



**Final Performance Evaluation
"Conservation and Sustainable
Tourism Program"
Implemented by FHI - 360**



Managua, September 2013

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ABBREVIATIONS AND ACRONYMS

AME	:	Mesoamerican Ecotourism Alliance
ANTUR	:	Nicaraguan Tour Operator Association
AP	:	Protected Areas
ASDENIC	:	Association for the Social Development of Nicaragua
BPST	:	Best Practices for Sustainable Tourism
CANATUR	:	National Chamber of Tourism of Nicaragua
CAPS	:	Potable Water and Sanitation Committees
COMACO	:	Collaborative Management Committee
CSTP	:	Conservation and Sustainable Tourism Program
ENACAL	:	Nicaraguan Water and Sewage Enterprise
ENAH	:	National Tourism School
FAREM	:	Multidisciplinary Regional Faculty
FENITUR	:	National Tourism Fair
HOPEN	:	Association of Small Hotels of Nicaragua
INTUR	:	Nicaraguan Tourism Institute
MEA	:	Meso-American Eco-tourism Alliance
M & E	:	Monitoring & Evaluation
MINED	:	Ministry of Education
MINSA	:	Ministry of Health
MIPYME	:	Micro, Small and Medium Enterprises
MIRS	:	Integral Management of Solid Waste
MTB	:	Mountain Biking
OMT	:	World Tourism Organization
ONG	:	Non-Governmental Organization
PMP	:	Performance Management Plan
PNDH	:	National Human Development Plan
PYME	:	Small and Medium Enterprises
RAAS	:	South Atlantic Autonomous Region
ROS	:	Recreation Opportunity Spectrum
RRHH	:	Human Resources
SME	:	Monitoring and Evaluation System
TIC	:	Information and Communication Technologies
UNAN	:	National Autonomous University of Nicaragua

USAID : U.S. Agency for International Development
WASH : Water, Sanitation and Hygiene
WCS : Wildlife Conservation Society

EXECUTIVE SUMMARY

About the Program

The Conservation and Sustainable Tourism Program (CSTP) was implemented over three years by FHI 360, with funding from the United States Agency for International Development (USAID). This program supported established tourism companies and other businesses related to tourism. It contributed to new and diversified businesses and employment opportunities for the rural population while introducing good environmental practices in and around protected areas and private wildlife reserves.

The CSTP fostered economic growth and the generation of income and, by doing so, created greater food security in the region. It worked with the following partners: La Cuculmeca, Paso Pacífico, the Mesoamerican Ecotourism Alliance and the University of Idaho to offer new economic alternatives related to the growing nature-based tourism market and aimed at combating threats to biodiversity and the high rural poverty rates in the destination regions. The program concentrated its actions on the municipalities of Estelí, Jinotega, Somoto and Bluefields.

The program worked under a cluster approach in order to link different types of complementary businesses to form a "tourism destination". The program also promoted a gender perspective in order to promote participation by women and their empowerment in this sector. In addition, it focused its actions on three components:

- **Component #1: Strengthening Local Leadership:** Create the conditions and environment for training local leaders and promoting decision-making through the creation of strong leaders in the local organizations, defining their own vision of sustainable community-based tourism, capable of identifying and executing projects, and informed and equipped to make good decisions about marketing and attracting tourism.
- **Component #2: Building Better Businesses:** Improve the capacity of the sustainable tourism enterprises to manage natural resources and the greater economic benefits to the enterprises and the communities involved in nature-based tourism.
- **Component #3: Improving Natural Resource Management:** Improve the management of protected areas, priority resources for biodiversity and water resources for conservation, and the benefits to sustainable tourism, as well as the greater awareness in the country and the target regions about the value of conservation of biodiversity and the greater capacity to address threats to biodiversity.

Most Significant Findings and Results

Despite the delay in the program due to the change in executor, reducing its term, scope and budget, the proposed objectives and proposed targets for indicators have been almost completely achieved.

Overall, the program conducted a great number of activities and attained significant results that made it possible not only to achieve the objectives and targets for the indicators, but also to exceed them.

In broad terms, the results are as follows: A significant number of companies (154 companies) have been strengthened, approximately 6,045 people have been trained; more than 250

members of 16 organizations have been strengthened; 1,250 members of communities have participated in environmental education activities; 3,500 beneficiaries have been made aware of conservation and environmental issues; and approximately 15,000 Nicaraguans have had the chance to learn about tourism opportunities in the northern part of the country through social communications campaigns and social networks.

According to the opinion survey of the direct beneficiaries of CSTP in the Estelí, Somoto, Tisey, Mirafior, Jinotega and Pearl Lagoon clusters, and categorized by type of intervention, the most successful interventions were: Training (33.33%); Marketing Support (30.56%); Environment (11.11%); Exchange of Experiences (7.64%); Grants (6.25%), and Design and Technical Assistance (5.56%).

The reasons that the training and marketing stand out, according to the stakeholders, is that training provides knowledge and competencies, while support for marketing provides tools and facilities, with results and impacts that can be obtained very quickly.

A total of 87.1% of the beneficiaries surveyed believe that the services that they received facilitated the development of activities in their businesses. Eighty-one percent (81%) of those surveyed stated that their capacity to provide services has improved; 77% have a better understanding of the market; 74% have publicized their products and services nationally and internationally; 71% have improved their market position; 65% have increased their sales, have started to offer better prices and have become more aware of the conservation of biodiversity; and 61% have begun to provide good management of natural resources and have improved their productive capacity.

In Bluefields, the intervention was specifically aimed at the management and protection of the environment and access to water and sanitation for families and communities. The result of the surveys of the beneficiaries from that region regarding the most successful activities indicate the following: (i) Awareness campaign involving public agencies (municipal government, Ministry of Health, Ministry of Education); (ii) Creation of Potable Water and Sanitation Committees (CAPS) in each of the 18 neighborhoods of Bluefields; (iii) Organization of clean-up days in the neighborhoods of Bluefields and the distribution of clean-up kits to the families involved; (iv) Launch of the "Clean Bluefields" Campaign; (v) Promotion and adoption of a solid waste management plan by the municipal government of Bluefields; (vi) Sweat equity construction with the participation of the beneficiaries and distribution of bio sand water filters; (vii) Organization and execution of the "Green Movement" Forum to improve environmental management in these institutions; and (viii) Development of a guide to best environmental practices.

In Pearl Lagoon, the CSTP worked with the Wildlife Conservation Society (WCS), an environmental non-governmental organization (NGO). The CSTP provided it with a grant for a biodiversity conservation project and management of natural resources, culminating this support with the formation of a tour operator (Kabu Tours), which is a cooperative comprised of 11 ex-turtle fishermen. This provided them with a viable economic alternative that has enabled them to stop turtle fishing and to work in providing tours in the Pearl Keys, making a commitment to the care and promotion of conservation of this species.

There is a preponderance of women participants in the program. This is due to two factors: the first is that the tourism sector involves economic activities that have a great deal of participation by women; the second is that the program also promoted the participation of women in its different activities.

Most Significant Conclusions:

In general, the program was important as it responded to the needs of the participating organizations and enterprises, addressing their concerns about required support. The problems addressed by the program were those that most limited the development of the enterprises. The program was also very efficacious, as the proposed objectives, targets and established indicators have been almost completely achieved. In addition, the program was highly efficient, due to optimum use of resources, the development of a broad variety of activities, and the development of a great number of products, as well as the achievement of significant results.

The program incorporated the gender perspective, promoting equitable participation by men and women in the different interventions, actions, events and support developed. The high levels of participation by women in the management of tourism-related companies in the program's target areas helped to facilitate this.

We believe that the program is sustainable as it has created capacities in individuals and organizations and has provided tools so that what was begun with the program can continue once it concludes. The program has had a significant impact that is documented and indicated in this report; the impact can be seen in key areas and in the objectives related to: (i) fostering development of small and medium enterprises (SMEs); (ii) the adoption of more sustainable environmental practices; (iii) improvement in the competitiveness of the private sector through tourism; (iv) increased participation of women; and (v) improved commercialization of tourist services in northern Nicaragua.

The program has made significant efforts to achieve sustainability in all of its successful experiences and has properly documented and systematized them. The program partners and FHI-360 have produced an extensive number of documents, which are very useful for the improvement of the economic, business, environmental, educational, sanitation and tourism aspects of the locations that are suitable for tourism. This set of documents may be very useful to the Nicaraguan Tourism Institute (INTUR) and to other programs that work in the sector, professional associations, local associations and any tourism enterprise in general. Furthermore, the program developed a series of tools and documents to foster and develop tourism in the program's intervention areas.

In conclusion, CSTP is a good example of a successful program without many resources in the tourism sector. It has had a significant impact on the business development of the areas that are suitable for tourism, on the generation of rural employment, on the promotion of sustainable tourism, on the adoption of good environmental practices in the areas, and on the target groups.

Recommendations:

The report makes a set of recommendations: (i) regarding the monitoring and evaluation system (M&E) of the program; (ii) for tourism development programs that are similar to CSTP; (iii) for future activity related to the overall focus of the project; (iv) for future activity related to these types of interventions; (v) for future activity related to these types of beneficiaries; and (vi) for USAID.

Lessons Learned

The evaluation team identified 12 lessons learned, of these the most important are:

- In programs that intervene in different geographic locations and on different issues, working with organizations that act as local or specialized partners is advisable, as they will support the development of the actions of the program to achieve its goals. The executing organization will see that the implementation of its program is facilitated if most of the actions are performed by these partners who have knowledge and expertise that the executing organization may lack. Furthermore, they can contribute new ideas, experiences, approaches and innovations, as well as more knowledge of the local context or the issue they are addressing. In this way, they contribute to the optimal implementation and execution of the program. The integration and coherence of actions with the partners is important so that the program can be seen as a whole (one program) and not different programs carried out by different agencies or executors.
- In order to ensure the sustainability and replications of the actions and successes achieved in programs of this nature, there must be systematization and documentation of experiences, methodologies, approaches and tools. In addition, print and visual materials must be distributed to stakeholder organizations that will continue to work on this effort.
- The cluster approach is the most appropriate approach for working on rural tourism development programs. Through this approach, tourism offerings are improved to compete for potential tourists, innovation and competitiveness are increased in cluster businesses compared to those that work in isolation; there is a high degree of flexibility in organization, structure, and work mechanisms that lend themselves to the characteristics of the enterprises, their context and degree of development. This enables them to move from simple interchange of information and experiences to more complex and integrated actions to strengthen any areas or elements of the value chain where there are enterprises from the cluster. The approach enables the entrepreneurs to appreciate that, by working together and in unity, they can better develop the communities in the tourism sector and obtain higher income. It also reinforces the thinking that they need to be allied to achieve success.
- The use of Information and Communication Technologies (ICT), including the Internet and social networks, cannot be absent from programs that support rural tourism development. These tools not only facilitate the operation of the enterprises, but also facilitate electronic development, promotion and sales. Moreover, they improve communication and coordination among cluster participants for the development of tourism products, shared promotion and marketing and development of training activities and exchange of experiences.
- A successful formula for rural tourism support programs includes integrated support through different mechanisms such as: training, technical assistance, assessment – especially in the development of business plans as a better way of planning the economic development of the enterprises, sustainability of the businesses and programs -, internships for observation of more developed experiences, workshops and visits for exchanges of experiences among clusters, provision of information, grants for projects and equipment, and coordinated work among all stakeholders involved, all aimed at addressing the prioritized needs of the target group.

I. PROJECT SUMMARY

The Program for Creating Market Opportunities for Conservation and Sustainable Tourism", known as the Conservation and Sustainable Tourism Program (CSTP) was approved on September 21, 2010, in the amount of \$12,899,660. Its term was until September 19, 2014 and its coverage included the southern Pacific area (San Juan del Sur - La Flor / Ostional; Tola – Chacocente; and an area in Lake Nicaragua (Granada – Crater Lake; Mombacho – Zapatera). However, as a result of a decision by the United States Agency for International Development (USAID), the budget and term of the program were significantly reduced. As a consequence of these severe cuts, the program activities were interrupted and the program was reformulated. The budget for the program was set at US\$4,968,715, representing a 60% cut. This reduction also caused drastic changes in the scope of the program's work, reducing the number of project components (from six to three) and decreasing its geographic focus to the northern and central region and the South Atlantic Autonomous Region (RAAS). Following a reformulation of the program and modification to reflect these changes (reduction of the geographic area, implementation and scope of the work), the sustained implementation of the program began in December 2011, until its conclusion. During this time, there was also a change in executor. The description of the program below corresponds to the reformulated program.

I.1. Brief Description of the Program

The Conservation and Sustainable Tourism Program (CSTP) is a three-year program (from September 2010 to September 2013), implemented by FHI 360 with funding from USAID, that took steps to build the fundamental pillars for a sustainable tourism platform in priority geographical areas.

The program supported established tourism companies and other tourism-related businesses and contributed to the generation of new and diversified enterprises and employment opportunities for the rural population, while introducing good environmental practices in and around protected areas and private wildlife reserves. The CSTP fostered economic growth and income generation and, in doing so, created greater food security in the region. In addition, the CSTP worked with local partners to offer new economic alternatives related to the growing nature-based tourism market and to combat threats to biodiversity and the high rates of rural poverty in the destination regions. It is anticipated that the generation of income from the nature-based tourism enterprises aligns with the economic growth and the incentives for conservation, reinforcing the habitat conservation.

The CSTP also included a focus on water and sanitation in the RAAS: (i) it supported domestic solutions for access to potable water and sanitation and implemented interventions on environmental education for waste management and recycling, as well as training to provide solid waste management alternatives to reduce the high levels of water pollution and risk of disease; (ii) it provided bio sand filters to 300 families to improve access to potable water, hygiene and sanitation; and (iii) it strengthened the municipality and institutions to develop self-management capacities. This improved the quality of the water. In addition, the program undertook other actions, such as a Water Forum in the city of Bluefields, with all the stakeholders involved. It also installed ecological toilets to improve the sanitation conditions in several communities in Jinotega.

In that area of work, the CSTP conducted an awareness campaign among residents in the RAAS through different existing media, with the collaboration of the Ministries of Health and Education along with the municipal government. This involved improving environmental

awareness through an environment education program for children in the schools, facilitating exchange among the schools from different areas, and conducting workshops on the colonies of bats and migratory birds. The program ensured that the need to improve environmental management was emphasized for this group of future leaders.

I.1.1. Cluster Approach

The fundamental pillars for the creation of a viable tourism platform were the development and effective application of the sustainable tourism clusters in priority geographical areas. The implementation of the cluster approach requires that the stakeholders recognize that promotion and development of a regional "destination" is advantageous for all and not just for a few. Therefore, the program encouraged the members of the clusters to jointly develop a vision and a strategy for common development, unifying the different stakeholders under a cluster and working toward common goals that produce tangible and sustainable results. The program developed and expanded the leadership and management capacity of the tourism leaders in the established clusters, helped to develop clear objectives, defined work plans and created a sustainable business model that provides income-generating services for the sector. The tools and abilities developed equipped local leaders to undertake good strategic planning and to contribute to the growth of the tourism sector.

I.1.2. Gender Perspective

Gender equity was a fundamental principle within all the interventions developed by this program. The inclusion of gender was an integral part of the CSTP approach; this was a holistic and participatory approach, based on the development of sustainable tourism. The program was structured around areas where women play fundamental roles in leadership, business initiatives and environmental management. In addition, FHI 360 ensured the inclusion of the gender perspective through the incorporation of strategies aimed at facilitating the participation of women in the program activities.

I.1.3. Geographical Approach

The achievement of sustainable results required focusing resources and activities within the priority regions of the northern mountainous zone and the South Atlantic Coastal zone. Within those zones, different factors impacted the selection of specific sites for the proposed activities; for example: the presence of protected areas (PA) or prioritized species; the unique nature of the eco-tourism opportunities; the availability and capacity of the local stakeholders to support, direct and sustain an activity; the availability of infrastructure services and allies to support the development of a destination; and the resources and investments needed to maintain micro, small and medium enterprises (MSMEs). Within these zones, the sustainable tourism groups are clustered as follows:

Table No. 1.	
Sustainable Tourism Groups	
ZONE	Clusters: Urban Centers and Natural Attractions
Mountains in the North	Cluster Jinotega: Jinotega, San Rafael del Norte (urban centers), Cerro Datanlí, Lago Apanás y Volcán Yalí (natural attractions).
	Cluster Estelí: Estelí (urban center), Mirafior, Cañón de Somoto y Salto de Estanzuela (natural attractions).
South Atlantic Coast	Cluster Bluefields: Bluefields (urban centers), Laguna de Perlas (natural attractions).

I.2. Program Components

Component 1: Strengthening Local Leadership

A) Development of Local Leadership / Technical Assistance

- 1. Technical Assistance for Leadership in Jinotega and Estelí:** The program worked with major local leaders through existing platforms for civic participation in Estelí and Jinotega. In addition, it supported business organizations, such as the Jinotega Chapter of the Nicaraguan Chamber of Tourism (CANATUR), which needed support in its growth phase.
- 2. Program Planning Workshops and Support:** To complement the technical assistance, the CSTP helped to generate useful ideas through program planning workshops, which helped the participants to develop programs and to improve the destination. The actions began with the workshop on *Laying the Groundwork for Programs*, a tool that helped the leaders to develop solid projects. In addition, the program offered opportunities for co-financing under the "Local Community-based Tourism Program".
- 3. Rural Local Leadership Development Workshops:** The complementary foundation and workshops were executed and/or organized or facilitated by the local partner, La Cuculmecca, and FHI 360 in the CSTP target areas. These workshops were conducted hand-in-hand with the leaders in the tourism clusters identified by the CSTP, with a special focus on the cooperatives or leadership organizations in the rural communities. In order to strengthen the programs and address local challenges, the CSTP consolidated these activities with initiatives such as the development of Visitor Management Plans. It also provided specific technical assistance to update the destination site and to link it with tourism operators and other stakeholders.

B) Local Programs

- 4. Directory of the Tourism Industry:** The CSTP compiled important elements of tourism in an easy-to-use reference catalog and directory. This directory was distributed to the major and complementary stakeholders within the CSTP groups in order to fill in information gaps and to strengthen intra-network communication.
- 5. Local Tourist Maps:** Jinotega and Estelí lack tourist maps, which are basic elements for guiding visitors and marketing the destination. Therefore, with the participation of the local lead organizations, business owners and other stakeholders, the CSTP financed the first edition of maps of the tourism circuits in Jinotega and Estelí. These have provided and do provide information to the public about tourism in northern Nicaragua.
- 6. Tourist Information Offices:** The CSTP created, designed, produced and distributed informational placards and signs. These were distributed to all the businesses in the industry in order to improve the knowledge and links among the enterprises. Each business then can serve as a micro-kiosk for information about tourism products.
- 7. Map of the Datanlí National Reserve:** This area presents a clear opportunity for adventure and nature-based tourism that can be explored on foot, on horseback and on a bicycle. The CSTP provided materials that include a basic map of trails and local tourism businesses in the area. This strengthened the link between the tourism product in the area and the target client base. The basic map served as an introduction to the zone at fairs. It was also presented to key industry stakeholders and was used to help construct a cohesive product line.

