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# USAID CONSERVATION OF CENTRAL AMERICAN WATERSHEDS PROGRAM

**DELIVERABLE NO. 3: CONCEPT PAPER FOR A TRAVEL  
PHILANTHROPY TRUST IN THE GULF OF HONDURAS**

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CONCEPT PAPER FOR A TRAVEL  
PHILANTHROPY TRUST  
USAID-CCAW GULF OF HONDURAS**

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# 1. OVERVIEW OF TRAVELERS' PHILANTHROPY

Most everyone travels everyday of their lives, and an increasing number of consumers and businesses in the private and public sector want to positively impact their own communities as well as the places they visit.

The purpose of this document is to define how stakeholders in the Gulf of Honduras region of Mesoamerica can leverage support from the travel and tourism industry, as well as their employees and partners, to maximize contributions to a travelers' philanthropy fund supporting vetted destination conservation initiatives.

This document describes the purpose and operation of the fund. As a working draft, we will solicit review and feedback from partner organizations like Roatán Marine Park, MAR Fund and WWF in order to collaboratively finalize a strategy for how the fund will be developed and managed.

The Parties are committed to working together to secure partners within the travel and tourism industry who are willing to implement Fund Development Mechanisms to support the proposed "Mesoamerica Travelers' Fund" and are committed to sustainable tourism development.

## a. Definition

There are a growing number of conscientious consumers and responsible travel companies who are donating financial resources, time, and talent to positively impact local initiatives in the communities and environments they visit. This defines the concept of travelers' philanthropy. This voluntary movement is supporting community development, biodiversity conservation, and other environmental, socio-cultural and economic improvements including job creation, educational and professional training opportunities, and healthcare.

## b. Attributes

The emphasis, methodologies, and scope of travelers' philanthropy initiatives can vary. However, they generally share a number of common attributes. Traveler's philanthropy programs often focus on economic development and humanitarian assistance in destinations where those needs are not being met. Most initiatives provide education for travelers about local environmental, socio-cultural and economic challenges. They also encourage authentic, face-to-face interactions between travelers, travel and tourism businesses, and the local people and communities that are being visited. Travelers' philanthropy programs engage and inspire visitors to donate financial resources or time where it's most needed. This relieves the burden of relying solely on soliciting donations to raise the funds necessary to support the operation of these small initiatives.

Successful projects address the needs of local and indigenous people while empowering them to manage funds and promote grassroots community development and cultural and environmental stewardship. Often, this means establishing new partnerships between travelers, the tourism industry, non-governmental organizations (NGOs), and governmental agencies. This approach

compliments international aid programs and offers a creative framework for cooperative international development.

### **c. Need Statement**

More than 500 million people travel for leisure each year. There is a rising demand for travel as remote corners of the world become increasingly accessible. Among the most severe environmental effects of travel are pollution, intensified or unsustainable land use, depletion of natural resources, and alteration of ecosystems. Host communities often experience adverse social and cultural effects. Loss of indigenous identity and values and conflicts over proper use of local resources are among the many challenges host communities face as tourism increases in a previously remote destination.

Travel and tourism clearly contribute to globalization. However, current estimates predict that charitable giving by Americans alone could exceed \$300 billion annually by 2020, providing a real opportunity to reduce economic inequality and help ensure that tourism doesn't accelerate environmental and cultural damage. The challenge posed to the travel and tourism industry is to set up frameworks to channel funding to high quality, grassroots projects that generate tangible results and benefits. The rationale for pursuing these types of initiatives is multifaceted:

- The rate of species extinctions at present is estimated at 100 to 1,000 times the average extinction rates in the evolutionary time scale of planet Earth (Source: Lawton and May, *Extinction rates*, Oxford University Press).
- 1.1 billion people are living on less than \$1 per day and 2.7 billion are living on less than two dollars a day (Source: World Bank, 2001).
- Infectious diseases, including AIDS, threaten the economic prospects of numerous countries in Africa, Asia, and beyond.
- Government budgets and international aid is decreasing in some developed and many undeveloped countries, increasing the level of need.
- Protecting the environmental assets and cultural heritage of host countries and destinations strengthens relationships and helps improve business between local stakeholders and the travel and tourism industry.
- Almost 90% of the U.S. population states that it is important for companies to be mindful of their impact on the environment and society (Source: Corporate Social Responsibility: Consumer Understanding and Influence, Natural Marketing Institute, 2005).
- Developed countries are seeing a growing trend toward corporate responsibility as it improves market differentiation and increases consumer demand.

### ***Localized Needs***

The Gulf of Honduras features beautiful coastlines, islands, and reef formations that play a key role in attracting tourists and contributing to the economies of Honduras, Guatemala and other countries in Mesoamerica. Cruise ships are drawn to the Gulf, and the large number of tourists that disembark to take in local attractions threaten the area's environmental integrity. Like most reefs in the Caribbean, the reefs in the Gulf of Honduras have experienced significant coral bleaching. Other negative impacts stem from increasing population in coastal zones, agricultural

run-off, over-fishing, urban and industrial pollution, demand for freshwater, and dramatic increases in infrastructure development. As a result, there is a need for coastal zone management, but management capacity, enforcement, and monitoring are limited by funding, expertise, training and environmental awareness of stakeholders. Therefore, the implementation of a regional travelers' philanthropy initiative is vital for the long-term economic development of the region and for addressing local challenges and their causes which range from health care, education and the environment to human rights, economic development and sustainable agriculture.

