

CEPF FINAL PROJECT COMPLETION REPORT

I. BASIC DATA

Organization Legal Name: Rainforest Alliance, Inc.

Project Title (as stated in the grant agreement): Building Sustainable and Competitive Tourism Enterprises in Northern Mesoamerica

Implementation Partners for this Project:

Project Dates (as stated in the grant agreement): November 1, 2008 – December 31, 2009

Date of Report (month/year): May 2010

II. OPENING REMARKS

Provide any opening remarks that may assist in the review of this report.

In order to avoid duplicating our efforts in Mexico we focused on providing training and technical assistance for the community-based enterprises (CBEs) enrolled in the NMX-AA-133-SCFI-2006, (Ecotourism) Certification. We used the audits performed by the Mexican Normalization Commission as a base to measure the sustainability practices and help the CBEs in preparing their implementation and business plan.

The number of certified businesses in Guatemala was not achieved due to the restructuring of the Certification Program. We established a partnership with Counterpart International Guatemala and CERTIFICA to strengthen the new and recently created certification program, GREAT Green Deal. New auditors were trained and four hotels and one tour operator enrolled in the certification process.

We signed an agreement with the Guatemala Tourist Commission (INGUAT) on November 8th to support the implementation of best management practices (BMPs), training, technical assistance and marketing of certified operations in Guatemala.

III. ACHIEVEMENT OF PROJECT PURPOSE

Project Purpose *The purpose of the project was to improve the competitiveness for sustainable tourism for the existing community-based enterprises (CBEs) in the areas of Lacandonia, Mexico and Huehuetenango, Guatemala that are sharing lessons learned for improving conservation outcomes. These CBEs were strengthened to better conserve natural resources through their implementation of best management practices for sustainable tourism.*

Planned vs. Actual Performance

Indicator	Actual at Completion
Purpose-level: The purpose of the project is to improve the competitiveness for sustainable tourism for the existing community-based enterprises (CBEs) in the	We have contributed to strengthening the local capacity and competitiveness of CBEs and small and medium-sized enterprises (SMEs) in the KBAs of the project by

<p>areas of Lacandonia, Mexico and Huehuetenango, Guatemala that are sharing lessons learned for improving conservation outcomes. These CBEs will be strengthened to better conserve natural resources through their implementation of best management practices for sustainable tourism.</p>	<p>providing training workshops and technical assistance. We have also established collaboration among local and international NGOs working in the area, as well as with government officials who support commercialization, promotion and marketing activities.</p> <p>We have created awareness of the importance of implementing BMPs, not only to reduce operative costs, but also to contribute to local development and diminish the environmental footprint of tourism operations.</p>
<p><i>1.1 32 tourism enterprises and organizations in Huehuetenango and Lacandonia have better consolidated previous work in best practices, or are in the process of adopting best practices for sustainable nature-based tourism through educational and hands-on activities conducted throughout the life of the project (with a minimum of 10 SMEs in the Lacandonia region who have previous worked with sustainable tourism initiatives now showing improved consolidation of best practices).</i></p>	<p>A total of 33 SMEs and CBEs from Huehuetenango and Lacandonia are implementing BMPs and 17 are enrolled in third party certification (12 in Mexico and five in Guatemala).</p> <p>The results show that the implementation of sustainable tourism BMPs has dramatically improved the level of compliance of the beneficiary SMEs and CBEs with the principles of sustainable tourism. Clearly, the BMPs have improved the way that they interact with their environment, local communities, guests and collaborators.</p>
<p><i>1.2 15 strategically located tourism enterprises in the KBAs are actively marketing their tourism services through regional and international mechanisms.</i></p>	<p>The following 17 SMEs and CBEs are benefitting from marketing activities:</p> <p>Eight Mexican CBEs (certified with the NMX133) were included in the Go Green Catalogue.</p> <p>Six CBEs were included in Eco-Index.</p> <p>Three inbound tour operators (one from Guatemala and two from Mexico) are offering community-based tours to the KBAs.</p>
<p><i>1.3 10 NGOs and/or associations are sharing lessons learned for improving conservation outcomes, with formal sharing of lessons learned in workshops between Lacandonia and Huehuetenango regions.</i></p>	<p>A “Community Based Tourism Operations Mexico-Guatemala Exchange Workshop” was held. Fourteen people participated in the workshop, representing seven CBEs and NGOs, as well as government officials from Mexico and Guatemala. Due to some disturbances on the road four participants from three NGOs in Guatemala were not able to participate. The workshop report, however, was shared with them.</p>

Describe the success of the project in terms of achieving its intended impact objective and performance indicators.