- 8. Sustainable Tourism Center:** The CSTP has provided a grant to the Casa Estelí to develop a Sustainable Tourism Center that will serve as the epicenter for the sector in the region. The vision is to have a center that serves several sectors and functions that are mutually enriching.
- 9. Co-support for Local Community-based Tourism Programs:** The CSTP worked with groups from the community to define their own destinations and to prioritize programs. The CSTP provided support high-impact small investments with short delivery cycles and with high visibility (for example, local signage, local promotional events, visitors' maps, information kiosk, etc.).
- 10. Institutionalization and Transfer of Knowledge:** Upon conclusion of activities, there was a great deal of relevant and important information generated and compiled for the tourism sector. The CSTP distributed all the relevant reports, conclusions and documents through physical and virtual channels in order to ensure that they are accessible and in the public domain.

C) Market Strategy

- 11. Market Information on Nature-based Tourism:** Based on studies developed by the CSTP on commercialization in Jinotega and Estelí, the study makes recommendations for the most efficacious strategy for the development of nature-based tourism after the program implementation term. The CSTP provided a report on its findings and presented it to the key parties interested in sustainability efforts.

D) Marketing Tools

- 12. Facilitation of a Greater Web Presence:** The program worked to increase or improve the inventory of nature-based tourism opportunities in Nicaragua on existing commercial sites used by tourists, such as ViaNica.com. This growing presence of the destination was complemented by efforts made under Component #2 to increase the number of businesses using web technology on their websites. The CSTP also worked to increase traffic to the sites of the complementary niche with nature products that are distinct to northern Nicaragua; for example CSTP:

- Created the promotional Web site: “Visita El Norte” (www.visitaelnorte.com.ni);
- Created the Web site: www.nicaverde.org;
- Supported CANATUR to promote “Norte Verde” through www.vianica.com
- Promoted Diriangen’s Race – The Epic Race, Cooperative Juan Bautista Midence R.L. through the Web site: www.theepicrace.com
- Supported SONATI to initiate the Web site: www.econica.org, also in Facebook.
- Supported the promotion of “VerdEventos” through vianica and in Facebook.
- Promoted Summer Camp Nicaragua, (www.summercampnicaragua.com).

The program also ensured access to a broad number of useful and practical documents on line, which will provide support to the industry.

E) Promotional Activities

- 13. Promotion of Activities:** During the peak tourism season (February to July), the program offered a promotional campaign for Estelí and Jinotega to market and increase visibility and highlight tourism in those areas. The promotional campaign involved a multi-faceted series of

events, promotional materials and workshops to reach a larger national and international audience in order to attract tourists to northern Nicaragua.

14. Grants to Strengthen Promotional Activities: The program used the grant mechanism to reach stakeholders in the market and to make grants for proposals presented by the companies and organizations related to events with an impact or other promotional initiatives to stimulate tourism and visits to Estelí and Jinotega, especially in the peak season (February to July). The CSTP allocated approximately US\$450,000 to this aspect. The grants were divided into three categories, according to the approved amounts. The following grants were awarded to programs:

- BlueEnergy (Bluefields) for the construction and installation of 300 water filters and the launch of campaign " Bluefields Clean " .
- WCS (Pearl Lagoon) for the establishment of Kabu Tours, a tour operator company founded and run by a group of former turtle fishermen .
- ASDENIC (Estelí) for the establishment of a Centre for Sustainable Tourism.
- Tourism Alliance "Apanás Tours, Soda El Tico and ViaNica" (Jinotega and Esteli) for conducting *Green Events, Nature Lives*, which consists of a series of three events: (1) MTB Datanlí – El Diablo Challenge, Kayak Challenge and Paddle Apanás; Off Road Running Challenge.
- Eco Camp Expeditions (Estelí and Jinotega) for the development of a Summer Camp for college students.
- CANATUR supported by ViaNica (Jinotega and Esteli) to form the Alliance "North Green": the intimate and fresh entrails of Nicaragua , formed by 13 companies in the north of the country.
- SONATI Nicaragua Association (Jinotega and Esteli) for creating the Web Site "EcoNica.org " in the style of TripAdvisor for rural businesses in Jinotega and Esteli.
- Multipurpose Cooperative Juan Bautista Midence (Apanás Lake, Jinotega), for organizing the "mudder and survival" type race called "Diriangen's Race: Apanás".

In addition, when the program concluded, it distributed 39 grants in equipment for the businesses involved.

15. Participation in Tourism Fairs, such as "FENITUR": The program supported the participation of tourism companies in the 2012 and 2013 Nicaraguan International Tourism Fairs (FENITUR) to exhibit products, build relationships and contribute to their commercial and business growth. This helped create longstanding commercial linkages in diverse markets (local, regional, national and international).

16. Support for Promotional Activities: The CSTP provided complementary support and technical assistance for activities that raised the profile of "The Natural North", such as: the promotion in Jinotega of a mountain biking race, support for the Christmas bird count in El Jaguar, and facilitation of familiarization trips to destinations as promotional events for tour operators and companies. At the conclusion of the program, it distributed 120 publicity kits to that same number of businesses.

Component #2: Building Better Businesses

A) Product Development

- 1. Tour Operators in Datanlí and the Somoto Canyon:** To address the market gap, the program supported local tour operators to focus more on the re-definition and development of nature-based tourism products offered in the areas. The program offered practical advice to help them design products that are better suited to the market sectors interested in nature in northern Nicaragua, at this stage of development. In addition, the program worked directly with businesses in Datanlí and Somoto to support the development of their tourism products.
- 2. Grants for Product Development:** The program awarded funds to stakeholders directed at the key market (tour operators, anchor hotels, etc.) associated with others to develop a marketable product for a specific market segment. The grants were small and had multiple components (cohesive concept, service provided, training of human resources, quality improvement, improvement of facilities and equipment, materials, promotion, etc.).
- 3. Grants to Strengthen the Clusters - Donations of Equipment:** The program awarded small grants to companies to support the purchase of goods and equipment that improved the development of local tourism products. These included strategic equipment (kayaks, bicycles, rural solar energy sources, coffee percolators, etc.) that significantly improved the tourism experience.
- 4. Vision and Improvement Plan for Datanlí:** The program undertook activities that encompassed key elements: the construction of a trail between La Bastilla and El Gobiado; a bridle path between El Gobiado and La Estrella Farm; a mountain bike route between La Fundadora and La Esmeralda; and the improvement of camping in El Gobiado. In addition, the program attracted other stakeholders from the value chain to develop points of interest (for example, facilitating information and technical assistance for the bridge and remodeling of the La Bujona trail).
- 5. Development of Interpretive Materials:** Especially for roads, trails and bridle paths. This fosters a greater level of understanding about the importance of the environment and natural resources among the owners of local businesses and leaders, creating greater ownership and management of the area.

B) Strengthening Businesses

- 6. Cost Structuring Seminars:** The CSTP responded to the needs expressed by the local business leaders and designed an intensive basic workshop and some more complex workshops on aspects related to structuring of costs in the tourism sector. A workshop covered: how to determine the true cost of the product sold through an analysis of direct and fixed costs. Each business also received post-workshop individualized mentoring to ensure acquisition and transfer of the knowledge.
- 7. Interior Design Assistance and Workshops:** The CSTP developed special professional assistance in interior design for tourism enterprises. This individualized assistance was provided to local tourism entrepreneurs with specific and customized technical assistance regarding how to improve the aesthetic aspect of the businesses in order to adapt to the needs of the market.
- 8. Marketing Workshops:** The CSTP conducted intensive workshops on marketing the destination that centered more on the application of practical methods of the marketing strategy. These workshops enabled the entrepreneurs to have a greater impact with their own strategies, and to feel more confidence and be more capable of executing them.

- 9. Best Practices Workshops:** The CSTP offered workshops on communication for the business owners, including best practices and how to apply them in their own businesses.

C) Rural Business Development

- 10. Plan for Management and Recommendation - La Fundadora:** La Fundadora (a community that is strategically located in Datanlí Sur) has an anchor eco-lodge administered by La Fundadora Cooperative. The CSTP helped improve the competitiveness of the site, performing an in-depth analysis of current management practices and evaluating different models. The plan offered concrete recommendations to improve management and marketing and to put them into operation in order to have a stronger, more responsible and better performing organizations; this support was accompanied by a grant.
- 11. Facilitation of the Business Plan Development:** The CSTP helped to develop business plans for rural nature-based tourism enterprises that provide services. The program conducted workshops to define the business structure and processes and to develop the work plan. The program supervised the initiatives and the progress of growth of the enterprises as rural nature-based businesses.
- 12. Specialized Technical Assistance:** The CSTP supported the rural enterprises with more potential, so that they received specialized attention and assistance to implement changes. This strengthened the base of the rural communities through the largest local organizations, ensuring that the best tourism practices will be carried out at all levels in the sector.
- 13. Follow-up on Business Administration:** The CSTP supported the rural tourism businesses in the clusters in how to keep a count of tourist visits and to perform basic accounting.

D) Strengthening and Development of Personnel

- 14. Training of Trainers:** The program developed a framework to strengthen local capacities, developing the abilities of the local stakeholders in the field (training of trainers and dynamic materials) and developed the educational resources required. This involved working with local leaders (Multidisciplinary Regional School - FAREM of the National Autonomous University of Nicaragua - UNAN, La Cuculmeca, Sonati, Matagalpa Tours and the Nicaraguan Tour Operator Association - ANTUR) to develop a proper methodology and its educational resources.

Component #3: Improving Natural Resource Management

A) Environmental Education and Environmental Protection Activities

- 1. Caribbean Coast - Biodiversity Grant:** A grant was awarded to the Wildlife Conservation Society (WCS) in the South Atlantic Autonomous Region (RAAS). The goal was to undertake replicable, low cost and high impact activities to protect biodiversity. The WCS supported and trained members from the community of Kahkabila in protocols for best practices and safety for general eco-tourism activities and for the formation of a tour operator cooperative in the sea turtle environments of the Pearl Keys. Their activities included the development of alternative subsistence strategies linked directly to the protection of endangered flora and fauna.
- 2. Evaluation of Wildlife Populations:** The CSTP developed basic information about species linked to sustainable tourism through surveys monitoring the wildlife populations (migratory birds and bats). The partner organizations participated in this activity (Management Committee for the Cerro de Yalí Forestry Reserves, Management Committees for the Tisey

Estanzuela Forestry Reserves, Environmental Guides and Promoters of Somoto Canyon, Water Forum, representatives of the municipal governments, Citizen Power Group, Potable Water and Sanitation Committees - CAPS, Municipal Disaster Prevention Committees of Tisey Estanzuela) in order to ensure long-term research and monitoring. This also included training of the local residents to carry out the surveys.

- 3. Good Environmental Practices Manual:** The CSTP created, designed and published a manual that provides step-by-step instructions on the best environmental practices for industry stakeholders.

B) Water and Sanitation Management

- 4. Caribbean Coast – Access to Water and Sanitation:** The CSTP made a grant to blueEnergy in Bluefields to: (i) provide environmental education on waste management and recycling, training to provide alternatives for solid waste management and to help reduce the high levels of water pollution and the risk of disease; (ii) provide bio sand filters to improve access to potable water, hygiene and sanitation; and (iii) strengthen the municipality and institutions to develop self-management capacities.
- 5. Water Forum:** The CSTP supported the Water Forum, which brought together key stakeholders from the tourism sector, the business sector and local leaders to discuss and seek solutions for the management of water in the RAAS.
- 6. Installation of Ecological Toilets:** The CSTP supported the installation and monitoring of 17 ecological toilets in communities in Jinotega. The local communities received workshops on how to use them, the advantages of using them, and how to maintain them.

C) Educational Activities on Biodiversity

- 7. Environmental Education Program for Children:** The CSTP facilitated a process to improve environmental awareness in children through an environmental education program.
- 8. Environmental Awareness Events:** Through a series of events and excursions for the business leaders to conservation areas, celebration of Wetlands Day and Environment Day, the CSTP involved the local community, business and community leaders to raise their awareness on environmental issues and to educate them on the importance of responsible governance and ownership over the questions that affect and threaten the environment.
- 9. Environmental Campaign:** The CSTP, with support from blueEnergy, conducted an environmental campaign in Bluefields, working as a movement from bottom to top, to show how local efforts coordinated on a national scale can have a significant impact on an important issue. A key element of the campaign was a national forum in collaboration with a cast of strategic stakeholders in the private and public sectors.
- 10. Environmental Education for Guides:** This was conducted through a series of workshops accompanied by the production and distribution of a field guidebook for tour guides. The guidebook provided details on key questions related to the preservation of the environment. The CSTP supported local tourist guides in acquiring the capacity for implementing practices that foster the preservation of the environment and natural resources in their activities.
- 11. Environmental Protection Workshops:** In an effort to provide better knowledge to farmers, whose agricultural activities contribute to contamination, and others who are in areas at risk for fire, the CSTP, with support from Paso Pacifico, produced and distributed a document on the dynamics and ecology of forest fires.

12. Food Security Training: With a specific focus on food security issues, the CSTP offered workshops to farmers from northern Nicaragua on key areas related to pollination by bees and the production of honey. A micro-program on meliponiculture was initiated in the Cerros de Yalí Reserve, a project that is implemented to take advantage of the environmental services of the reserve.

13. Workshops on Tools and Sustainable Practices: The CSTP distributed practical tools and conducted workshops for the enterprises on sustainable tourism practices, addressing questions of sustainability.

II. INTRODUCTION TO THE ECONOMIC, POLITICAL AND SOCIAL CONTEXT

The development policy of Nicaragua is based on the pillars established in the National Human Development Plan (NHDP) and the Economic and Financial program. These are fair trade, fair markets, fair credit, solidarity and complementarity. Thus, the trade policy is aimed at continuing to create conditions that provide incentives for exportable production, without impinging on the domestic market, through application, administration and commercial negotiation to expand and improve the participation of Nicaragua in world trade.

The major activities that increase its coverage include: the cultivation of basic grains, international ground transportation services, the services of shipping agencies, public administration, financial intermediation, hotels and restaurants, and construction.

II.1. Trade and Services

The trade and services activities reported constant growth in the last four years, with an average of 39%¹. There was homogenous performance among the activities that comprise this group, with outstanding growth mainly in energy; trade; hotels and restaurants; transportation; mail and telecommunications; and financial intermediation.

The hotel and restaurant sector reported 5.7% growth between 2011 and 2012. This increase is mainly the result of increases in the number of tourists, in the average stay in the country (three days longer than in 2011), and in the average daily spending (two dollars more than in 2011). The total income from tourism was 421.5 million dollars, reflecting an increase of 11.6%. This trend in hotels and restaurants is a result of joint efforts by the government and the private sector for the promotion and development of tourist activity in the country. The results of this can be seen in Table No. 2 below:

Table No. 2					
Tourism Sector Performance					
Economics of Tourism	2008	2009	2010	2011	2012
Tourism Revenues Millions \$	301	334.4	308.5	378.1	421.5
Tourism GDP (Base SCNN 1994)	5.1%	5.3%	5.2%	5%	N/A
Value Added of Tourism (VAT)	4.9%	5.1%	5.0%	4.8%	N/A
VAT Base SCNN 1994	4.5%	4.5%	4.5%	4.4%	4.4%
Visitor Arrivals	1010,323	1010,065	1071,668	1121,537	1232,896
Tourists	857,901	931,904	1011,251	1060,031	1179,581

¹ Central Bank of Nicaragua (BCN).

Average Stay in days	6.7	7.4	7.6	8.1	7.7
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Source BCN 2012 Report

The participation of the commercial sector, hotels and restaurants in employment has also increased in the past four years, as evidenced in Table No. 3 below:

Table No. 3						
Wages and Employment						
Affiliated to INSS (thousands of people)						
Activity	2009	2010	2011	2012	% Change	
					11/10	12/11
Total Annual Average	503.7	534.9	578.3	623.5	8.1	7.8
Agriculture	44.1	49.9	51.8	57.8	3.9	11.5
Mining	2.6	2.9	3.6	4.4	23.4	22.6
Industry	112.4	122.5	137.6	146.1	12.3	6.2
Electricity, gas and water	5.5	5.9	6.9	7.3	16.2	7.2
Construction	13.2	14.5	16.7	19.8	15.8	18.3
Trade, Hotels and Restaurants	68.6	71.0	79.4	91.4	4.1	3.6
Transport and communication	17.0	18.1	20.3	23.0	12.4	13.0
Finance	45.8	49.5	53.1	57.2	7.4	7.6
Community, Social and Personal Services	194.5	200.6	208.8	216.4	4.1	3.6

Source: Nicaraguan Social Security Institute (INSS).

Tourism activity has grown and diversified without interruption for over 10 years. Table No. 4 and Table No. 5 show the profile of the tourists that are coming to Nicaragua and the activities in which they participate in the country. Outstanding among the activities is tourism related to adventure and nature, with a need to support the tourism companies that provide these services.

Table No. 4				
Tourist Profile according to their demographics				
	Year 2012 Via Survey			
	Air	Land	Sea	Total
1. Tourists surveyed, according to the interview site	100%	100%	100%	100%
Airport	100.0%	-	-	30.5%
El Espino	-	15.6%	-	9.8%
El Guasaule	-	22.6%	-	14.2%
Las Manos	-	25.7%	-	16.1%
Peñas Blancas	-	36.2%	-	22.8%
Corinto	-	-	41.9%	2.8%
San Carlos	-	-	58.1%	3.9%
2. Country of Birth	100%	100%	100%	100%
Nicaragua	17.2%	7.8%	11.6%	10.9%
Another country	82.8%	92.2%	88.4%	89.1%

3. Gender	100%	100%	100%	100%
Male	69.3%	71.7%	77.8%	71.4%
Female	30.7%	28.3%	22.2%	28.6%
4. Age range	100%	100%	100%	100%
Youth (under 25 years)	8.9%	17.1%	10.5%	14.2%
Adult (26 to 40 years)	76.3%	53.9%	65.7%	61.5%
Seniors (over 41 years)	14.7%	29.0%	23.8%	24.3%
5. Studies level	100%	100%	100%	100%
Superior	97.1%	70.3%	29.0%	75.7%
Technical	2.2%	10.1%	23.2%	8.6%
Secondary	0.6%	17.7%	33.2%	13.5%
Primary	0-0%	1.9%	14.6%	2.1%

Table No. 5				
Tourist Profile according with activities				
	Year 2012 Via Survey			Total
	Air	Land	Sea	
Activities	100%	100%	100%	100%
1. Surfing	28.9%	23.9%	4.0%	22.9%
2. Climbing Volcanoes	9.5%	23.7%	13.0%	19.6%
3. Hiking	16.2%	17.9%	31.1%	18.9%
4. Kayac	7.8%	7.1%	17.2%	8.3%
5. Canopy	25.6%	1.2%	13.4%	7.6%
6. Swimming	0.4%	8.0%	0.3%	5.6%
7. Cycling	1.8%	4.7%	10.6%	4.7%
8. Skiing on sand	0.2%	6.3%	0.4%	4.4%
9. Coffee Tours	6.6%	0.4%	3.7%	2.0%
10. Diving	0.1%	2.1%	0.4%	1.5%
11. Snorkeling	0.1%	1.5%	0.0%	1.1%
12. Horse riding	0.2%	1.0%	2.6%	1.0%
13. Other activities (fishing, football, motorcycling, bull riding, yoga, basketball, etc.)	2.8%	2.3%	3.3%	2.5%

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III. DEVELOPMENT PROBLEM AND USAID RESPONSE

The program concentrated its activities in three municipalities in northern Nicaragua and one coastal zone of the RAAS, which are described below.

