Assessing the potential for small-scale tourism development in Grenada and Carriacou

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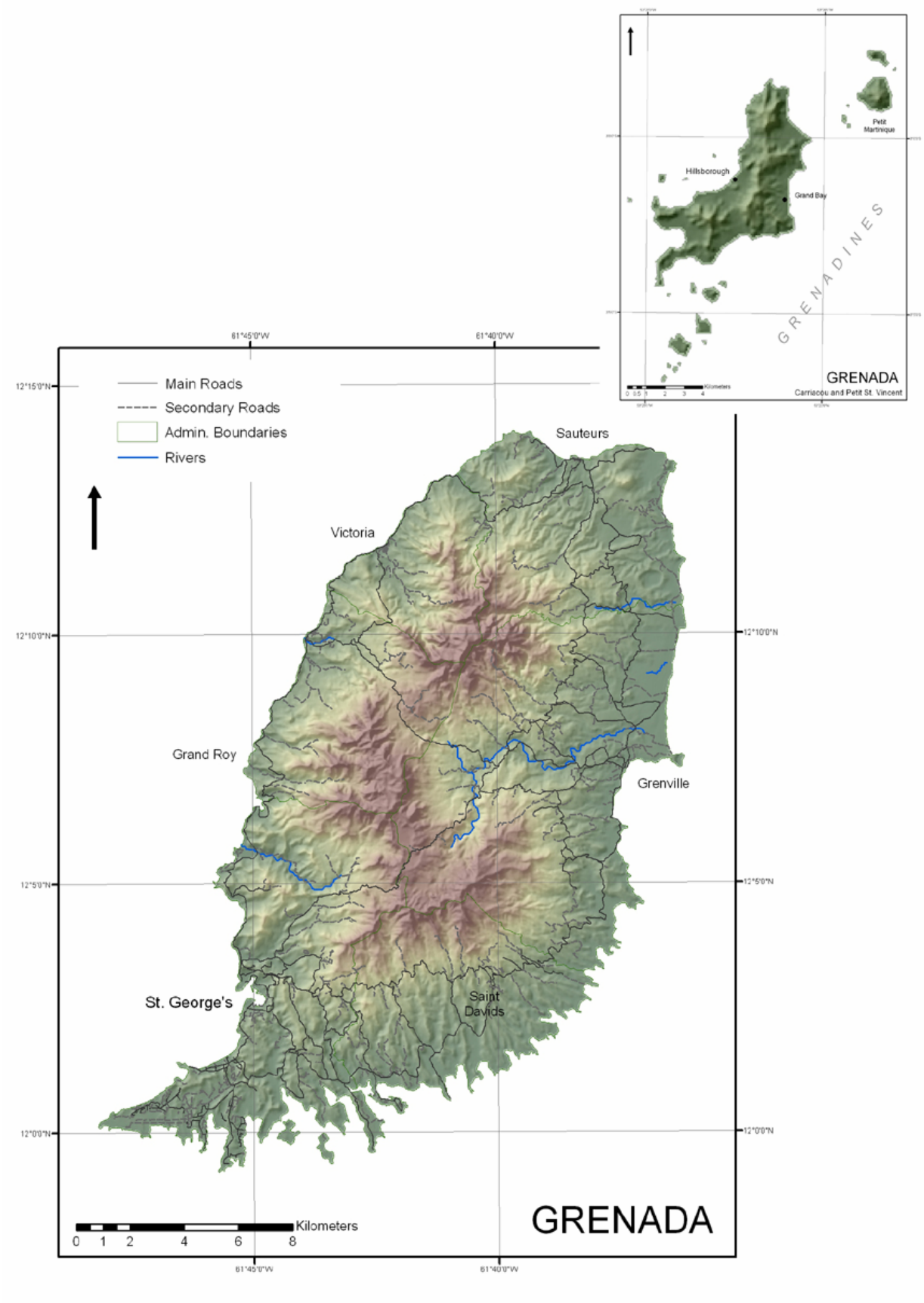
Petit Martinique
Hillsborough
Grand Bay
GRENADINES
GRENADA
Carriacou and Petit St. Vincent
Kilometers
61°45'0"W
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12°15'0"N
12°10'0"N
12°5'0"N
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Main Roads
Secondary Roads
Admin. Boundaries
Rivers
Sauteurs
Victoria
Grand Roy
Grenville
St. George's
Saint Davids
Kilometers
0 1 2 4 6 8
GRENADA

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EXECUTIVE SUMMARY

The Nature Conservancy Eastern Caribbean (TNC-EC) Program is developing a long-term integrated conservation project in Grenada and St. Vincent & the Grenadines, through its Grenadines Parks in Peril program. Rare and TNC-EC staff agreed to examine opportunities to collaborate on an ecotourism project in Grenada (including the islands of Carriacou and Petit Martinique) by combining TNC's expertise in threat assessment and eco-regional planning with Rare's expertise in assisting communities with small scale ecotourism enterprises that are compatible with biodiversity conservation. This analysis of the potential for new ecotourism enterprise opportunities in Grenada has been generated from the joint efforts of TNC-EC and Rare staff during two work missions to and assessments in Grenada.

Grenada continues to thrive as tourism destinations by selling themselves as "the Caribbean as it originally was." Recent developments such as the new cruise shipping pier being built in St. George's and the major 18-hole golf and all-inclusive resort under construction in Sauteurs show that pressures for mainstream mass tourism are mounting. The current Rare and TNC-EC efforts have focused on working with Grenadian stakeholders to co-develop innovative ecotourism products that balance economic development, community improvement and ecological conservation.

Based upon our work missions to Grenada and Carriacou and subsequent analyses, Rare recommends training local persons from Grenada to form five community ecotourism entities that would be locally managed by 8 Ecotourism Promoters and staffed by 18 trained interpretive bilingual nature guides. The various ecotourism products/services and organizational entities will be developed concurrent with training programs. After the initial launch phase, Rare's Enterprise Development Program will provide one-year of on-going technical assistance for the start-ups, assisting them to promote business initiatives to national and international markets. In addition to skills and guide training, we also recommend two trails systems in Carriacou – creating an aquatic interpretive trail for snorkeling, and improving the existing Bel Air trail – as part of our suite of solutions. The final section of this technical report provides a succinct summary of the products and services to be developed, their associated geographical location in Grenada, and required local partners.

INTRODUCTION

I. Rare's Methodology

Reducing human-induced threats to the environment is the underlying objective of Rare's work in conservation. To achieve it, Rare strives to develop replicable methods that enable local conservationists to address the root causes of biodiversity loss: economic necessity, public apathy, and population growth. Rare's work in ecotourism focuses on development of small scale, locally-owned tourism ventures that encourage conservation.

Rare's Enterprises program supports participatory, community-based approaches to sustainable ecotourism planning and development. Rare Enterprises interventions include:

- Nature Guide Training Programs that train local people in the language and interpretation skills needed to become professional nature guides
- Training Ecotourism Promoters as local facilitators to help spawn a new generation of ecotourism entrepreneurs
- Enterprise Development that links with the Nature Guide Training and Promoter Training programs and prescribe the fundamental process for developing and executing a business plan
- Ecotourism Alliances that offer locally-run ecotourism companies much needed access to local and international markets
- Trails Programs to assist NGOs and protected areas with the design, implementation, and management of revenue-generating, low impact nature trails
- Entrepreneurs Fund that provide small enterprises with access to loans needed to establish operations

Before implementing any of these initiatives, Rare works with local NGOs, community leaders and tourism representatives to assess the potential for small scale ecotourism development. During these efforts, Rare also assesses current market trends, evaluates the success of established and potential products, and evaluates the key capabilities of existing stakeholders.

II. Site Assessment

During this project, we conducted two assessments, totaling 15 days. The first visit to Carriacou and Petit Martinique, in November 2003, was conducted by Rare's Vice President for Programs, Paul Butler, and Enterprise

Program Director, James Dion. The second site visit to Grenada was conducted by Dion and Rare's MBA intern, Kenneth Lim.[1]

During the site assessments, the project team sought to:

- Assess key terrestrial and marine tourism attractions in Grenada
- Visit communities and their corresponding ecotourism sites to assess, observe and/or participate in existing ecotourism activities
- Facilitate a series of stakeholder workshops (including NGOs, in-bound tour operators, private tourism service providers, community members and government officials) in order to launch interaction with key stakeholders
- Conduct assessments of key and basic infrastructure (including electricity, water, and health care) that support the tourism industry
- Conduct written visitor surveys and verbal interviews in Grenada and Carriacou to better understand visitor profiles and to gauge demand for eco and nature-based tourism products

III. Reports

The Rare project team has created two reports: (i) Detailed trip report; and (ii) Final technical report. The detailed trip report summarized each site visit, provided a narrative description of the assessment process, and listed all individuals and organizations contacted in Grenada. These reports were submitted to TNC-EC two weeks after the site assessment.

This, the technical report, is the final deliverable of the site assessment process. It contains the results of a comprehensive demand and supply side analysis of small scale ecotourism development opportunities for Grenada. The supply and demand side analysis process included a site inventory and scorecard of ecotourism attractions, interviews with key stakeholders, and surveys of key market sectors. This technical report:

- Determines the feasibility of implementing specific ecotourism development programs in Grenada;
- Identifies key partnerships required to develop these initiatives; and
- Recognizes the capacities and capabilities needed for community based ecotourism enterprises

[1] See Appendix 1 for brief bios of Rare's project team.

INDUSTRY ANALYSIS

We attempt to understand the small-scale tourism industry in Grenada by performing a business analysis for a few key tourism-related sub sectors in Grenada and Carriacou; these sub-sectors include: (a) taxi services; (b) tour guiding (historical, bicycling, and nature-based); (c) craft production; (d) craft retailing; (e) sailing instruction; and (f) restaurants.[2]

I. Suppliers

Enterprises require varied inputs, depending on the specific type of business. Exhibit 1 shows each of the sub sectors considered and its primary supplier(s).

[2] We further analyze specific sub-sectors based upon visitor-recommended business ideas and demand as gauged by visitor surveys (Exhibit 32). Activities with at least a low-to-moderate demand rating are further analyzed as possible enterprise opportunities.

Exhibit 1: Summary of Suppliers and Supplier Power across Various Business Segments

Business Segment	Major Supplier(s)	Supplier Power
Craft Manufacturing	• Material Supplier	***Medium*** • Depending on the specific craft being manufactured, manufacturers may or may not have difficulty sourcing raw materials.
Craft Retailing	• Craft wholesaler	***Medium to High*** • Successful wholesalers tend to be large and supply a broad spectrum of retailers on the islands at fixed catalog prices; this is especially true of the "Made in China" type of crafts. However, craft retailers purchasing from local manufacturers tend to be able to exercise more buying power over the local manufacturers and wholesalers since local manufacturers (especially those newly-started) tend to be more inexperienced and desperate to move their products out to market.
Sailing	• Water craft equipment • Hoteliers	***Low to Medium*** • Purchasing small sail craft should not pose a large hurdle to sailing operators • Access to prime beach property might be a challenge, since operating off a main beach (such as Grand Anse) might require negotiating with a hotel for beach access
Restaurant	• Wholesale produce suppliers	***Medium*** • Island economies are not conducive to restaurant owners being able to choose from a wide number of produce suppliers, especially for restaurants that rely on imported, rather than locally-grown foods
Taxi	• Vehicle owner	***Low*** • Taxi operators can circumvent vehicle supplier by owning vehicles themselves
Tour Guiding	• Interpretation and guiding trainers • Transportation providers	***Low*** • Government offers guiding certification, but these are not mandatory to establish guiding services; • Tour guides may own their own transportation and not have to rely on an external supplier for transportation. Additionally, hiking guides or bicycling guides rely even less on transportation providers

II. Buyers

Broadly defined, the buyers to tourism or ecotourism services or products will include both the travelers that directly purchase the service or product and other marketing channels that bring the buyers (travelers) to the enterprise. In Grenada and Carriacou, local enterprises depend on indirect "purchases" from other partners such as hotels, cruise ships, and larger tour resellers such as Huggins. These entities may either purchase the service and resell them to the travelers or are marketing partners and conduits for the enterprise to gain access to tourists. In Grenada and Carriacou, guided hiking services, for example, depend on small cruise ships (the Windjammer) or hotels to supply their customers.

Individual tourists exert low buying power, but indirect buyers (such as tour reseller, Huggins) may exert great influence and hold the key for certain businesses to access large numbers of tourists. Most enterprises considered here, except tour guiding and water sports services, rely primarily on free and independent travelers (FIT) rather than re-sellers for their business. As such, buyer power is generally low.

III. Barriers to Entry

By definition, small enterprises generally exhibit low barriers to entry. This is no different for the tourist segments considered here. The table in Exhibit 2 summarizes each sector and its corresponding level of entry barrier.

Exhibit 2: Evaluation of Entry Barriers across Business Segments

Business Segment	Capital Expenditure	Regulatory Requirements	Specialized Expertise	Overall Entry Barrier
Craft Manufacturing				
Craft Retailing				
Sailing				
Restaurant				
Taxi				
Tour Guiding				

Key

Low	Low to Moderate	Moderate	Moderate to High	High

Opportunities may exist within certain enterprise sectors to raise barriers to entry. In tour guiding for example, certain guiding services, such as wildlife watching, will require specialized training and guiding expertise, thereby raising the bar for new entrants. Likewise, a government-imposed guiding certification in the future may also raise barriers to entry in this segment. No such imposition currently exists in Grenada or Carriacou.

IV. Substitutes

Services such as nature guiding or taxi services face high substitution threats since tourists can choose to sightsee on their own, use public transportation, or drive themselves. Other service providers such as restaurants face a lower threat of substitution. In the craft sector, substitutes are other services being offered that compete for the tourists' expendable travel budget. With the plethora of activities and retailers on Grenada, the threat of substitutes is high. However, in Carriacou, where fewer tourism services are offered, substitution threat is lower.

V. Competition

Competition within the various enterprise sectors is moderate to high in Grenada but low to moderate in Carriacou. Levels of competition are summarized in Exhibit 3.

Exhibit 3: Evaluation of Competition Level across Business Segments

	Level of Competition		
Business Segment	**Grenada (St. George's)**	**Grenada (Other)**	**Carriacou**
Craft Manufacturing			
Craft Retailing			
Sailing Instruction			
Restaurant			
Taxi			
Tour Guiding			

Key

Low	**Low to Moderate**	**Moderate**	**Moderate to High**	**High**

The matrix table indicates that limited opportunities exist for new enterprise development in and around St. George's. However, certain specialized services such as hiking or historical guiding services may provide sufficient points of differentiation to warrant a local entrepreneur or existing tour guide to explore such avenues.

STAKEHOLDER (SUPPLIER) ANALYSIS

The project team sought to understand the supplier profile better by interviewing government, private, community-based and non-governmental agencies as well as by evaluating select ecotourism attractions in Grenada and Carriacou. This enabled us to develop strategies and to preliminarily recommend product development based upon suppliers' resources, capabilities, and intent.

I. Methodology

The team used three methods to develop the supplier profile:

- Stakeholder Workshops;
- Stakeholder Interviews; and
- Ecotourism Inventory and Assessment of Site Attractions

1) Stakeholder Workshops

Five stakeholder workshops were conducted in parishes across Grenada while two were held on Carriacou. We used the Technology of Participation (ToP) methodology and sticky walls to meet our objectives in these two-hour and half-day workshops. The following sections highlight key objectives, general procedures and notable participants in the seven workshops.