Environment: The SMEs and CBEs have reduced the use of non-degradable materials, improved their waste management, and are using and saving water more effectively. They are also ensuring that endangered species are not consumed, sold, displayed or exchanged. Particularly in Lacandonia, CBEs have invested in solar panels, latrines, and other clean technologies.

Social: SMEs and CBOs have taken concrete actions to promote a better understanding and respect for indigenous cultures and traditions, and are also providing information on the World Heritage Sites.

Economic: Even the financial costs and benefits of BMPs implementation are not yet clear. The primary expenses incurred by SMEs and CBOs related to infrastructure were recycling containers, solar panels, latrines, biodegradable soaps and detergents, and informative books and labels. Among the main benefits identified are lower electricity bills (in Guatemalan SMEs), 70% reduction in water use, and 83% reduction in operative costs through bulk purchases. The improvement of the quality service system is also important.

Human Rights: We included the millennium goals as an indicator to measure the protection and promotion of human rights. One-hundred percent of the beneficiaries are contributing towards these goals in order to achieve them.

Gender: Out of the 122 people participating in the training activities, 37 were women, representing 30% of the total population.

Were there any unexpected impacts (positive or negative)?

IV. PROJECT OUTPUTS

Project Outputs: Enter the project outputs from the Logical Framework for the project

Planned vs. Actual Performance

Indicator	Actual at Completion
Output 1: Tourism SMEs trained in best management practices for sustainable tourism and marketing.	
<i>1.1 Representatives of 80 tourism enterprises attend BMP workshops and seminars (step one – to build general awareness and foster participation).</i>	A total of 145 representatives from 21 CBE and five SME received training on BMP.
Output 2: SMEs implementing BMPs as pilot operations	
<i>2.1 50 tourism enterprises commit to implementing BMPs as pilot operations (step two – to select and get strategic SMEs to commit to adopting BMPs).</i>	47 tourism enterprises are committed to BMP implementation (22 CBEs, four SMEs, three tour operators, and 18 tour guides).
Output 3: SMEs receiving direct assistance from RA and partners in business skills	
<i>3.1 32 committed pilot operations receive direct technical assistance visits from RA and its partners (step three – to work directly with these pilot operations to implement the BMPs)</i>	12 Mexican CBEs, four Guatemalan CBEs and five Guatemalan SMEs received technical assistance to prepare business plans and improvement plans. Additionally, 18 Guatemalan tour guides participated in a specialized course with INTECAP (Guatemalan Technical and Productivity Institute) in order to be certified as local community-tour guides.
Output 4: 2 local organizations with increased capacity to undertake ecotourism certification activities (auditing against standards or norms) in alliance with existing certification programs, and to promote sharing of experiences and lessons learned amongst tourism enterprises.	
<i>4.1 2 organizations plan and conduct activities to promote BMPs for sustainable tourism and certification, increase their capacity to become local auditors for the existing norms/standards.</i>	A total of 32 people, representing eight local organizations were trained in the use of verification and certification tools:

