

UNITED STATES GOVERNMENT

# Memorandum

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TO : LA/DR - AID/W

DATE: Jan. 28, 1974

FROM : Warren Wolff, CDO/ROCAP

596-045

10p.

SUBJECT: AID Loan No. 596-L-013 - Tourism Infrastructure

Enclosed please find two copies of the Quarterly Progress Report No. 1 as of December 31, 1973 in connection with subject loan.

cc: Mr. James Lockard (info)

WW: jk

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QUARTERLY PROGRESS REPORT No. 1  
through December 31, 1973

REPORT ON THE PRESENT STATUS OF THE INFRASTRUCTURE  
PROGRAM FOR THE CENTRAL AMERICAN TOURISM PROGRAM  
FINANCED WITH AID LOAN No. 596-L-013 AS TO DECEMBER  
31, 1973

A. FEASIBILITY STUDIES - GUATEMALA

The Government of Guatemala requested that financing of the feasibility studies and design of Tikal Tourism project, which includes reconstruction of the Santa Elena-Tikal highway, improvement of the Santa Elena airport and restoration of a part of the ruins, be declared eligible.

On February 28, 1973 the Bank declared such studies eligible for financing. However, the Government of Guatemala decided later on not to request the loan for such a project.

Some officers of the Infrastructure Department visited the Instituto Guatemalteco de Turismo, the Dirección General de Caminos, the Dirección General de Aeronáutica Civil and the FIDEP, organization in charge of the development program of El Petén. The four institutions above mentioned would have

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## Report on the present status

to work all together in the preparation of the feasibility studies and final design of the projects included in the Guatemala program. All of them worked in the engineering design but each one in their own special field. It is estimated that the final construction plans will be completed by July, 1974.

The feasibility study has also been initiated for all the tourism projects including development of the Puente Manabique and Rio Dulce projects. It is estimated that by June, 1974 the Government of Guatemala will request an investment loan for an estimated cost of 2.5 million dollars and that work will commence by October, 1974 for the Tikal project. Execution of this work will last two years approximately, and will be completed by October, 1976.

## PROMOTION STUDIES AND PERSONNEL TRAINING PROGRAM

The Central American Bank has been active in the initiation of the study work as referred in Section 3. (1 (d)).

The study work on promotion will commence in March of the present year and will cover six months up to September. The personnel training program and the establishment of the training school will take from May, 1974 to December, 1975.

Also, concerning Section 5. 02, a meeting of all Directors of the Tourism and Planning Offices has been scheduled in coordination with SITCA for the month of February of the current year. This meeting has been difficult to realize because of the impasse originated by the awaited participation of Panama in the tourism development.

From the above, it is considered that the program will commence an active phase during the current year with disbursements and when the completion of all the studies of infrastructure be formally initiated at the end of the present year or early next year.

All the above data has also been included in a tabulated chart herewith enclosed.

## Tourist Pole of ICACAL in El Salvador

The Government of El Salvador requested that the Bank declare eligible of financing the studies, design and construction of this tourist pole. The Board of Directors, on December 19, 1972, declared this pole eligible of financing. However, further on, the Government of El Salvador did not make use of this financing for the studies or design and proceeded, through the Technical Department of the Instituto de Turismo Salvadoreño, to prepare the plans and other studies. These designs were started on June, 1973 and will be completed in March, 1974. The Government of El Salvador will request, in May, 1975, financing for the infrastructure work up to an approximate amount of \$3,000,000, which is scheduled to begin in September, 1974 and will last around two years.

## COSTA RICAN TOURISM

The tourist project of Bahía de Culebra in El Guanacaste, Costa Rica is closely related, together with the whole tourist development of the region, to the improvements of the Liberia airport. For this reason, the Government of Costa Rica decided to divide the requests for the necessary studies in two separate projects, one for the feasibility and design of the Liberia airport, which was requested by the Ministry of Transportation and Public Works and was declared eligible of financing on August 21, 1973. Besides, the Government has requested a loan in the amount of \$ 100,000 for the design of such airport, which will be signed on March, 1974. The studies will be started in May and completed in September. A loan has been scheduled for the construction and will be granted on October of this year and it is expected that works will start on February 1975 and will be completed on June, 1976. The cost of this airport will be \$1,000,000.