Workshops 1 and 2 (St. George's)

The workshops aimed to identify:

- Potential new tourism attractions and activities
- New ecotourism business development opportunities
- Existing and additional capabilities and capacities required to service new markets
- Market supplier profile to compliment the market demand profile

Private sector tour operators, service providers and government representatives attended these first two workshops. The second workshop also included professors from the University of St. George's. The workshop facilitated a focused conversation and participatory planning to gather data on the participants' perceptions of the current demand for different ecotourism products currently being offered to visitors. Participants were also asked to identify possible new entry points for small businesses to supply tourism services.

Following a brief introduction in which the team introduced Rare, TNC, and workshop goals, participants were asked to indicate what type of tourism activities they thought visitors demanded. Of the activities suggested, participants then categorized these as existing or new business ventures, and also ranked these according to probability of success/profitability. Finally, the project team also gathered participants' suggestions on the capacities needed to develop the suggested new business ideas.

Workshops 3 – 5 (St. Andrew's and St. Patrick's)

These workshops were organized by cluster groups and included community-based organizations (CBO), local leaders, and private businesses. Amongst these, two parish development organizations and the River Sallee Development Group were also in attendance. Objectives and procedures mirrored those in workshops 1 and 2.

Workshops 6 and 7 (Carriacou)

The project team also conducted these workshops like the other 5. In addition, however, participants were asked to identify and rank attractions, other than the beach, on Carriacou as well as identify barriers to developing these site attractions.

A total of 62 people participated across these seven stakeholder workshops, with participants representing all Grenadian parishes, Carriacou and Petit Martinique.

2) Stakeholder Interviews

We interviewed representatives from the government, communities, CBOs, conservation NGOs, service providers, community representatives, and individual guides. Interview questions varied by interviewees' backgrounds; we used these responses to develop a SWOT analysis of the potential for small ecotourism business development. Specifically, we posed the following questions to stakeholders:

- What are potential new, underdeveloped or under serviced tourism attractions and activities?
- What are some new ecotourism business development opportunities?
- What are the capabilities and capacities that will need to be developed for business to be successful to enter these markets?
- What are the barriers or obstacles that could keep new business opportunities from being successful?

The project team interviewed 21 persons, 9 in Grenada and 12 in Carriacou.

3) Ecotourism Inventory and Assessment of Site Attractions

The site assessment uses a scorecard approach, sub-divided into two main categories:

General Ecotourism Site Factors

These are factors that apply to the overall area being assessed for the eco-installation, including trails, biodiversity, attractions, activities, interpretive information, on site services, and ecology.

Ecotourism Installation Site Specific Factors

These factors include site-specific environmental conditions, existing infrastructure, cultural/social conditions, and legal/political conditions.

Factors were rated on a 5-point scale (5, or "Excellent," being the highest and 1, or "Poor," being the lowest). A "5" rating characterizes the factor as high quality by international standards. At the other end of the spectrum, a "1" rating characterizes the factor as being unsuitable for commercial tourism at an international level. We have not taken local norms of tourism expectations into account when weighing these factors. Each factor is assigned a rating based upon a percentile score of the total points possible. The project team assessed attractions by clusters: St. George's, St. John's, St. Patrick's, St. David's, St. Andrew's, and Carriacou/Petit Martinique.

II. Stakeholder Workshop Results and Analysis

1) Workshops 1 & 2 (St. George's Cluster)

Results

Stakeholders' suggested key attractions, business opportunities, and required capabilities are summarized in Exhibit 4.

Exhibit 4: St. George's Cluster Workshop Results

KEYATTRACTIONS	OPPORTUNITIES
• Environment • Historical Sites • Cultural Exchange Activities • Nature Observation • Food and Crafts • Safety • Friendliness	• Belmont Estate restoration • Aquatic tours • Food products and food fairs • Plantation house restoration into inns • Cultural and historical tours • Turtle watching (Levera Beach) • Hiking at Seven Sisters Falls • Mt. Hartman Dove Sancutary
CAPACITIES NEEDED	
• Business planning • Financing/Investment • Tourism skills development • Infrastructure • Marketing • Government policies	

Analysis

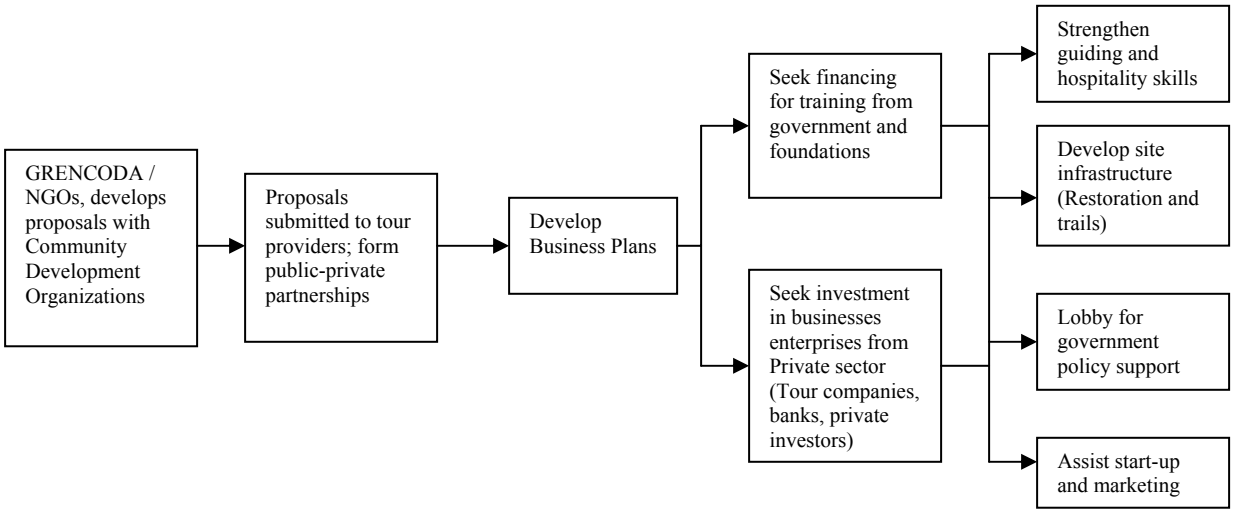
St. George's and the southern peninsula is the hub of tourism in Grenada. Both the existing and planned cruise ship terminals are located in the town of St. George's, as is the yacht club and marina. Hotels, clustered around the inlets of the southern peninsula, focus on the tourism anchor points at Grande Anse, Mourne Rouge and the Pink Gin beaches. Service providers (e.g. dive companies, boat operators, and inland tour operators) are also located close to the hotels, cruise ships and, to a lesser degree, the yachts and charter boats.

In general, only a small number of tour operators have direct access to the cruise ship management. Tour providers who do not have access to the cruise ships and hotels must sell tours through an intermediary provider who does have this access. Commissions can therefore add as much as 100% of the base price of the tour provider; tour providers without direct hotel/cruise ship access are therefore at a pricing disadvantage.

To mitigate this, entrepreneurs and communities will need to partner with local development organizations (GRENCODA) and / or with other international or national NGOs. The community or entrepreneur and its sponsor

(e.g. GRENCODA) will co-develop business proposals to submit to the private business individuals or existing local private tourism companies. If a public-private partnership ensues, the alliance would proceed to develop a full-blown business plan for the venture. The partnership will also seek financing for training and site development from government agencies, foundations, and international development agencies. Exhibit 5 shows this business development concept for the St. George's cluster.

Exhibit 5: Potential Business Development Concept for St. George's Cluster



2) Workshop 3 (Grenville, St. Andrew's Cluster)

Results

Stakeholders in these workshops suggested key attractions, business opportunities, and required capabilities as summarized in Exhibit 6.

Exhibit 6: Grenville Cluster Workshop Results

KEY ATTRACTIONS	OPPORTUNITIES
• Cultural Exchange Activities • Historical Sites • Nature Observation • Food and Crafts • Hospitality Services and Small Inns	• Local festivals (e.g St. Patrick's Fiesta, Sanaka native dancing, farmer's night market) • Cottage industries (e.g. food at Bathway Beach, pottery, weaving, visual arts, cooking classes, Laura Spice Gardens) • Turtle watching at Levera • Amerindian historical sites (e.g. Caribs' Leap, Carib Stone, and Amerindian Historical Trail) • Plantation house restoration into inns (e.g. Belmont, Mt. Rodney Estate, Mt. Pleasant Estate) • Historical Tours (Fedon Camp, Slave Pen, Natural Works Rum Distillery) • Nature Hikes (Tufton Hall waterfall, Seven Sisters falls, Petite Etang trails, Grand Etang trails, La Sagesse trails, Sulphur and Boiling Hot Springs, coastal trails)
CAPACITIES NEEDED	
• Financing • Guide training • Tourism service skills development • Nature trails and site development • Marketing • Small business development training	

Analysis

The existing CDOs should develop project proposals to initiate and develop:

- Community led tours to Fedon Camp historical sites;
- Amerindian historical trail and interpretive nature coastal hikes;
- Agriculture-based and other crafts; and
- Farmers Night Market

Restoring plantation houses into local inns would be best left to private sector or a combination of private sector and governmental efforts, since the financing and skills sets required present a challenge to entrepreneurs and small communities. If communities were to attempt developing and restoring plantation houses, they would need to seek governmental support from agencies such as the Ministry of Tourism or Forestry Department. They would also need to obtain the buy-in from owners of historical land to develop or refurbish any infrastructure. In any of the above recommended business opportunities, CBOs still require assistance in seeking financing, guide training (in certain ventures), business skills training, and marketing.

3) Workshop 4 (River Sallee, St. Andrew's Cluster)

Results

Stakeholders in these workshops suggested key attractions, business opportunities, and required capabilities as summarized in Exhibit 7.

Exhibit 7: River Sallie Cluster Workshop Results

KEY ATTRACTIONS	OPPORTUNITIES
• Cultural Exchange Activities • Historical Sites • Nature Observation • Food and Crafts	• Interpretive tours of Bathway Beach and coastal zone; local food offerings • Heritage tours at Slave Pen, L'etage Hermitage, Sulphur Springs, local rum distillery, organic farm, Belmont Estate, and Bathway Beach • Sanaka native dance at River Sallie or other historical site(s) • Cottage industries including food and arts/crafts with retail outlets at Bathway Beach, Levera visitors' center, Boiling Spring, and River Sallie • Turtle watching at Levera (tours to observe Ocean Spirits' turtle monitoring project) and coastal nature interpretive hikes
CAPACITIES NEEDED	
• Financing • Guide and language training • Transportation and logistics • Marketing • Small business development training	

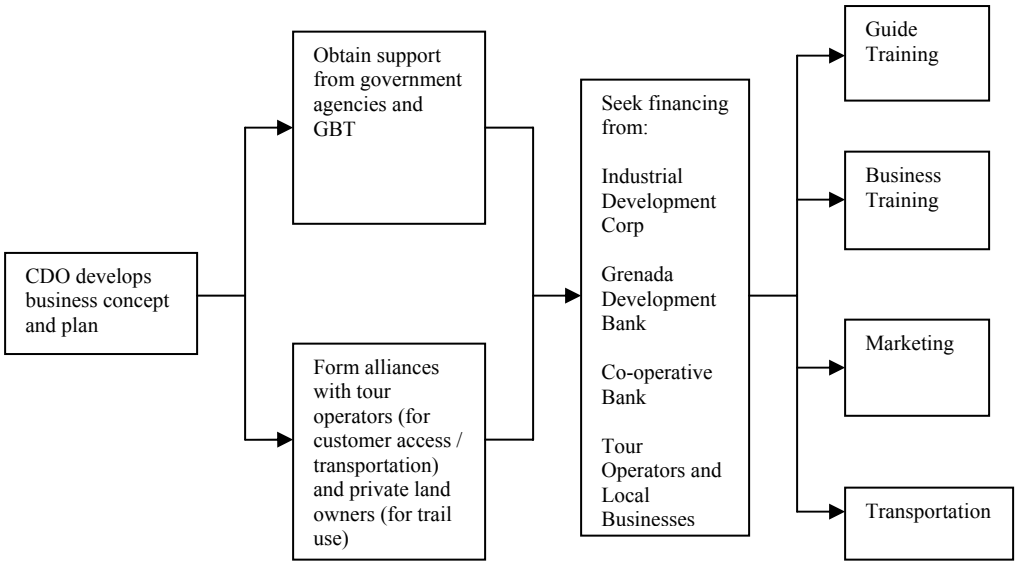
Analysis

The CDO should develop proposals for developing community led interpretive tours involving folklore and centered on a community visit experience. These can involve activities such as an interpretive nature coastal hike at Bathway beach, traditional food tasting, local folktales, Sanaka native dance demonstration, and visits to Boiling

Springs. The community organization can partner with Ocean Spirits (a local environmental NGO) to support Levera Turtle Watching tours. Ocean Spirits could also use the River Sallee cultural exchange itinerary as an activity for their volunteer tourists.

It is crucial to partner with St. George's based tour providers to either sell the tours to the hotel and cruise ship agents or add these local stops and activities to the tour providers' itineraries in the north of the island. Government agencies, especially the Grenada Board of Tourism (GBT), will be an important stakeholder to bring on-board. Transportation is considered a key issue. If the community co-operatives can develop a transportation company to move customers between sites and to and from gateways such as St. George's and the golf and residential resort under construction in Levera, they will be able to better compete for visitors.

Exhibit 8: Potential Business Development Concept for River Sallie Cluster



4) Workshop 5 (Sauteurs, St. Patrick's Cluster)

Results

Stakeholders in these workshops suggested key attractions, business opportunities, and required capabilities as summarized in Exhibit 9.

Exhibit 9: Sauteurs Cluster Workshop Results

KEY ATTRACTIONS	OPPORTUNITIES
• Cultural Exchange Activities • Historical Sites • Food and Crafts	• St. Patrick's fiesta (an annual fiesta of food and music that is repeated weekly during high tourist season) • Food festivals and cooking classes to include retail sales of locally produced foods and crafts • Caribs Leap and Carib Stone site renovation to allow for interpretive tours and restaurants; tours that tie Amerindian history with the Mt. Rodney estate tour and Sauteurs Bay beaches • Crafts (e.g. pottery, straw, wood work, and visual arts)
CAPACITIES NEEDED	
• Financing • Small business development training • Guide and language training • Historical site renovation and development	

Analysis

Located in the town of Sauteurs, the Caribs Leap site would form a focal point for developing the community of Sauteurs as a cultural exchange destination, highlighting Amerindian history, the colonial era, post slavery and modern history of Grenada. Caribs Leap site should be renovated to take advantage of the sea views. A cultural center at the site would offer interpretation and host periodic food festivals and arts and crafts shows. Cooking classes could also be offered. Nature tours here would include Levera, Mt. St. Catherine trails and Sauteurs Bay beaches. Amerindian History tours would include Caribs Leap, Carib Stone (glyphs), sulphur spring and trails. History tours would include Sauteurs town, Mt Rodney estate, Morne Fendue, Sulphur Spring and Sauteurs Bay beaches. CBOs must first obtain financial support and technical assistance from GRENCODA and the Ministry of Agriculture (for use of Skills Training Center and facility to base project) as well as the GBT. The government would be responsible for renovating Caribs Leap, while the community organization would develop the destination activities. Final development proposals will be submitted to the Ministry of Finance for approval, with subsequent requests made to the Industrial Development Corporation, Grenada Development Bank and private cooperative bank for actual financing. Community members will also require business training, guiding and hospitality training. Organizational development and project management should also be part of the training programs.