	<ul style="list-style-type: none"> • A train the trainers & assessors workshop was carried out in San Cristobal de las Casas, Chiapas with participation of 14 people representing CI Mexico, PRONATURA Sur, Senda Sur, Ecoturismo Genuino, and CONANP. • With participation of CERTFICA, Del Valle de Guatemala University, Eco-Consultas and PROTURS, three modules were carried-out in October, November and December. Eighteen people were accredited as auditors for GREAT Green Deal and consultants for the BMP Implementation Program of the Rainforest Alliance Sustainable Tourism Program.
Output 5: SMEs implementing BMPs through local outreach and informed about the process of becoming certified. Lessons are shared between SMEs/CBEs in Lacandonia and Huehuetenango regions, with the possibility of sharing lessons with the Sierra Madre region.	
<p>5.1 32 tourism enterprises involved in project activities through outreach conducted by local organizations. 2 workshops are convened to share lessons learned.</p>	<p>A “Community Based Tourism Operations Mexico-Guatemala Exchange Workshop” was held with participation of 14 people representing seven CBEs and NGOs, and government officials from Mexico and Guatemala. Four participants from three NGOs in Guatemala were not able to participate due to unsafe road conditions. The workshop report was shared with them.</p>
Output 6: SMEs achieve certification	
<p>6.1 20 tourism enterprises become certified by existing tourism certification programs (step four – some SMEs who have adopted BMPs will move towards third-party certification).</p>	<p>A total of 17 tourism business and 18 individuals of the KBAs are enrolled in a third party certification program:</p> <ul style="list-style-type: none"> • 12 CBEs from Lacandonia are enrolled in the NMX 133 (Ecotourism Certification) and are implementing BMPs. • Five SMEs from Huehuetenango are enrolled in GREAT Green Deal and are implementing BMPs. • 18 tour guides were certified by INGUAT as local tour guides.
Output 7: SMEs access funds to invest in sustainability and certification, with Rainforest Alliance training and support	
<p>7.1 10 SMEs trained by Rainforest Alliance in business skills are recommended as target group for receiving financial services in Rainforest Alliance outreach to financial service providers.</p>	<p>Due to our joint work with Counterpart International Guatemala, we took advantage of the financial service provider’s survey for Guatemala they performed. This was shared with the participating CBEs and SMEs .</p> <p>Three group workshops took place in November (two in Mexico and one in Guatemala) to help CBEs to prepare their business plans. Ten Mexican CBEs and one Guatemalan CBE received direct assistance and prepared their business plan.</p>
Output 8: Sustainable tourism enterprises from project areas marketed through partnerships with tourism operators, and representation and participation at international trade fairs. Strategically located SMEs in the target KBAs will be a priority in the marketing efforts.	
<p>8.1 Project staff and 3-6 beneficiaries participate in 3 trade fairs to represent sustainable tourism enterprises from Lacandonia and Huehuetenango</p>	<p>Rainforest Alliance staff participated in the World Travel Market, which took place in London. An agreement with the Guatemalan Tourist</p>

	<p>Commission was signed that will allow for the continuation of supporting and promoting the SME and CBE beneficiaries of the project in Guatemala.</p> <p>Five representatives of CBEs from Lacandonia participated in the "First Indigenous Tourism Fair" held in Mexico City from October 22–24.</p>
<p><i>8.2 Rainforest Alliance solidifies partnerships with 10 tour operators active in the Lacandonia and Huehuetenango regions.</i></p>	<p>Two inbound tour operators in Chiapas (Explora and Siyaj Chan) and three in Guatemala (Adrenalina Tours, Sin Fronteras, and Mayan Zone) have signed a Marketing Agreement to work with Rainforest Alliance to source from certified CBEs and those who are implementing BMPs.</p>

Describe the success of the project in terms of delivering the intended outputs.

- By providing market incentives that encourage tourism businesses to meet environmental and social standards, we enhance the potential that tourism business have in becoming an ally in conservation, social well-being and sustainable development.
- In addition to our outreach and technical assistance efforts, we are also creating market linkages between tourism pilot enterprises and inbound and outbound tour operators. This is bringing responsible tourism enterprises one step closer to concerned European and North American tourists—individuals who want to know that their travels are contributing to, rather than harming, the conservation of wildlife and wildlife habitat in some of the world’s most precious landscapes.
- The project measures 20 sustainable criteria in beneficiary tourism enterprises. These criteria are directly related with the potential effects of tourism activities and are evaluated through the implementation of best practices. These practices aim to conserve water and energy, control waste management, vegetation management, and promote responsible landscape design, resulting in minimizing their impacts on biodiversity, preserving historical-cultural heritage, and contributing to local development.
- By explaining best practices in a systematic way - including BMPs justification and actions necessary to achieve certification - it acts both as a stimulus for positive change and a tool for solving specific problems.
- The certification of tourism operations in regards to sustainability standards has emerged as an important way for tourism operations to demonstrate that their practices help the environment and ensure the well-being of staff and local communities. Seventeen tourism businesses in the KBA are enrolled in the third party certification. Beneficiaries learned how to develop their own best management practices plan and their business plan.
- We encouraged sustainability beyond the life of the project by assisting in the development of more competitive, sustainable enterprises—enterprises that respect the local environment, local cultures and local people. We have encouraged economic viability for these competitive enterprises by creating commercial partnerships that are designed with the principles of sustainability at the forefront. Lastly, we added the enterprises and local individuals who we work with to the network of sustainable tourism practitioners with whom we communicate and coordinate efforts continually, so as to encourage and enable continued commitment to sustainable tourism. All the tourism enterprises continue to work with the Rainforest Alliance in the implementation of BMPs and receive marketing benefits from our Sustainable Tourism Program.