BLUEFIELDS: The South Atlantic Autonomous Region (RAAS) is located in southeastern Nicaragua. It covers 21.1% of the national territory and is comprised of the following municipalities: Bluefields, Corn Island, Kukra Hill, El Ayote, Nueva Guinea, Pearl Lagoon, La Cruz de Río Grande, Rama, Muelle de los Bueyes, Bocana de Paiwas, El Tortuguero and La

Desembocadura del Río Grande. The RAAS is rainy, with a uniform temperature. Its multicultural and multilingual population is descended from indigenous peoples and Afro-Caribbean immigrants, mainly including: Mestizos (81%), Creoles (8.5%), Miskitos (6.5%), Sumus (2%), Garífunas (1.5%) and Ramas (0.5%).

A great portion of its population is located in the urban zone. From these urban areas, tourists can travel to other interesting tourism sites, such as Monkey Point, Rama Cay, the Corn Islands, El Bluff and Pearl Lagoon, among others. This last municipality owes its name to the lagoon with the same name, which is situated approximately in the center of the territory and which is its main source of subsistence.

The Pearl Keys fall within the jurisdiction of the municipality of Pearl Lagoon. This is a group of 18 islands with coconut palm trees. The beaches have very white sand and there are bands of coral reefs, measuring 50 square kilometers overall and situated some 15 miles east of the coast in the Caribbean Sea. This area is rich for fishing and is very important to the marine ecosystem. It forms part of the indigenous ancestral lands. The Miskito people commonly fish for green sea turtles in this area. The Pearl Keys are a great tourist attraction in this zone.

JINOTEGA: The province of Jinotega is located between valleys and tall mountains. It is one of the largest provinces in the country, located only 140 kilometers from the capital in the northern mountains of the central region. The city of Jinotega is located 1,004 meters above sea level, and is a beautiful valley surrounded by mountains, with a climate that ranges between 18 and 22 degrees centigrade. The majority of the population works in agricultural and livestock activity, particularly in the cultivation of coffee, beans, corn and vegetables.

The main tourist attraction in this municipality is the Apanás Lake, which is an artificial lake with an area of 51 square kilometers. It was built to generate electricity, using a tunnel and turbines. El Dorado Lake is also located in the municipality, with an area of three square kilometers. The lakes are separated by the Asturias Dam, 25 kilometers from the city of Jinotega. There is also the Mancotal Reservoir, where the waters of the Tuma, Jinotega, Jigüina and Mancotal Rivers are dammed. The municipality also has swimming areas in rivers close to the city.

The peaks that surround the city are beautiful examples of its topography. La Cruz Hill is a great tourist attraction due to its raised rocks of singular shape and elevation, with a cross placed on the highest rock.

Another tourist attraction is the Cerro Datanlí – El Diablo Nature Reserve, which is an elevated massif between the cities of Matagalpa and Jinotega. Datanlí is a word of indigenous origin that means “*from where the waters fall*”. The reserve is located 27 kilometers east of the city of Jinotega. It is in some of the most mountainous and roughest terrain in Nicaragua, formerly known as the “Mountain of Jinotega”. Its 5,848 hectares of territory reach to the outskirts of Apanás Lake.

The diversity of natural resources in this area means that various tourist activities can be undertaken, such as: ecotourism, exotic bird watching, hiking, coffee and agricultural tours. This area is very rich in natural resources: old-growth forests, exotic birds, abundant vegetation and a very agreeable climate. The nature reserve is a protected area and it is characterized by the rich biology of the flora and fauna in the tropical cloud forest. It is located on the Dariense Range, which is a mountain range of high mountains, steep hills, divided plains and enclosed valleys.

ESTELÍ: Famous for the tobacco production in the surrounding area and for the high-quality cigar factories located in its urban center, Estelí is one of the largest cities in the country. In its active center, there is a museum, cultural centers and various commercial establishments. In addition to its hotels and restaurants, the city has a nightlife that includes bars and modern discotheques with a pleasant atmosphere.

Two well-known and accessible destinations in the area are the Miraflor (to the north) and El Tisey-La Estanzuela (to the south) Nature Reserves. The Miraflor Reserve is an extensive mountainous region where there are both agricultural farms and natural conservation sites, with waterfalls, dry and wet tropical forests, as well as a great variety of birds and orchids. The second reserve is well-known for its waterfall, La Estanzuela Waterfall, where tourists go to swim or to rappel (a method of descending vertical surfaces); however, the reserve area is very large and has many other attractions. Estelí has many other less-known attractions in each of its six municipalities. In the region are the Tomabú Nature Reserve, to the south, and Cerro Quiabuc – Las Brisas Nature Reserve, to the east of the provincial capital city. In the north, shared with the neighboring province Madriz, the Moropotente Plateau is another interesting destination. It includes La Pataste Nature Reserve, with cloud forests among the peaks.

SOMOTO: The municipality of Somoto is the provincial capital of Madriz, located 216 kilometers north of Managua. It is located in the Las Segovias region.

Somoto has a variety of natural resources, including its beautiful scenery, the flora and fauna, and the vineyards at the edge of the river that crosses the area a few kilometers from the provincial capital.

One of the most important beautiful natural attractions in the country is the Somoto Canyon, where the Coco River originates. This river is one of the most extensive and important water sources in Nicaragua. The canyon was discovered by Czech geologists some five years ago. These geologists stumbled upon an impressive landform, previously unknown to the people and the scientific community. The canyon is located some 15 kilometers west of the city of Somoto. It presents irregular rocky formations due to erosion caused by torrential rains during the wet season that erode the slope and cause rockslides. The channel snakes through the canyon, with wider and tighter points; its width varies between 10 and 15 meters. The walls of the canyon range from 120 to 150 meters high. It is a geological landscape of impressive beauty, leading it to become a national park. It is the main tourist attraction in this municipality.

Tables No. 6 and 7 present the number of tourism establishments in the program intervention areas:

Table No. 6				
Inventory of Tourist Establishments by Departments and Activities				
Item	Tourist Establishments	Estelí	Jinotega	RAAS
1	Food and Beverage	181	315	284
	• Restaurants	99	92	53
	• Cafeterias	42	5	3
	• Bars	31	216	223
	• Recreation Centers	9	2	5
	• Cultural Resorts			
2	Accommodations	60	80	122

Table No. 6				
Inventory of Tourist Establishments by Departments and Activities				
Item	Tourist Establishments	Estelí	Jinotega	RAAS
3	Night Recreation Centers	4		
4	Discos	6	5	34
5	Travel Agencies	1		
6	Tour Operators			
7	Rent-a-car			
8	Casinos	2		1
9	Land and Aquatic Tourism Transport Enterprises			2
10	Nightclubs	2	1	
11	Motels	12	1	1
12	Other	41	39	27
	TOTAL	309	441	471

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Table No. 7												
Accommodation in the Region												
Department	Hotel					Apart-Hotel	ATCNH					Total
	5*	4*	3*	2*	1*		3*	5*	4*	3*	2*	
Estelí			2	8	8					4	26	48
Jinotega			1	1	6						18	26
RAAS		1	4	13	14				1	8	31	72
Department	Hotel 5*		Hotel 4*		Hotel 3*		Hotel 2*		Hotel 1*		Total	
	Hab.	Cms	Hab.	Cms	Hab.	Cms	Hab.	Cms	Hab.	Cms	Hab.	Cms
Estelí					66	96	129	297	93	160	288	553
Jinotega					25	42	16	25	100	141	141	208
RAAS			21	38	75	119	191	266	298	371	585	794
Hab. = Rooms Cms = Beds												

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At the beginning of the program, the situation of infrastructure for tourism in the three zones was very weak, the capacities of tourism entrepreneurs for optimum management of their businesses and to promote the tourism offerings in the areas were very limited, and there was very little integrated and coordinated work among businesses and organizations involved in tourism. It was clear that the potential for tourism in the three selected zones was not being fully utilized and that it was possible to improve and develop tourism opportunities and tourism products. These were the main problems that the CSTP has tried to solve.

With that purpose in mind, the objective of the program became **increasing competitiveness through sustainable tourism and promotion**. This was to be achieved by creating the conditions and environment to train local leaders in local organizations and enterprises to define their own vision of sustainable community-based tourism, to identify and execute projects, and to be informed and equipped to make correct marketing decisions to attract tourism.

Furthermore, the CSTP worked on the problem of **improving environmental management for conservation of biodiversity**, by working on improving management of protected areas, of priority biodiversity resources and of water resources for conservation and the benefits of sustainable tourism. It also worked to achieve a greater awareness in the target regions of the program regarding the value of conserving biodiversity and the capacity to address threats to it. The program highlighted the need to improve management of the environment.

The CSTP also included **attention to water and sanitation** in the RAAS, supporting domestic solutions in order to access potable water services and sanitation, promoting **environmental education** and informing the population through existing media, with the collaboration of the Ministries of Health and Education, as well as the municipal government in order to improve environmental awareness through an environmental education program for children in schools, facilitating exchanges among schools from different areas.

IV. PURPOSE OF THE EVALUATION

The general purpose of the evaluation is to assess the degree to which the program has contributed to progress toward its stated goal, objectives, and intermediate results. The efficacy and success of the CSTP interventions are evaluated, as well as the overall approach of the program for the development and conservation of the environment and the generation of employment.

In addition, the evaluation identifies conclusions, recommendations and lessons learned from the key areas and objectives of the program, such as: (i) fostering development of SMEs; (ii) adoption of more sustainable environmental practices; (iii) improving the competitiveness of the sector through tourism; (iv) increasing the participation of women; and (v) improving the commercialization of tourism services in the northern region of Nicaragua.

The evaluation attempts to respond a central question: To what point did the program contribute to an increase in employment and the adoption of good environmental practices in the targeted areas and groups?

To a great extent, the results and achievements are measured in terms of indicators and objectives at the level of intermediate results and changes in the key indicators of the program, and are based on various sources of data and information.

V. DESIGN OF THE INVESTIGATION AND EVALUATION METHODOLOGY

A participatory evaluation methodology was utilized. This allowed for improvement in the work process, identification of relevant actions, attaining the results and objectives of the consultancy through a joint effort of the consultants with the stakeholders involved in the CSTP. This required the identification of representatives that had knowledge and pertinent experience and that contributed significantly to the consultancy.

V.1. Description of the Evaluation Process

The consultancy was divided into four phases: (1) Execution of preparatory tasks; (2) In-office study; (3) Data collection (field work); and (4) Preparation and presentation of the final report.

Figure No. 1 presents the different phases of the consultancy and the actions undertaken during each phase. The data collection was very complete, using the following four instruments, applied with a total of 159 informants, as presented in Table No. 8:

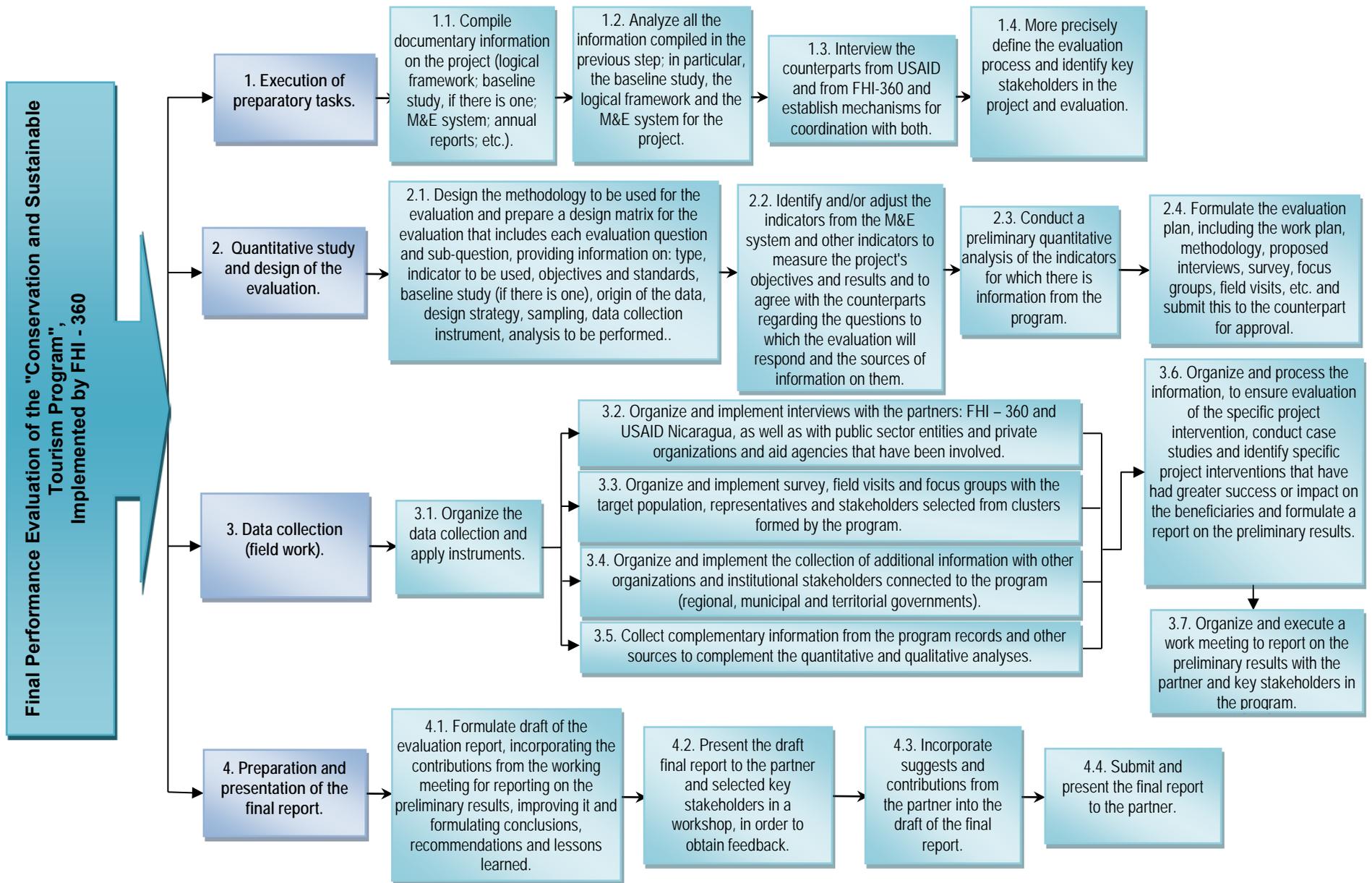
Table No. 8		
Instruments applied and Target audience		
Instruments	Target Audience	No.
1) Survey	Program Beneficiaries	72
2) Interviews	USAID Representatives	3
	FHI 360 Managers and staff	5
	Program Partners	3
	Representatives of other projects and programs	2
	Representatives from the public and private sectors and enterprise unions related to the Program	12
	Business owners and cluster leaders	9
	Expert consultants hired by FHI 360 for training activities	3
	Private and community organizations, NGOs	3
3) Focus Groups	Program beneficiaries and cluster representatives	6 (43)
4) Case Studies	Company owners	4
	TOTAL	159

The number of informants was greater than originally planned in the methodological document and the work plan prepared by the consulting team (59 beneficiaries). This served as confirmation of the interest of the informants in providing information and participating in the program evaluation process.

The information from those sources, its exhaustive and rigorous analysis and the analysis of the documents provided by the program and those obtained from other sources by the consultants made it possible to produce this very complete evaluation report. Annex No. 1 presents a complete description of the methodological design of this evaluation.

FIGURE No. 1

DESIGN AND EXECUTION OF THE FINAL PERFORMANCE EVALUATION OF THE "CONSERVATION AND SUSTAINABLE TOURISM PROGRAM", IMPLEMENTED BY FHI - 360"



VI. FINDINGS, RESULTS AND ANALYSIS

In the period from September 2010 to August 2013, the CSTP worked with its local partners, identifying and offering new economic alternatives for the growing nature-related tourism market, while combating threats to biodiversity and the high rates of rural poverty in the destination regions.

The approach of the CSTP centered on the construction and strengthening of sustainable tourism clusters - "geographic concentrations of inter-connected enterprises, specialized providers, service providers and associated institutions in a particular field to develop a competitive environment, based on the market, with economic incentives for conservation".

The program supported the MSME tourism enterprises in two priority geographic areas: the mountainous area of northern Nicaragua (Jinotega Cluster and Estelí Cluster); and a tour operator and biodiversity conservation actions in the coastal area of the southern Caribbean Coast (Bluefields Cluster).

Through documentary analysis, interviews with representatives of all the stakeholders participating in the CSTP, surveys and focus groups of beneficiaries, and field visits to the enterprises and program partners for the processing and analysis of this information, the evaluation team found the following:

Fulfillment of the Objectives:

1. What progress has been made toward fulfillment of the program objectives and targets for the indicators?

The program used the performance management plan (PMP), which, in essence, is a framework for planning, administration and presentation of progress reports on the program objectives. The PMP describes the relationship between the strategic objectives of USAID/Nicaragua and the program indicators, and explains how their achievement contributes to the attainment of objectives. In addition, the PMP describes the data collection system for each indicator and the definition of all the indicators for the information management system.

The resulting control panel of indicators has facilitated the implementation and supervision of the performance of the CSTP and has served as the basis for the monitoring and evaluation (M&E) system for the program. The PMP also provided a tool for informed decision-making, identification of challenges and development of objectives for improvement.

Despite the delay in the program due to the change in executor, reducing its term, scope and budget, the proposed objectives and proposed targets for indicators have been almost completely achieved. An assessment of the proposed targets indicates that these targets were realistic for the available timeframes and budget; consequently, achievement of these was very high.

Tables No. 9.a and 9.b present the progress in achieving the targets in the third quarter of the 2012-2013 fiscal year, as well as the percentage of fulfillment for each target.