#### **d. Benefits**

It is clear that many travelers and travel businesses gain satisfaction from increasing the well being of the places they visit. Some of the ways in which travelers' philanthropy benefits all involved parties follows:

- **Tourism Industry.** In tough economic times, some travel and tourism businesses are hesitant to buy into the benefits of sustainable tourism unless they see guaranteed return on their investment. These companies are often more concerned about their bottom lines than their commitment to destination stewardship and environmental management. The tides are beginning to turn. The green movement has evolved from a grassroots movement to an important aspect of mainstream corporate and consumer culture. Progressive companies actively promote their positive impact on the people and places they visit, building their brand and reputation as they incorporate company values into their work.
- **Travel and Tourism Businesses.** There is ample research to support the size and scope of the conscientious consumer (LOHAS) market. Nonetheless, it is challenging for responsible travel companies to determine if new business is a result of their commitment to sustainable tourism or from travelers' philanthropy initiatives. By measuring positive impacts and marketing those impacts along with their sustainability policies, travel and tourism businesses that are committed to giving back can send a strong message about their company. This strong, positive message helps improve market differentiation, attract media attention, and enhance employee and customer loyalty.
- **Travelers.** Travel and tourism businesses are members of the communities where they're based, as well as the communities they visit. They contribute to these communities in a variety of different ways. They provide jobs, support capacity development, and provide an economic boost to the local economy and to their suppliers. In return, travelers are welcomed and their experiences are enhanced in communities that are socially and economically healthy.
- **Media.** Most travel writers and editors are inundated by press releases, familiarization trip offerings, and exciting story angles from travel companies around the world. As a result, unique stories tend to be the only stories that attract their attention. Travel and tourism businesses that are committed to giving back can set their businesses apart by framing their press releases and story angles through their businesses' commitment to environmental, socio-cultural and community-based issues. By focusing on positive impacts and how they've improved the well-being of local communities, these innovative

businesses can shine a positive light on their work, creating an opportunity to dramatically increase media exposure.

- **Communities.** It is a simple fact that businesses based in successful communities are more likely to be successful themselves. Businesses can affect their local communities in a meaningful way if they take community needs and aspirations into account and provide quantifiable local benefits. These benefits can be attained through community development, biodiversity conservation, job creation, educational and professional training opportunities, healthcare and environmental stewardship. By partnering with local NGOs and community leaders to address local needs and focusing on positive outcomes for all, progressive travel and tourism businesses can strengthen the communities where they operate as well as their business.

#### **e. Program Design Considerations**

There are many benefits to supporting and implementing travelers' philanthropy initiatives. There are also some pitfalls to avoid and challenges to overcome. In order to create successful travelers' philanthropy programs, consider implementing the following strategies:

- **Development Experience.** Since many travel and tourism businesses don't have development experience or experience working with NGOs, it can be difficult for them to select appropriate partners and projects. It's important to avoid replicating projects that already exist in the local region. Instead, it is best to complement existing related initiatives. Also, all partners should be thoroughly vetted like any other potential business partner to ensure a good fit and that the desired results can be generated through collaboration.
- **Fostering Self-reliance.** Travelers' philanthropy initiatives are most likely to succeed when they focus on individual achievement and reward self-reliance. They should not foster dependency; they should foster giving by encouraging recipients to become philanthropists in their own right. Implement policies and establish rules that decrease, rather than increase, project members' dependence on outside aid. Avoid, for example, providing too little funding for too short a period of time. Instead take the time to gain knowledge of the culture, language and socio-economic conditions in which the project will take place. Involve local stakeholders in a participatory process of assessing the obstacles and formulating realistic objectives and appropriate strategies, policies and working rules.
- **Community Involvement.** Involve local communities from the beginning. It's important for travel and tourism businesses to understand the communities they wish to work with and their needs, concerns, and goals. Understanding who the local residents are, how they feel about tourism, what the most important issues are from their perspective, and how they might be able to contribute to any given project will reduce challenges inherent in the implementation of these initiatives. Give them some control over how donations are collected and administered and how the fund is spent. By involving local leaders and stakeholders in the development and / or management of projects, partners supporting the initiative can enhance engagement and support, thus increasing the chance that the initiative will have a lasting impact.

- ***Hire Locally.*** Local employees help stimulate local economies in numerous ways. In addition, these residents have a deeper understanding of the issues that affect their destination and are in a better position to share it with their guests, which is a more authentic approach to inspiring visitors to give back. Local workers should also be given opportunities for upward mobility through capacity development. The more employees are invested and care about their work, the more likely they are to support their employer’s sustainability initiatives and seek additional support from others.
- ***Guest Education.*** The most memorable travel experiences have a profound impact on the traveler and a positive impact on the destination. Travel and tourism businesses supporting the initiative should focus on educating their clients and guests and helping them understand local culture, environment, and economy, as well as challenges and opportunities to address them. If they understand a destination’s unique attributes and vulnerabilities, and if they receive guidance on appropriate philanthropy, they will be empowered to help affect positive changes.

## **2. MARKETING AND OUTREACH**

This section of the working draft covers Branding, Messaging, Marketing Strategy, and Education and Training.

### **a. Branding**

The concept of philanthropic branding is very important in the current economic climate. NGOs and development organizations need to stay in front of their donors and communities and clearly communicate how donations will help safeguard cultural and natural heritage and address poverty alleviation. Many potential donors, including visitors to the Gulf of Honduras, won’t know that the initiative and the related projects have a need for private funding unless they’re informed.