5) Workshop 6 (Carriacou & Petit Martinique Cluster)

Results

Stakeholders in these workshops suggested key attractions, business opportunities, and required capabilities as summarized in Exhibit 10.

Exhibit 10: Carriacou/Petit Martinique Cluster Workshop Results

KEY ATTRACTIONS	OPPORTUNITIES
• Landscape and vistas • Nature observation • Historical sites • Environment • Cultural exchange • Small size and island diversity	• Turtle watching at White Island, Anse la Roche, and La Pelle • Bel Air site restoration • Aquatic (snorkeling) trail at Sandy Island and White Island • Mangrove nature trails at Harvey Vale and La Pelle • Hiking trails at High North, Piton trail, and Petit Martinique • Local festivals (e.g. Maroon, Carnival, and Parang) • Half- and full-day island tours
CAPACITIES NEEDED	
• Financing • Guide training • Tourism skills development • Business planning • Marketing • Trails development • Historical site restoration	

Analysis

Kido Foundation and the Carriacou Environmental Committee (CEC), both local NGOs, are key players to tourism enterprise development in Carriacou. Both agencies would need to propose concepts and obtain buy-in from the GBT. Assuming these agencies can secure funding for any one or more projects, project training for local nature guides, boat operators, and taxi drivers would also be needed. Finally, Kido and CEC will also support community-level business planning and development.

III. Stakeholder Interviews

The team interviewed 21 individual tourism suppliers, 9 in Grenada, and 12 in Carriacou. Interviewees included government officials (Ministry of Forestry, Agriculture, Fisheries and the Grenada Board of Tourism), private sector tour operators and business people, local guides, as well as community development CBOs and NGOs. We used interview results to generate a SWOT analysis of the tourism segment, which we have summarized below (the full SWOT analysis is found in Appendix 2).

1) Strengths

Grenada's strengths as a tourism destination can best be summarized by the following factors:

- Established tourism infrastructure
- Safe and tranquil
- Varied ecosystem on the main and neighboring islands
- High visitor satisfaction, as indicated by large percentage of returning visitors
- Large numbers of underdeveloped destinations
- Stakeholder awareness of eco- and small-scale tourism as a positive means of community development and income generation

2) Weaknesses

A few private tour operators, most notably Huggins Inc., control access to the two most vital market sources of customers for new tourism products, cruise ship visitors and the hotels clustered in the tourist zone in and around Grand Anse. Producer prices to the sales agents / operators, who then resell them to the ship and hotel hospitality managers are marked up to 100%. This represents a major barrier to new entrants in the market.

3) Opportunities

Local initiatives are key to developing new sites. However, most local service is considered to be fair to poor so their service potential is considered low. Although poor financing and inexperience stymie many local initiatives, alliances with tour providers to package tours and manage the planning and logistics will assist communities (or individual entrepreneurs) to concentrate on developing the visitor experience at sites. Interviewees identified a wide range of new tourism products being developed; they also cited new opportunities and ways to improve upon existing destinations.

Efforts to decentralize tourism from the St. George's area can be viewed both as an opportunity and threat. St. David's is growing as a visitor site with new boutique hotels and services at Petit Bacaye and nearby peninsulas. The St. David's cluster exhibits the greatest potential for a site cluster development approach to link tour providers and facilities to community programs. The Levera project is also an attempt to decentralize tourism on the island and increase visitation. However Levera, as indicated by a major golf resort being developed, also represents a shift to the mass tourism development, a trend that the island has thus far avoided.

4) Threats

Stakeholders cited restricted access to markets, high commissions, poor local tourism skill levels and inadequate financing as the predominant barriers to successful local ecotourism enterprises. Interviewees also felt threatened by cruise shipping growth and all-inclusive hotel. The world-class golf course, hotel / resort complex and high-end residence development currently under construction in Levera was the single most cited threat to the viability of small-scale ecotourism development. The Levera project is seen as potentially changing the character of tourism and communities on Grenada and the island's image, representing a shift in principal by the government to mass tourism. At the local scale the direct impacts from building a golf course and complex of this size and adjacent to one of the most important leatherback sea turtle nesting sites in the Caribbean (Levera), as well as the impact of water run off, contamination and the draining of Levera Pond is unknown, but potentially large.

IV. Ecotourism Inventory and Assessment of Site Attractions

Surveyed sites in Grenada showed scores of either Very Good or Good. This indicates that site attractions have a high development potential as ecotourism sites. For the island of Carriacou itself, the sites are considered to have only a Fair level of current potential, indicating that investment in ecotourism development at these sites could entail a high risk. The island sites (e.g. Sandy and White Islands) however, indicate a more favorable current potential for development with results in the Very Good range. Exhibits 11 and 12 show the percentage scores of various individual sites and site clusters in Grenada and Carriacou. Appendix 3 provides a verbal explanation of each of the five point ratings.

Exhibit 11: Grenada Cluster Site Inventory Results

	St. George	St. John	St. Patrick	St David	St Andrew
Trails	6	14	14	14	12
Biodiversity	15	13	14	14	14
Attractions	18	14	16	16	16
Activities	10	10	8	8	8
Interpretation	17	10	13	13	13
On Site Services	27	17	13	14	14
Rapid Biological Assessment	12	20	14	16	9
Environmental Conditions	26	27	16	26	24
Infrastructure	29	29	26	28	28
Cultural / Social Conditions	24	24	28	22	22
Legal / Political Conditions	8	8	8	8	8
TOTAL: (Raw Score and % of 265 total possible points)	**192 (72%)**	**186 (70%)**	**179 (68%)**	**179 (68%)**	**168 (68%)**
Rating (Poor to Very Good)	**VG**	**VG**	**G**	**G**	**G**

Exhibit 12: Carriacou/Petit Martinique Cluster Site Inventory Results

	La Pelle	High North	Belair	White, Frigate, Saline Islands	Sandy Island	Petite Martinique
Trails	13	13	9	12	14	10
Biodiversity	10	10	15	18	16	13
Attractions	16	16	14	18	18	16
Activities	8	8	8	10	10	9
Interpretation	10	9	8	12	13	4
On Site Services	17	17	23	21	25	15
Rapid Biological Assessment	10	17	14	15	13	9
Environmental Conditions	19	20	26	28	19	22
Infrastructure	20	20	24	23	24	27
Cultural / Social Conditions	17	17	23	25	28	15
Legal / Political Conditions	7	7	7	7	9	5
TOTAL: (Raw Score and % of 265 total possible points)	**147 (55%)**	**154 (58%)**	**179 (68%)**	**189 (71%)**	**189 (71%)**	**145 (55%)**
Rating (Poor to Very Good)	**F**	**F**	**G**	**VG**	**VG**	**F**

V. Recommended Supplier-Driven Enterprises

The workshops and interviews identified the sites and destinations for new ecotourism ventures. Exhibits 13 and 14 present summaries of the community locations / community partners and associated tour products / services recommended by the suppliers with whom our project team interacted.

Exhibit 13: Recommendations for New Enterprises by Grenada Suppliers

Parish	Tour Products / Services
St George's	**Aquatic Tours** – Interpretive / observation, surface boat tours of reef and littoral ecosystems. Key attractions include dolphins, whales and reefs. Marine fly fishing for Snook and Tarpon
St. Mark's, **St. Patrick's, St. Andrew's, St. David's, St. George's, St. John's**	**Restoration Tour - Plantation Houses / Inns / Gardens and Distillaries** – Belmont Estate developed as a destination. Other estates developed into inns include Pleasant Estate, Mt. Rodney Estate and Morne Fendue. Laura Spice Gardens, La Sagesse Nature Center, St George Gardens, Taiwan Botanical Gardens, Bay Gardens, Natural Works Distillery, Woburn Distillery and Sugar Factory, River Antoine Distillery
St. Patrick's, St. Andrew's,	**Amerindian Trail** – Bus / van Interpretive tours to pre-Columbian Carib and Arawak destination sites. Destination sites include Caribs' Leap, Carib Stone, Boiling Spring, Levera, Bathway Beach, Grand Etang, and Tufton Hall Waterfall
St. Patrick's	**Turtle Watching** – Ocean Spirits runs seasonal sea turtle monitoring project at Levera Beach. Night time tours for organized groups.
St. Mark's, **St. Patrick's, St. Andrew's, St. David's, St. George's, St. John's**	**Waterfall Tours** – Day tours focusing on the abundant falls on the island including Seven Sisters, Tufton Hall, Royal Mt Carmen, Annadale, St. Margaret, Concord, and Rosemont
St. George's	**Mt. Hartman National Park (Dove Sanctuary)** – Interpretive day tours to dry forest reserve and observation of island's only endemic bird.
St. Andrew's	**Sanaka Native Dance and Farmers Night Market –** Interpretive local culture tour to visit the farmers evening market in Grenville and attend folkloric dance revue.
St. Patrick's, St. Andrew, St. Mark's, St David's	**Cottage Industries –** Branded foods (spices, cookbooks, fruit jellies and jams) and crafts (weaving, jewelry, visual art) to be sold at producer-owned shops at certain sites (Belmont Estate, Bathway Beach, Sauteurs) and wholesaled to shops in St. George including the airport. Export marketing / mail order outlets.
ALL	**Education Tours** – Package tours for St. George's University (SGU) Students. Develop academic / study tours with SGU professors for field trips with students, retreats, seminars etc.

Exhibit 14: Recommendations for New Enterprises by Carriacou Suppliers

Community Partners	Tour Products / Services
KIDO	**Turtle Watching / Monitoring –** The NGO KIDO runs a sea turtle monitoring project on north of the island. Evening tours may be suitable for the St. George's hotel, cruise and yacht markets as well as for yacht and FIT visitors already on Carriacou.
Boat for Hire Operators / Tourism Board	**1. Turtle Watching** Guided, interpretive tours to White Island to observe turtles. Itinerary also includes snorkeling, swimming and beaches on Saline and Sandy Islands. **2. Aquatic Trail** Aquatic trail, with underwater signage and / or laminated interpretive handouts located as the drift snorkeling area between White and Saline Islands. **3. Swimming and Snorkeling** Improve and standardize services and pricing for Sandy Island visits.
Taxi Drivers / Local Guides / KIDO / CEC / Tourism Board	**Half-Day Island Tour –** Multiple itineraries can be offered including one for history of the island one for nature of the island. Taxi drivers are the natural service providers, with point of sale arranged from Tourism Board Visitor center at the Hillsborough dock and at Tyrrel Bay marina. Taxi drivers would be either trained to be, or work with, nature and history guides for 2 to 4 hour tours to sites that focus on history / landscapes including Belair, Dumfries, Belmont, Winward, L'Esterre and Tyrell Bay. Half-day nature tours could inlude hikes in Belair along with either High North, Anse La Roche or L'Apelle mangroves.
Taxi Drivers / Local Guides / KIDO / CEC / Tourism Board	**Full Day Island Tour -** One-day tour to all sites on the island. All day nature tour will include trails in High North, Belair, Anse La Roche, and La Chapelle.
Tourism Board	**Belair Historical Site** – Restoration is planned. Marketing and services, especially guide training components need to be developed.
CEC / KIDO	**Mangrove - Nature Trail Tour/ Anse La Roche to L'Apelle –** Conservation tour organized and managed by KIDO / CEC
CEC / KIDO	**High North – Nature Trails and Overlook:** Conservation tour organized and managed by KIDO / CEC
Tourism Board CEC / Local Guides / Taxi Drivers	**Cultural Festivals – Maroon and Parang:** Currently being marketed by tourism board but sites, guides, as well as marketing and management need additional support.

VISITOR (DEMAND) ANALYSIS

The project team surveyed and interviewed visitors to Grenada and Carriacou to better understand visitor profiles. This assisted us in strategizing and recommending nature-based tourism products that address conservation and visitor demand / preference. The following sections provide demographic and partial psychographics information on visitors surveyed. From the analysis, we draw preliminary conclusions on such visitors' inclinations for certain types of tourism activities. Understanding this demand will guide us further refine our analysis for viable community-driven, nature-based tourism products.

I. Survey Methodology and Sample

The Rare project team employed three written surveys (two versions for Carriacou visitors and one for Grenada visitors). Each of the nearly 20 questions on the survey was revised from earlier Rare visitor surveys conducted in other assessments. Our survey methodology opted to sample respondents that were broadly representative of the tourist population that visited these two islands within the financial and time constraints of this study. We sampled people in Carriacou at (1) the Windjammer Cruise ship; (2) the Cariacou ferry; and (3) at various locations on Carriacou itself. We sampled people in Grenada at (1) Grand Anse beach; (2) bars and restaurants; and (3) hotels. A sample survey for Carriacou visitors can be found in Appendix 4.

In all, we received over 100 completed surveys. They are disaggregated as follows: 57 Carriacou surveys (33 from the Windjammer passengers) and 55 Grenada surveys. To receive this number of respondents, we attempted to survey close to 200 visitors. Response rates were higher on the Windjammer cruise ship and hotels than at bars, beaches and restaurants. Because our sample sizes are relatively small and the sampling methodology differed between islands, only qualitative, rather than statistical, comparisons can be made between the island samples. [3]

II. Survey Biases

We recognize several limitations to our surveying method. These include:

1) Language barrier. The English survey precluded several non-native English speakers from completing the document
2) Skewed sampling. This was particularly true for the surveys conducted on board the Windjammer. Though we have attempted to use this group as a proximate representation of the 135,000 cruise passengers that arrive in Grenada annually,[4] the Windjammer likely attracts a wealthier demographic and may not necessarily fully represent the cruise shipping industry. Additionally, the surveying venue (e.g. on

[3] Pers. Comm. Peter W. Vaughan Ph.D.
[4] "Annual Statistical Report: 2002," Grenada Board of Tourism (Research and Planning Department).

Grand Anse) also adds a bias since visitors on that beach already exhibit certain preferences. Sampling in an airport, for example, would present a more random sample.

3) Survey format. While written surveys can be convenient for the survey team, they do not always elicit the best or most accurate responses. In some cases, we were able to conduct informal oral (qualitative) surveying in addition to the written survey.

III. Visitor Travel Patterns

Visitors to Grenada and Carriacou rely on a broad array of sources to access information about the two islands (Exhibits 15 and 16). However, data collected shows that over 40% of Carriacou visitors first hear about the island through word of mouth, and often after they have arrived Grenada. This implies that business enterprises on Carriacou should continue to access the tourist market by local publicity at Grenadian hotels or other areas in Grenada where tourists congregate and are likely to share information.

Exhibit 15: How Visitors First Learn About Carriacou

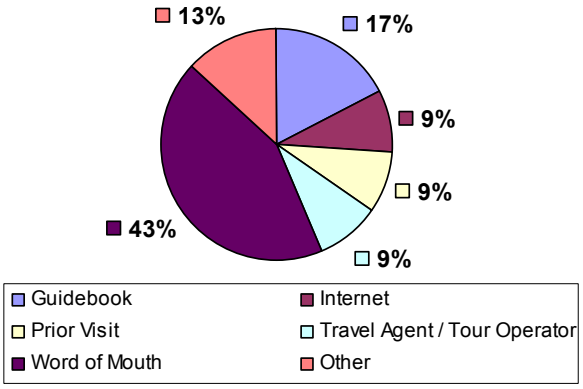
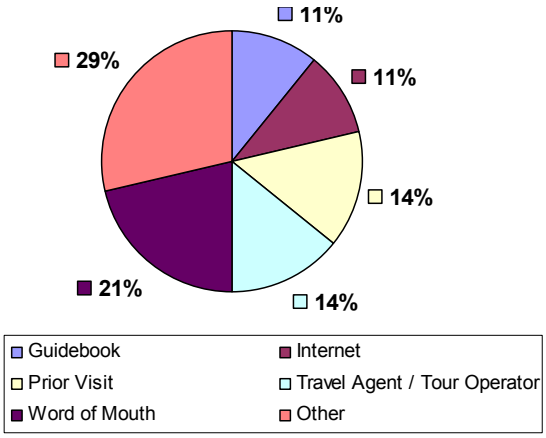


Exhibit 16: How Visitors First Learn About Grenada



As expected, Carriacou is primarily a day trip venue for most visitors. This is wholly true for persons who are on the Windjammer cruise ship. Over 40% of Carriacou visitors stay one day, and over 80% stay less than a week (Exhibit 17). Clearly, any enterprise developed here in the short term must consider the visitors' dearth of time to utilize any service or product offered. Although numerous day-tripping tourists indicated that they would like to stay longer than a day on Carriacou, many could not because they already had pre-arranged hotel arrangements on the main island of Grenada. Additionally, the Osprey ferry schedule only left each visitor approximately five hours on the island. Most visitors to the main island of Grenada, however, stay between a week and two (Exhibit 18).