Table No. 9: Standard Indicators: Seven general indicators and seven personalized or specific indicators were considered, as follows:

Table No. 9.a					
Standard Indicators (CSTP)					
#	Indicator	Target	Goal reached	% Acompl.	Notes
3.1.8 Water Supply and Sanitation					
1	Percent of population using an improved drinking water source	50%	56%	112%	<ul style="list-style-type: none"> The issue of potable water was addressed with blueEnergy in Bluefields through a grant, where bio sand filters were distributed and the beneficiaries were trained in their proper use. Three hundred (300) families in 10 neighborhoods are now using the filters distributed, providing them with access to potable water.
1a	• rural	90%	111%	123%	
1b	• urban	10%	0%	0%	
2	Percent of population using an improved sanitation facility	50%	59.5%	119%	<ul style="list-style-type: none"> The issue of solid waste and the solid waste management plan were promoted and adopted by the municipal government of Bluefields. One thousand (1000) families, 500 students and 10 neighborhoods were trained to collect, reuse and recycle solid waste in 10 primary and secondary schools. In addition, educational manuals were produced and distributed in 10 schools. Training workshops were conducted on water, sanitation and hygiene (WASH) and integrated solid waste management (ISWM) for 750 children from 15 schools. In Jinotega, with support from La Cuculmecca, 17 families benefited from the installation of ecological toilets and they were trained to apply good practices in their use. Twenty-five (25) members of the protected areas committees for the Cerros de Yalí and Datanlí-EI Diablo Reserves received training on the protection of water sources.
2a	• Rural	90%	109%	121%	
2b	• Urban	10%	10%	100%	
2c	• Distribution ²				
Private Sector Competitiveness 4 – 6.2 Private Sector Productivity					
3	# of private sector firms that have improved management practices as a result of USG assistance	70	122	174%	<ul style="list-style-type: none"> FHI and La Cuculmecca of Jinotega worked on Indicator 3. There was a universe of 189 enterprises; 154 of them participated in the program in some way, but at the conclusion of the program, there were 70 enterprises that were the most constant and persevering throughout the process, participating regularly in all the training sessions.
4	# of firms receiving USG assistance to invest in improved technologies	35	61	174%	<ul style="list-style-type: none"> FHI worked on Indicator 4, with support from La Cuculmecca, conducting 61 courses, including: architecture, accounting and costs, marketing, image design, tourism culture, my business vision, marketing my service, business exchange, business operations, etc. In terms of improved technologies, the business owners were taught to innovate and develop products and to apply the accounting tools.
4a	• rural	25	35	140%	
4b	• urban	10	26	260%	
Environment 4 – 8.1 Natural Resources and Biodiversity					
5	# of people with increased economic benefits derived from sustainable natural resource management and conservation as a result of USG assistance.	110	220	200%	<ul style="list-style-type: none"> FHI worked on Indicator 5, reaching a total of 220 people. Most of the businesses are located in natural ecological reserves. Three approaches were used: environmental, resources, and services.

² These percentages have not been delivered by FHI 360.

Table No. 9.a					
Standard Indicators (CSTP)					
#	Indicator	Target	Goal reached	% Acompl.	Notes
5a	• Of which, Male	55	128	232.7%	Continual training of NRM through partners PP – affecting same areas. <ul style="list-style-type: none"> Paso Pacifico was responsible for Indicator 6, which addressed the issue of improved biodiversity management and training, information for guides and tourists and other.
5b	• Of which, Female	55	92	167.3%	
6	# of Hectares of biological significance and/or natural resources under improved natural resource management as a result of USG assistance	200	310	155%	
Private Sector Competitiveness 4 – 6.2 Private Sector Productivity					
7	# of people receiving USG supported training in NRM and/or biodiversity conservation	660	1252	189.7%	Through PP campaigns. <ul style="list-style-type: none"> Paso Pacifico was responsible for Indicator 7, which addressed the issue of improved biodiversity management and training, information for guides and tourists and other..
7a	• Of which, Male	330	628	190.3%	
7b	• Of which, Female	330	524	158.8%	

Source: FHI 360.

Table No. 9.b: Custom Indicators

Table No. 9.b.					
Custom indicators (CSTP)					
#	Indicator	Target	Goal reached	% Acompl.	Notes
Component #1: Strengthening the Enabling Environment					
A	# of cluster-level projects developed	30	30	10%	<ul style="list-style-type: none"> For Indicator A), 30 programs were formulated at the cluster level and 16 of those were executed, which is Indicator B).
B	# of cluster-level projects implemented	15	16	106.7%	Various events and projects implemented over the LOP. <ul style="list-style-type: none"> Sixteen (16) of the 30 programs formulated at the cluster level were executed.
Component #2: Improving Private Sector Competitiveness in the Tourism Sector and Widening Livelihoods for MSMEs that Support Tourism					
C	% increase web viewers to Nicaraguan websites through social media	Year 1 viewers as base	n/a	0	Promotion Campaign launched in last week of FY13 Q3 – Final Report will reflect results. <ul style="list-style-type: none"> FHI worked on this indicator; basically, it is a web portal and it was completed in the final part of the program..
D	% increase in revenue in participating MSMEs	Year 1 income as base	20.4% (annual)	%↑	Business survey conducted in FY13 YQ3. <ul style="list-style-type: none"> There was a 20.4% increase in income at the end of the program for the MSMEs that participated in a survey conducted in the third quarter.
E	% increase in new jobs generated in participating MSMEs	10.25%	14.7%	143%	Average jobs per firm FY11 baseline = 6.59 per firm. Survey conducted Q3.

					<ul style="list-style-type: none"> The baseline study conducted by the program in 2011 indicated an average of 6.59 employees per firm and in the survey conducted by FHI 360 in the third quarter of 2013, this number had risen to 14.7.
F	# of MSMEs with operational business plans	30	55	183.3%	<p>Continued support for operational business plans.</p> <ul style="list-style-type: none"> This indicator was developed by La Cuculmeca in Jinotega and ADENIC in Estelí, supporting a total of 55 business plans.
Component #3: Biodiversity Conservation and Environmental Education					
G	# of Nicaraguans reached through education, communications campaigns, social media	13,500	4,313	40%	<p>* TTD includes Year 1 total</p> <p>The high visibility, environmental awareness and promotion campaign implemented in last week of July, results to be included in Final Report.</p> <ul style="list-style-type: none"> FHI developed the campaign to increase environmental awareness and the promotional campaign implemented in the last week of July. A banner was produced with information about tourism opportunities in northern Nicaragua; six brochures were produced for the different tour operators; tourist maps of Estelí and Jinotega were produced (the second edition will be financed by the business owners); a promotional folder was developed for reception areas or for the owners of businesses, to be distributed in strategic points in Granada and León; at the conclusion of the program, 120 businesses will have a publicity kit from the program.

Source: FHI 360.

Overall, the program conducted a great number of activities and attained significant results that have been presented in Section II and that made it possible not only to achieve the objectives and the targets for the indicators, but to exceed them.

In broad terms, **a significant number of companies (154 companies) have been strengthened, approximately 6,045 people have been trained; more than 250 members of 16 organizations have been strengthened; 1,250 members of communities have participated in environmental education activities; and 3,500 beneficiaries have been made aware of conservation and environmental issues. In addition, approximately 15,000 Nicaraguans have had the opportunity to learn about tourism opportunities in the northern part of the country through social communications campaigns and social networks.**

Annex No. 2 presents more information about actions and results and shows the achievements of the program, as well as the opinions of the beneficiaries.

2. What are the specific interventions of the program that were most successful and/or had the greatest impact on the beneficiaries? Why?

According to the opinion survey of the direct beneficiaries of the CSTP in the Estelí, Somoto, Tisey, Mirafior, Jinotega and Pearl Lagoon Clusters (there were no beneficiary businesses in Bluefields, rather there were beneficiary families) and categorized by the type of intervention, the most successful interventions are presented in Table No. 10:

Table No.10	
Most successful interventions	
Type of Intervention	Percentage
Training	33.33%
Marketing Support	30.56%
Environment	11.11%
Experiences exchange	7.64%
Grants	6.25%
Design Advisory	5.56%
Community Support	4.17%
Alliances	1.39%

Based on responses from 72 persons surveyed.

The percentages from the previous table are distributed by clusters, as indicated in Table No. 11.

Table No. 11								
% of successful interventions								
Cluster	Training	Marketing	Alliances	Exchange	Environ-ment	Design	Grants	Communi-ty
Jinotega	31.34%	31.34%	0.00%	11.94%	13.43%	2.99%	5.97%	2.99%
Estelí	31.15%	36.07%	1.64%	3.28%	8.20%	8.20%	6.56%	4.92%

Laguna de Perlas	25.00%	31.25%	6.25%	6.25%	12.50%	6.25%	6.25%	6.25%
TOTAL	30.56%	33.33%	1.39%	7.64%	11.11%	5.56%	6.25%	4.17%

Based on responses from 72 persons surveyed.

The reasons that the training and marketing stand out, according to the stakeholders, is that training provides knowledge and competencies, while support for marketing provides tools and facilities, with results and impacts that can be obtained very quickly. The other interventions received less recognition because they are not immediate or because not all the beneficiaries had the opportunity to participate or receive that support.

There was a wide diversity of responses regarding the specific interventions that most impacted the beneficiaries. The following were indicated in Jinotega:

- Improvement of existing tourism products and the creation of new tourism products.
- Market linkages.
- Development of capacities.
- Exchange of experiences with other mini-circuits in the area, nationally and internationally.
- Publicity materials.
- Personalized technical assistance.
- Web page development for the businesses and their incorporation into social networks.
- Business plans.
- Specialized training for tour guides.
- Grants for sporting and publicity events for the tourism destinations.
- Equipping of the different initiatives to strengthen their tourism offerings.
- Publicity and marketing of products and of the tourism destination.
- Promotion of national and international strategic alliances.
- Environmental education.
- Conservation of the environment of the area.
- Strengthening of capacities in the community.
- Installation of ecological toilets for 17 beneficiaries in Jinotega.
- Exchange of experiences with children from schools in the Cerro Datanlí El Diablo Nature Reserves and from communities surrounding Apanás Lake.
- Workshop on birds in the Juan Roberto Zarruk Biological Station with children from the school for San Pedro de Buculmay, El Paraíso and La Esmeralda.
- Replication of the course on environmental interpretation.
- Implementation of the micro-program on meliponiculture among the members of the Collaborative Management Committee (COMACO) for the Cerros de Yalí Reserve.

The following interventions were mentioned as most successful in Estelí, Tisey, Miraflor and Somoto:

- Training: costs, product development, business plans.
- Marketing: training and participation in the FENITUR fair, design of an information kiosk, promotional materials, development of a product logo, maps, brochures, banners, Internet, social networks.
- Sustainable tourism / environment: good practices for sustainable tourism.
- Trip to Costa Rica for exchanges of experiences.

- Technical assistance in architectural design: improvement plans, bridge construction design.
- Grants: bicycles, camping equipment, harnesses, saddles, computers.
- Integration / alliances: the trust created among the tourism partners, the integrated concept of the program, the Green North product.

A total of 87.1% of the beneficiaries surveyed believe that the services that they received facilitated the development of their business activities. The distribution of this percentage is presented in Table No. 12.

Table No. 12	
Types of improvements in business	
Percentage	Benefits received
61%	Have improved their productive capacity.
81%	Have improved their ability to provide services.
77%	Have a better knowledge of the market.
71%	Have improved their position in the market.
58%	Have increased the demand for their products / services offered.
65%	Have increased their sales.
65%	Have started to offer better prices.
74%	Have reported / publicized their product / services, nationally and internationally.
58%	Have created alliances with other national organizations.
65%	Have more awareness for biodiversity conservation.
61%	Have a better natural resource management.
45%	Have received equipment.
55%	Have received support for tourism sector and nature development.

Based on responses from 72 people surveyed.

The intervention in Bluefields was specifically in water and sanitation for families and communities. The surveys of beneficiaries regarding the most successful interventions indicated the following:

- Awareness campaign in the city, which involved public agencies: the municipal government, the Ministry of Health, the Ministry of Education, in order to achieve program objectives (water, sanitation, recycling and waste management).
- Creation of Potable Water and Sanitation Committees (CAPS) in each of the 18 existing neighborhoods, with collaboration from the municipal government and interested parties. In addition, clean-up days were organized in the neighborhoods of Bluefields and clean-up kits were distributed to the families involved.
- Launch of the "Clean Bluefields" campaign, with the participation of 202 people from environmental education.
- Launch of the "My Clean and Healthy Neighborhood" Contest, training 300 families on issues related to water and sanitation, who have now implemented at least three sanitation techniques in their homes.

- Promotion and adoption of a solid waste management plan by the municipal government of Bluefields. One thousand families, 500 students and 10 neighborhoods were trained to collect, reuse and recycle solid waste in 10 primary and secondary schools. In addition, educational manuals were produced and distributed in 10 schools. Training workshops on WASH and ISWM were conducted for 750 children from 15 schools. The children replicated the good practices at home and in the public schools and are an example to the adults; some children even served as instructors for their classmates.
- Sweat equity construction with the participation of the beneficiaries and distribution of bio sand water filters and training of the beneficiaries regarding the proper way to use them. Four hundred families in 10 neighborhoods are now using the filters that provide access to potable water.
- Organization and execution of the "Green Movement" Forum with the participation of 83 representatives from governmental institutions, universities and the private sector. The forum identified the major actions to be taken in order to institutionalize a green movement as a first step to improve environmental management in these institutions.
- Development of a guide for best environmental practices and ways that Bluefields can adopt best environmental practices.

Beneficiaries:

3. How were the direct beneficiaries of the program selected?

The selection, according to FHI 360, was conducted through open invitations to different businesses located in the program intervention area that were somehow related to providing services to tourists. Everyone that was interested went to these open assemblies and then those that were truly interested in working with the program remained in order to improve the products and/or services that they provide.

In the area of Jinotega, according to La Cuculmeca, already-existing rural tourism initiatives were considered in the area of the Cerro Datanlí – El Diablo Nature Reserve, communities surrounding the Apanás Lake and the Cerros de Yalí Reserve. Information could be obtained from previous projects executed by La Cuculmeca with confirmation that the beneficiaries had a high level of interest and commitment in developing activities with the CSTP.

According to the Meso-American Eco-tourism Alliance (MEA), the selection of beneficiaries was conducted after identifying the weak points in the tourism value chain and the specific needs, quantifying these in terms of the investment required and then making a selection of the enterprises in which the MEA could have the greatest impact and which fit the budgetary requirement.

The WCS has been working in the area of Pearl Lagoon for more than twelve years in scientifically-based monitoring of biological aspects and issues related to the management and conservation of sea turtles. More recently, it has considered the importance of creating alternatives and economic strategies to reduce turtle fishing and achieve the objective of conservation. In that context, the idea emerged to seek funds for a project to conserve biodiversity through tourism, initiating the turtle watching tourism program. It then contacted FHI 360 and obtained financing for a program for biodiversity conservation and management of natural resources to expand the proposed tourism project. Later, the idea emerged to support a group of turtle fishermen to create, with them, an economically profitable alternative tourism

company to enable them to stop turtle fishing and make a commitment to care for the turtles and promote the conservation of the species. Thus, Kabú Tours was founded, supported by funding from USAID.

The beneficiaries of direct grants from the CSTP were selected by an open call in the intervention areas. Based on an evaluation of the requests, the beneficiaries were selected, with a preference for support to rural sector enterprises.

The direct call to individual business owners, not through associations, chambers or non-governmental organizations, increased the trust of the stakeholders.

4. What is the overall profile of the direct beneficiaries of the program?

Overall, the beneficiaries were tourism enterprises at the community level and local tour operators. The program also worked with leaders and rural initiatives that did not work primarily in tourism.

In Jinotega, these were family-based tourism initiatives or enterprises in the urban and rural areas. These families work in agriculture (coffee, vegetables) as their major source of income.

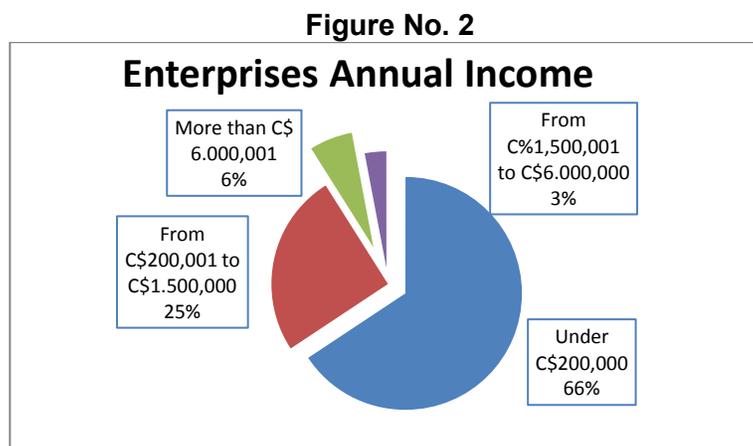
In Pearl Lagoon, the beneficiaries were traditional fishermen who fished for turtles to feed their families and to sell small amounts in the surrounding communities.

The program also worked with businesses in the urban centers that were related to tourism and, in the rural areas, with those involved fishing, growing coffee, food production, lodging, eateries, eco-lodges and other initiatives. There was a great diversity among the enterprises.

The surveys revealed a broad acceptance of the way in which the program selected the beneficiaries. The process was considered clear, transparent and without discrimination based on race, creed or ideology, which was very well received by the stakeholders.

5. What is the average income of the direct beneficiaries of the program?

As seen in Graph No. 1, 66% of the enterprises have income of less than C\$200,000 per month, indicating that these are mostly MSMEs. The average income of business owners supported by the CSTP is as follows:



Based on responses from 67 businesses surveyed.

In the "Assessment of Needs of Tourism Enterprises and Initiatives in Estelí and Jinotega" conducted by the Agora Partnership Foundation for the CSTP in October 2011, 110 of the 114 enterprises surveyed had an annual income from sales that was less than C\$1,000,000. Only four enterprises had incomes between C\$1,000,001 and C\$10,000,000. A comparison of these figures indicates that, in general, the income of the companies has improved following the implementation of the program. This is corroborated by 65% of the enterprises surveyed during the evaluation, which stated that they had increased their sales.

6. What is the demographic information for the direct beneficiaries of the program

Table No. 13		
Beneficiaries demographics		
Department	Male	Female
Jinotega	31.71%	68.29%
Estelí	48.39%	51.61%
Bluefields	50.00%	50.00%
Laguna de Perlas	100.00%	0.00%
TOTAL	40.51%	59.49%

Based on responses from 72 people surveyed.

There is a preponderance of women participants in the program. This is due to two factors: the first is that the tourism sector is an economic activity involving a great deal of participation by women; the second is that the program also promoted the participation of women in its different activities. This occurred in all the CSTP intervention locations, with the exception of Pearl Lagoon, where a small tour operator was comprised of ex-turtle fishermen, where the female participation was zero.

Table No. 14 presents the distribution of the businesses and activities by type.