Often marketing efforts focus on a single issue, which doesn’t tell the whole story about the various benefits provided to local communities and to the environment. In developing and communicating the brand’s unique attributes, the partners in this initiative need to strike a balance between high guest / client value and high philanthropic value. The genuine needs that exist and the direct benefits derived by local communities and the environment need to be demonstrated to donors.

Taking all of this into consideration, the “Travel Philanthropy Trust” name initially proposed is too generic. It is, therefore, recommended that project stakeholders consider a name that resonates with locals and travelers alike. Therefore, it is suggested that the initiative be rebranded and use a name that is personalized and localized such as “Mesoamerica Travelers’ Fund” or the “Mesoamérica Viajeros Fondo”.

### **b. Messaging**

The Conservation Action Message that travelers are asked to support and all taglines should relate directly to the initiative’s brand name. Both should focus on issues rather than process.

People care about protecting reefs, coral bleaching, and point-source pollution, for example. They don't care as much about the Waxman-Markey Bill and implementation of a cap and trade system. They also care about what's in it for them and why they should care, so it is important that project partners be careful to avoid imposing their own priorities in their messaging if they are not aligned with the initiative's priorities.

It is recommended that travelers be asked to contribute to the "Mesoamerica Travelers' Fund" to "support environmental conservation and protect cultural heritage while promoting cross-cultural understanding and economic development." Potential tag lines include "Give the Gift of Giving", "Support Destination Conservation", "Travel with Purpose" and / or "Benefit others by your presence."

### **c. Marketing Strategy**

Brochures, web sites, donation envelopes and gift cards are powerful tools for promoting the initiative, demonstrating tangible results, and generating donations. Sustainable Travel International (STI) will help develop the brochure for the initiative and may be contracted to develop other marketing materials. All marketing materials will: be visually appealing to capture the attention of potential donors and partners; convey a clear and resonant message about the initiative; provide clear information on accountability and transparency; and answer the ultimate question potential donors have: "What's in it for me?"

#### **i. Brochure**

A simple yet visually attractive brochure that is both informative and readable will be developed to promote the initiative. The brochure will feature the following sections: "About us", "What we do", "How to take action", and "Tangible results". Yet enticing headings and subheadings will be used because people tend to skim brochures to determine what text applies to them. In addition, copy in the brochure will be succinct, and images and graphics will be used to visually tell the story. The brochure will also include a compelling call to action and should include a donation envelope for travelers who are inspired to give.

#### **ii. Web site**

The use of a Web site is an essential component to the marketing strategy. The effort should be coordinated with the initiative as a whole. That is, the website should complement other aspects of the marketing strategy, as well as generate excitement about the "Mesoamerica Travelers' Fund" and report the results on an ongoing basis, which in turn will help to build a lasting resource that helps to attract a larger, more invested group of activists. Specific suggestions for the Web site include:

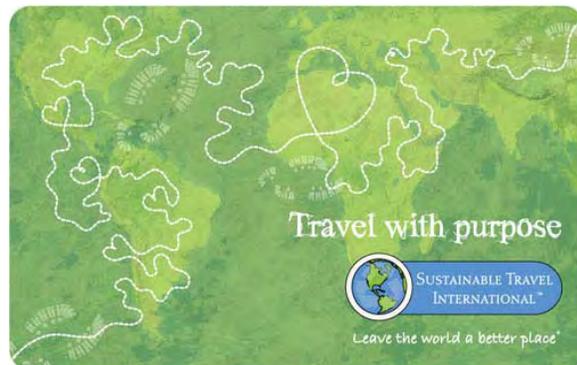
- ***Donation Engine.*** Through direct development, or by making technical integration available through use of an API, STI can provide a customized online giving portal for the initiative and select partners that integrate fully with their websites. This portal could allow donors to support either individual projects or a "Mesoamerica Travelers' Fund".

- **Recruitment Page.** Incorporating an advocacy page is a highly effective way to engage donors and advocates and recruit their participation, maximizing the level of involvement from Web visitors. The description of the initiative on this page should be very brief (i.e., around 150 words). Once donors and advocates are registered, they can be further educated on the site, through direct email campaigns, etc.
- **Proactive Outreach.** In order to ensure the success of the initiative, a marketing budget will need to be developed, to ensure active promotion of the Web site. The Web site will be successful if it is supported and marketed by partner organizations, pitched to the media, and featured on related websites, on blogs and in social marketing “cause” platforms like Facebook.
- **Report the Results.** Donors need to be kept up-to-date and informed of the issues and the status of the initiative to ensure ongoing engagement and support. The campaign should appear as a concise narrative to donors and not a series of unrelated “take action” requests.

### iii. Gift Cards

STI can also develop charitable gift cards for travel and tourism businesses to support the initiative. Using the gift cards, donors can donate to an individual cause of their choice or give a general gift to the “Mesoamerica Travelers’ Fund”. Gift card donors could be provided with periodic progress reports so they can see how their contribution was used and what results have been achieved. Gift card options include:

- Cards and carrier sleeves can be customized and co-branded to prominently display the initiative’s logo or partners’ logos and their brand elements.
- Cards are available in a variety of pre-designed themes ranging from cause areas such as the environment to events such as birthdays and holidays.
- Cards are environmentally friendly and biodegradable with supporting packaging made from recycled stock.
- Cards could be available for redemption on the “Mesoamerica Travelers’ Fund” customized online giving portal where card recipients would have the ability to donate the value of their card to any of the projects that are being offered.
- Cards can be ordered in any dollar amount of US\$20 (or more) per card. Expedited shipping and wholesale bulk purchases are available.