Both Carriacou and Grenada attract repeat visitors who are quite satisfied with their experiences (See Appendix 4 for visitor interest in returning to these islands); in Carriacou, close to 60% of visitors have been there before, and

in Grenada, almost half have previously made a visit. Many visitors are therefore familiar with the culture and geography of the island; new tourism enterprises must strive to go beyond the tried and true formulas that other service providers already offer.

Exhibit 17: Duration of Stay in Carriacou

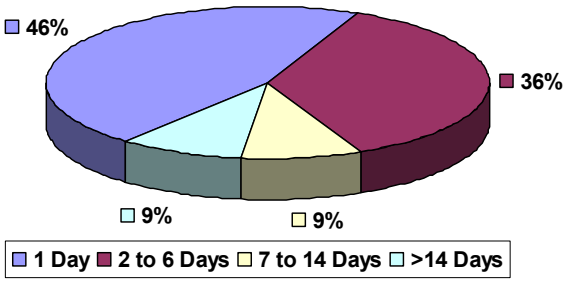
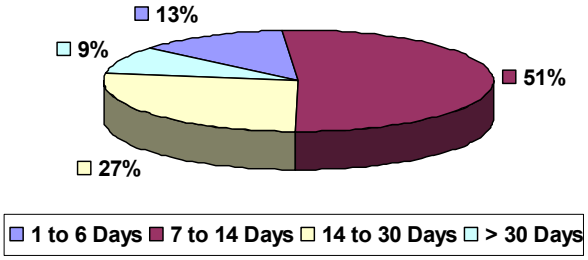


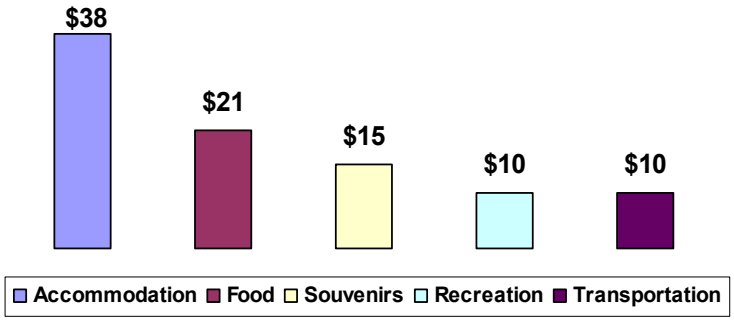
Exhibit 18: Duration of Stay in Grenada



IV. Visitor Spending and Activities

Visitors spend an approximate average of US$90 per person per day in Carriacou if they are not on a cruise ship, while those on a ship like the Windjammer spend roughly $35 per person. These are spread across various categories as indicated in Exhibit 19. We recognize the following biases, however, in our survey's price-related questions:

Exhibit 19: Approximate Daily Carriacou Visitor Spending (US$)



1) Currency denomination. While using EC$ for price-related questions was culturally sensitive, this was not intuitive to tourists, who would have been able to better estimate their spending if the choices were provided in Euros, US dollars, or Pound Sterling.[5]
2) Sampling insufficiency. Only five of the 25 non-Windjammer Carriacou survey respondents were overnight visitors that did not have their own accommodations on the island. As a result, the average accommodation spending is *not* statistically significant.
3) Data interpolation. Spending questions in the survey asked for respondents to select from a spending range. We have selected the mean figure within that range from which to compute statistical analyses.

[5] This was pointed out to the project team by some tour operators during the site assessment; some survey respondents did show difficulty in calculating their spending into EC$.

4) Visitor uncertainty. Several visitors indicated qualitatively that they were on a packaged vacation and are hence uncertain how to disaggregate their accommodation and food spending from the overall package price which often included their airfare as well.

In Grenada, visitors spend an average of nearly US$70 daily, distributed across categories as shown in Exhibit 20. As in the Carriacou analysis, the same statistical and survey biases apply.

Although the exact dollar figure of visitor spending patterns is unclear, we can estimate that on a week-long stay in either Grenada or Carriacou, visitors are not spending much more than US$100 to $150 on recreational activities. The "share of the customers' wallet" that new tour- and recreation-related enterprises have to access is therefore fairly small.

On Carriacou, over half of the visitors (including Windjammer passengers) indicated that they spent time on Sandy Island (Exhibit 21). Based upon visitor interests (see following section), we recognize that visitors here are drawn to the beaches and the reefs for snorkeling. Carriacou's selling point and image still revolves around these attractions. Although local communities on this picturesque island may hope to tout and showcase its historical and cultural aspects, they have to realize that with the visitors' time limitations on the island (as indicated earlier), Carriacouan entrepreneurs and service providers must still heed the visitors' desire for aquatic activities to some degree. Based upon conversations with visitors, we feel

Exhibit 20: Approximate Daily Grenada Visitor Spending (US$)

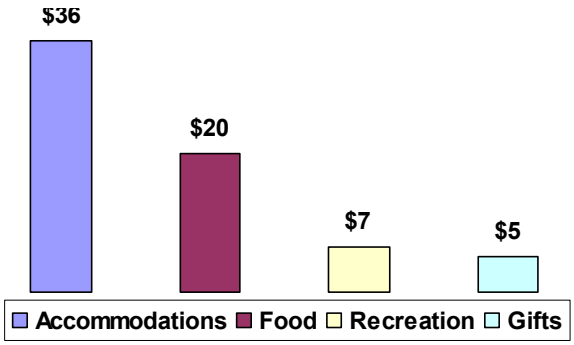


Exhibit 21: Carriacouan Attractions Visited

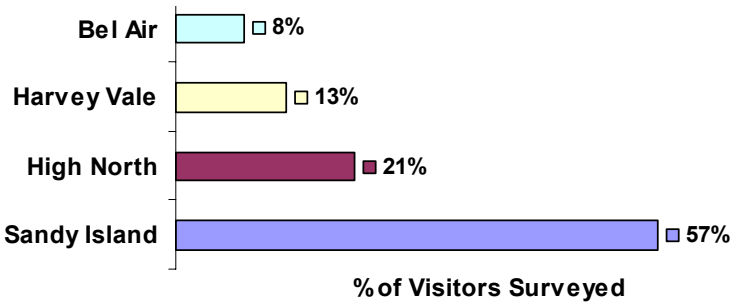
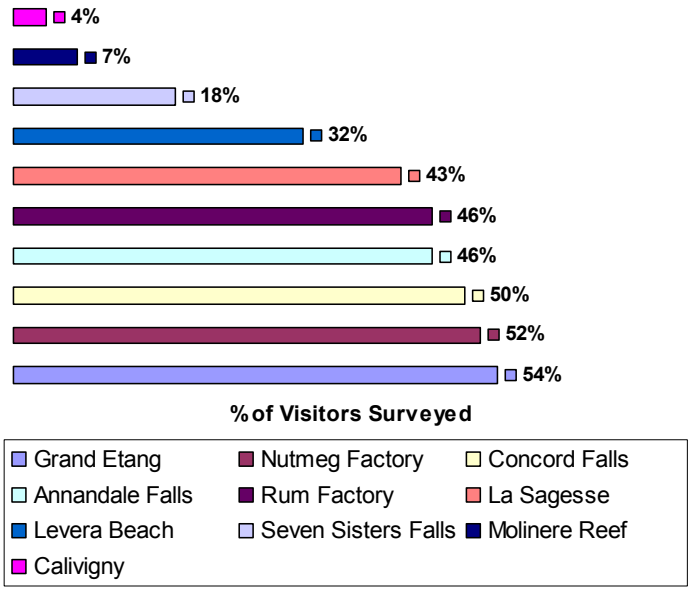


Exhibit 22: Grenadian Attractions Visited



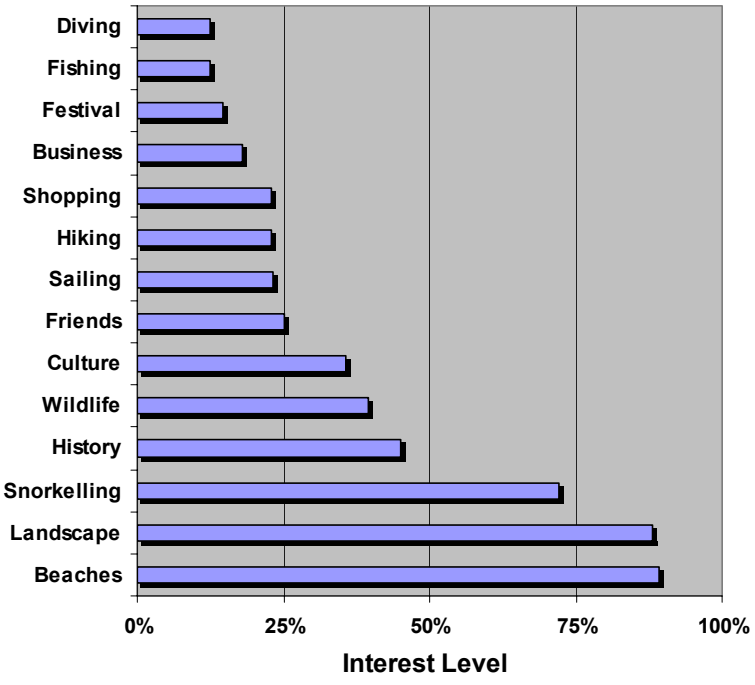
that the survey does not accurately capture the frequency with which tourists visit Bel Air (the "hospital on the hill"). Visitors likely know this location as "the hospital," and not "Bel Air," as was specified in the survey. Tourists on this island are exploring the island fairly independently; 75% indicated that they did not hire a guide or taxi driver, opting either for the public buses or car rentals.

By contrast, many more visitors – close to 50% - are using guides in Grenada. The difference is likely functions of the longer duration that visitors are in Grenada and naturally, the size of the island (and numbers of tourist attractions). Large proportions of visitors (nearly half) are visiting many of the well-known and well-marketed sites such as Grand Etang, Nutmeg factories, and Concord and Annandale Falls (Exhibit 22). Surprisingly, La Sagesse, which is not as well marketed as the other attractions, still draws over 40% of visitors. Other attractions that were listed numerous times in surveys included the various forts, St. George's, and Caribs Leap (Sauteurs). This indicates a certain level of interest in the historical aspects of Grenada, an interest preference not as much found in visitors to Carriacou. We will further elaborate on this in the following Visitor Interests section of this report. We preliminarily conclude that, from a thematic or geographical standpoint, opportunities for additional enterprise growth may lie in: (i) lesser-visited waterfalls such as Seven Sisters Falls; (ii) frequently visited (but currently less developed) areas such as La Sagesse; and (iii) developing improved (both infrastructure and services) historical sites.

V. Visitor Interests

As Appendix 5 shows, travelers to Carriacou and Grenada indicated a high level of interest in returning for another visit. Almost two-thirds also said that they would have liked to stay longer on Carriacou. This was not the case, however, for the Windjammer visitors to Carriacou, 80% of whom indicated that the single day they spent on the island was sufficient. Visitors (including Windjammer passengers) were most interested in the snorkeling, sightseeing, and the beaches. Not surprisingly, Windjammer passengers were also keen on sailing (Exhibits 23 and 24). When asked what other attractions or activities they would like to see occur on

Exhibit 23: Reasons for Visiting Carriacou



Carriacou, visitors' responses focused heavily on commercial aspects – that is, more restaurants, shopping, markets, or better grocers. They also emphasized more round the-island touring (to include other beach exploration) as well as festivals or musical events. There was some, but limited, emphasis on hiking.

As indicated in Exhibit 25, visitors in Grenada were likewise interested in the beaches and sightseeing (as measured by "landscape"). However, on average, visitors here seemed more interested in the historical, wildlife viewing, cultural, and hiking opportunities, and less in the snorkeling ventures.[6] Such discrepancies are likely functions of the actual attractions being offered and the market perception as shaped by word-of-mouth reputation and the Grenada Tourist Board's marketing efforts.

New entrants into the tourism arena must consider these nuances in the existing market perception. In other words, in Carriacou, while the local government would like to play up its cultural and historical aspects (as manifested in the proposed Heritage Park), it must realize that the market perception and market demand is still for the aquatic, beach, and reef-based activities. This does not imply that a heritage park cannot be successful, but that greater amounts of promotion may be required. For the small

Exhibit 24: Reasons for Visiting Carriacou (Windjammer Passengers)

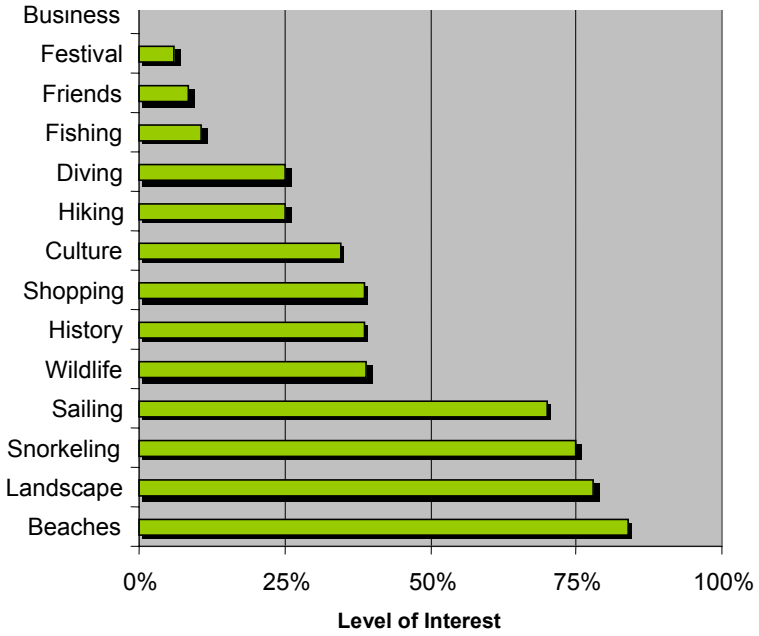
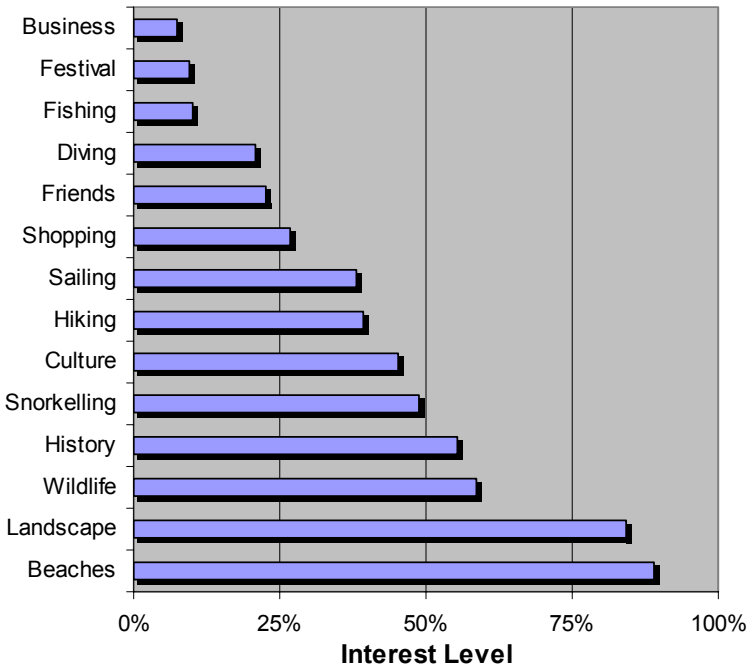


Exhibit 25: Reasons for Visiting Grenada



[6] Only the discrepancies for visitor interest in **history**, **wildlife** and **snorkeling** were statistically significant (that is, we can say with a 95% certainty that these differences in visitor interest in Carrriacou vs. Grenada were not

or community enterprise owner, such marketing to change visitor expectations and perceptions may be a challenge, unless the entrepreneur launches his/her historical or cultural product alongside or after the larger marketing push from the Carriacou Heritage Park.