### Tourist Pole of Bahía de Culebra

The Instituto Costarricense de Turismo, with the assistance of the Infrastructure Department, has prepared the reference terms for the complete feasibility study and final design of this tourist pole, the cost of which is estimated in \$200,000 and was declared eligible of financing on June 25, 1973, will be started on May, 1974 and completed on December, 1974. Construction cost is estimated in \$3,000,000 and the work will be carried out during the years 1975 and 1976.

## SAN JUAN DEL SUR

This project was declared eligible of financing for its studies and feasibility on March 29, 1973. However, since this tourist pole is the less defined in Central America, the Government of Nicaragua has not yet requested financing for the studies. A detailed study has been performed during this year for the procurement of the land by the State in San Juan del Sur and a new Tourist Law was prepared. The request for studies is practically ready and will be submitted early in February, 1974 for an estimated amount of \$250,000. It is estimated that the studies will be started in May, 1974 and will be completed in December. The loan request in an estimated amount of \$2.4 million may be made late this year and the construction may be started early in 1975 and will last around 2 years.

## TOURIST POLE OF TORNASAL, HONDURAS

On November 28, 1972, the Bank declared eligible of financing the studies of this tourist pole and on December 19 of the same year a loan in the amount of \$350,000 was approved for the Government of Honduras for the economic feasibility and final studies. The Instituto Hondureño de Turismo carried out a contest for engineering firms specialized in tourism, having received around 15 proposals, mainly from the United States, alone or associated with local firms. Up to date a final negotiation has not been reached, due in first place for the high cost that the firms pretend to charge for the services. For this reason the project has been delayed but it is expected that the studies will begin in February, and will be completed by the end of the year. As soon as the Instituto de Turismo has sufficient information and cost, will request an investment loan that is estimated in around 5 million Dollars for Tornasal, Islas de la Bahía and Ruinas de Copán. Construction will start early in 1975 and will be completed late in 1976.

PROJECT	STUDIES & DESIGN		
	COUNTRY	ELIGIBILITY	LOAN APPROV.
TORNASAL (TELA)	HOND	Nov. 28/72	DIC. 19/72
ICACAL	EL SALV	DEC. 19/72	NOT REC.
BAHÍA DE CULEBRA	C RICA	JUNIO 25/72	MARZO/74
AEROPUERTO LIBERIA	C RICA	AGOSTO 21/73	MARZO/74
SAN JUAN DEL SUR	NIC	MARZO 29/73	FEB/74
TIKAL	GUAT	FEB/28/73	NOT REC.

CENTRAL AMERICA

- PROMOTION
- PERSONNEL TRAINING
- SUPERVISION & FEASIBILITY STUDIES
- CONTINGENCIES

C A B E I  
 INFRASTRUCTURE DEPARTMENT  
 1973 - TOURISM INFRASTRUCTURE

AMOUNT	STUDIES		LOAN	AMOUNT	CONSTRUCTION	
	BEGINS	FINISH	APROVED		BEGINS	FINISH
350.000	FEB/74	DEC/74	ENERO/75	4.8	FEB/75	DEC/76
TESTED	JUNIO/73	MARZO/74	MAYO/75	2.8	SEPT/74	SEPT/76
200.000	MAYO/74	DEC/74	ENERO/75	3.0	MARZO/75	DEC/76
100.000	MAY/74	SEP/74	OCT/74	1.0	FEB/75	JUNIO/76
250.000	MAYO/74	DEC/74	ENERO/75	2.4	MARZO/75	MARZO/77
TESTED	JULIO/73	ABRIL/74	JUNIO/74	2.5	OCT/74	OCT/76
500.000	MARZO/74	SEPT/74				
500.000	MARZO/74	DEC/75				
600.000						
				1.0		
				17.5	= 20.0 MILLIONS	