Table No. 14						
Business Distribution and activities per type						
Food and beverages	F&B and Attractions	Lodging	Lodging and F&B	Lodging and Attractions	Lodging, F&B and Attractions	Tourism Agents
24	3	6	10	9	11	10
32.88%	4.11%	8.22%	13.70%	12.33%	15.06%	13.70%

Based on responses from 72 persons surveyed

Overall, the establishments were distributed as indicated in Table No. 15.

Table No. 15	
% of Establishment Type	
Type	%
Lodging	49.31%
Food and beverages	36.99%
Tourism Agents	13.70%

Based on responses from 72 persons surveyed

Cluster Approach:

7. How effective has the cluster approach been in helping the tourism sector in the impact regions of the program to attain better commercialization or marketing of products and services and to improve their sources of income?

According to FHI 360 officials, a more geographic cluster approach was utilized for the implementation of the program in order to link the businesses, starting from bottom to top, in accordance with the needs of the business owners. Geographically, three clusters were formed: the Estelí Cluster, the Jinotega Cluster and the Bluefields Cluster.

In the Estelí and Jinotega clusters, seven mini-circuits were formed with anchor businesses that are located in urban areas and that developed tourism activities. Three of these are in Jinotega: Datanlí North, Datanlí South and Apanás Lake, three are in Estelí: in the city center, Tisey-Estanzuela and Miraflor-Moroponte; and one is in Somoto.

According to the Meso-American Ecological Alliance (MEA), the cluster approach increases local capabilities and ties to the market. The MEA experience was that the tourism clusters constituted the basic platform that individual tourism enterprises need to prosper. Few independent enterprises are successful. The market requires a variety of options and part of the methodology of MEA included the application of the Recreation Opportunity Spectrum (ROS), which identifies the different recreational opportunities for different segments of the market. The cluster development calls on various segments of the market and creates a critical mass of new destinations.

This cluster approach was effective because it facilitated business alliances and made it possible to market the tourist destination as a whole. In addition, this approach takes into account all of the links in the tourism chain, and strengthens the connections between them. It also fosters the complementarity of the services, promoting solidarity and encouraging each business to strive to improve the quality of its services. The cluster approach also enabled domestic and international tourists to learn about the tourism opportunities present in the tourism mini-circuits that were promoted in the program and it successfully increased the flow of tourists, which resulted in more income for the owners of tourism businesses.

8. Did the cluster approach facilitate more involvement and participation by the stakeholders in the tourism sector? In what way?

The cluster approach, starting from the bottom and moving up, was very appropriate. The mini-circuits facilitated the cluster approach, creating alliances between the business owners, improving the quality of participation and allowing for greater involvement. The beneficiaries that expected an assistance program gradually left, leaving only those who were genuinely interested. The process generated a change in mentality among those who remained.

The cluster approach was effective because it organized the stakeholders according to geographic proximity and focused activities on highlighting the attractions in the particular area. In addition, it facilitated attendance in workshops and training sessions, and it created unity among the businesses in the cluster area. As these groups were strengthened, they made visits and conducted exchanges of experiences among the mini-circuits, so that the members could evaluate conditions in other mini-circuits and apply interesting aspects and knowledge from them to their own businesses, thereby strengthening the tourism opportunities. The approach facilitated better organization of the groups of stakeholders.

The cluster approach maximized participation. Through the evaluation of the tourism value chain, the key stakeholders were contacted and had the opportunity to participate. The cluster approach strengthened leadership and promoted strategic alliances. It established simultaneous cooperation with the competition (“coopetition”). The approach was also very effective because it facilitated sharing and interrelationships among different initiatives that were involved in the CSTP.

The business owners felt that they had a more effective participation in all of the activities that were implemented by the program and they felt more taken into account. They also stated that the results were more positive for them.

Finally, this approach enabled all of the business owners in the circuits to take the initiative, thereby producing better linking of tourism services.

9. *Did the cluster approach facilitate more coordinated interventions, including technical assistance, education, small-scale infrastructure, and marketing?*

Under the cluster approach, the mini-circuits were identified and activities were developed at their level. This resulted in more coordinated interventions related to technical assistance, education, small-scale infrastructure and marketing, because the mini-circuits acted as a cluster and required that coordination.

Moreover, the cluster approach also served to focus resources on one area in particular, with organized stakeholders and common interests, allowing more coordination through closer relationships and knowledge among members of groups with common interests. It also facilitated accompaniment by geographic location, because the activities were organized according to geographical area.

Clusters are a proven model that has worked in various Latin American countries with different degrees of development in tourism. These include Argentina, Chile, El Salvador, Costa Rica, Mexico, Honduras and Panama. A cluster has a vision and faces common problems, promotes public-private connections on regional, municipal and local levels, and requires greater coordination. This necessitates more coordinated interventions and actions related to technical assistance, education, improving small-scale infrastructure, and marketing, all because of the complementarity of the services in the region.

10. *What other approach could have been used? Why do you think that other approach was not utilized? Why was this approach selected?*

The approach cannot be forced; this way of working from the businesses up had better results than other approaches or an approach from top to bottom, where a public or private

organization would have taken leadership and dictated what the program should do. That approach would have emphasized the development or improvement of tourism products that were “ready for market”, probably leaving the strengthening of leadership and the entrepreneurial vision by the wayside. This was not utilized because its results are not sustainable. The development approach of using tourism clusters was selected because it is the most appropriate for the development of a tourism destination, as it links the different initiatives that comprise a value chain that completes and integrates all of the services required by tourists. Not all tourism development projects follow this approach, because it requires a lot of participation from the beneficiaries, more horizontal structures and more democratic and open decision-making processes.

11. How did the cluster approach contribute to the increase in income?

Positively, because it established a win – win relationship between the different participants of the cluster. Because there was a clear definition of the product and tourist destination, along with better promotion and publicity (in packets and not individually) through various media, including social networks, more clients were obtained, leading to an increase in income. The survey conducted by FHI 360 in the third quarter of FY2013 indicated a 20.4% average increase in the incomes of participating businesses and in the survey conducted by the evaluation team, 65% of those surveyed said that they have experienced an increase in their sales.

Sales also increased because there were tourists that wanted to visit a particular business in the circuit because of the publicity and, once they were in the territory, they benefited other established businesses.

Geographic Approach:

12. What were the advantages and disadvantages of the geographic approach of the program?

Advantages:

- It favors economic development and protection of the environment. It works best when there is only incipient tourism development.
- Transportation for accompaniment and/or technical assistance is easier because groups are organized by common geographic areas.
- It fosters integration among the stakeholders in a particular area and this, in turn, creates more interaction within the group.
- It creates closer relationships and unity through common interests, and it facilitates the execution of activities.
- Nearby natural and cultural attractions create a new tourism destination.
- In most cases, the needs of a sector are similar and that facilitates work in a chain.
- The selection of mini-circuits presented an opportunity to provide directed assistance to business owners, interventions in small geographic areas, making it possible to give greater attention to the stakeholders with fewer resources.
- Small geographical areas make it possible to provide greater attention to the stakeholders with the use of fewer resources.

Disadvantages:

- It is more difficult to work with this approach when there are low levels of education and of understanding of administrative and accounting concepts.
- The access to a geographic region can be difficult, or there may not be communication systems, roads or other means of access. There may be little or no access to technology. The people in poor areas live day-to-day and it is harder to help them.
- There is a lack of diversified products, a reluctance of tour operators in Managua to offer packages to the area, and a lack of local partners.
- There is little to no flow of tourists in rural areas.
- When other nearby geographic areas are not incorporated, opportunities to contribute knowledge to stakeholders to offer a better and more varied proposal for the regional tourism destination are lost.

13. What was the effect of limiting the program to a small area? Would it be advisable or practical to amplify the geographic focus? Why?

One effect of limiting the program area is that it was not possible to include some areas with attractions and great potential.

Geographic expansion is advisable for a program with more time, more resources, and more flexibility of the instruments. These elements would make such an expansion practical.

In programs with shorter terms and less resources, it is better to consolidate an area first and gradually insert new areas.

Gender Perspective:

14. How was the gender perspective manifested in the implementation of the program?

The CSTP facilitated and promoted the participation of women. There was a great deal of female participation due to the open calls. There was natural participation by women; they were the ones that went to the activities because they are involved in the tourism businesses. Tourism in these areas has been characterized as a complementary activity to aid family income and because it has high levels of participation by women.

In particular, the gender perspective was applied in the activities developed by La Cuculmecca, through planning aimed at equitable participation by men and women, to foster equality of opportunities and inter-relationships.

There is a natural tendency in the tourism sector for women to actively participate through leadership or involvement in the entrepreneurial ventures.

There were open calls to rural and urban business owners and the majority of those that responded were women.

Women always participate intensely in these activities.

15. How do the different roles and status of women and men within the community affect the work undertaken by the program?

This did not affect many activities in the tourism sector, because they are associated with domestic activities, which, in Nicaragua, are considered women's activities. To a certain extent, this phenomenon has been repeated in this program, where the women direct their own guesthouses, dining rooms, craft workshops. In other activities, it is the men that perform the "more masculine" work: boat tours, horseback rides, farm administration.

16. How do the different roles and status of women and men within the political sphere affect the work undertaken by the program?

Many programs and projects are affected by the roles and status of women and men; for example, in the rural sector, the fields of action of a woman are limited due to the reigning *machismo* in that environment and by her submission to her husband. This program did not experience the tangible effects that these roles and status can have; this is due to the above observations that the tourism sector has incorporated many women, many at the executive and leadership levels, and there are not expected roles for women in this sector, with the exception of some very specific occupations, such as fishing or adventure tours.

17. How do the different roles and status of women and men within the workplace and the home (roles in decision-making and different access to and control over resources and services) affect the work undertaken in the program?

This did not have a major effect on the work of the program. The group of beneficiaries was fairly heterogeneous. Women and men of all ages and different types of work participated in the CSTP activities, with no regard for gender in terms of obtaining positions or earning income. However, the greater participation of women in activities that are directly related to tourism is noteworthy. This gives them decision-making capacities and access to and control over resources and services.

18. How did the expected results of the work affect women and men differently?

The results achieved with the program indicate that men and women became involved in activities without much attention paid to their traditional roles. Although the opportunity for participation was offered to men and women equally, there are more women participating (309 women, 272 men) and in leadership positions (most tourism MSMEs are led by women).

There is no observation that the expected results have affected the women and men differently.

19. Did women have a prevalent role in this program?

Women did have a prevalent role; 14 of the total of 22 tourism MSMEs that worked directly with the project in Jinotega are led by women. Examples include: COMACO of Yalí is led by a woman; the administration of La Fundadora Eco-lodge, the tourism manager of La Bastilla Eco-lodge and the Linda Vista Eatery are led by trained women. Eight women participated in the guide training.

There was a high level and active participation of women in the program.

The leaders of most of the community organizations are women.

20. Did the program facilitate greater participation by women?

The program promoted greater participation of women. It provided childcare to enable the women to participate in the activities implemented by the program.

The women have had a prevalent role in the program, as leaders of their MSMEs, actively participating in workshops and making decisions on important issues, such as prioritizing the needs of the community projects and improvement plans. In the entire planning and execution process, there have been equal opportunities for participation by men and women.

Children have learned about environmental issues and sustainable tourism, with participation by 239 girls and 210 boys.

The COMACO mini-circuit is represented by 24 men and six women. This is directly related to the meliponiculture activities, which until now have been undertaken by men. El Jaguar - San Rafael mini-circuit is comprised of 26 people, including 14 women in guesthouses, eateries and as local guides. The 12 men are mainly members of El Conejo Cooperative, offering tours on the lake and traditional fishing.

The Datanlí Norte mini-circuit is represented by two women, responsible for their own businesses, a woman manager of a mid-sized company and three men who provide tour services and environmental education.

The Datanlí Sur mini-circuit includes six women leading their own businesses, a young woman managing a mid-size company, another young woman working as a local guide, and five men serving as local guides.

The CSTP facilitated the presence of women at most of the training sessions. Their contribution was important.

Monitoring and Evaluation System and Indicators:

21. How well do the indicators capture the effectiveness of the program in terms of achieving its objectives and expected results?

The Monitoring and Evaluation System for the program retained the majority of the indicators; it only removed some of the original indicators and it was only managed at the central level of FHI 360. The program's strategic partners, although they understood the indicators established by the program, managed their own monitoring systems. The partners took responsibility for the standard program indicators that fell within their scope of work, defining their own indicators for the results that were delegated to them and providing their own follow-up on these. Nevertheless, these latter indicators did not measure the impact of the actions executed, but rather the inputs and results. This is because the partners were not familiar with the M&E System for the program and used their own M&E systems.

The M&E System addressed the overall indicators of USAID, but had to be adapted to the reality of the program; for this reason it worked well, there were no inconsistencies with the USAID indicators. This was not implemented from the beginning of the program or comprehensively with the partners. We believe that this deficiency is because the program did not have a full time specialist responsible for these tasks.

A baseline study was conducted at the beginning of the program. However, in Years 2 and 3, the target population was better defined and the indicators could be established by compiling information through partners and surveys of the business owners.

According to the users of the M&E System, the indicators are good for measuring the program and the sources of resources, for verifying whether the program is doing what was planned and measuring the effectiveness of the program.

23. What were the limitations of the program?

- Change in program implementation agency at the beginning.
- Reduction in the program budget.
- Changes in the scope of the program and in its overall operational plan.
- Readjustments to the intervention strategy.
- All of the above created instability. At the beginning, this impacted the level of motivation of the partners and beneficiaries to work with the program activities.
- It was difficult to obtain partners with capacities and experience in working with grants, as completing the forms for these grants is complicated and the requirements are stringent.

VII. CONCLUSIONS

1. Conclusions related to the approaches, organization and implementation of the program:

- Despite the reduction in the budget, project term, impact areas and scope and the change in executors, the program was able to adjust quickly and intelligently to its new situation. During its execution term of three years, the program produced significant results and impacts, generating a very clear re-conceptualization and precisely defining the organization, the implementation approach and methodology. In addition, it was realistic in terms of the achievements that it could truly attain. This was because the program was reformulated with the participation of the partners and allies (recipients of aid). It had also formed an excellent and very professional technical team, not only committed to their work and responsibilities, but also fully identifying with the aid recipients. Furthermore, the program had highly professional management, with a vocation for service and indisputable leadership.
- The approach to the work taken by FHI 360 for the coordination of the program - to execute the specific activities in each of the components of the CSTP with the support of local partners with defined specialization - was very appropriate. This enabled each partner to work on issues where it had highly valued expertise to provide quality and efficacious technical assistance and training on the issues under its responsibility. Thus, the program was able to achieve its objectives by taking advantage of the best capacities of each of the program partners: Paso Pacifico, La Cuculmecca, the Meso-American Ecotourism Alliance and the University of Idaho. These partners properly fulfilled their obligations and were an excellent complement to the FHI 360 team to attain the program achievements.
- The program was designed with three complementary components that operated in a coordinated fashion. This was very well suited to dividing the work into actions related to:
 - Strengthening and empowering local leadership.

- Strengthening of tourism enterprises and businesses (SMSEs) and improvement of tourism promotion.
- Environmental protection.

This division of components made it possible to integrate the social, economic and ecological aspects of the program, establishing synergies among them and facilitating the comprehensive implementation of the program.

- The concentration of the program in three areas of the country made it possible to take a cluster approach - these clusters are still incipient and in the process of consolidation - while creating strategic alliances and synergies among the different stakeholders involved in the development of tourism in the three areas. This also facilitated the incorporation of different enterprises and business owners from the tourism sector, their mutual knowledge, the exchange of information and knowledge, reducing fears about integrated work or the sharing of information and experiences. It also created institutional mechanisms for work. These will continue to function after the conclusion of the program.
- The grants were an appropriate complement to the technical assistance and training activities; in many cases, they became the initial assets required by some enterprises to improve their tourism products; in others, they addressed weaknesses and improved capacities. However, the process to obtain the grants was too bureaucratic in terms of the number of documents and information that was required from the applicants. In addition, the fact that these were presented in English limited the participation of many enterprises and forced the program to provide assistance to enable them to present their applications.
- The final part of the program, because it was concluding, was packed with activities. This had a negative effect on the efficacy and efficiency of the program, as the availability of time and the capacity for absorption was limited for everyone involved.
- The tourism enterprises served fully corresponded to the target group defined in the program document. Highlighted were the small and mid-sized enterprises located in the urban centers and rural areas of Estelí, Jinotega and the Somoto Canyon, as well as the enterprises in rural areas, core areas and buffer zones of the protected areas.
- One problem that the program had to face was the heterogeneous nature of the different activities, sizes of enterprises and levels of development. There were complaints about activities where the content and the presentations were usually above the level of understanding of some participants.
- The strategy of characterizing the local businesses and initiatives in the program intervention areas at the beginning of the program was correct. That made it possible to identify the needs of those enterprises and to adjust the response of the program to them.
- The late delivery of equipment affected the operations of the business owners who had expected them earlier.
- The program did not establish close or cooperative relations with the Nicaraguan Tourism Institute (INTUR). A greater degree of collaboration with that institution would have been advisable.
- There was no closing event for the program in each area, for the program, partners and allies to discuss and analyze the next steps, following the conclusion of the program. Many allies stated that they expected something along these lines to help them think about future courses of action.

2. Conclusions regarding the results and effects of the program:

- At the conclusion of the program, leadership has been strengthened among the business owners, in the organizations and in the participating community groups. The technical, financial and tourism management of the businesses has substantially improved, and the incomes from the businesses have increased, along with the sustainability of the enterprises. Their future is more promising, following the implementation of the program. Likewise, the program has increased the management capacity of the business based on natural resources, particularly in the protected areas and those working with biodiversity resources. This has been attained through raising the awareness of the stakeholders and through better knowledge about resource management.
- The program was also effective in the creation of employment. At the start of the program in the third quarter of FY 2011, the average number of employees per enterprise was 6.59 and this increased to 14.7 in the third quarter of FY2013, which is proof of the significant economic and social impact of the CSTP.
- The Conservation and Sustainable Tourism Program (CSTP), has developed an important set of basic tools and practices that, well-used, can strengthen the business capacities of the enterprises that use them. The program served as a pilot trial of the usefulness and their capacity to produce successful results. These tools are applicable for tourism enterprises and business owners in all the regions of the country.
- The tools developed by the program were distributed to all the participating enterprises and businesses and were made available and transferred to the National Hotel and Tourism School (ENAH), the World Tourism Organization (UNWTO) - Nicaragua, CANATUR, the Small Hotel Association of Nicaragua (HOPEN), the Nicaraguan Tour Operator Association (ANTUR), the National Chamber of the Micro, Small and Medium Tourism Industry (CANTUR), the Network of Private Wildlife Reserves, Paso Pacifico, La Cuculmeca, Swiss Development Cooperation (SDC) in Nicaragua, the Inter-American Development Bank (IDB) - Strategic Implementation Plan for Tourism, the Tourist Information Center (Casa Estelí) and the Agricultural Program Association of San Nicolás (ASOPASN). These institutions, organizations and/or programs currently work in the same areas that the CSTP served. This enabled them to continue with the development processes and strengthening begun by the program. They are also useful in other territories, organizations or enterprises.
- The training processes were very effective because the beneficiaries were interested in the topics. In addition, the topics were addressed in short sessions, enabling more business owners to participate.
- The organization of seven geographic mini-circuits in Estelí, Somoto and Jinotega was an excellent mechanism for the integration of the stakeholders in those areas, for the definition and complementarity of the tourism products and, above all, for the promotion of many enterprises and locations that had never had this type of assistance.
- There was a high degree of direct participation in the activities by business owners. As they were large and well-promoted activities, they were effective in publicizing the destinations and the tourism products of the mini-circuits.
- The program has had a very positive effect on rural businesses and initiatives, as well as on urban and rural family-managed enterprises, and has made it possible to forge strategic alliances to offer integrated services. In addition, the program improved the linkages among the anchor enterprises of the urban center and rural initiatives or enterprises. This was the

optimum method for formation of projects, incorporation of new ideas and proposals, and the motivation of potential tourists to visit the tourism destinations.