Conversely, purely from a visitor interest/demand perspective, the Grenadian market may be ripe for more history- and wildlife-focused tourism activities. Of course, entrepreneurs and communities considering new opportunities in such areas must also consider existing competitor's offerings.

VI. Visitor Demographics

Contrary to the Grenada Tourism Board's 2002 statistical data, our survey indicates that British nationals form a great portion (over 40%) of non-Windjammer visitors to Grenada and Carriacou (Exhibits 26 and 27). It is likely that if we considered the larger cruise lines in our surveys, we would find more American visitors. Our survey is also skewed towards only English-speaking visitors. Unsurprisingly, the bulk of Windjammer passengers are North Americans, since the company's marketing efforts are focused here (Exhibit 28).

Visitors are older (more than 50% of all visitors are 50 years and older) and well educated (40 – 50% have a graduate degree). Depending on the specific target market, new tourism activities, if they are to be offered across all travel age groups, should consist of more soft adventure activities as opposed to more rigorous ones.

Exhibit 26: Carriacou Visitor Nationality

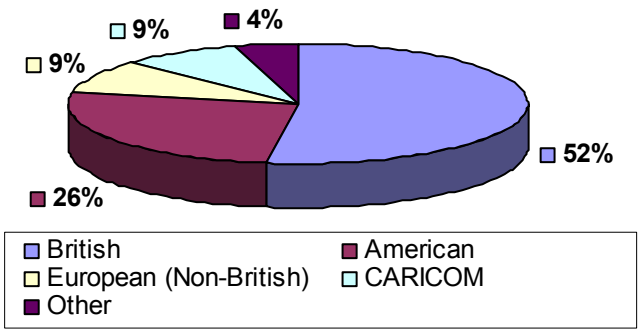
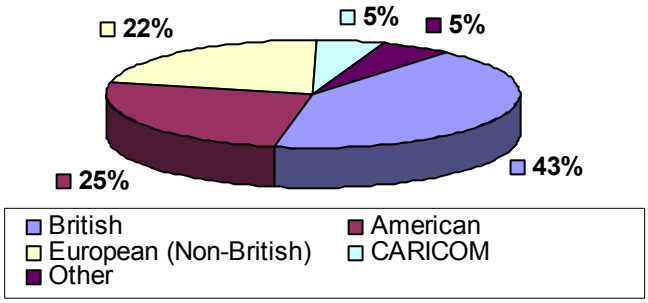
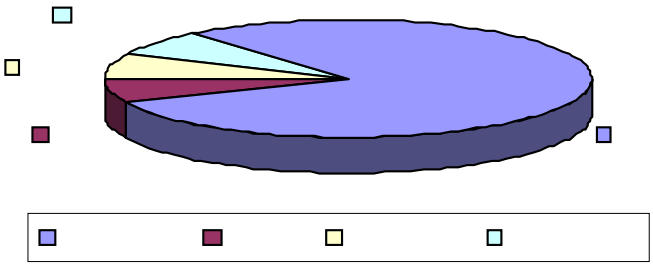


Exhibit 27: Grenada Visitor Nationality





caused by chance or randomness). This was confirmed by conducting pair-wise t-tests for sample means between Carriacou and Grenada survey data.

VII. Visitor Willingness-to-Pay

To further explore the tourism enterprise opportunities on Grenada and Carriacou, we included a willingness-to-pay (WTP) question in each of the three surveys. The questions asked survey respondents to indicate how much they would pay for a particular tour activity. The results are summarized in Exhibits 29 – 31 below.

Exhibit 29: Carriacou Visitor WTP Across Various Proposed Activities

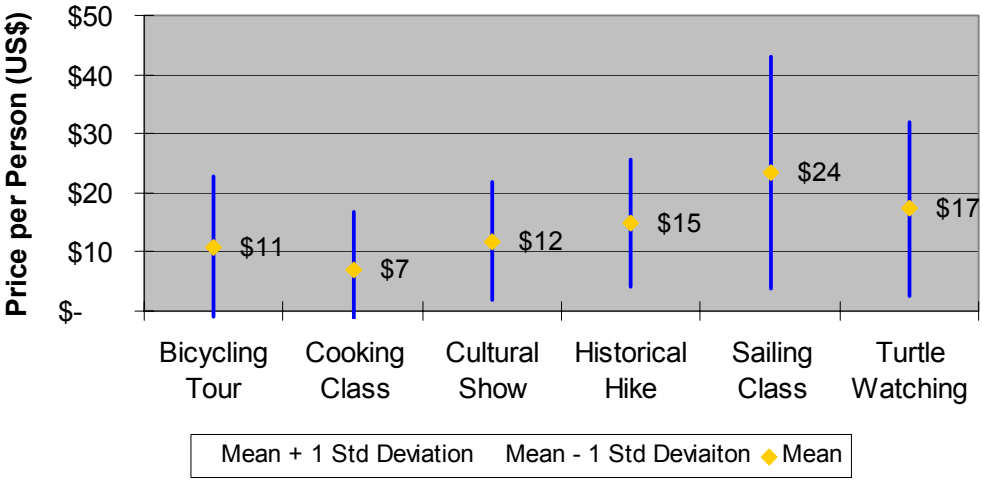


Exhibit 30: Carriacou Visitor WTP Across Various Proposed Activities (Windjammer Passengers)

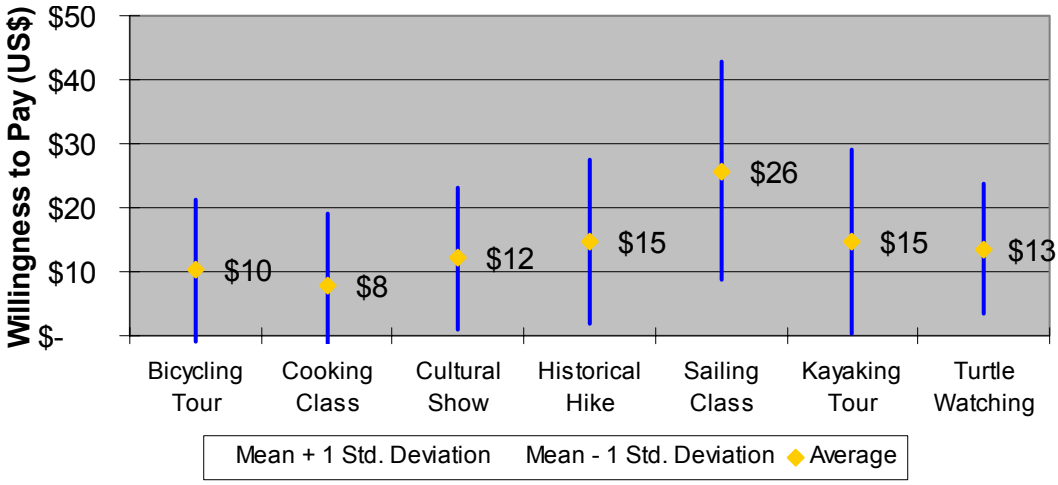
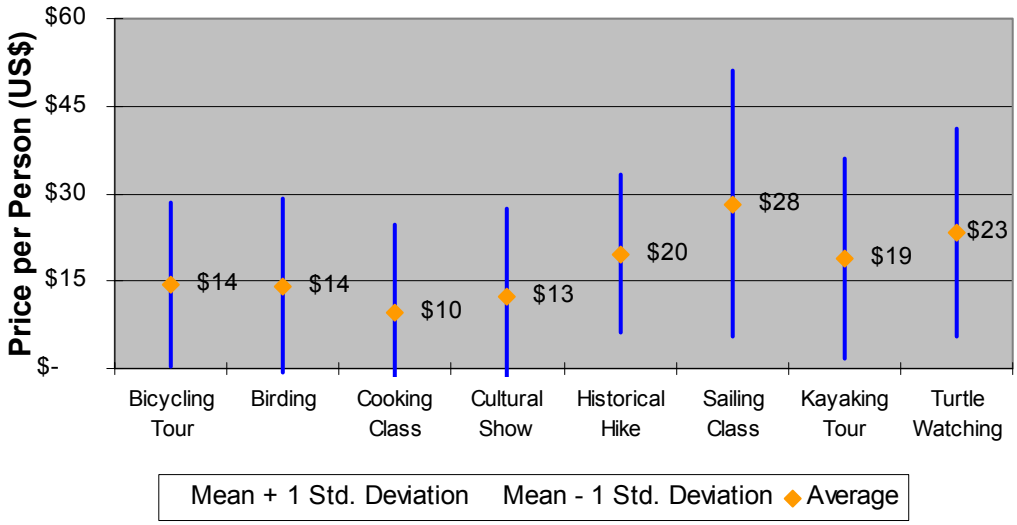


Exhibit 31: Grenada Visitor WTP Across Various Proposed Activities



The charts above indicate, for example, that half of the visitors to Grenada would be willing to pay for a sailing class priced at $28. The blue lines indicate the one standard deviation range of WTP. This implies that 67% of that visitor population's WTP lies within this dollar range. Willingness to pay does not indicate actual purchase likelihood, but rather reflects interest in and possible purchase of the activity at that offered price. We recognize once again, however, that the dollar figures are skewed low because WTP prices were offered in EC$, and visitors may not have performed currency conversion correctly.

We can extrapolate on our findings to make the following statistically significant conclusions:[7]

1) Visitors to Grenada are inclined to pay more for a turtle watching activity than Carriacou visitors. This is consistent with our earlier findings that visitors here have a higher interest in wildlife observation
2) Visitors to Grenada are inclined to pay more for a historical hike than

Exhibit 32: Summary of Estimated Visitor Demand for Proposed Activities

	Estimated Visitor Demand	
Activity	**Grenada**	**Carriacou**
Bicycle Tours		
Culinary Classes		
Cultural Shows		
Historical Hikes or Tours		
Sailing Classes		
Turtle Watching		

Key

Low	**Low to Moderate**	**Moderate**	**Moderate to High**

[7] Statistical significance is defined as a 95% confidence interval or a less than 5% probability of chance occurrence.

Carriacou visitors. This is also consistent with our earlier findings regarding interests.

3) Visitors to both islands are more willing to pay for a wildlife activity such as turtle watching than a land-based soft adventure tour like bicycling.

It is interesting to note that the WTP for both sets of Carriacou visitors (Windjammer and non-Windjammer passengers) are virtually identical. Based solely upon the above data and our visitor analysis, we conclude with a demand rating of new enterprise development in Grenada and Carriacou in Exhibit 32.

In the following Industry and Enterprise Analysis Section, we will further analyze some of these potential enterprises by considering such issues as capital costs, competition, required skills, etc.

VIII. Recommended Demand-Driven Opportunities

Based upon the business analysis, visitor survey results, and site visits to Grenada and Carriacou, Rare recommends the following enterprise opportunities on these islands:

1) Carriacou

a) Turtle Watching

Rationale

Kido Foundation already operates a turtle observation and volunteering service; however Carriacou's other beaches provide potential for additional turtle-related tourist activities. While visitor demand for this activity is higher amongst visitors to Grenada, this type of offering is consistent with visitor interest in marine and beach-related activities in Carriacou. Sea turtle observation is also closely tied with Rare's and TNC's conservation mission, and, barring the cost of guide training, requires relatively little infrastructure and capital for an entrepreneur.

Constraints

Not all market segments seem to be drawn to this activity. The Windjammer cruise passengers, for example, do not rank wildlife observation very highly, while Carriacou FITs seem more amenable to this tourist offering. Turtle watching is also a night-activity. If most Carriacou passengers are currently day-trippers, service operators will either have to market to the smaller contingency of overnight travelers in Carriacou or be able to access and inform tourists in Grenada so that the travelers are prepared to overnight in Carriacou. Turtle watching tour operators are of course restricted by the seasonality of turtle nesting patterns and by their own ability to identify and guide tourists to such nesting areas.

b) Sea Kayaking and Additional Snorkeling Service

Rationale

Marine activities rank highly amongst Carriacou visitors' interests; the island's reefs and marine-ecosystem are also well-known amongst its visitors. Rental kayaks for short day-trips between beaches is a potential viable income-generating activity. While snorkeling is already offered on island, most of this is concentrated on the seemingly taxed Sandy Island ecosystem. Opportunities here lie in more value-added snorkeling services such as taking travelers to other reefs and providing a simple self-guided water-proof marine life identification sheet/card.

Constraints

Since most visitors are day-trippers and unlikely to be serious kayakers, the kayaking needs to be located in a relatively calm bay, and must be combined with a snorkeling destination. Human resource capacity is a challenge, since locals are unlikely to already possess skills to lead and interpret via kayaking or snorkeling. Most local boatmen provide little more than rental of snorkeling equipment and transportation to the snorkeling site.

c) Restaurant / Café

Rationale

Numerous visitors had indicated in surveys and in conversations that Carriacou lacks proper sit-down restaurants and food/beverage offerings. This comment was especially prevalent among passengers from the Windjammer cruise. While we found the beaches such as Paradise Beach to be adequate in food and beverage service, the area around Hillsborough and near the ferry landing did seem to lack such services. Opportunities may lie for a small café or restaurant catered more towards tourists coming on and off the ferry. When the Grenadian government launches the Carriacou Heritage Park, the island will also likely see increased visitor arrivals via the Hillsborough pier.

Constraints

Restaurants and cafes tend to require a greater amount of start-up capital and expertise in running these establishments properly. It is also a risky enterprise since the ferry that brings passengers to and from Hillsborough arrives twice a day, while cruise ships such as the Windjammer do not call to port more than twice per week. Finally, linking such an enterprise to conservation is tenuous, at best.

These three proposed enterprises can be evaluated through a matrix such as that in Exhibit 33. The higher an enterprise "scores" in each of the listed criteria (as indicated by a darker shade of green), the better such a

business concept is for Carriacou. This is not an exhaustive list, and should be used as a guideline on which to select an enterprise concept and conduct a full business due diligence.