### iv. Donation Envelopes

Branded donation envelopes need to be designed for the initiative. These can be used for the Spare Foreign Currency Change Program and Voluntary Donations as described under Fund Development Mechanisms. Personal checks, traveler’s checks, and cash including spare change can be collected and donated through the use of donation envelopes, which can then be deposited at select collection points (e.g., cruise ship ports of call).

## **v. Video**

The video that's being developed by Erika Johnson and South Shore Productions, Inc. should be actively used in the marketing and outreach of the "Mesoamerica Travelers' Fund". At a minimum, this video should inform travelers of the initiative, promote all of the different Fund Development Mechanisms, and invite them to participate and contribute donations. In terms of next steps, partners in the initiative need to finalize the branding and appropriate messaging for the initiative and draft and incorporate it into the storyboard that's being developed for the video.

## **d. Education and Training**

One of the goals of the initiative should be to increase the capacity of local communities and businesses. Education and training materials must be developed for participating travel and tourism businesses and community leaders. It is suggested that partners in the initiative develop short workshops and "starter kits" designed to help travel and tourism businesses in each sector (e.g., cruise lines, hoteliers, tour operators, etc.) implement select Fund Development Mechanisms, communicate civic opportunities to their guests, engage local media, and recruit, motivate and retain donors.

Education and training materials can also include already established voluntary standards for sustainable tourism (e.g., tropical forestry, marine recreation, and the Global Sustainable Tourism Criteria).

In addition, donor education materials should be developed to increase donations and to encourage donors to develop ongoing relationships with the destination and with local communities.

## **3. PROGRAM STRUCTURE AND IMPLEMENTATION**

This section of the working draft covers Program Partners, Fund Development Mechanisms and Collection Strategies.

### **a. Project Partners**

#### **i. MAR Fund (Izabal)**

The Mesoamerican Reef Fund (MAR Fund) is a non-profit corporation created by four environmental funds from México, Belize, Guatemala, and Honduras, as a financial mechanism for conservation and adequate resource use in the Mesoamerican Reef Ecoregion. This conservation finance mechanism is unique in that it is the first environmental fund in the Western Hemisphere that transcends the national boundaries of four countries to encompass an entire "ecoregion". Conservation and management of this region involves the understanding that conservation efforts should be planned and implemented beyond national boundaries.

## **ii. FUNDAECO (Izabal)**

The Foundation for Ecodevelopment and Conservation (FUNDAECO) was created in June of 1990 with the mission to protect the integrity, beauty and stability of nature through the creation and management of protected areas, the sustainable use of their natural resources and the improvement of the quality of life of its local inhabitants.

FUNDAECO specifically seeks to protect the Caribbean Rainforest Corridor of Guatemala (CORREDOR CARIBE), to establish the Ecological Metropolitan Belt of Guatemala City (CINTURÓN ECOLÓGICO METROPOLITANO) and to support the protection and restoration of the Biological Corridor of the South Coast of Guatemala (COBIOSUR). FUNDAECO is one of the most influential NGOs in the area and has a strong relationship with CONAP (the government entity for conservation). FUNDAECO is also the NGO that administers the Cerro San Gil area—one of the main destinations for cruise ship passengers.

Given the MAR Fund and FUNDAECO's existing presence in the region, both organizations have been identified as possible fiscal agents for the "Mesoamerica Travelers' Fund".

It is envisioned that donations and contributions received through the "Mesoamerica Travelers' Fund" in Izabal will be channeled through either the MAR Fund or FUNDAECO. The final determination of the fiscal agent should be made by Geotourism Stewardship Council formed for Izabal through the USAID-CCAW program.

## **iii. Roatán Marine Park (Roatán)**

The Roatán Marine Park started life as the Sandy Bay West End Marine Park, established in January 2005 when a group of concerned dive operators and anxious business operators united in an effort to protect the coral reef ecosystem. Initial efforts focused on reducing illegal activity within the park (namely poaching and use of spear guns), achieved through alliances with the National Police.

Recently their activities have expanded to include an education program for local schools, improving marine infrastructure, designing and implementing tourist education programs, developing universal standards for diving and boat operations, designing a waste management program, and financing two patrol boats and 12 members of staff. The name "Roatán Marine Park" was therefore selected as a replacement to reflect the expansion of their vision for the community and environment of Roatán as a whole, providing a sustainable resource from which we can all benefit.

When the Park was first established in January 2005, it relied solely on generous donations from dive shops and individuals to help finance the patrols. In an attempt to evolve from a charity, reliant on monthly donations, into a self-sustaining business, the Park developed a membership

scheme in which it offers its supporters the benefits of advertisement in all literature and a link on its Web site.

In November 2005, dive shops operating within the Marine Park implemented a US\$5.00 user fee required from every diver. In exchange for this fee, each diver received a dive tag granting him or her diving access within the Marine Park for one calendar year. A recently introduced alternative to the tag is a fashionable silicon bracelet displaying our name and logo. The user fee also extends to visiting yachts and all maritime passengers. At present the user fee is not mandatory, yet the vast majority of divers are happy to contribute knowing that 100% of the funds generated from tag sales go directly to local conservation efforts.

It is envisioned that donations and contributions received through the “Mesoamerica Travelers’ Fund” in Roatán will be channeled through the Roatán Marine Park. The final determination of the fiscal agent should be made by the Geotourism Stewardship Council formed for Izabal through the USAID-CCAW program.