- As a result of the program, capacities were created in the leaders of the enterprises and local organizations and initiatives to define their own vision of sustainable tourism and have a shared vision and definition of the tourism destination.
- "The Five-step Program to Improve My Business", another tool developed by the CSTP, contributed to the improvement of the management capacities of the participants, incorporating the tourism sustainability approach, strengthening leadership and increasing the cooperation and linkages among enterprises, both to improve their competitiveness as well as for the definition of tourism products. The five-step program has been made available to other programs and institutions and may significantly contribute to the business strengthening of small and medium tourism enterprises in all the locations with tourism potential in Nicaragua.
- The business exchanges have contributed to owners learning about more advanced already-existing experiences. In addition, they promoted the incorporation of the business owners, as those that participated in the exchanges shared their learning with those that did not.
- The technical assistance in marketing provided the business owners with information and practical knowledge on tourism marketing to capture and earn the loyalty of clients, as well as positioning their products and services. This is added to the orientation activities for the business owners (that incorporated the formulation of the vision, training and support for promotion, operation of the businesses, and calculation of costs and prices), noticeably improving the business opportunities for the enterprises and their sustainability.
- In terms of support for tourism businesses, the project also provided technical assistance in architecture and interior design, the transfer of knowledge and practical tools for sustainability of tourism, the formulation of tourist guides, and the development of products, all aimed at creating sustainable market opportunities for initiatives and enterprises in the program intervention areas. All this also serves to revitalize the destinations and promoter more visits to the tourism destinations supported. Overall, the program has developed new alternatives and tourism destinations, which are already being visited by national and international tourists.
- The publicity and communication activities conducted by the program have been successful. There was ongoing information about the program in the different media. The promotional and informative web sites have recently been promoted and it is anticipated that they will have an impact in the future on the promotion of visits and in greater and better knowledge about current tourism opportunities in the program intervention area.
- The integration of different stakeholders that provide services taught the participants that all of them should work in a unified fashion and as a team; that there is no competition, rather there is collaborative work; that they should be in solidarity with the other stakeholders from the sector and the region; and that improvement in the quality of the services is the fundamental factor for customer service and sustainability of the enterprises.
- The project for access to potable water in Bluefields was financed through a grant and was very successful. It was included as part of the program by instruction from USAID to address sanitation indicators associated with resources.

3. Conclusions related to relevance, efficacy, efficiency, gender perspective, sustainability and impacts of the program:

- The program was relevant as it responded to the needs of the participating organizations and enterprises, addressing their need for support. The problems addressed by the program were the issues that most limited the development of the enterprises.
- The program also was very efficacious as the proposed objectives, targets and indicators have been achieved almost completely.
- There was a high level of efficiency by the program, due to an optimum use of resources, the development of a very broad variety of activities, and the development of a great quantity of products, as well as the achievement of significant results.
- The program incorporated the gender perspective in promoting equitable participation of men and women in the different interventions, actions, events and support that it developed. A facilitating factor for this is that there is a high level of participation by women in the management of tourism enterprises in the program service area.
- In addition, we believe that the program is sustainable, as it has created capacities in people and organizations and has provided tools, so that what was begun with the program continues following its conclusion.
- The program has had significant impact, which is documented and has been indicated in this report. These impacts can be seen in key areas and in the objectives related to actions, such as: (i) fostering development of small and medium enterprises (SMEs); (ii) the adoption of more sustainable environmental practices; (iii) improvement in the competitiveness of the private sector through tourism; (iv) increased participation of women; and (v) improved commercialization of tourism services in northern Nicaragua.
- The program has made significant efforts to achieve sustainability in all of its successful experiences and has properly documented and systematized them. All the documentation is on five CDs, which have been distributed to the partners, the participating enterprises and the National Hotel School (ENAH), UNWTO-Nicaragua, CANATUR, ANTUR, HOPEN, IDB - Strategic Tourism Implementation Plan, the Network of Private Wildlife Reserves and the Sustainable Tourism Center in Estelí. The program partners and FHI-360 have produced an extensive number of documents, which are very useful for the improvement of the economic, business, environmental, educational, sanitation and tourism aspects of the locations that are suitable for tourism. This set of documents may be very useful to the Nicaraguan Tourism Institute (INTUR) and to other programs that work in the sector, professional associations, local associations and any tourism enterprise in general.
- The program developed a series of tools and documents to foster and develop tourism in the program's intervention areas. These include: the Marketing Strategy for the Jinotega, Estelí and the Somoto Canyon Clusters; a Calendar of Events; the Promotional Campaign - Visit the North; Leadership Training; Research on Promotional Actions Undertaken in the Destinations; Local Tourist Information Guides, Visit the Nature Reserves in Northern Nicaragua.
- In conclusion, CSTP is a good example of a successful program, without many resources, in the tourism sector. It has had a significant impact on the business development of the areas that are suitable for tourism, on the generation of rural employment, on the promotion of sustainable tourism, on the adoption of good environmental practices in the areas, and on the target groups.

VIII. RECOMMENDATIONS

A) Recommendations on the Monitoring and Evaluation (M&E) System for the Program

- The M&E system should be designed and implemented from the start of the program. It should incorporate indicators that serve not only to report on progress to USAID, but also to correctly monitor the activities, products and results, and to evaluate the impact of the program. The baseline study should be conducted immediately after the design of the M&E system. The system should be fully understood by the partners that implement any part of the program; they should provide input to the system regarding the activities, products and results for which they are responsible. In this way, the M&E system will incorporate the indicators for the work of the partners and will also be able to monitor their progress and the impact indicators. The latter will be the responsibility of the program executing organization.
- The entire data collection process should be defined in the M&E document, establishing which indicators and variables will be measured, what data will be collected, who will be responsible for this collection, the frequency of collection and who will be responsible for data processing.
- The indicators to be used should be those that are best adapted to the program requirements and that measure the changes generated by the program. These indicators should be adjusted to the actual conditions in the locations where the program works and should cover the levels of products, results and impacts. In order to be able to share the interpretation and understanding of the indicators and to prevent errors in interpretation, as a part of the M&E system, individualized cards should be developed for each indicator, with its name, definition, calculation formula if required, frequency of measurement, person/group responsible for this, and procedures for data collection and processing, as well as for the analysis of the indicators.

B) Recommendations for Tourism Development Programs Similar to the CSTP:

- The programs should be based on the detection of the needs of the enterprises and the business owners that are their beneficiaries. Mechanisms for communication, coordination and joint work should be established in the initial phase, allowing integration of the program and the participants. This should be followed by attention to the problems and needs detected and prioritized, and by the ongoing involvement of the participating business owners in the development of the activities and the achievement of the program results and objectives.
- It is fundamental to establish, from the beginning, an information system to compile and categorize data, information and knowledge generated by the program in such a way that they can later be processed, systematized and disseminated. The development of documents, methodological guides and manuals on the experience of the program that can be transmitted should be a task and a result that appears within the work plans for the program.
- The cluster approach should be used to support the tourism SME sector in a geographic area, as this makes it possible to have a holistic vision, collaborative work and synergy, to form strategic alliances and to create a sense of identity in the tourism area of the cluster.
- It is very beneficial to incorporate professional associations into the program activities. This should be encouraged as they are agencies that can transmit and disseminate information, knowledge and experiences of the program. However, care should be taken to not impose professional associations, as that should be the decision of the beneficiaries.

- Efforts should be made to prevent an overload of activities at the conclusion of the program, keeping in mind that the recipients have limited time available and that there may be situations that arise regarding transfer of information and knowledge.
- The partners must communicate among themselves regarding activities, so that they benefit from the experiences of the other partners.
- The participants in the training courses should have more or less homogeneous knowledge and the level of information and knowledge that is transferred should be adjusted to their education level.
- The experience of the geographic mini-circuits should be promoted in other locations in Nicaragua. The experience obtained in Estelí, Somoto and Jinotega can be replicated in other areas with equally successful results.
- Complementarity and information from strategic alliances among urban and rural tourism enterprises should be promoted. The use of anchor enterprises is a good model for promoting this type of relationship.
- The five-step tourism business strengthening program should be promoted. A possibility that should be investigated is its application by the National Tourism School (ENAH), which, we understand, does not have a similar program.
- It is important that the business approach take priority in all actions of a program for rural tourism development. The sustainability of these programs is only assured if the businesses and enterprises that participate in them are successful and profitable.
- It is important to not create expectations in the potential beneficiaries of the program; from the start, it should be clear what the program is offering to them and what is expected from them as their contribution, as well as the effort and time that are demanded of them.
- There should be a proper balance between private and public partners, promoting the participation of both in the program and solidifying public-private commitments to the development of the sector in the program intervention areas.

C) *Recommendations for a Future Activity Related to the Overall Approach of the Project*

- Future similar projects could follow this process: (1) Identification of natural and cultural attractions; (2) Determination of interest in tourism development and the willingness of the participants; (3) Recreation Opportunities Spectrum: zoning of the spectrum for a broad range of recreation opportunities; (4) Analysis of the tourism value chain and identification of strengths and weaknesses; (5) Development of indicators and standards for the impact of tourism given the acceptable limits of change; (6) Integrated marketing strategy. Through this methodology, key stakeholders and public - private alliances are created and become committed.
- Social auditing activities should be incorporated during the project execution, reporting on the results of the project.
- Public sector partners must be incorporated, particularly in the environmental arena.

- Program closure activities should be incorporated, with an emphasis on what should continue following the conclusion of the project.
- The mentoring strategy should be strengthened.
- Advocacy activities should be included.
- Work should be based on the business linkages of the business owners located around the tourist attraction or product, implementing training and technical assistance systems to improve the quality of services. Efforts should also be made to improve the attractions, providing safety and quality conditions.
- It is important that this process be linked to the existing tourism development plan in the area, so that the initiative is not isolated. In particular, it should be linked to the capacity for investment of the business owners as this ensures the qualitative leap for the tourism destination.
- The intervention term should be longer as, in some cases, development is not seen. It should be holistic and contain a financing component, not as donations or gifts, but to provide more opportunities for some enterprises to develop the recommendations provided in the business plan, physical design or the needs assessment processes, in order to increase the quality and infrastructure of the enterprise.

D) Recommendations for a Future Activity Regarding the Types of Interventions

To determine the type of intervention, first the project partners must have a shared and clear vision of the project and its approach; in other words, they must agree on what is to be developed: conventional tourism or sustainable tourism, ecotourism. Once that vision is obtained, the types of intervention, beneficiaries, public - private partners, design and implementation of the project will follow an easy logic. In general, the project should:

- Create flexible programs that facilitate participation in the program.
- Work more on the development and equipping of products.
- Equip the products that are developed with the program.
- Provide accompaniment for the generation of changes; this is expensive, but very productive.
- Understand the real needs of the different stakeholders for the interventions in each of the sites; for example: the training needs for hotels in the urban sector are totally different from those for rural lodging.
- Keep in mind the degree of development of the sector as, in many cases, the program will be creating enterprises, destinations and products.

E) Recommendations for a Future Activity Regarding the Types of Beneficiaries

- In rural tourism development, the programs should have a longer implementation term, given the level of knowledge of the beneficiaries. More resources are also needed, along with greater flexibility in the instruments and in the administrative requirements of the organizations.
- More work should be done with business leaders.
- The focus should be on beneficiaries that are truly interested in developing their businesses and that have a business vision or can develop one. This requires proper follow-up and a personalized technical assistance to consolidate the enterprise in the market.

- It is very important to precisely and transparently define how the beneficiaries will be selected and to give preference to those in the rural areas, as this program did.
- The program should seek to involve existing small businesses that have not yet become known.
- The businesses should be separated by level of development to apply different training techniques. For example, there is a lot of knowledge about conservation and the environment in the rural areas, while those in the urban areas tend to have limited knowledge, and vice versa, the urban business owners know more about business plans and operations and most in the rural areas do not understand these.

F) Recommendations Proposed by the CSTP

In a final meeting at the closure of the program, the CSTP presented a set of recommendations, which we entirely endorse, although we would like to highlight the following recommendations to which we have made some additional contributions.

○ Foster a Professional / Business Culture

- It is important to not foster dependency on the program by the beneficiaries.
- Those involved should also make contributions, at least in kind contributions (e.g.; refreshments, transportation, etc.) and should make a commitment of part of their time and effort.
- The cost and price calculation aspects of the businesses should be emphasized.
- The business culture should be encouraged in the business owners, initiatives and businesses formed.
- It is important to work with the business owners from the beginning.

○ We Recommend Five-year Programs

- Year 1 – Establish / create relationships, adjustments, identification of needs, opportunities and synergy.
- Year 2 – Provide individual technical assistance by business.
- Year 3 – Invest in leaders and promote joint activities.
- Year 4 – Invest program + partners.
- Year 5 – Foster the sustainability of leadership / actions based on a plan and initial evaluations, results and impacts aimed at the sustainability of the changes.

We agree with this proposal, but the programs cannot be so linear; they must be adjusted to the needs of each cluster and of the enterprises that comprise it, developing activities from the different annual phases in a parallel fashion.

○ Work with a Systematic Results Approach – One product, one destination, one network.

- Provide access to the market and to distribution channels.
- Promote alliances with stakeholders who bring tourists.
- Continuously adjust to the market requirements.
- Aim at that market.

○ Foster Key Alliances

- **Create tourism products** – Prepare diversified offerings, incorporate innovation, dynamism to increase income.

- **Work in teams and with initial accompaniment** - To organize an event or products, this type of activity promotes unity and empowerment.
 - **Provide grants with accompaniment** – Provide support with new tools that make shared investment possible, promote the management capacity and unity of the stakeholders, as well as their empowerment and improved competency.
 - **Develop regular events** – Decentralized and rotating events, such as exchanges, to foster informal and formal relationships.
- **Hospitality: Role and Orientation for Everyone**
- **Raise awareness about the tourism culture** – “What is tourism and what is my role, why and for what?": Role of the municipalities, work groups, professional associations, business owners, collaborators, the general public.
 - **Conduct a national campaign:** Visual promotion.
 - **Promote exchange programs** – Provide follow-up and accompaniment through work methodology, tasks, learning and implementation.
 - **Prioritize the promotion of domestic tourism** – National tourism should be promoted for emerging destinations.
- **Complement Existing Programs**
- The training of human resources is very important, incorporating the business vision of the leader in these programs, as this makes sustained learning possible.
- **Comprehensive strengthening** – Include the business approach / vision in programs aimed at human resources of the enterprises (continuing education, professional / vocational education).
 - **Exchanges** – Promote business exchanges involving work methodology, assigned tasks and follow-up / accompaniment in the implementation of what is learned.
 - **Emphasis on Sustainable Tourism Best Practices (STBP)** – Include a greater emphasis on the implementation of STBP in all the training program curricula.
 - **Demonstrate the benefits of STBP** – Issue clear messages about the economic and social benefits for businesses to encourage their application.
- **Market Segments according to the Reality of the Enterprise**
- **Technical assistance should be customized** – It should be adjusted to the size and reality of the enterprise or initiative and should involve individual, on site and ongoing accompaniment.
 - **With a domestic and international approach** - Rural enterprises in their first phase of development should not focus only on foreign tourists, but also on domestic visitors.
 - **Prioritize investments** – Preferably, make only basic and easily applied investments.
 - **Expectations** – Know how to manage expectations.
- **Participatory Design of Programs with a "Product Development" Approach**
- **Integrated Approach** – Systematically facilitating the strengthening of the business and the destination.

- **Methodological Practicality** - Facilitating the understanding of the “*tourism activity*” of the stakeholders in a practical fashion.

G) Recommendations for USAID

- The process of making grants for USAID programs needs to be simplified and, furthermore, applications should be accepted in the language of the country where the program is executed. The effort and cost required to prepare these proposals, as well as the additional support required for this, are unjustified.
- The grants should be for a term of at least two years; a few should be higher amounts, especially those that benefit many enterprises and those that make it possible to develop the full potential of a tourism destination. All the grants should require a counterpart contribution or should be considered financing with partial payback.
- The USAID programs in the tourism sector should try to incorporate some component of shared work with the national organizations responsible for this sector in which there is a transfer of information, knowledge and experiences developed during the program promoted by USAID for the national agency, so that it can be replicated and disseminated.
- USAID should disseminate the results of this program in other countries, particularly in those where it is supporting the development of tourism.
- Significant reductions in approved programs, such as those that occurred with this program, should be avoided. They damage the credibility of the agency and, although that did not occur in this case, they can lead to the design of programs that do not adequately respond to the problems that they are meant to address. The new program may simply be the original with cuts and this may affect the cohesion and consistency required for the new proposal.
- One or two follow-up missions at six and 12 months after the conclusion of the program are recommended, to conduct a shared analysis with USAID, FHI 360, the partners and the beneficiaries of the progress made and to identify the course that the clusters and associations promoted by the program should follow. This type of low-cost support would have a positive effect on the sustainability of the actions promoted by the program.

IX. LESSONS LEARNED

- When a program's budget and term is reduced, it must undergo a general reformulation process, and its actions, results and budget cannot simply be cut. This process must start with a broad-based consultation with the program's target group, so that the approaches, conceptualization, and the actual new design of the program may respond to the true necessities and priorities of the stakeholders. This process will also help in attenuating the negative impact caused by the reduction of the original program.
- In programs that intervene in different geographic locations and on different issues, working with organizations that act as local or specialized partners is advisable, as they will support the development of the actions of the program to achieve its goals. The executing organization will see that the implementation of its program is facilitated if most of the actions are performed by these partners who have knowledge and expertise that the executing organization may lack. Furthermore, they can contribute new ideas, experiences, approaches and innovations, as well as more knowledge of the local context or the issue they are addressing. In this way, they contribute to the optimal implementation and execution of the

program. The integration and coherence of actions with the partners is important so that the program can be seen as a whole (one program) and not different programs carried out by different agencies or executors.