Exhibit 33: Evaluative Matrix of Proposed Enterprises in Carriacou

	Proposed Enterprise		
Criteria	**Turtle Watching**	**Snorkeling and Kayaking**	**Restaurant / Café**
Lack of Competition			
Weak Supplier Power			
Weak Buyer Power			
Difficult to Substitute			
Low Capital Requirements			
Difficult to Replicate			
High Conservation Potential			
High Demand			

Key

FALSE	**Somewhat False**	**Neutral**	**Somewhat True**	**TRUE**

2) Grenada

a) Guided Historical Tours and Hikes

Rationale

Our visitor surveys indicate that travelers are interested in Grenada's history and in historical tours. While some of this is offered through the existing packaged day-tours, Rare, during its site visit, discovered that other potential lucrative sites such as Sauteurs could be better used and interpreted. Even in and around St. George's, visitors showed keen interest in the old forts. Community-based and community-focused historical tours are viable tourism opportunities. Around St. George's, enterprising individuals or an existing tour company may also consider developing a full tour focused on the 1983 U.S. occupation of Grenada. Most Americans' concept of Grenada centers on this recent piece of history; with the increasing numbers of Americans arriving via major cruise ships, such a historical tour could prove lucrative.

Constraints

The tour segment in Grenada is mature; creating a new and different guided tour product therefore requires significant differentiation and/or price competitiveness. New guided tour enterprises must also focus on creating a product with cost structures low enough that they can be sold through channel distributors (such as Huggins) and then resold to travelers at a reasonable price.

b) Turtle Watching

Rationale

While Grenada is no Dominica, travelers to Grenada still ranked "wildlife" as the third most important reason for visiting Grenada, after "landscape" and "beaches." Visitors again echoed this sentiment in the willingness-to-pay question of the survey. There are currently three turtle-watching operators in Grenada – Adventure Jeep Tours, Ocean Spirits, and Caribbean Horizons. The local tour guiding segment is therefore already engaged in this activity. However, additional support can come from working with local fishermen and communities to identify new nesting sites and to obtain local buy-in into this activity. Grenada still has consistent turtle nesting activity; this is a natural asset that the tourism segment cannot forego.

Constraints

Turtle watching is seasonal. In Grenada, the nesting season occurs from April through July. Nesting activity also occurs at night; this makes it difficult for many tourists who may be unwilling or unable to travel long distances across the island at night. Finally, a turtle-watching enterprise is also sensitive to factors beyond its control (e.g. pollution or beach disturbance).

c) Small-Scale Craft Training and Manufacturing

Rationale

During our discussions with current craft retailers and manufacturers, many indicated that Grenada has not fully tapped its craft manufacturing potential. Although certain natural products, most notably nutmeg and rum, have been fully utilized, others such as wood, bamboo, and coconut, have not. The big hurdles have been in training local entrepreneurs to not only create quality products, but also provide them with the business acumen to be able to supply the retailers with consistent quality. During Rare's site visit, the project team saw potential in more craft items such as wood carvings or pressed flower products. While these are very small-scale opportunities, they may be ideal for community-focused activities. Although visitor demand for crafts is not high (according to our survey, an average spending of US$35 per person per trip), we did not survey the cruise shipping segment in Grenada. We feel that cruise shippers, who spend only a day in port, are more apt to purchase souvenirs to commemorate their brief visit to the island.

Constraints

Quality, consistency, and capital pose frequent challenges for many small-scale craft manufacturers. Additionally, craft manufacturers have to compete with the cheaper mass-produced "Made in China" craft items found in some of the larger gift shops on the island.

d) Small-Scale Agriculture

Rationale

Local craft manufacturers indicated that certain raw materials were difficult to source consistently. Scotch Bonnet (Habanero) peppers, for example, are scarce at certain times for the local craft manufacturer, Arawak Islands. Communities could take a closer look at the various existing craft producers (such as Art Fabrik, Arawak Islands, and Tikal) and their raw material needs, to identify potential agricultural product shortages.

Constraints

If an entrepreneur is not already producing the agricultural crop, it will take time for him/her to establish production. Additionally, entrepreneurs must focus on perishable agricultural products that may not be easily sourced outside of Grenada, so that craft manufacturers have less of an option to import such raw goods cheaply.

Exhibit 34 shows an evaluation matrix of the proposed enterprises. As with our recommendations for Carriacou, these enterprise suggestions stem from our site visit, discussions with visitors, and surveys. They provide insight and inroads into additional due diligence, planning and development of new tourism enterprises in Grenada.

Exhibit 34: Evaluative Matrix of Proposed Enterprises in Grenada

	Proposed Enterprise			
Criteria	**HistoricalTours and Hikes**	**Turtle Watching**	**Craft Training / Manufacturing**	**Small-Scale Agriculture**
Lack of Competition				
Weak Supplier Power				
Weak Buyer Power				
Difficult to Substitute				
Low Capital Requirements				
Difficult to Replicate				
High Conservation Potential				
High Demand				

Key

FALSE	**Somewhat False**	**Neutral**	**Somewhat True**	**TRUE**

BUSINESS ENTERPRISE RECOMMENDATIONS

We have thus far conducted two separate analyses to gauge demand for various types of ecotourism activities in Grenada and Carriacou. The first analysis focused on what suppliers felt they could provide while the second gauged visitor demand for ecotourism activities. As indicated in the previous section and in Exhibits 23 – 25, visitors cited the landscape and beaches as important factors for their visits to both Grenada and Carriacou. However, Grenada visitors were more likely to express interest in wildlife observation and history than their Carriacou counterparts, who found snorkeling to be a more important reason for their visit to the smaller island.

The visitor surveys and the supplier profile indicate a strong co-relation between what visitors want to do and what suppliers are capable of supplying. The following sections integrate our previously separate demand- and supply-driven recommendations. Exhibits 35 and 36 show areas in which both supply-driven and demand-driven recommendations overlap. We expand upon each of these selected enterprises on a geographical cluster basis.

Exhibit 35: Enterprises Recommended for Carriacou

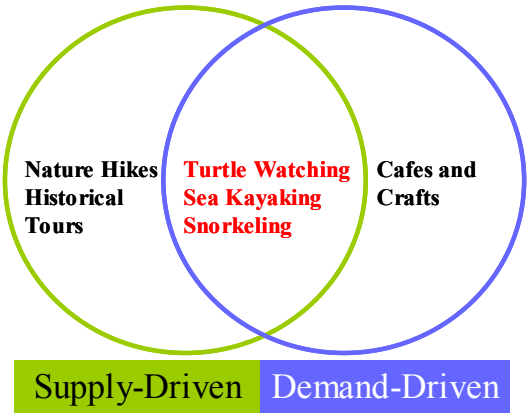
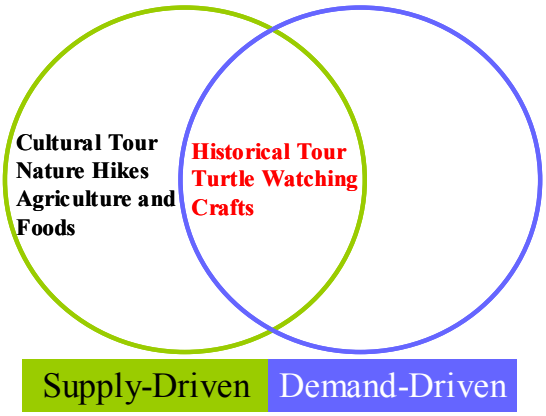


Exhibit 36: Enterprises Recommended for Grenada



I. Grenada: St. George's

Marine activities remain key drivers for visitors to Grenada, and in particular, St. George's. The reefs, littoral ecosystems, beaches and open water are clean, relatively uncrowded and commercially unexploited. The diving, snorkeling and observation markets are well serviced by a number of professional scuba outfitters and tour companies, as well as hotels that offer tours to the reefs and coastal zone. However there is no operator currently offering a high standard of interpretive tour that combines scuba, snorkeling, sea kayaking or sailing. There are also no tours being offered for interpretive coastal and beach hikes. The dry tropical forest fronted beaches of

south St. Geroge's, especially the east side peninsulas of Clark's Court Bay, Point of Fort Judy, Westhall Point and Petit Bacaye, are less heavily visited than the west side beaches, Pink Gin, Grand Anse and Mourne Rouge. A half-day to full-day tour combining natural interpretation and snorkeling could be conducted as a coastal hike, a small boat trip, or a combination thereof.

Exhibits 37 through 38 discuss the required capacities, conservation benefits and target markets for each recommended enterprise for the St. George's cluster. Each enterprise would require guides (where appropriate) to undergo a Rare Nature Guide Training Program to learn about the importance of conservation, specialized interpretation techniques, and to become local constituents for conservation of that particular site attraction.

Exhibit 37: Summary of Proposed Nature Hiking Enterprise in St. George's

Enterprise 1: Nature Hikes (Terrestrial and Coastal) **Description: Guided interpretive hiking tours (half and full day)** **Location: Mt. Hartman and Molinere Beaches**	
Required Capacities	• Interpretive Nature Guides • Ecotourism Promoters • Enterprise Development • Financing
Conservation Benefits	• Raises awareness of local people (guides) of conservation. • Low impact activity that links the conservation of reefs and beaches to income generation of local people • Raises the conservation awareness of visitors • Educational tools for local students • Generates income for Mt. Hartman Sanctuary
Target Markets	• Hotel guests • Cruise ship passengers • Yacht passengers • FIT's • Regional and local students (e.g. St. George's University)

Rare recommends a pilot project where Rare trains 3 or 4 nature guides from local companies to develop, manage and run the tours. Rare's Enterprises program follows up on this training with one-year of technical assistance to assist guides in developing the requisite operational and management skills. Private tour companies will propose guide candidates. These companies would also assist in developing the itineraries, marketing, selling and organizing such tours.

For the Mt Hartman Dove Sanctuary, Rare recommends training two guides to offer bird watching and natural interpretation tours along the sanctuary's trail system. Rare would also train one Ecotourism Promoter to develop and execute a business plan to make the sanctuary an operational tour attraction.

Exhibit 38: Summary of Proposed Historical Tour Enterprise in St. George's

Enterprise 2: Historical Tours **Description: Half- to full-day tours in and around St. George's, with an emphasis on the U.S. occupation.** **Location: Ft. George, botanical gardens, and museum.**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development • Start-up Funding • Improvement / Renovation of Ft. George
Conservation Benefits	• Low Impact activity that links the scenic beauty of the capital city with historical site preservation
Target Markets	• Hotel guests (especially Americans) • Cruise ship passengers • Yacht passengers • FIT's • Regional and local students (e.g. St. George's University)

The demand analysis showed that visitors to Grenada are interested in focused historical tours. Rare proposes a historical tour in and around St. George's with a particular emphasis on the 1983 US occupation of Grenada. This type of tour will be especially interesting to the growing numbers of American day-trippers from large cruise lines.

Rare envisions assisting a small start up company of two to three local people. Two of these will be trained as guides, and one as an entrepreneur (Tourism Promoter). The initial as well as ensuing technical assistance will involve training guides, developing itinerary/product, business planning, launching the start up, helping to secure funding (could be from a project loan), and marketing the tours.

II. Grenada: Grenville (St. Andrew's)

Recommended enterprises in the Grenville cluster include historical and cultural tours. A summary of proposed activities and site attractions can be found in Exhibit 39; Exhibit 40 shows additional details for the suggested historical and cultural tours in this area of Grenada.

Exhibit 39: Summary of Grenville Cluster Recommendations

Recommended Activity	Attraction
Historical Tours	Slave uprising, Battle Hill Marquis, Fedon's Camp
Cultural Tours	Sanaka Dance / Farmers Market
Cottage Industries	Pottery, weaving, food
Nature Hikes	Mt. Carmel Waterfalls, Coastal Hikes

Exhibit 40: Summary of Proposed Historical and Tour Enterprise in Grenville

Enterprise 1: Historical and Cultural Tours **Description: Half- to full-day tours focused on folklore, dance and food** **Location: Site of Slave uprising, Battle Hill Marquis, and Fedon's Camp**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development • Start up Funding • Organization of Farmers Market • Sanaka Dance Troupe
Conservation Benefits	• Low impact activity that links tourism to the local communities • Links cultural preservation to conservation
Target Markets	• Hotel Guests • Cruise Ship Passengers • Yacht arrivals and Charters • Regional • Local

Rare envisions assisting a small start up company of two to three local people. Two of these will be trained as guides, and one as an entrepreneur (Tourism Promoter). Required steps to develop this enterprise will be identical to that of the St. George's historical tour project.

III. Grenada: Sauteurs and River Sallee (St. Patrick's)

Our project team recommends the activities summarized in Exhibit 41.

Exhibit 41: Summary of Sauteurs and River Sallie Clusters Recommendations

Recommended Activity	Attraction

Turtle Watching	Levera Beach
Historical Tours	Caribs Leap
Cultural Tours	Amerindian Trail
Cottage Industry	Local Foods

Exhibit 42: Summary of Proposed Historical and Tour Enterprise in Sauteurs

Enterprise 1: Historical and Cultural Tours **Description: Destination tours focused on history and local culture amidst sweeping vistas on a cliff** **Location: Caribs Leap, Sauteurs, and northeastern coast**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development • Start up Funding • Improvement / Renovation of Caribs Leap • Packaging / Branding of food products • Mobilization of community to replicate traditional food and dance "fiesta" for tours • Marketing the annual Fiesta
Conservation Benefits	• Low impact activity that links the Sauteurs' scenic beauty to community-based tourism • Creates awareness of local people for conserving natural resources • Provides incentive to keep town and beaches clean
Target markets	• Hotel Guests • Cruise Ship Passengers • Yacht arrivals and Charters • Local • Education (e.g. St. George's University)

The historical and cultural tours will entail two phases. First, a community co-operative pilot enterprise to develop and manage Sauteurs as a destination and second, the development of an Amerindian Historical Trail Tour. Rare suggests training two community members (Ecotourism Promoters) to develop destination attractions in Sauteurs including an interpretive tour of the Caribs Leap site, the town and the beaches of Sauteurs Bay. Rare will also:

- Collaborate with local persons to package and brand food and other crafts for sale at Caribs Leap and at St. George retail outlets;
- Work with existing local restaurants to improve quality of service;
- Train two guides to lead group tours; and
- Assist in developing business plans, securing start up funding, and launching the enterprise

Exhibit 43: Summary of Proposed Turtle Watching and Hiking Enterprises in River Sallie and Levera

Enterprise 2: Turtle Watching and Nature Hikes **Description: Tour conducted in collaboration with Ocean Spirits, an NGO that runs a sea turtle monitoring project** **Location: Levera Beach, River Sallee**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development
Conservation Benefits	• Reduces turtle egg poaching • Creates awareness for sea turtle conservation • Generates income for Ocean Spirits to fund monitoring program • Generates income for local people that is directly linked to sea turtle conservation • Provides incentives to keep town and beaches clean • Creates awareness of visitors for conservation of sea turtles • Produces more vigilance at nesting sites • Increases economic value of live sea turtles
Target Markets	• Scientific, Academic. Volunteer, Educational (SAVE) • Hotel Guests – Grenada • Yacht arrivals – Carriacou • FIT's • Regional

Rare recommends training one person from Ocean Spirits and one each from the communities of River Sallee and Sauteurs as Ecotourism Promoters. Rare will assist in developing a business plan to create a profitable sea turtle tourism enterprise that will both generate income for local residents and support the work of Ocean Spirits. Due to seasonality of turtles, we also suggest developing interpretive half-day and full-day nature hikes along beaches and other trails (waterfalls, lakes, etc.) during the non-turtle-nesting season. Four nature interpretive nature guides will be needed to lead tours.