#### **iv. Travel Trade**

The travel and tourism industry that operates in the Gulf of Honduras region will be responsible for supporting the initiative, undertaking marketing and outreach, promoting the projects, soliciting donations from their guests and customers, and channeling funding into the MAR Fund and Roatán Marine Park.

Participating sectors and entities will include but may not be limited to new and existing Destination Management Organizations (DMOs), tour operators, hoteliers, guides, and cruise lines. Ideally, the Ministries of Tourism for Guatemala and Honduras will be involved as well. Participating businesses should be required to sign a basic MOU that clearly defines the benefits and responsibilities of their participation.

#### **v. Solimar International**

Solimar International is a tourism development firm dedicated to promoting the goals of sustainable tourism by providing marketing, sales, and consulting services to tourism businesses, associations, development agencies, and national tourism authorities.

#### **vi. Sustainable Travel International**

Sustainable Travel International (STI) is a non-profit organization whose mission is to promote sustainable development through responsible travel by providing programs that help travelers, businesses and destinations protect the environment, preserve cultural heritage and promote economic development.

STI is available to vet existing giving programs and undertake the necessary due diligence process to ensure that local projects are credible and achieve the desired results. STI can then expand their market reach by featuring these projects on its Web sites and on partner Web sites (e.g., [www.marfund.org](http://www.marfund.org), [www.globalgiving.org](http://www.globalgiving.org), etc.).

## **b. Fund Development Mechanisms**

There are several fund development mechanisms that can be put into place to attract the desired funding, which are not mutually exclusive. Travel and tourism businesses that are involved in the initiative have several options for soliciting funds, including the Spare Foreign Currency Change Program, voluntary opt-in or opt-out programs, a customer levy model, and requesting voluntary donations. A synopsis of each follows:

### **i. 1% Campaign**

It is suggested that a regional 1% campaign be implemented, which could become the first official *1% For The Planet* local chapter outside of the United States. STI is working with *1% For The Planet* to pilot test this concept, so the partners in the initiative are perfectly positioned to leverage this opportunity in the Gulf of Honduras.

1% campaigns require participating member businesses, which don't have to be tourism-related, to give one percent of their annual gross revenues to the fund and to recognize the campaign in their publications, press releases, and marketing materials. These donations would then be aggregated into a granting pool, which in turn would fund approved projects that support the long-term sustainability of the region.

In terms of messaging, a *1% Percent for Mesoamerica* (or *1% Percent for the Caribbean* if project partners want to expand the initiative throughout the entire region) campaign would highlight that Central America's extraordinary natural resources are the foundation of all its essential qualities.

The key to the success of a campaign of this nature would be to attract one to two early adopters, i.e., high profile businesses that are committed to sustainability and have a significant presence in the region. Launch events would take place in centralized locations in an effort to engage other companies and facilitate the connection between business and the environment.

### **ii. Spare Foreign Currency Change Program**

Spare foreign currency change programs are a proven and effective method for collecting unused currency from travelers, providing them with an easy way to give back, and then converting their contributions into conservation oriented outcomes. Since foreign change can't be converted back to domestic currency at a bank, many travelers consider it a nuisance and are more than happy to donate their foreign change. Therefore, there is an opportunity to collect the money at select locations throughout the Gulf of Honduras (i.e., ports of call).

A spare foreign currency change program can provide a unique partnership opportunity: it will deliver marketing messaging to a captive global audience while showcasing travel and tourism partners' commitments to environmental and social responsibility, thereby increasing customer loyalty and contributions. Travel and tourism partners can benefit from their association with the

initiative. In addition, the program should give travel and tourism partner employees the opportunity to give back while performing everyday work duties either through voluntourism or by providing them with opportunities to make voluntary donations.

The success of spare foreign currency change programs is largely dependent on having local “champions” to promote the opportunity, e.g., making announcements on a voluntary basis during tours, offering project information to guests, and collecting spare coins and bills.

### **iii. Voluntary Opt-In or Opt-Out Programs**

Voluntary opt-in or opt-out programs would provide the guests of travel and tourism business with an opportunity to support the initiative by adding a \$1.00-\$5.00 fee to their invoice. Hoteliers, for example, can add \$1.00 per night during check-in or at check-out as an add-on to each guest’s invoice. At that time, guests are informed of the program and can opt-in or opt-out, depending on how the program is set up. Travel and tourism businesses that include a fee in guest invoices as a voluntary opt-out have been more successful (5-10 percent opt-out rates) than those who offer them as a voluntary opt-in (5-10 percent opt-in rates).

The success of this type of program is dependent on its integration into existing sales and booking mechanisms. Additionally, successful opt-in or opt-out programs are supported by an informed staff that understands the program and its benefits and are comfortable promoting it to their guests, as well as prominently displaying educational point-of-purchase materials in high traffic areas.

### **iv. Customer Levy Model**

Since voluntary opt-in and opt-out programs require more effort to implement on an on-going basis, many participating businesses may prefer to implement a customer levy model, whereby a select dollar amount (usually no more than US\$2 per day / night) is included in their fee structure and would be allocated to the initiative.

Guest bookings would not be adversely affected by the introduction of a levy, as long as the reason for the levy is clearly explained (upon arrival or at the time of booking), and it is used for their benefit e.g., improving visitor facilities and amenities. Generally, most travelers understand that good tourism destinations need to be sustained and that it takes funding to facilitate this process and enhance their experience. So, if they understand how and why fees are being levied, most will be supportive of it. The same need for understanding applies to voluntary opt-in or opt-out programs as well.

Please note that the customer levy model can be strengthened through the use of gift cards, which help to empower guests by giving them an opportunity to select the projects they allocate funding towards.