- In programs that support the rural tourism sector, there must be complementary actions that have influence, results and impact in economic, social and environmental fields. The programs must seek improvements in the economic aspects of enterprises that provide rural tourism services, social improvements in the populations of areas involved, and improvements and environmental conservation in the settings in which tourism products are located. An approach that incorporates these three components will have a greater impact than an approach that only considers one or two.
- In order to ensure the sustainability and replication of the actions and successes achieved in programs of this nature, there must be systematization and documentation of experiences, methodologies, approaches and tools. In addition, print and visual materials must be distributed to stakeholder organizations that will continue to work on this effort, to other projects, programs, and organizations linked to tourism development, to governmental organizations that support the sector and social programs directed at water, sanitation and the environment, and in general to organizational structures that can benefit from them. This will multiply the benefits of the program after it ends.
- The cluster approach is the most appropriate approach for working on rural tourism development programs. Through this approach, tourism offerings are improved to compete for potential tourists, innovation and competitiveness are increased in cluster businesses compared to those that work in isolation; there is a high degree of flexibility in organization, structure, and work mechanisms that lend themselves to the characteristics of the enterprises, their context and degree of development. This enables them to move from simple interchange of information and experiences to more complex and integrated actions to strengthen any areas or elements of the value chain where there are enterprises from the cluster. The approach enables the entrepreneurs to appreciate that, by working together and in unity, they can better develop the communities in the tourism sector and obtain higher income. It also reinforces the thinking that they need to be allied to achieve success.
- The use of Information and Communication Technologies (ICT), including the Internet and social networks, cannot be absent from programs that support rural tourism development. These tools not only facilitate the operation of the enterprises, but also facilitate electronic development, promotion and sales. Moreover, they improve communication and coordination among cluster participants for the development of tourism products, shared promotion and marketing and development of training activities and exchange of experiences.
- Using anchor enterprises to link urban and rural enterprises and large or medium with small-scale enterprises results in improved development of tourism products, better and greater coordination among the cluster stakeholders and better development opportunities for all target enterprises.
- Strengthening leadership in the local entrepreneurs is fundamental. Empowered and trained leaders, who have clear visions of their businesses and of the tourism value chain in their impact areas, and who know how to participate in the cluster, enable the programs to achieve important goals. These leaders also instill confidence in the sustainability and continuity of the work that they have initiated.
- These programs must seek changes in behavior related, among other elements, to the vision of the enterprise, with great importance and priority placed on its economic success in order to ensure sustainability. There is a need for joint work and for a cluster approach among

leaders, entrepreneurs, unions, NGOs, programs and projects, public institutions, and national and local authorities, with the benefits of cooperation, coordination, and joint work between them, and with the different roles that each plays. Listening to the stakeholders is fundamental to achieving these changes; their opinions needs and demands must be taken into account. Feedback should be provided, validating the proposals that emerge from these exchanges, empowering the decision-makers and encouraging them to make decisions. This bottom-up approach with proper accompaniment is the approach that has the most chances of success in changing behaviors.

- A successful formula for rural tourism support programs includes integrated support through different mechanisms such as: training, technical assistance, assessment – especially in the development of business plans as a better way of planning the economic development of the enterprises, sustainability of the businesses and programs -, internships for observation of more developed experiences, workshops and visits for exchanges of experiences among clusters, provision of information, grants for projects and equipment, and coordinated work among all stakeholders involved, all aimed at addressing the prioritized needs of the target group.
- The incorporation of other stakeholders during the implementation of development programs for the rural tourism sector is highly recommended. These stakeholders may include professional associations, business associations, other development programs, local and regional authorities, and other businesses linked to tourism and government entities responsible for supporting tourism. This will make it possible to receive support and contributions. These other stakeholders may also disseminate and replicate the actions, proposals, and approaches of the program.
- Some aspects or approaches that must not be excluded from these rural tourism support programs are the development of tourism products, the fostering of a tourism culture and an entrepreneurial culture, work on the value chain using the cluster approach, complementarity with other existing programs, the creation of alliances and networks, the promotion of the destination and its products, and the market-oriented and sustainability approach.

CASE STUDIES

The evaluation team has selected the cases of: El Tisey Eco-lodge in Estelí; Kabu Tours in Pearl Lagoon; Apanás Tours in Jinotega; and blueEnergy in Bluefields. Annex No. 3 contains these case studies, which are objective examples of the impact that the program has had on different enterprises and social groups. Many more examples could have been presented, but these four are models of the benefits of the program.

Annex No. 1
Methodological Design and Execution
of the final performance evaluation of
the CSTP, implemented by FHI 360
and financed by USAID/Nicaragua

Managua, September 2013

METHODOLOGICAL DESIGN AND EXECUTION OF THE FINAL PERFORMANCE EVALUATION OF THE CSTP

I. METHODOLOGICAL PROCESS

I.1. Methodological Approach Used in the Evaluation

A participatory methodology was used in the development of the consultancy, the Results Utilization-focused Evaluation was the methodological approach used in this evaluation.

II.2. Description of the Evaluation Process

The evaluation complied with the new USAID evaluation policy and responded to key questions from this agency, given the time and human resources for this activity. The consultancy was divided into four operational phases:

1. Execution of preparatory tasks.
2. Quantitative study and design of the evaluation.
3. Data collection (field work).
4. Preparation and presentation of the Final Report.

Figure No. 1 shows the different phases of the consultancy and actions that were undertaken during the process. The four phases of the process are described below.

Phase 1: Execution of Preparatory Tasks:

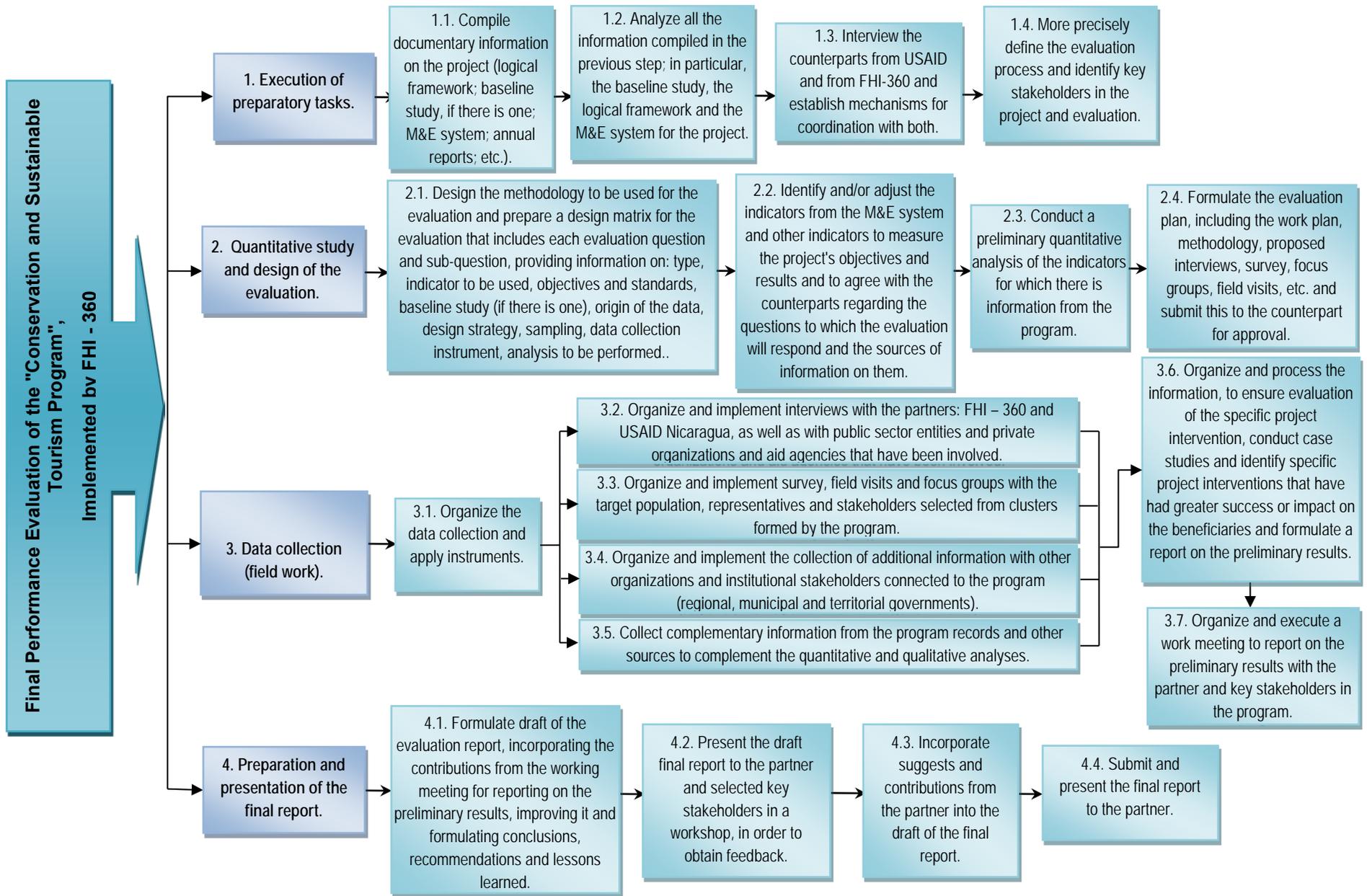
Preparatory and organizational tasks were undertaken in this phase of the evaluation. Documentary information that is related to the program was collected, along with other information that USAID considered relevant.

Interviews were then conducted with counterparts from USAID and from FHI-360 to establish the mechanisms for coordination with both. At these meetings, the partners designated a person to be the direct technical counterpart that dealt with the consultant team responsible for the evaluation. An analysis was conducted of the work to be done and a better and more precise definition of the actions to be implemented were developed, as well as of the evaluation process and its main elements.

Also during this phase, key informants were identified (people, groups, institutions and organizations connected to the program or related to the activities developed by the program), who would participate in the evaluation process. In particular, the presumed primary users of the evaluation results were identified.

FIGURE No. 1

METHODOLOGICAL DESIGN AND EXECUTION OF THE FINAL PERFORMANCE EVALUATION OF THE "CONSERVATION AND SUSTAINABLE TOURISM PROGRAM"



Phase 2: Quantitative Study and Design of the Evaluation

In this phase, the methodology to be used in the final performance evaluation of the program was designed. A matrix was prepared of the initial evaluation design that included all the evaluation questions, which provided information regarding: type, indicator to be used, objectives and standards, baseline study, origin of the data, design strategy, sampling, data collection instrument, analysis to be conducted.

The design of the evaluation utilized a mix of instruments to collect data and to respond to the evaluation questions. It included qualitative and quantitative data. It also included the questions proposed by USAID Nicaragua in the ToR regarding gender. Efforts were made to compile data from diverse sources and using different methods, cross-referencing this information in the analysis. The instruments designed included the following: (i) Guided and/or semi-structured interviews; (ii) Focus groups; (iii) Case studies; (iv) Survey; (v) Visits and field observations; (vi) Documentary compilation and analysis

The survey was applied to a representative sample of the 154 business, which were program beneficiaries. It has a 95% confidence level and a +/- 8.46% margin of error, parameters that are appropriate for this type of evaluation.

During this phase, the indicators from the Monitoring and Evaluation (M&E) system and other indicators were identified and/or adjusted to measure the program's objectives and results. In addition, agreement was reached with USAID counterpart regarding the questions to which the evaluation would respond and the sources of information on them. A preliminary quantitative analysis was conducted, of the indicators for which there was program information. Methodology used baseline data and compared final results and impacts obtained by the beneficiaries with the data and parameters in the baseline. This was done through the application of a survey, semi-structured interviews and focus groups with key personnel.

To complete this phase, an evaluation plan was formulated. It contained the (i) work plan, (ii) methodology, (iii) proposed interviews, (iv) focus groups, (v) field visits, etc. and was submitted to the USAID counterpart and approved.

Phase 3: Data Collection (Field Work)

In this phase, information collection was organized through the application of the instruments designed in the previous phase. The field work of the evaluation team had the support of FHI 360 to obtain the interviews.

The information was obtained from primary and secondary sources. Primary information was gathered from the target population and program stakeholders through a survey, interviews and focus groups.

Interviews were organized and executed, following established protocols and using tools for data compilation and open, closed and semi-structured question formats. The interviews conducted included the following persons:

- Interviews with representatives in USAID/Nicaragua:
 - Ira Frydman, Agriculture Development Officer, Mission Environmental Officer.
- Interviews with program personnel (FHI 360):
 - Roberto Matus, Program Director – FHI 360.
 - Isa La Porte, Responsible of Communications.

- Eugenia Afonso, Program Assistant.
- David Ball, Responsible of Grants.
- Tania Castro, Responsible MIPYME Component.
- Interviews with strategic partners:
 - María Teresa Cruz, Program Official, La Cuculmecca.
 - Liza González, Paso Pacífico Director.
 - Mark Willuhn, AME Director.
- Interviews with representatives from the public and private sector connected to the program:
 - Zenayda Laguna, Executive Director CANTUR;
 - Salvador López, Project Coordinator– ADENIC Estelí;
 - Yamileth McDonald, Vice-Mayor Laguna de Perlas;
 - Shelton Velásquez, INTUR Delegate, Laguna de Perlas;
 - César Augusto Villareyna Saldivar, COMACO, Alcaldía of Yalí;
 - Héctor Pastrán Lumbí, UMAS Coordinator (Municipal Unit of Water and Sewerage), Alcaldía de Yalí;
 - Arnon Arther Belbin, Environmental Director Coordinator - SONATI;
 - Claudia Vanessa Aguirre, President ANTUR;
 - Edgard Castillo Rivas – Responsible CEN Bosawas;
 - Julio Arce, Pedagogic Adviser – Alcaldía de Bluefields;
 - Alejandro Centeno, Environmental Technician – Alcaldía de Bluefields;
 - Jimmy Pérez, Responsible for water and Sewerage – Alcaldía de Bluefields.
- Interviews with consultants hired by FHI 360 for training activities:
 - Róger Solórzano, Vianica Director;
 - Oscar Saúl Rivas Larios; Adviser in Architecture and Interior Design;
 - Danilo Valerio, Consultant in Costs and Price structure.
- Interviews with key actors in *clusters* and mini-circuits:
 - Georges Duriaux, Owner, Reserva El Jaguar;
 - Naraya Zelaya, Owner, Casita San Payo, San Rafael del Norte;
 - Gema Velásquez Valdivia, Responsible Eco-Albergue La Fundadora;
 - Felipe Zeas Rivas, Owner-Manager, Apanás Tours – Jinotega;
 - Alba María Blandón Rivera, Owner Buffet Lindo Día – Jinotega;
 - María Teresa Altamirano Castillo, Owner Café Hotel – Jinotega;
 - Amanda Rosa Tórrez Zeledón, Owner Restaurante La Perrera – Jinotega;
 - Luz Marina Herrera, Representative Cooperative San Expedito, Las Cureñas – Jinotega;
 - Marisela Rodríguez, Owner Hotel y Restaurante Cualitlán.
- Interviews with private organizations, NGO, community organizations:
 - Mercedes Ocampo, Cabinet Coordinator, Barrio New York en Bluefields;
 - Elida Jiménez, Coordinator of the Departamental Tourism Cabinet;
 - María Elsa Gutiérrez, Responsible of Tourism in the Directors Executive Board, Estelí.
- Interviews with representatives of other projects and programs:
 - Joel Astruc – Programs Coffee Route and Volcan Route;
 - Ian Coronel, Centro Empresarial Pellas.
- Survey to a representative sample of beneficiaries: 72 enterprises surveyed.

Six focus groups were conducted with the participation of beneficiaries and representatives of the *clusters* formed by the program. They examined specific questions identified during the first phases of the evaluation. A question guide was prepared for the focus group, aimed at obtaining the perception of and information from the participants.

In coordination with FHI 360, a selected number of successful beneficiaries was identified and 4 case studies with greater success or impact on the beneficiaries were prepared.

A survey was used, along with the other tools described above, to obtain input from the beneficiaries on some of the questions, which can only be applied through this instrument. Field visits were conducted for *in situ* observation of the impact of the program actions on the beneficiary population. These field visits were conducted simultaneously with the interviews of representatives of institutions and organizations involved with the program and parallel to the application of the data collection instruments. A field visit plan was developed and coordinated with FHI 360.

Information was obtained through the application of the following four instruments, which were applied to a total of 159 informants.

Table No. 8		
Instruments applied and Target audience		
Instruments	Target Audience	No.
1) Survey	Program Beneficiaries	72
2) Interviews	USAID Representatives	3
	FHI 360 Managers and staff	5
	Program Partners	3
	Representatives of other projects and programs	2
	Representatives from the public and private sectors and enterprise unions related to the Program	12
	Business owners and cluster leaders	9
	Expert consultants hired by FHI 360 for training activities	3
	Private and community organizations, NGOs	3
3) Focus Groups	Program beneficiaries and cluster representatives	6 (43)
4) Case Studies	Company owners	4
TOTAL		159

The compilation of information was implemented from the beginning to the end of the consultancy, in such a way that complemented the program records and other sources for quantitative and qualitative data for analyses. Besides, the evaluation team participated in two final meetings organized by FHI 360, the first related to the closing of the program and the second, was a meeting where lesson learned were presented. The information compiled covered all the indicators from the program planning matrix and responded to all questions defined for the evaluation.

The effective participation of beneficiaries in the focus groups and the field visits was ensured with support from FHI-360. The focus group discussions centered on specific issues of interest to the evaluation: the execution of the program, its results and impacts. These confirmed the information collected in the documentary review and in the survey. The gender perspective was

included as a cross-cutting issue in the development of the evaluation; therefore, special care was taken to immerse this throughout the process (methodology, sample, instruments, etc.).

The data was collected from diverse sources: documents, databases, statistics, institutional information, target population, management and technical staff from the institutions, experts, interest groups, professional associations, donors, and other relevant information. It was processed in such a way that the information could be cross-referenced. The information as a whole indicated the quality and quantity of progress, results and impacts of the program. This was done using qualitative and quantitative techniques.

All the information was organized and processed, ensuring that the specific program intervention could be evaluated, performing case studies and identifying specific program interventions that have had greater success or impact on the beneficiaries. With all of this, a report on the preliminary results was formulated, containing findings, results and impacts, which was presented in a working meeting, with the participation of USAID counterparts.

Phase 4: Preparation and Presentation of the Final Report

Based on all the above and through a rigorous analysis, the final draft evaluation report was produced in Spanish. It incorporated contributions obtained in the meeting for feedback on the preliminary results, improving the report. Especially conclusions, recommendations and lessons learned. Key issues that were especially emphasized in the evaluation report included the degree to which the gender perspective had been implemented and broadened and the extent to which inequalities in the design and implementation of the program had been reduced. The report addressed the topics established by USAID in Annex No. 3 of the ToR.

To complete the work of the consultancy, the final evaluation report was submitted to USAID representatives for their final analysis. After receiving their feedback, the consultant team incorporated the modifications deemed necessary and presented the final evaluation report to USAID.