IV. Grenada: St. David's

Exhibit 44: Summary of St. David's Cluster Recommendations

Recommended Activity	Attraction
Historical Tours	Natural Works
Nature Hikes (including coastal hikes)	Petite Etang, Grand Etang and La Sagesse Trails, La Sagesse Nature Center, Botanical Gardens

Exhibit 45: Summary of Proposed Hiking and Historical Tours Enterprises in St. David's

Enterprise 1: Nature Hikes and Historical Tours **Description: Tours conducted in conjunction with BIZREC's 10 community members; tours focus on biodiversity at various attractions (terrestrial and coastal)** **Location: Petite Etang, Grand Etang, and La Sagesse**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development
Conservation Benefits	• Links local income generation to the conservation of protected areas • Creates awareness of local people for conserving natural resources • Incentives to keep town and beaches clean • Creates awareness of visitors for conservation
Target Markets	• Hotels Grenada • Cruise Ships Passengers • Yacht Arrivals • FITs

Rare recommends improving the quality and commercial viability of BIZREC service offerings by training two BIZREC guides and one member as an Ecotourism Promoter. The guides would develop concepts for interpretative nature hikes while the Promoter would create a business plan for BIZREC, make the plan operational, and manage the business.

V. Carriacou and Petit Martinique

Exhibit 46: Summary of Carricaou / Petit Martinique Clusters Recommendations

Recommended Activity	Attraction
Turtle Watching	Anse La Roche
Aquatic Trails	Sandy island, Saline Island
Historical Tours / Nature Tours	Belair, High North / Island Tours
Cottage Industries	Restaurant / Cafe

Exhibit 47: Summary of Proposed Turtle Watching Enterprise in Carriacou

Enterprise 1: Turtle Watching **Description: Night touring activity in conjunction with CEC and KIDO** **Location: Anse La Roche and White Island**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development • Trails Development
Conservation Benefits	• Reduces turtle egg poaching • Creates awareness for sea turtle conservation • Generates income for KIDO to fund monitoring program • Generates income for local people that is directly linked to sea turtle conservation • Incentives to keep town and beaches clean • Creates awareness of visitors for conservation of sea turtles • Produces more vigilance at nesting sites • Increases economic value of live sea turtles
Target Markets	• Hotel guests in Grenada • Scientific, Academic, Volunteer, Educational (SAVE) • Cruise ship passengers calling on Carriacou (Windjamer / Club Med II) • Yacht arrivals • FITs • Regional visitors (Eastern Caribbean) • Returnees (Carriacouans residing abroad visiting the island)

Leatherback turtles nest from March through August and the Hawksbill from June through September. This is a long season where the low volume that would be inherent in these tour offers could be offset by the extended season and chance for a steady cash flow. This product is best positioned as an activity to support an environmental agency's protected area or a small community. Since turtles can be observed at multiple sites, Rare recommends rotating observation sites to minimize impact.

Rare suggests training two guides and one ecotourism promoter. The guides would develop concepts for interpreting sea turtle observation; they could also guide coastal hikes at Anse La Roche (High North) and the mangroves of La Pelle. The Promoter would develop a business plan, make the plan operational, and manage the business. The existing trails system needs to be improved (e.g. signage, interpretation, management, maintenance). Rare's "Trails That Make Dollars and Sense" tool can be applied to improve the existing trail system.

Exhibit 48: Summary of Proposed Hiking and Aquatic Trails Enterprises in Carriacou

Enterprise 2: Aquatic Trails and Coastal Hikes **Description: Aquatic trails that are adopted for snorkeling, sea kayaking and boat tours.** **Location: Sandy Island and Saline Island**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development • Trails Development
Conservation Benefits	• Adds value to conserving White and Saline Islands • Improves and standardizes services and pricing for Sandy Island • Generates income for proposed marine protected areas • Generates income for local conservation NGOs • Provides alternative income generation to substitute destructive fishing practices
Target Markets	• Hotel guests in Grenada • Cruise ship passengers calling on Carriacou (Windjamer / Club Med II) • Yacht arrivals • FITs • Regional visitors • Returnees (Carriacouans residing abroad visiting the island)

The proposed aquatic trails at Sandy and Saline Islands can be themed itineraries or actual underwater trails with signage and/or laminated interpretive handouts. We recommend training two current boats operators in interpretive guiding skills as well as training one ecotourism promoter to plan and launch this service. Rare will collaborate with local guide(s) to create interpretive aquatic trail system.

Exhibit 49: Summary of Proposed Historical and Island Tour Enterprises in Carriacou

Enterprise 3: Historical Trail, Island Tour, and Festival **Description: Half- and full-day interpretive tours that would compliment the government's plan to develop Bel Air as a historical attraction; further develop ad hoc tour guiding provided by local taxi drivers on this small, picturesque island** **Location: Carriacou**	
Required Capacities	• Interpretive Guides • Ecotourism Promoters • Enterprise Development • Develop skills for local people to work the Maroon and Parang festivals
Conservation Benefits	• Links local income generation to conserving protected areas on the island • Generates income for protected areas • Generates income for local conservation NGOs and CBOs

Target Markets	
	• Hotel guests in Grenada • Cruise ship passengers calling on Carriacou (Windjamer / Club Med II) • Yacht arrivals • FITs • Scientific, Academic, Volunteer, Educational (SAVE) • Regional visitors • Returnees (Carriacouans residing abroad visiting the island)

Taxi drivers who offer tours of Carriacou often meet free and independent travelers to the island at the boat dock in Hillsborough. The interpretive services offered are rudimentary and service quality inconsistent between drivers. There is an opportunity to increase how much money is spent on the island by offering simple tours to this compact yet very diverse and scenic island. Rare can train two taxi drivers as guides and one ecotourism promoter to develop a business plan.

VI. Supplier Pricing and Willingness-to-Pay

Through our interviews with stakeholders, most tour providers sell their services at an average of approximately US$45 per person. However, in our visitor surveys, we discovered that half of visitors to Grenada are willing to pay between $15 and $30 per person for half to full day ecotours and soft adventure tours (see Exhibits 29 – 31). We attribute this discrepancy between visitor willingness-to-pay (WTP) and supplier pricing to:

Lack of specificity in visitors' surveys – Suppliers' price quotes include lunch, transportation, and necessary equipment. These specific inclusions were not cited in the visitor survey, hence, we assume that true WTP will be higher than what was indicated in the surveys.

Currency bias – As we had noted earlier in our demand analysis, the visitor surveys polled visitors' WTP in EC$, rather than in Pound Sterling, US$, or Euros, currencies likely to have made more intuitive sense to visitors. We expect that WTP results are therefore skewed below true visitor WTP due to currency inaccuracies in the surveying process.

The visitor WTP results are nonetheless useful in judging the relative interests in various soft adventure and ecotourism activities. It helps suppliers realize, for example, that over half of Grenada visitors are willing to pay more for a turtle watching activity than either a kayaking tour or a cultural show (Exhibit 31). Rare recommends that each future small-scale ecotourism business enterprise collaborate with Rare's Enterprise Development division to conduct a full pricing study for the specific business-at-hand during its due diligence and business plan writing phase to further gauge visitor WTP for a product or service.

SUMMARY AND FUTURE PLANS

Grenada and Carriacou continue to thrive as tourism destinations by selling themselves as "the Caribbean as it originally was." Recent developments such as the new cruise shipping pier being built in St. George's and the major 18-hole golf and all-inclusive resort under construction in Sauteurs show that pressures for mainstream mass tourism are mounting. RARE is pleased to have been included in TNC's efforts to work with the Grenadian stakeholders to balance economic development, community improvement and ecological conservation. Rare's efforts thus far, as indicated in this technical report, is but the beginning in a longer-term approach and collaboration to develop new and innovative ecotourism products for Grenada.

In all, we have recommended ecotourism programs in five geographical clusters – four in Grenada and one in Carriacou. In each case, Rare's Enterprise Development division will collaborate with local partners to launch the enterprise and also follow up the activity with one-year's worth of technical assistance. Exhibit 50 summarizes the enterprises recommended in earlier sections.

Exhibit 50: Summary of Proposed Enterprises in All Clusters

Geographical Cluster	Activity / Enterprise	Recommended RARE Programs
St. George's	• Coastal / Beach Hikes • Mt. Hartman Tour • Grenada History Tour	1. Guide Training: • 6 Guides • 2 Promoters 2. RARE Enterprise Development (program development and follow-up assistance)
Sauteurs (St. Patrick's)	• Amerindian History Tour • Destination Management • Food and Craft sales	1. Guide Training: • 2 Guides • 1 Promoter 2. RARE Enterprise Development
River Sallee (St. Patrick's)	• Turtle Watching • Nature Hikes (Coastal and Terrestrial)	1. Guide Training: • 4 Guides • 2 Promoters 2. RARE Enterprise Development
St. David's	• Hiking Tours • History Tours	1. Guide Training: • 2 Guides • 1 Promoter
Carriacou / Petit Martinique	• Turtle Watching • Aquatic Snorkeling Trails • Historical Tours • Hiking Tours	1. Guide Training: • 6 Guides • 2 Promoters 2. Trail Development: • 2 Trails 3. Enterprise Development

Rare proposes training local persons from Grenada to form five community ecotourism entities that would be locally managed by 8 Ecotourism Promoters and staffed by 18 trained interpretive bilingual nature guides. Products/services and organizational entities will be developed concurrent with training programs. After the initial launch phase, Rare's Enterprises Program will provide one-year of on-going technical assistance for the start-ups, assisting them to promote business initiatives to national and international markets. We also recommend two trails systems in Carriacou – creating an aquatic interpretive trail for snorkeling, and improving the existing Bel Air trail.

The entire proposed program can be performed in three phases:

Phase 1:

- Business and Project Planning - Develop Project Business Plan (6 to 9 months)

- Due Diligence – Test all the assumptions made in this report. Identify partners, communities, sites, products, linkages to conservation etc. Develop work plan and project management plan

Phase 2:

- Training – Nature Guides and Enterprise Promoters (1 year)

Phase 3

- Enterprise Development - Business Operation – Open businesses / Technical assistance to start ups (1 year)

Rare will be able to perform all activities as outlined in Exhibit 50 at a cost of approximately $530,000. This sum is allocated across sub-activities as indicated in Exhibit 51. This sum does not include capital to finance business start ups. Capital requirements would be determined in Phase 1 (Business and Project Planning). From the data and information collected in this assessment we estimate that an additional $100,000 to $120,000 for direct investment would be required to finance businesses that result from Rare's training and enterprise development efforts.

Exhibit 51: Cost Estimate for Proposed Ecotourism Initiatives

RARE Activity	Cost
Business and Project Planning	$ 60,000
Enterprise Development	$ 90,000
Nature Guide Training	$ 150,000
Ecotourism Promoter Training	$ 80,000
Trails Development	$ 60,000
Project Administration and Management	$ 90,000
Total Estimate	**$ 530,000**

The proposed training and human capacity development will not only bolster Grenada's already robust tourism sector but also provide fresh concepts to further its burgeoning eco- and nature-based tourism efforts on the island.

APPENDIX 1: RARE PROJECT TEAM

James Dion, Rare Director Enterprises Program.

Enterprises develops innovative ecotourism development strategies with the goal of reducing threats to biodiversity by linking ecotourism to conservation and income generation for local people and protected areas. James' interest in linking ecotourism to conservation and community development is an outgrowth of his over 15 years experience as a professional river and wilderness guide/outfitter. He has founded and developed locally run sustainable eco-tourism businesses in North, Central, South America and Europe. Prior to coming to RARE he was the Ecotourism Director at Pronatura Veracruz, Mexico and lectured in environmental and communication studies at the Technical University of Graz, Austria.

Paul Butler, Rare Vice President of Programs

With more than 25 years of experience in tropical conservation, Paul Butler has developed model programs in conservation education and social marketing. A graduate of Northeast London Polytechnic, Butler lived and worked in the Caribbean for more than 20 years. His signature conservation-marketing program, Pride, succeeded in bringing back the endangered St. Lucia Parrot and since 1987, Butler has successfully replicated this program in 31 countries in the Caribbean, Central America, and the Pacific. He has received many honors, including the UN Global 500 Award, ASTA/Smithsonian Environment Award, the Caribbean Conservation Association Award, the Chicago Zoological Society's Presidential Award, and the St. Lucia Medal of Merit.

Kenneth Lim, Rare Intern

Kenneth Lim has worked in international development and tourism for over seven years. From 1996 – 2000, Mr. Lim lived in Jamaica, first working as a Peace Corps volunteer and grass-roots organizer, and later owning and operating a start-up eco-tourism business on the island. He is currently a full-time MBA student at Georgetown University, focusing on marketing and strategy. Prior to attending school, Kenneth worked with the Institute for Public-Private Partnerships for two years, marketing and promoting the firm's international development training and consulting services to governments in the Caribbean. Born in Malaysia, Mr. Lim remains an active traveler to the Caribbean, having visited seven islands in the region thus far.

APPENDIX 2: SWOT ANALYSIS FROM STAKEHOLDER INTERVIEWS

Strengths	Weaknesses
• Support from the Government and Tourism Board to develop new community, NGO, CBO and community tourism products and businesses • Local support for GRENCODA • Successful turtle monitoring program partially funded by funded income generated volunteer / tourists, paying $1,500 each for 2 to three weeks to work on the project • Healthy highland forest eco-systems • Forestry maintains trails in protected areas • Topography of island, variety of landscapes • Island is friendly and safe • High quality of tourism services offered • Price competitive with other Caribbean destinations • Rollover / Many return visitors • High level of marine water quality, reefs coastal and littoral ecosystems • Cultural appeal • Wide variety of terrestrial nature trails, degrees of difficulty and attractions • Good island infrastructure • People are enthusiastic and support community based tourism development • Government support of community based tourism • Number of financing institutions locally available • GRENCODA effectiveness in working with communities • Political Stability • Critical mass of tourism arrivals • Tourism is a growth sector • Construction of new cruise ship terminal in St. George's • New protected area at Mt. Hartman	• Tourism Board Marketing is not effective • Lack of public use plans for protected areas • Access to cruise ship and hotel visitors controlled by a few St. George based operators (85% of cruise ship visitor tours sold by Huggins Inc.) • High commissions paid by local operators to those that control cruise and hotel markets • Local people are not very dynamic • Not good bird watching destination • Young people not conservation aware • Government is quickly developing mass tourism • Lack of qualified nature guides • Lack of government support and financing to develop small businesses • GRENCODA is understaffed, under funded • and does not have all necessary skills needed • Yacht facilities are not as good as St. Vincent and St. Lucia • No local yacht registry • Low local vocational and services skill level • Low level of local business management skills • Lack of professionalism by tour operators • Language skills • People are risk adverse • Entrepreneurial initiatives are rare • Few government supported job creation programs • Ownership and land use rights are complicated at many proposed destinations • La Sagess Nature Center is not well run / could dissuade tourists from visiting new offers • Government run parks and protected areas are not well run
Opportunities	**Threats**
• Organized local people to develop community based small scale tourism • Build community awareness for sea turtle conversation through educating young people • Link local livelihoods to sea turtle conservation to eradicate poaching • Government is concerned about marinating a green image • Tourism impact is concentrated in one area of the island • Topography of the island is a natural barrier to tourism development spreading • Communities want to protect their lifestyle and culture • St. David's is developing with new hotels and facilities • Terrestrial outdoor tourism resources are underdeveloped	• Mass tourism development in Levera will change the character of tourism on the island and the image of Grenada as a destination • Poaching of sea turtle eggs by local people at nesting sites • Beach access at nesting sites (vehicles crush nests) • Levera tourism development effect on turtle nests • Dry forest destruction from Levera tourism development • Forest destruction for new housing • Lack of support for conservation from next generation • Visitors will not return if there are not enough different things to do • Control of market access to cruise ships and hotels by a few operators is a barrier to new

• Repeat tourists are looking for new things to do • Parishes have destinations and activities that are underdeveloped for tourism • Demand for greater variety of activities than is currently being offered • Develop sport fishing (snook and tarpon), aquatic tours, nature tours, outdoor sport and soft adventure tours • Government support of yacht sector is improving • Hand crafts, visual arts and gastronomy are underdeveloped • Local Chamber of Commerce support fopr developing local business • Petite Etang and La Sagesse trails system development • Marina facilities improving • Grenada dove population is increasing • Mt. Hartman management plan could be model for other protected areas • Yacht visitors, especially crews and those using marina services stay long on the island and are untapped market for tourism services • New tourism development at Leverra will decentralize tourism and open opportunities on the north of the island	offers reaching the market • Approximately 90% of visitors are non-regional, non-nationals. Market subject to fluctuation due to global political and economic conditions • All inclusive hotels lower demand for local services • Visitor expectations higher than locally owned services are providing • Foreign ownership of hotels and restaurants crowd out local providers • Trash on beaches and litter on Trails • Cultural exchange potential conflicts

APPENDIX 3: SCORING KEY FOR SITE ASSESSMENTS

Total Points: 265 / 100%

Excellent: 210 to 265 points / 80% or higher

Site has immediate current potential for commercial tourism. Little preparation, changes in current operations, infrastructure development, service provisions, etc. are required for the site to immediately welcome commercial visitors.