Were any outputs unrealized? If so, how has this affected the overall impact of the project?

More beneficiaries might be included in Chiapas, if we invite SMEs to the program and not only community-based enterprises.

The only output that we did not comply with was the number of certified businesses. A non-anticipated change in the Guatemalan certification program, prohibited us from enrolling a greater number of CBEs in the certification process. Originally, Green Deal, run by Alianza Verde Association, also offered community-based certification in addition to SME certification. Currently, the new seal, GREAT Green Deal, is not offering certification services for CBEs.

V. SAFEGUARD POLICY ASSESSMENTS

Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.

Launched at the World Conservation Congress in October 2008, the Global Sustainable Tourism Criteria (GSTC) are a set of 37 voluntary standards advocating for the minimum that any tourism business should aspire to reach in order to protect and sustain the world's natural and cultural resources while ensuring tourism meets its potential as a tool for poverty alleviation. The GSTC were developed as part of an initiative led by the Rainforest Alliance, the United Nations Environment Programme (UNEP), the United Nations Foundation, and the United Nations World Tourism Organization (UNWTO). Over 40 of the world's leading public, private, non-profit, and academic institutions joined together to analyze thousands of worldwide standards and engage the global community in a broad-based stakeholder consultation process.

Today, the GSTC are being used by businesses and organizations around the world to better understand the complexities of sustainable tourism and to make sustainability a hallmark methodology in the way we all travel, learn, and do business.

SEMARNAT is strengthening the NMX 133 (Ecotourism Certification norm) and other tourism norms, based on the GSTC. They continue to be active in the Sustainable Tourism Certification Network of the Americas and the Tourism Stewardship Council (TSC), a global membership council that will offer a common understanding of sustainable tourism and the adoption of universal sustainable tourism principles and criteria. The TSC will bring together tourism businesses presently operating in various degrees including governments, UN bodies, research and academic institutions, social and environmental NGOs, certification programs, and others from distinct regions of the world.

VI. LESSONS LEARNED FROM THE PROJECT

Describe any lessons learned during the various phases of the project. Consider lessons both for future projects, as well as for CEPF's future performance.

1. Community-based tourism is gaining popularity as part of the strategies for conservation, development and poverty alleviation. It's important to ensure adequate stakeholder representation, including municipalities, academic, community development organizations, indigenous people and/or groups, local biodiversity conservation organizations, culture and arts associations, and tourism industry (tour operators, hotels, restaurants, park management, etc.)
2. Empowerment of cultural and natural resources management by locals, contributing to the long-term preservation and to preserve the local traditions. Helping consolidate a new tourism offer by building and diversifying the offer upon natural and cultural assets.

3. The ability of local people to participate in bottom-up small-scale tourism development vary considerably from each particular area - depending on economic and socio-political relationships as well as ecological and physiographic factors.
4. The lack of financial and institutional resources focused on CBEs and SMEs needs to be addressed in order to empower low-income and financially marginalized people through education and low cost banking and tools.
5. Provide education, training and other forms of skills development within rural communities that will facilitate their full participation in the tourism industry.
6. Striving to improve standards and criteria for services that are at the cutting edge of this demanding market.
7. The empowerment of the communities to manage the tourism product/service is key to the success.
8. Availability of basic services including electricity, potable water and sewage, as well as the adequate access and transportation to destinations, limited the finding of markets or types of consumers for the community tourism offerings.
9. In order to reduce the footprint and improve the quality standards, we need to provide training to individual service providers such as food preparation and local guiding.
10. 95% of tourism businesses in Guatemala are MSMEs (at least 20% of them are CBEs). Their creation and development is "spontaneous", not based on entrepreneurial criteria, but on "opportunities". Most of them are family-owned or run by a community cooperative. They offer a wide-range of tourism products and services and have authenticity and local flavor, along with strong cultural and environmental conservation commitment.
11. MSMEs have gained an important role in local economy, due to their capacity for creating direct and indirect local employment. The businesses have an emphasis on the natural and cultural local assets and promote visitation to local destinations (protected areas and archaeological sites). They establish a strong, long-term relationship with clients and visitors due to the detail oriented products and personalized attention. They have a tendency to partner with other MSMEs and build local and regional associations and clusters.
12. The MSME weak points are: lack of entrepreneurial drive and limited business skills, the use of basic communication and information technologies, shortage of financial resources and systems operating on trust rather than on contracts. Products or services sold mainly on the local domestic market. Lack of a quality service management system and need of Market linkages.