## **v. Voluntary Donations**

In one of the most popular forms of travelers' philanthropy, businesses simply solicit donations directly from guests while they're traveling and or invite their guests to get directly involved in local projects.

In order for this approach to be successful, a sophisticated communications program complete with conservation education materials need to be developed. Specifically, educational tools must be developed to support employee communications such as printed marketing materials, reference materials, environmental exhibits, films, slide shows, lectures and solicitation envelopes. Then these tools need to be seamlessly incorporated into the guest experience and qualified employees need to be trained to deliver the necessary communications.

## **c. Collection Strategies**

Once the partners supporting the initiative finalize the combination of Fund Development Mechanisms that will be utilized, the related collection strategies can also be finalized. Therefore, this section of the working draft focuses on the ways in which the various tourism sectors can develop and implement collection strategies, as well as further support and promote the "Mesoamerica Travelers' Fund".

Also, it should be noted that each of the Program Design Considerations previously mentioned should be taken into consideration when developing and implementing collection strategies. At a minimum, guides and other front-line staff need to be intimately familiar with the initiative and have extensive knowledge of how the program addresses community needs. Interactions with local guides and informed staff members will deepen their guests' understanding of the local environment, history and culture of the region. Once guests have been introduced to the initiative, it is more likely that they will make a contribution, especially if they're given opportunities to donate toward the end of their stay. Discounts and special offers can also be extended to further encourage donations.

In addition, businesses that have successful voluntary donation mechanisms in place typically make elaborate efforts to introduce their guests to their local staff and their culture by incorporating unique cultural attributes into their programming like traditional dances, meals, medicinal plant tours, and the like. These points of connection inspire volunteer engagement and philanthropy from guests who gain a first-hand understanding of the connection between the business and the welfare of the local people and the environment.

## **i. DMOs**

DMOs are in the best position to influence inbound tour operators and in-market suppliers. Therefore, local DMOs should encourage inbound tour operators and in-market suppliers to adopt and promote the "Mesoamerica Travelers' Fund". They should also actively promote the initiative through their marketing activities. In doing so, they should be prepared to address

frequently asked questions and communicate concrete results and benefits generated by the Fund; this applies to all sectors mentioned herein.

In addition, DMOs can implement a philanthropic voluntourism model. Specifically, some of the donations from the “Mesoamerica Travelers’ Fund” could be earmarked to train and pay employees to identify service opportunities within the region in conjunction with NGO and other program partners. These employees would be tasked with crafting and coordinating voluntourism experiences and assisting travel and tourism businesses in creating projects that suit their clientele and meet the direct needs of local communities and their residents. It is important to note that these individuals should not create projects just to fulfill their obligations but rather make a concerted effort to connect with communities and local NGOs to truly address social and environmental challenges in their destination.

## **ii. Tour Operators**

Tour operators, especially those working with the cruise line sector, should promote the “Mesoamerica Travelers’ Fund” during their trips and in pre- and post-trip confirmation materials. Tour operators who wish to support the initiative should also be required to implement a spare foreign currency change program or a customer levy model in order to maximize the amount of donations generated from their businesses.

Tour operators and other sectors involved in the initiative need to be very careful about how they approach guests to be donors. Every guest should be automatically exposed to the initiative and receive a full orientation upon arrival about the approach to travelers’ philanthropy, the philosophy of the company, and how they link with communities and projects. Beyond that, company employees and guides should respect that their guests are on vacation and leave it to them to indicate their interest in and appetite for learning more about the initiative and related community work and projects.

In addition, participating tour operators should offer voluntourism experiences associated with the travelers’ philanthropy projects that will be offered. Since there are a variety of different business models and approaches to voluntourism, interested tour operators need to be clear in regard to their motives, goals, objectives, and expectations before selecting and implementing a particular approach. STI can provide direction in this decision making process if need be.

## **iii. Hoteliers**

In order to maximize the amount of donations generated from their establishments, hoteliers who wish to support the initiative should be required to implement a voluntary opt-out program or a customer levy model. They should also be required to actively promote the initiative through their marketing activities and on-site in lobby areas and by providing further reading material in guest rooms, for example.

The partners in the initiative should evaluate the possibility of creating a hotel and lodging association, which could help to disseminate information to member hotels, provide education and training, etc. In addition, the association could require hoteliers that are unwilling to

implement Fund Development Mechanisms to make “Mesoamerica Travelers’ Fund” brochures available in lobby areas.

#### **iv. Guides**

Independent guides and tour operator guides should be responsible for educating their guests about the initiative and related needs. Independent guides should also be responsible for handing out, but not necessarily collecting, donation envelopes. Donors should be instructed to deposit their donation envelopes at a central point, e.g., with a manager or at designated Port Authority booths. This process will help to guarantee that all donations collected are delivered intact (as collected) to the MAR Fund.

Guides should be careful to not impose any pressure of their guests to donate. Guests are likely to be more motivated through genuine, personal interaction with their guides, especially if they are members of the local community. Since more travelers are seeking our authentic experiences, they will relish dialogue about local communities as part of the interpretive experience they receive from their guides and will wish to take advantage of opportunities to visit local communities and projects.

#### **v. Cruise Lines**

Cruise line partners are a key player in the success of this initiative given their growing presence in the Gulf of Honduras. However, many may be opposed to soliciting donations on board, so a spare change solicitation program or gift cards may be the best options for garnering their guests’ support while at sea. These Fund Development Mechanisms should be complemented with guide and tour operator collection strategies when cruise line guests debark to visit the Bay Islands or mainland.

