasures, Dandriga	Mrs Mercy	5 October 2013
Ministry of Economic Development	MrValentino Blanco	11 October 2013
Ministry of Finance	Mr Raquel Guerra	11 October 2013
Ministry of Fisheries, Forestry and Sustainable Development	Mr. Roberto, Ranger	8 October 2013
MOTC	MrAbil Castaneda	11 October 2013
Pen Cayetano Studio Gallery	Mr&Mrs Pen Cayetano	5 October 2013
Placencia Fisherman's Coop	MrJustino Mendez	4 October 2013
Placencia Information Center, BTIA Placencia	Ms Jolie Pollard	5 October 2013
Placencia Village Council	MsIlsaVillaneuva	4 October 2013
PACT	MsNatalie Rosado	11 October 2013
San Ignacio Hotel and Resort	Mrs Mariam Roberson, Owner	3 October 2013
San Pedro Town Council	Mr Daniel Guerrero, Mayor	7 October 2013
Santa Elena and Ignacio Town Council	Mr John August, Mayor	3 October 2013
UNWTO TSA expert	Mr David McEwen	1 December 2013
Vern's Kitchen, Seine Bight	MrsVerna Marin	4 October 2013

**Annex 4: Project sites visited**

Site visited	Date of visit
Memorial Park and environs, Belize City	1 October, 12 October 2013
Cayo Welcome Center, San Ignacio	2 & 3 October 2013
Xunantunich	3 October 2013
Xunantunich ferry	3 October 2013
Maya Centre Museum	4 October 2013
Vere's Kitchen	4 October 2013
Placencia Pier	5 October 2013
Placencia Boardwalk	5 October
Lebaba Drumming Group	6 October 2013
Ixecacao Chocolate	6 October 2013
Mary Sabal Cultural Treasures	6 October 2013
Pen Cayatano Studio Gallery, Dandriga	6 October 2013
San Pedro water taxi project	8 October 2013
Bacalar Chico project	9 October 2013

**Annex 5: Summary of visitor survey**

A small number (18) of visitors to project sites were interviewed at the three completed project sites face-to-face. These were divided between first time visitors and visitors/users who have been before: Most were first time visitors. The results of this survey are not statistically reliable owing to the small sample size, so it should be treated with caution. No visitors were encountered at Memorial Park so interviews took place near the Radisson Hotel. Table 11 outlines the sample size by country or origin.

**TABLE 11: Visitor sample**

	Fort George area, Belize City		Cayo Welcome Centre		Placencia		Total
	<i>Previous visitor</i>	<i>First time visitor</i>	<i>Previous visitor</i>	<i>First time visitor</i>	<i>Previous visitor</i>	<i>First time visitor</i>	
Belize	1		2		2		6
Canada				1	1		2
France				1			1
San Salvador		1					1
USA		2		4		3	9
Total	1	3	2	6	3	3	18

In response to the questions agreed in the Final Workplan, answers can be summarised as follows:

*Have you visited this site before?*

Two thirds of visitors interviewed had not visited the locations before. Of the one third who had, most were from Belize.

*(If yes) What do you think of the changes here?*

For visitors who has been before, reaction to the changes was overwhelmingly positive at all sites.

*How long will you stay here?*

Average length of stay for non-Belizean visitors interviewed was 1.5 nights in Belize City, 8 nights in San Pedro and 4 in Placencia.

*What do you like/dislike here?*

Main likes were the friendliness of the people, the sea and the climate. In Cayo friendliness was particularly noted.

The main dislike was urban decay in Belize City.

*Are you likely to return? When?*

Of the 12 overseas visitors interviewed, 10 said they were likely to return, most likely within 5 years.