Project Design Process: (aspects of the project design that contributed to its success/failure)

Our approach is to create sustainability beyond the life of the project, with a focus on improving business skills where the sustainable enterprises can compete in the global marketplace as trustworthy service providers. This allows them to reap the economic benefits of sustainability, strengthen their commitment to conservation and manage their financial performance so as to become self-sufficient.

Project Execution: (aspects of the project execution that contributed to its success/failure)

Working with local organizations is critical to our success, not only because these organizations have informed perspectives on local realities and are best able to adapt project activities to those local realities, but also because by working to build the capacity of them, we lay the groundwork for the continuation of our work beyond the life of any specific project. Local partners are better positioned to provide hands-on training in the field, and can then create their own networks of sustainable tourism practitioners who can replicate our model for creating more competitive, sustainable tourism enterprises. In the process of selecting local individuals to be trained as trainers, we choose those that are very well rooted in project sites and can demonstrate a well-established commitment to sustainability

and conservation. Individuals who we train as trainers are required to commit to replicating our BMPs workshops twice a year. This ensures that the message of sustainable tourism continues to spread, and that trainers continue to use and develop their skills. This selection process makes long-term continuation of our work possible and very likely.

VII. ADDITIONAL FUNDING

Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.

Donor	Type of Funding*	Amount US\$	Notes
OVERBROOK FOUNDATION	A	\$225,000	The timeframe for this grant is June 2008-May 2011.
MIF/IDB	A	\$3.9M	The timeframe for this grant is 2004-2011

***Additional funding should be reported using the following categories:**

- A** *Project co-financing (Other donors contribute to the direct costs of this CEPF project)*
- B** *Complementary funding (Other donors contribute to partner organizations that are working on a project linked with this CEPF project)*
- C** *Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF project.)*
- D** *Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

Provide details of whether this project will continue in the future and if so, how any additional funding already secured or fundraising plans will help ensure its sustainability.

Rainforest Alliance has experienced tremendous success and has grown a great deal since our inception in 1987. We have also made significant progress in leveraging the private sector to mobilize our work. Support from CEPF has been instrumental in the growth of our Sustainable Tourism Program. In contrast to the rate of growth that we continue to enjoy, we have also turned considerable attention to the economy. Overall, we are confident that the stellar work of our staff, the uniqueness of the Rainforest Alliance's approach, and our important contributions to environmental sustainability, will help us to endure the global financial situation and continue to fulfill our mission in these difficult times. We will continue to actively fundraise, build partnerships, and receive recognition for our work. In FY11, we anticipate approaching our secured funders for continued support, as well as continue to research and approach new funding prospects in the hopes of meeting, if not succeeding, our fundraising goals for the tourism program.

VIII. ADDITIONAL COMMENTS AND RECOMMENDATIONS

Even though one of the original outputs was not achieved, the project has a higher and more positive impact than originally expected. The underlying philosophy of this project was that tourism in areas that are rich in biodiversity continues to increase at a rapid pace, and thus represents a formidable economic opportunity for the people that live in and around these areas.

In order to ensure that these sites are maintained for future generations and that tourism acts as an enduring source of income for local communities, tourism businesses and activities must be developed and managed in harmony with vulnerable ecosystems and with conservation as a main goal. However, economic viability must be achieved if tourism enterprises are to remain as contributors to local conservation efforts, and not turn to deforestation, logging, or other environmentally-destructive activities as sources of income.

This project aims to increase both the environmental and economic sustainability of tourism enterprises in biodiversity-rich areas so as to ensure that tourism acts as an agent of conservation and positive socioeconomic development. Our approach to creating sustainability beyond the life of the project is built into all elements of our work.

VIII. INFORMATION SHARING

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. One way we do this is by making programmatic project documents available on our Web site, www.cepf.net, and by marketing these in our newsletter and other communications.

These documents are accessed frequently by other CEPF grantees, potential partners, and the wider conservation community.

Please include your full contact details below:

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