It should also be noted that Royal Caribbean International has expressed an interest in supporting the initiative on the condition that any proceeds generated from its guests are allocated to its Ocean Fund.

## **4. PROJECT AGGREGATION**

This section of the working draft covers Project Aggregation, Vetting, Eligibility, Outcome Evaluation, and Outcomes, as well as the Flow of Donations.

### ***Existing Projects***

The partners involved in the initiative should support any existing projects that are aligned with stakeholder goals and objectives and should facilitate the development of new projects on an as needed basis. The Roatán Marine Park and MAR Fund offer a variety of [giving opportunities](#), STI offers more than 30 [vetted projects](#) in the greater Mesoamerica region (Belize 1, El Salvador 2, Guatemala 17, Honduras 4, Nicaragua 3, Mexico 8), and Royal Caribbean International offers the [Ocean Fund](#). Any new projects that wish to be considered for grants through the “Mesoamerica Travelers’ Fund” will be required to complete the required paperwork.

## **a. Project Vetting**

The partners involved in the initiative will develop an application and review mechanism to access available funds by third party organizations directly or indirectly involved in the tourism value chain in the Gulf of Honduras region. Therefore, an application process should be established. And project or granting criteria, application procedures, and the related schedules should be clearly defined. Specific granting criteria should include but may not be limited to:

- Funds raised by the “Mesoamerica Travelers’ Fund” may be competitively granted or may be allocated to a pool of vetted projects with specific allocations being based on need.
- The “Mesoamerica Travelers’ Fund” should encourage applications submitted by multiple organizations from different disciplines, jurisdictions, and/or economic sectors, and each applicant “team” should be required to include at least one 501(c)(3) or equivalent organization.
- If grants are made available, they should be limited to projects within the greater Mesoamerica region, which encompasses southern Mexico, Guatemala, Belize, El Salvador, western Honduras, and the Pacific lowlands of Nicaragua and northwestern Costa Rica. Alternatively, grants can be limited to projects based in Guatemala and Honduras or in the Gulf of Honduras.

## ***Project Applications***

The application process should meet the need for comprehensive information as well as applicants’ desire for an easy, straightforward application. A comprehensive Due Diligence Checklist is detailed on page 19, which includes information that should be required of organizations that wish to feature their projects as part of the initiative.

To improve upon the application process, a simple evaluation should be put into place that asks questions like: were the guidelines clear; were the criteria clear; how can we improve the criteria and or guidelines; and how can we improve the overall process.

## **b. Project Eligibility**

A volunteer grants committee should be formed that is responsible for judging each grant or project proposal against an established set of criteria. This committee will be made up of partners in the initiative including but not limited to the Roatán Marine Park, MAR Fund, and local DMOs. One of the key objectives of this process should be to understand and illustrate the link between the greater Mesoamerica region’s natural and cultural resources and long-term well-being of its communities. Therefore, it is suggested that the evaluation process be as transparent as possible, e.g., successful grantees or projects should be made publicly available and placed on the initiative’s website along with their applications.

Ideally, successful proposals that are identified by the committee should at a minimum:

- Focus on sustaining the greater Mesoamerica region’s natural and cultural resources for future generations;
- Address critical linkages between the region’s economic, social, cultural, and environmental qualities;
- Include a budget and timeline and identify the specific ways in which the proposed projects will become self-sustaining income-generating projects, which in turn create more skill-building opportunities and jobs;
- Emphasize forward-looking solutions, i.e., preventing future problems or turning today's possibilities into tomorrow's realities;
- Demonstrate collaboration by multiple organizations in addressing issues cutting across jurisdictions and disciplines;
- Fund new projects, or fund innovations in existing projects that will significantly expand and or increase their measurable results;
- Look to the “Mesoamerica Travelers’ Fund” for matching funds, rather than complete funding (see “Matching Requirement” below for more information).

Another key criterion for evaluating grants or projects should be that applicants identify unambiguous, measurable criteria for evaluating success. There are two reasons for this: a) in highly competitive grant deliberations, a proposal that has clear outcomes and a definite means of evaluating them demonstrates the applicant has thought through the program and understands its goals; and b) fund development mechanisms exist not only to fund change, but also to inform partners and other stakeholders about the issues being addressed.

### ***Matching Requirement***

Recipients of the proceeds from the “Mesoamerica Travelers’ Fund” should be required to match dollar for dollar the amount requested. That is, for every grant dollar requested, there should be at least one dollar of match identified. Both cash and in-kind donations are acceptable forms of match. A cash match would refer to the actual cash provided by the applicant listed in the cash income section of their budgets. If they also provide services, those services should be counted as part of any cash match. In-kind matches would refer to donated goods and services that others (e.g., volunteers or interns) have contributed to the project. The dollar amount associated with these in-kind donations should be calculated based on fair-market value.

### **c. Project Outcome Evaluation**

The evaluation of any given project-related outcomes is almost as important to the initiative as the funding of the projects themselves. Success or failure should not be the key issue. The partners in the initiative should focus on evaluating project outcomes by identifying what occurred and why, lessons learned, and extracting critical data from the process.

The evaluation process should also provide clear information on the tangible, measurable results that were generated and ensure accountability and transparency (i.e., that the money was properly allocated). If the funding was not used for the purpose(s) it was allocated, the recipient needs to be held accountable.