Very Good: 183 - 209 points / 70% to 79%

Site has overall strong facilities and service provision. Some factors may be at highest level while measures should be made to improve those that are lagging. The site may immediately welcome visitors while the improvements are being made.

Good: 159 to 182 points / 60% to 69%

Site has good facilities and can provide service. Most factors will need at least some modification to bring them up to an international level of commercial tourism expectations. The site may be currently welcoming visitors but it would be recommended for the site to improve weak factors before promoting the visitation experience.

Fair: 132 to 158 points / 50% to 59%

Site has some facilities, but those that exist may be lacking in quality and other expected factors may be either absent or quite poor. Site may be receiving visitors but it is recommended that the site curtail further promotion of visitation until a strategy is developed and implemented that will result in bringing the site up to a "good" level of current potential.

Poor: 131 or less points / 49% or less

Site facilities are lacking in overall quality or are non-existent. Site may be receiving visitors but the quality of the experience could actually be hurting long-term visitation potential.

Note: Individual site scorecards for all the Grenada sites assessed are not copied here due to size. They were sent as a Separate Document accompanying this report.

APPENDIX 4: CARRIACOU VISITOR SURVEY

We would like to know about your interests in traveling in this region. We are conservation partners surveying Carriacou and Petit Martinique visitors, identifying their motivations and preferences in order to help improve regional tourism. Would you mind answering a few questions about how you planned your trip? This survey should require about 15 minutes of your time.

The survey is **voluntary**, **anonymous**, and completely **confidential**. Please answer all of the questions. Please answer only for yourself, even if you are traveling as a couple or family. If anything is unclear, please ask the interviewer who gave you the survey. Thank you for your participation!

1. **We'd like to find out about your current trip. By "trip," we mean the period from when you left your home (usual place of residence) to when you will return home. On this trip…**

   a) **Have you visited:** ☐ Carriacou? ☐ Petit Martinique? (Check all that apply)
   If No, <u>will</u> you be visiting: ☐ Carriacou? ☐ Petit Martinique? (Check all that apply)

   b) **How many <u>days</u> will you spend or did you spend:**
   In Carriacou? _____ **In Petit Martinique?** _____
   In Grenada? _____ **In total on this trip?** _____

   c) **Where else are you visiting during this trip?**
   _____

2. **How did you first learn about traveling to Carriacou / Petit Martinique? (Select one choice below)**
   a. Hotel
   b. Guidebook or other publication (Name of Publication/Guidebook: _____)
   c. Internet
   d. Prior Visit
   e. Travel Agent or Tour Operator
   f. Word of Mouth
   g. Other (please specify): _____

3. During this trip, I am traveling:
   a. As part of a tour package for the entire time
   b. Independently for the entire time
   c. Both as part of a tour package and independently

4. I arrived/will arrive in Carriacou by:
   a. Air
   b. Commercial cruise boat/ship (e.g. Windjammer Cruises)
   c. Ferry (e.g. Osprey)
   d. Private yacht or boat
   e. Other (please specify): _____

5. Why did you/will you visit Carriacou or Petit Martinique? Please rate each reason below.

	Relative Importance (Circle appropriate number)				
	Not Important ←				**Very Important** →
Attend a festival	1	2	3	4	5
Conduct business	1	2	3	4	5
Fish	1	2	3	4	5
Hike	1	2	3	4	5
Observe wildlife	1	2	3	4	5
Sail	1	2	3	4	5
Scuba Dive	1	2	3	4	5
Shop	1	2	3	4	5
Snorkel	1	2	3	4	5
View landscape / scenery	1	2	3	4	5
Visit beaches	1	2	3	4	5
Visit cultural events	1	2	3	4	5
Visit historical sites	1	2	3	4	5
Visit relatives / friends	1	2	3	4	5
Other (Pls. specify: _____)	1	2	3	4	5

6. On Carriacou, will you / did you visit the following attractions? (Check all that apply)

☐ Bel Air ☐ Sandy, Saline, or Frigate Islands
☐ Harvey Vale ☐ Petite Carenage or Anse la Roche Bay (High North)

Did you/will you hire a guide? Were you satisfied with the services provided? Why or why not?

_____

7. Are you satisfied with the <u>amount of time</u> you spent/will spend in Carriacou / Petit Martinique?

YES NO

If Yes, skip to question #9.

8. Would you have liked to spend more or less time in Carriacou / Petit Martinique?

MORE LESS

Why? _____

9. What other attractions and activities would you like to see and do in Carriacou or Petit Martinique?

_____

10. How much money (in EC$) did you spend in total in Carriacou and Petit Martinique? If completing survey as a family, please estimate cost per person. (Circle appropriate box below; US$1 = EC$2.70)

Accommodations	EC$0	Under $100	$100-$249	$250-$499	$500-$750	Over $750
Food	$0	Under $100	$100-$249	$250-$499	$500-$750	Over $750
Souvenirs	$0	Under $100	$100-$249	$250-$499	$500-$750	Over $750
Recreational Activities (e.g. scuba diving, etc.)	$0	Under $100	$100-$249	$250-$499	$500-$750	Over $750
Other (please specify): _____	$0	Under $100	$100-$249	$250-$499	$500-$750	Over $750

11. How much would you pay per person (in EC$) for each of the following attractions or activities if offered in Carriacou / Petit Martinique? (Circle dollar value; US$1 = EC$2.70)

Bicycling (Half-day tour)	EC$0	$40	$80	$120	$160
Cooking class (Half-day class)	$0	$40	$80	$120	$160
Cultural show (Two-hour show)	$0	$40	$80	$120	$160
Historical hike (Half-day guided hike)	$0	$40	$80	$120	$160
Sailing class (Full-day class)	$0	$40	$80	$120	$160
Turtle watching (Three hour activity)	$0	$40	$80	$120	$160

12.

How many previous trips have you made to…	**No. of Trips**
a. Antigua?	
b. Barbados?	
c. Carriacou?	
d. Grenada?	
e. St. Vincent and the Grenadines?	
f. St. Lucia?	
g. Trinidad & Tobago?	

13. Please rate how much you would like to visit the following destinations in the future.

	Not Interested				Very Interested
a. Antigua	1	2	3	4	5
b. Barbados	1	2	3	4	5
c. Carriacou	1	2	3	4	5
d. Grenada	1	2	3	4	5
e. St. Vincent and the Grenadines	1	2	3	4	5
f. St. Lucia	1	2	3	4	5
g. Trinidad & Tobago	1	2	3	4	5
h. Other (Pls. Specify): _____	1	2	3	4	5

14. When traveling in the Caribbean, I prefer to stay in (you may circle more than one):

a. Basic hotels
b. Cruise Ships
c. Eco-Lodges
d. Local families' homes (home stay)
e. Luxury Hotels
f. Relatives' Homes
g. Yachts
h. Other (specify): _____

Lastly, we'd like to learn more about the characteristics of visitors to Carriacou and Petit Martinique. All responses are confidential, and we will not ask your name or any other identification.

15. If you are traveling as a couple, family or group, how many people are in your party? _____

16. Where do you live? _____ What is your nationality? _____

17. What is your gender? **MALE** **FEMALE**

18. What is your age?

1. Under 18 years
2. 18 - 29 years
3. 30 - 39 years
4. 40 - 49 years
5. 50 - 59 years
6. 60 years or over

19. What is your highest level of completed education?

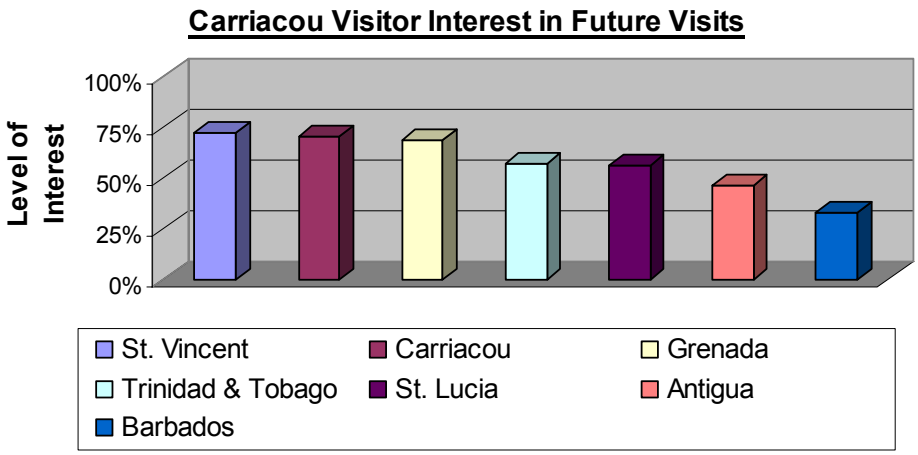
1. Primary school
2. Secondary/High school (diploma)
3. Undergraduate college/university (e.g., Bachelors)
4. Graduate (e.g., Masters, LLD, MD, or Ph.D.)

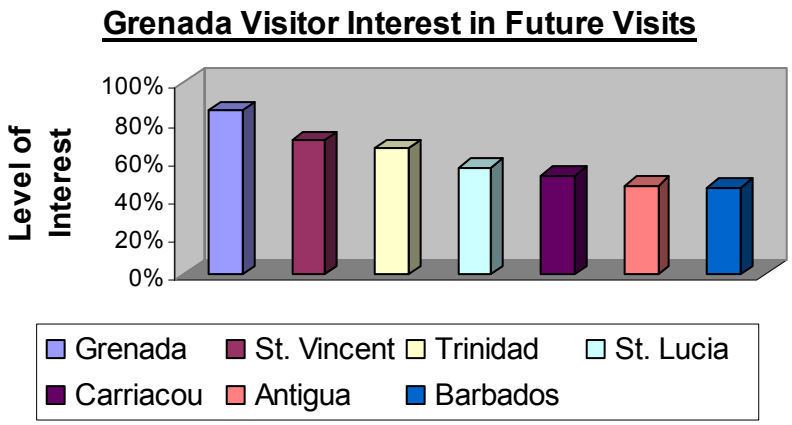
20. What is your total income per year? Please write the name of the currency <u>and</u> the amount in the following spaces:

Currency name: _____ Amount: _____

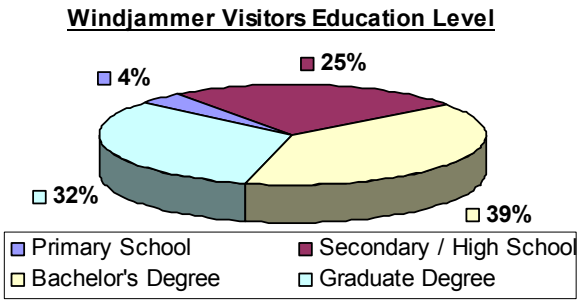
Thank you for completing this survey! If you have any further comments about other aspects of your visit, please write them in the space below. When you are finished, please hand the survey back to the interviewer.

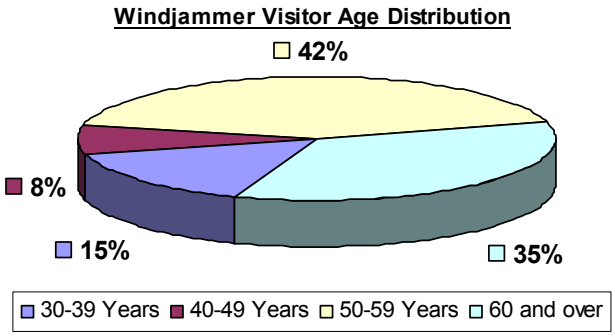
APPENDIX 5: VISITOR INTEREST IN FUTURE VISITS

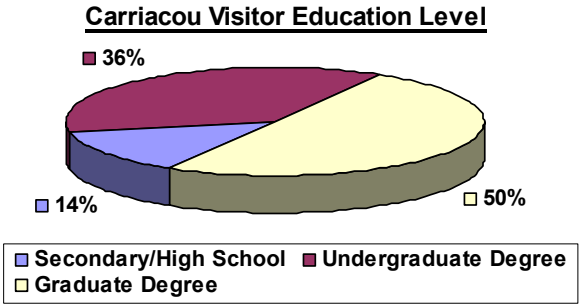


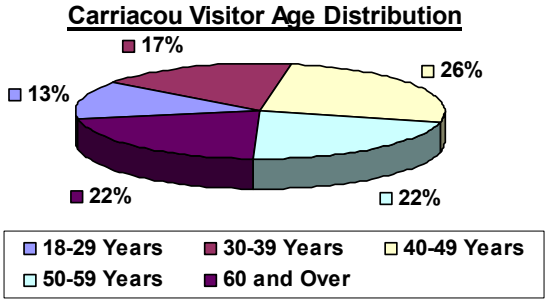


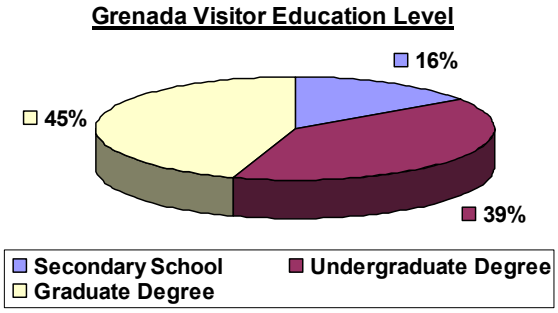
APPENDIX 6: VISITOR AGE AND EDUCATION DEMOGRAPHICS

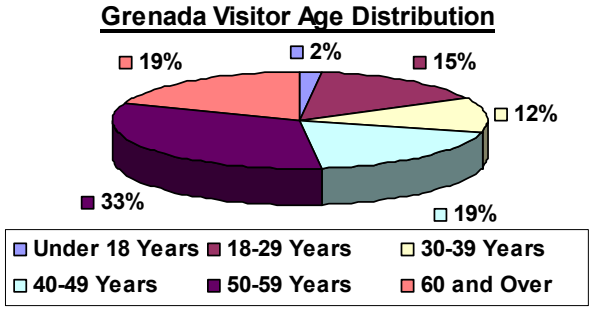












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