**Annex 6: Change orders to signed contracts**

Activity	Variations US\$		Description
	IDB	BTB	
San Pedro	\$ 181,167.75	\$ -	Additional seawall to allow for proper shoring and on land protection. Addition to RC Slab on promenade, demolition of several feet of the existing seawall, additional san fill and landscaping, trenching of water line and sewer systems, BEL direct cost to assist with additional works not included in the original scope of work.
	\$ 37,500.00	\$ -	Drainage solution and improvements and navigational aids to demarcate the access channel into the marine terminal.
Bacalar Chico	\$ 39,994.23	\$ -	Refurbish the existing building at Bacalar Chico, which at bidding stage was intended to be demolished. A decision was made on the initial site visit post construction award to keep this structure in place, in order to provide additional storage space necessary for maintenance, fuel, housekeeping etc in addition to maintaining the existing rainwater reservoir. Funds will also be put to onsite landscaping
	\$ 25,000.00	\$ -	Refurbishment of the existing pier and for furnishings, signage, and educational equipment to ensure that the new facility will meet all the minimum requirements of the proposed BTB accommodation licensing standards.
Fort Point Pedestrian Link	\$ 265,321.40		Construction of intersections at the two ends of Marine Parade Boulevard and at the intersection of North Park Street and Cork Street. Adjustments to existing properties to mitigate the impact of works on drainage in private properties and facilities. Upgrade to deteriorated street surfaces prior to installation of sand fill and pavers not included in original scope of work.
	\$ 125,281.77		Change in design for North Front Street to enable elimination of concrete bollards to avoid vehicular damages. Additional and redesigned vending booths, additional trellis works in Memorial Park. Ongoing works to facilitate utility companies, employing raised pedestrian cross walk instead of flush walks to slow traffic. Further enhancement to War Memorial in Memorial Park not included in original scope of work.
		\$ 37,850.00	Adjustments on stakeholder requests for height of gateways, bollard conditions, improvements of amenities to vendor booths and a durable culvert drainage solution on North Front Street sidewalk.  Additional animated signage to the Zone as well as additional hardsape surfaces to the park for high traffic areas.
Placencia Pier and Plaza	\$ 15,612.83		Additional works on the Lower Deck to first Finger Pier at the Placencia Municipal Pier and Plaza
		\$ 28,519.66	Re-design of Plaza and Installation of Sewer Treatment System as per DOE request
Cayo Welcome Center	\$ 160,259.53		Provision for additional sidewalks and curbing for the overall project design along with the upgrade of lighting to vandal proof quality for the site and minor interior finish work upgrades.
		\$ 188,567.46	Additional Kiosks to be added within the park not included in the original scope of work. The upgrade allowance of the parking area to concrete for durability and the extension of all road work improved for an additional +/- 300 linear feet along Burns Avenue.
		\$ 22,000.00	Interior design and interpretation, electrical, installation of plaque, exterior seating benches, garbage trailer

Activity	Variations US\$		Description
	IDB	BTB	
Archaeological Sites:			
Cahal Pech & Xunantunich	\$ 11,914.31		Design of the foundation for the bathroom block, supply and installation of sheetrock for the bathroom ceiling and provision and application of primer paint to the new ceiling and installation of pipe railings for Visitor Center and Bathroom Blocks all of which was not included in the original scope of work.
	\$ 8,680.00		Supply and installation of sheetrock for the bathroom ceiling and the provision and application of primer paint to new ceiling
		\$ 3,129.00	Installation of pipe railings for VC and Bathroom Blocks
ATM	\$ 4,995.00		Deeper foundation due to unexpected clay texture, the supply and installation of urinal dividers, wooden panel, metal gutters to building and the installation of burglar bars and hand rails not included in the original scope of work.
		\$ 6,980.00	Installation Sheet rock, bathroom ceiling, hand rails and burgular bars
Xunantunich Ferry	\$ -	\$ 4,523.84	Minor structural additions to provide for two lanes thereby doubling the capacity of the ferry to accommodate a maximum of 4 vehicles.

Source: PCU

**Annex 7: Workshop with steering committee**

Friday 12 October 2013, Belmopan.

Attendance:

- Mr Anthony Mai – Department of the Environment
- Mr George Thompson – IA
- Ms Natalie Rosado – Protected Area Conservation Trust (PACT)
- Mr Valentino Blanco – Ministry of Economic Development
- Mr Raquel Guerra – Ministry of Finance
- Mr Abil Castaneda – MoTC
- STP program staff.

*Achievement of overall project goals*

It was suggested that the project's main strategic achievements were in the area of consolidation rather than diversification.

*Coordination*

The PSC was felt to have worked well and its meeting schedule (quarterly) was felt to be about right. Formal committees for local projects would have been helpful.

*Impacts*

It was suggested that impacts could have been greater if there was more local communication. Other projects (e.g. Social Improvement project) were felt to have been better at communication. A communication budget should have been provided for. In particular it was felt that the Master Plan needs to be communicated. A transition strategy is needed to focus on capacity building and information regarding sustainability. In Cayo the project has clearly impacted on the local sense of pride, but specific tourism impacts were felt to be questionable.

*Sustainability*

The PSC felt further support may be necessary and suggested grant aid rather than loans.

*Future projects*

More urban renewal projects were felt to be needed.

Climate change and green technology need to be covered.

It was suggested that less resources should be spent on consultancy and more on construction.

More attention should however be given to "soft" aspects such as training, and there should be more private sector engagement.