#### **d. Project Outreach**

As part of adding new recommended projects, STI is available to qualify organizations for participation on its Web sites and on its partner Web sites (e.g., [www.globalgiving.com](http://www.globalgiving.com)), helping expand market reach and attract additional funding for their projects. If the partners in the initiative are interested in taking advantage of this opportunity, STI may be subcontracted to help these organizations understand how the initiative works, assist them in preparing due diligence and project materials, perform basic due diligence and determine 501(c)(3) equivalency for non-U.S. projects, and disburse generated funds to them.

#### ***Due Diligence Checklist***

International NGOs interested in featuring their projects on STI's Web site and on its partner Web sites are required to submit materials including detailed information on their programs, financials and organizational structure, as well as what happens upon the event of dissolution. A sample due diligence checklist follows:

##### *Required Signed Documents*

- Due Diligence Affidavit / Application
- Non-discrimination policy
- Signed Anti-Terror Certification

##### *Program Materials*

- Annual report
- Program Descriptions and Materials
- Brochures
- Pamphlets
- Other Public and Printed Information

##### *Financial Documentation*

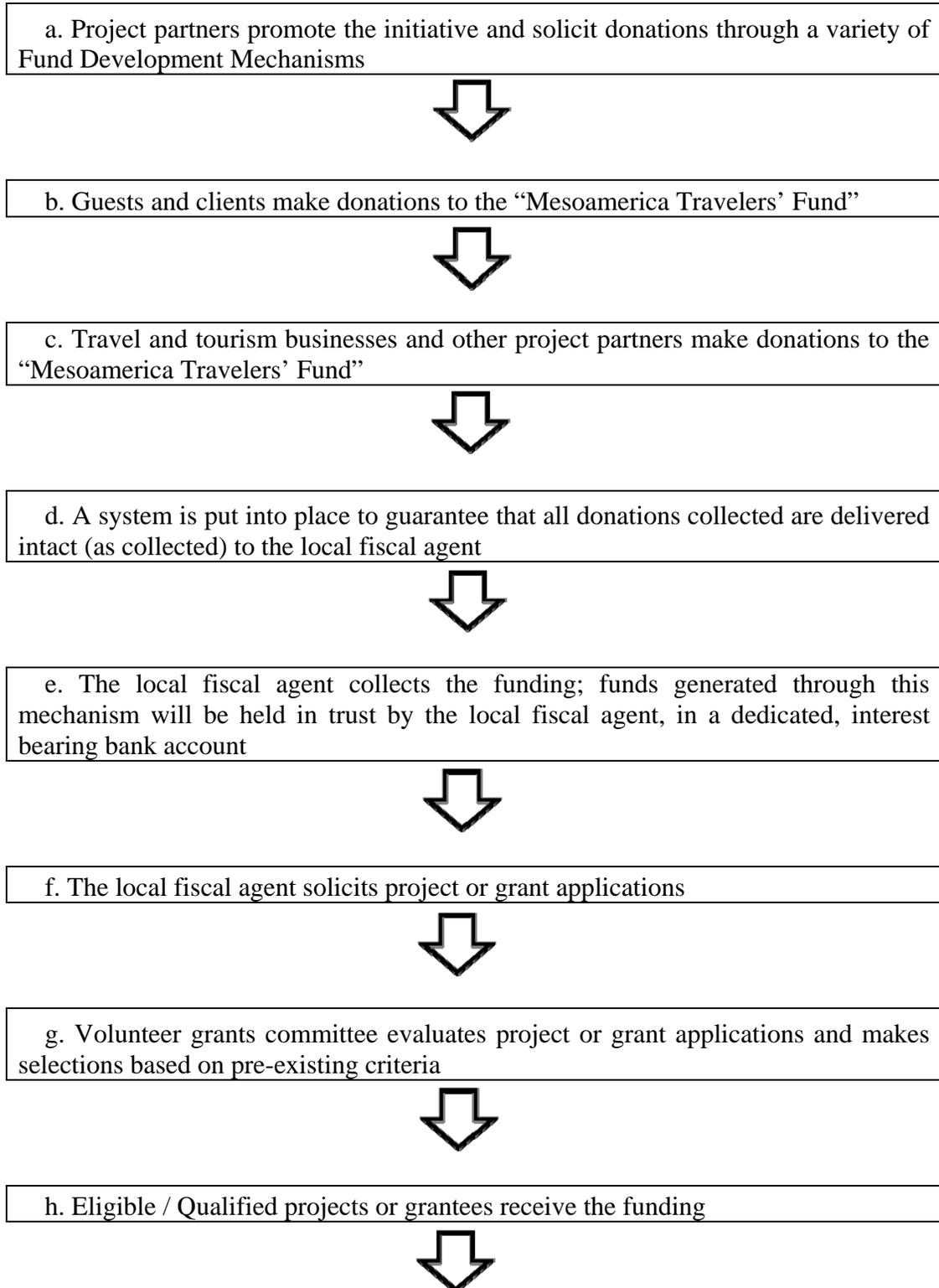
- Budget for current and past two fiscal years
- Audited financial statement (if available)

##### *Organizational Documents*

- Articles of incorporation
- Charter
- Bylaws
- Certificates of incorporation
- Certification from any state or national government agency (e.g. related to either status as a non-profit, NGO, charitable, or social organization; and / or an organization's activities which may be regulated, such as health or education services)
- List of Senior Staff and Board Members
- List of all financial Institutions
- Two Letters of Reference

- Contact Information for References

## 5. THE FLOW OF DONATIONS



i. The local fiscal agent evaluates the results of the projects to ensure that tangible, measurable results are generated and that the money is properly allocated then reports the results to project partners, which in turn can report the results to donors