Annex No. 2
Results, significant achievements
and feedback from beneficiaries

Managua, September, 2013

RESULTS

- 154 companies strengthened.
 - 6,045 people have been trained in more than 270 sessions.
 - More than 250 members of 16 organizations have been strengthened.
 - 1,250 members of communities have participated in environmental education activities
 - 3,500 beneficiaries have been made aware of conservation and environmental issues
 - More than 15,000 Nicaraguans have had the chance to learn about tourism opportunities in the northern part of the country through social communications campaigns and social networks.
-

SIGNIFICANT ACHIEVEMENTS

1. Intensive Training Course for Local Guides, Nov. 2011 → 20 participants.
2. Reproduction of Training Course of Guides to local guides (4 times) through University FAREM, SONATI and Matagalpa Tours/ La Cuculmeca.
3. Intensive Course for Guides "Training of Multipliers", Nov. 2012 → 16 participants selected to offer the course using the trainer's manual developed by the expert Dr. Sam Ham.
4. Development of market intelligence tools for the destination level (identification of five main market segments for the Norte Natural initiative).
5. Consolidation of information from the tourism value chain in Norte Natural, using information from various stakeholders at national and local levels, INTUR, other donors, etc.
6. Participation of local Tour Operators in FENITUR 2012 and 2013. The activity included individual advice on how to negotiate with international wholesalers, development of tourism products and packages, design and production of promotional material.
7. Generation of new business partnerships between local and national tour operators.
8. Business Strengthening Program Phase I: "Five Steps to Improve My Business". (More than 30 sessions including follow up actions for each business → 105 participants)
 1. Session – Tourism Culture
 2. Session - Business Vision
 3. Session - Business experience exchange in Costa Rica
 4. Session – Marketing
 5. Session - Operating my Business
9. Business experience exchange in Costa Rica → attended by 17 representatives of tourism businesses. Later, this group shared their experience and lessons learned with 84 entrepreneurs located in the seven mini-tours in Jinotega, Estelí and Somoto Canyon. Immediate changes in infrastructure and equipment in some companies was a consequence of this initiative.
10. Promotion and participation of rural enterprises at local fairs, business experience exchange with other country's rural initiatives, development of business plans, improvement of business accounting systems, development of basic skills to communicate in English, technical assistance (workshops) on natural resource management (mitigation / forest fire management, agroforestry and nursery development, watershed management, pollination and food security)

11. Analysis of Biodiversity Threats in five priority areas. Socialization of findings with stakeholders, organizations and entrepreneurs.
12. Six studies: Biological Evaluations of Mammals, Birds, Reptiles, Amphibians, Butterflies and Plants, made in protected areas: Somoto Canyon and Reserve Tisey - Estanzuela.
13. Coast cleaning (Bluefields, Apanás).
14. Environmental education workshops for children from 3rd and 4th grade and rural households. 300 children from seven rural schools were sensitized on environmental practices and principles.
15. 11 Ecological toilets installed in communities surrounding Lake Apanás.

16. Business Strengthening Program Phase II:

- a. Costs and Prices workshops: 73 companies participated.
- b. Marketing Week: 85 companies attended (corporate image, logos, Facebook, websites, brochures, flyers, business cards, focus on market segments.)
- c. Counseling of Architecture and Interior Design: 77 companies attended.
- d. Sustainability Best Practices: 70 companies attended.

17. Eight grants awarded for implementing Projects:

- i. **"For the Right to Clean Water and a Healthy Environment"**, implemented by NGO BlueEnergy in Bluefields.
 - a) Product: Construction and installation of 300 water filters in Bluefields
 - b) Product: Campaign Launch "Bluefields Limpio," a multi-stakeholder initiative that included the participation of 15 schools, universities, government ministries, local organizations, and community leaders.
- ii. **"Sustainable Use of Biodiversity Resources in the Wildlife Refuge Pearl Cays"**, implemented by the NGO Wildlife Conservation Society (WCS) in Pearl Lagoon.
 - a) Product: Establishment of "Kabu Tours", a tour operator company founded and run by a group of former turtle fishermen.
- iii. **"Center for Sustainable Tourism"** implemented in Estelí by ASDENIC.
 - a) Product: Establishment of a Center for Sustainable Tourism.
- iv. **"Verde Eventos y la Naturaleza Vive"**, a tourism alliance among Apanás Tours, Soda El Tico and ViaNica (Jinotega and Esteli) for conducting three events.
 - a) Event: "MTB Datanlí - El Diablo Challenge" mountain bike race, implemented by "VerdeEventos" with support from the National Chamber of Tourism of Nicaragua (CANATUR). At least 300 people, including participants and companions, visited Jinotega for the event.
 - b) Event: "Kayak challenge and Paddle Apanás", a kayak rowing race implemented by "VerdeEventos" with CANATUR support, held at Lake Apanás, Jinotega. More than 300 people, including participants and guests, visited Lake Apanás for the event.

- c) Event: "Off Road Running Challenge", a race type "mudder" in Esteli, implemented by "VerdEventos" supported by CANATUR. At least 200 people, including participants and companions, visited Esteli for the event.
- v. **"Summer Camp: Developing Potential"**; "implemented by Eco Camp Expeditions in Jinotega and Esteli.
 - a) Product: Development of a Summer Camp for college students. Attracting tourists to a new market in northern Nicaragua and teaching participants on topics such as environmental protection, empowerment and gender equality.
- vi. **"Norte Verde: Intimate and fresh entails of Nicaragua"**. Implemented by CANATUR in Jinotega and Estelí.
 - a) Product: Alliance among 13 companies in the north of the country, with the support of CANATUR and Vianica.com, which launched four new innovative tourist packages.
- vii. **Web Site "EcoNica.org"**, in the style of TripAdvisor, for rural businesses in Jinotega and Estelí. Implemented by SONATI Nicaragua Association (Jinotega and Esteli).
- viii. **"Diriangen's Race: Apanás"**, organized by Multipurpose Cooperative Juan Bautista Midence (Apanás Lake, Jinotega), a "mudder and survival" type race.

Some Testimonials from Program Beneficiaries

- Leopoldo Flores, Tour Operator: *"You are already part of a tourism revolution that is happening in northern Nicaragua. We have taken good steps to compete with a better image."*
- Felipe Zeas, Apanás Tours: *"Excellent, super helpful. You have totally changed the strategic thinking of all of us."*
- Ana Herrera, Comedor Las Esquinas: *"The best training I have received in my life. Thanks to FHI 360, Roger and his designers, I got the best logo and the best slogan I ever imagined"*.
- Naraya Zelaya, Casita San Payo, San Rafael del Norte: *"Totally different! We think we know everything, but today I learned many new things, and I understand the subject better. I have attended many courses on Tourism Culture, but this is completely different."*
- Elida Jimenez, President of the Departmental Tourism Cabinet in Jinotega and owner of Soda El Tico: *"We must seize the support that this USAID program is giving us. It's what we wanted to have for years. It is true, we have worked hard, Jinotega is not like 10 years ago, we have made progress but there is still much to do. The leadership component, the support to SMEs and all other activities that the program has implemented will comprehensively strengthen us."*
- Nohelia Cerrato, Ecoposada El Tisey: *"It was excellent. Those who knew something polished their knowledge. In 12 years I think it is the only program that has hit the mark, with the five steps and Marketing Week."*
- William Vasquez, Finca El Carrizo, Tisey: *"It was useful, practical and grounded to our business. The Program brought a professional team and we want to continue. I've had other training but none to this magnitude."*

- Aldwin Torres, Restaurant Amazon in the urban sector: *"We are advertising and opening windows to the world. Now we have Facebook, slogan, logo. We want more. We were 20 years in the market and in a few days we got our first logo and we have focused our goals."*
- Eliodoro Miranda ASOPASN Guide - La Garnacha: *"I updated my Facebook; I learned many things and decided to think in my own business."*
- Vilma Altamirano, Restaurant Axihuayán: *"It was a scientific support and I learned it in Spanish, in my language, so I can easily express what I think. It lifted my spirit on those days by forcing me to create, to reborn and to become empowered".*
- Alba Blandon, Buffet Lindo Día: *"It was a week of landing to learn, break the ice and talk loudly, to throw us into the world, getting the tools that will make us more recognized."*
- Xinia Gutierrez, Terraza Café Lounge: *"The seminar was a wakeup call. We were asleep on our laurels. We realized that we have a million customers who do not know us, because we are not using the tools to contact them."*
- Amanda Rosa Torrez, Restaurant Kennel: *"I appreciate all the support received from FHI 360. There are things that are intangible to assess, one of these is knowledge. You don't have any idea how the support provided by the program has helped me, especially on corporate image and good practices, which were issues I had not paid any attention before."*

Annex No. 3
Successful Case Studies:
Eco-Posada El Tisey (Estelí);
Apanás Tours (Jinotega);
Kabu Tours (Laguna de Perlas);
BlueEnergy (Bluefields)

Managua, September 2013

BUILDING THE ROAD TO SUCCESS

The municipality of Estelí is the capital of the province of the same name and is located 148 kilometers north of Managua. In 2011, the population of the municipality of Estelí was estimated at 125,484 inhabitants. The municipality of Estelí is located in the North Central Region of Nicaragua and is one of six municipalities in the province of Estelí. It is the major center of trade and services for the Segovian Region. Goods and people must pass through Estelí to reach the other provinces of the region and the border crossings with Honduras. Physiographically, it belongs to the highlands of the interior, in the mountain valley of Estelí. It is a kind of open amphitheater to the north, bordered on the east and west by the Estelí Plateaus, flat peaks and very steep slopes known as the Moropotente Plateau in the east, where there are microclimates in areas such as Miraflor, Santa Cruz, Quiabú, Tomabú and La Montañita, Tisey, La Estanzuela. These areas have potential for rural tourism and some have been declared protected areas by Ministerial Decree, for their scenic landscape and the presence of important fauna species.



Ciudad de Estelí

These areas, particularly the mountainous areas, have opportunities for recreation combined with a pleasant climate, offering attractive living conditions.

The El Tisey Estanzuela Reserve is located some 10 kilometers from the city of Estelí and is an almost required destination for those that visit northern Nicaragua. This reserve includes pine trees, tropical oaks, flowers, white-tailed deer, armadillos, woodpeckers, magpies, rocks and cliffs. The tourist is able to contemplate the beauty of nature in this reserve, such as the famous La Estanzuela Waterfall, some 35 meters high. El Tisey's territory reaches altitudes of up to 1,550 meters. It is surrounded by natural resources that make the tourist's visit an adventure with nature, including the following attractions:



Salto de la Estanzuela – Estelí

- a) Rivers: Río Estelí
- b) Hill: Cerro Tisey
- c) Waterfalls: El Salto de La Estanzuela
- d) Primary forest: Reserva El Tisey
- e) Secondary forest: In farms.

- f) Caverns: Apaguaji Cave
- g) Others: Reserva Natural Tisey - Estanzuela, Broadleaf Forest.

THE ECO-LODGE EL TISEY



El Tisey Farm belongs to the Cerrato family. Nohelia, along with the members of her family, had the vision of devoting part of El Tisey Farm to tourism. This 80-manzana farm is located in El Tisey - Estanzuela Natural Reserve. This was the result of her participation in a workshop on natural resources conservation in 2002, giving rise to a microenterprise to provide food service for visitors within the protected areas of the reserve and to help conserve the environment. Over time, they created El Tisey Eco-lodge, with offers lodging, along with food and beverage services from a rural home-style kitchen. At the same time, they continue farming their land with products that grow in the area: mainly vegetables, bananas, plantains and citrus fruits.

The microenterprise was at a static point, without much movement. Tourists were not coming to the area, there was no variety in the services that they offered; people stayed only one day; there were no additional activities and each tourist had to bring or seek out their program of activities on their own. Nohelia was not finding possibilities for tourism or alternatives for growth due to her lack of knowledge about the development that sustainable tourism could provide. With a will to move forward, Nohelia learned about the FHI 360 Program in 2011. She began to attend all the training sessions, a total of 14, where she also contributed her knowledge about the environment and the context. She had a business plan that she had never put into operation and the program experts gave her the technical assistance needed to "put wheels" on her project. In addition, the encouragement that she received through a grant from the Conservation and Sustainable Tourism Program (CSTP) enabled her to broaden the horizons of her business and she began to work on several initiatives in order to revitalize the product - destination and, thereby, the businesses of the area. This included the following actions:

- **Improvement in the Quality:** With the business plan, she made improvements in the quality of rooms for guests, trails, food and beverages. Currently, she provides lodging for up to 35 people and has added six rooms for guests.
- **Expansion of Services:** With the grants, she received camping equipment and bicycles, made improvements to the trails and signs on the roads, improved the entrance and the parking facilities. In alliance with different stakeholders from the Tisey region, she created several circuits, thereby benefiting all the stakeholders in the Tisey circuit.
- **Improvement of Image:** She created a new logo, with the registered trademark of **TISEY**. She has a presence on the Internet and a Facebook page, and now she can hold events in her facilities.
- **New Products:** As a result of the revision of the business plan and with expert technical assistance, she has launched new products for visitors:
 - **Astro-tourism.**
 - **Spa, Massages:** These are being fully developed to be ready for the peak season.



- **Craft Workshop** for Women: Still under construction.
- **Peasant Museum.**
- **Auditorium:** To celebrate cultural events; with a capacity of 60 people.
- **Agro-eco-tourism:** Explanation of agricultural and environmental conservation activities.
- **Tour of the Tisey Trail:** Migratory bird watching, viewing of more than 30 varieties of orchids, scientific studies.
- **Tour of the Community of La Garnacha.**
- **Hikes to La Estanzuela Waterfall.**
- **Participation in Farm Chores:** Milking, baking, preparation of local foods.
- **Coffee Harvesting and Cupping Processes (only in season).**



Before the program, El Tisey Eco-lodge had six permanent employees. Now it has 10 permanent employees, for an increase of 60%. This does not include temporary employees, such as guides for the trails, since these are occasional services; although statistics on this are not kept, it is estimated that there are some five additional staff members per month. Income has increased by 25% due to the program intervention. These are family businesses; therefore, the four owners are not included as employees.

Nohelia expects to continue along this road that she opened with her family, in order to strengthen family ties and to contribute to the ongoing development of her region.

Accompaniment in promotion has brought a larger number of visitors to El Tisey; according to data from the Nicaraguan Tourism Institute (INTUR), the number of visitors has risen by 18% in the 2012-2013 period. The income of the business has increased and the prospects for the future are very encouraging. Nohelia believes that, ***"Now I have a better vision of my business. The program was extensive and comprehensive, and was interested in collaborating with the businesses, both in training and in supplying materials for our development"***.

LEAVING A MARK THROUGH TOURISM IN JINOTEGA

I. CONTEXT

The municipality of Jinotega is located in the province of Jinotega and is located 168 kilometers northeast of the city of Managua. It has an area of 1,119 square kilometers. The total population is 77,222 inhabitants, with a population density of 69 inhabitants per square kilometer.

The predominant climate of the municipality of Jinotega is highland tropical savannah. The median temperature ranges from 19° to 21° centigrade. Rainfall varies from 2,000 to 2,600 millimeters. The municipality is comprised of mountains, hills, valleys and high plateaus.

Most of the municipality's population works in agricultural and livestock activity, involved in growing coffee, beans, corn and vegetables. There are a total of 180.1 manzanas planted.

The main tourist attraction in this municipality is Apanás Lake, which is an artificial lake with an area of 51 square kilometers. It was built to generate electricity, using a tunnel and turbines.

El Dorado Lake is also located in the municipality, with an area of three square kilometers. The lakes are separated by the Asturias Dam, 25 kilometers from the city of Jinotega.



Lago Apanás in Jinotega

The peaks that surround the city adorn the topography. La Cruz Hill is a great tourist attraction, due to its singular and elevated rocks, with a cross placed on its highest rock. There are also swimming areas in rivers close to the city.

II. APANÁS TOURS

The Apanás Tours Company was created in the municipality of Jinotega by its owner and manager, Mr. Felipe Zeas, agronomist, whose experience was exclusively in field work. Over four years, he worked as the general manager of the Cooperativa Humedal Apanás, an organization that brings together an influential group of coffee growers in the city of Jinotega. In his daily work, he traveled through all the communities of the municipality and a good part of the province of Jinotega. These occasions gave him the opportunity to visit attractive locations with potential for tourism.

Gradually, Mr. Zeas established that Jinotega needed someone to publicize these places with potential for tourism. Thus, in his free time, he began to structure a project profile for what is today Apanás Tours. In August 2011, he resigned from his position in the Cooperativa Humedal

Apanás, convinced that he would find success in his new challenge, even though he had never before ventured into the tourism sector.

The initial vision of Mr. Zeas was to work as a tour guide and not as a tour operator company, as he did not have the resources to establish an office, or equipment, or infrastructure. He only had a computer in a briefcase, which became his primary work tool. He got to work and began visiting hotels and tourist attractions in Jinotega to inform tour companies that he was promoting tourism and that he wanted to work with them. With funds from his severance pay, he developed some brochures to provide information about himself as a tour guide and to publicize this.

At that time, Mr. Zeas did not have any knowledge about techniques for giving guided tours, so he began to seek information and to train himself. After a few months, he was told that an assessment was underway of the tourist services in Jinotega and that he was the only tour operator in the province. Thus he was invited to a meeting and, in that moment, Apanás Tours was born. He was no longer considered just a tour guide, but was now a tour operator in Jinotega.

Fortunately, the beginnings of his company coincided with the timing of the Conservation and Sustainable Tourism Program (CSTP), executed by FHI 360 with financing from the United States Agency for International Development (USAID) and the development of its training activities in Jinotega. The support from the program helped him define his vision for the future and motivated him to maximize his personal availability and efforts to consolidate the company. He attended most of the training sessions that were conducted by the CSTP, which strengthened his enthusiasm and dedication. This also helped by providing knowledge, competencies and tools which, put into practice, strengthened Apanás Tours, a company that is now well-known in Jinotega and well publicized in the tourism sector.

After beginning with only a computer and a briefcase, Apanás Tours now has a rented office, a truck and an additional staff person, who was also trained by the CSTP. This person has specialized as a local tour operator (local tour guide) though the training received. The company also has another local guide available as warranted by demand.

In addition to strengthening capacities through training, Apanás Tour received a grant from the CSTP, which it used to procure equipment necessary for the development of its activities as one of the most important local tour operators in Jinotega. With that grant, Apanás Tours has diversified its tourism products, It now has four mountain bicycles, five safety helmets, two double kayaks, three single-person kayaks, seven life jackets, two two-person tents, two four-person tents, one laptop computer, a printer with a scanner, three first aid kits for medical emergencies, and publicity materials. Administratively, Apanás Tours is in the process of establishing the accounting system for the company. For this, it will be contracting the services of a part time accountant.

The consolidation of the company has led to the involvement of Apanás Tours in developing and executing three major tourism promotion events in Jinotega with CSTP funds: (1) Datanlí – El Diablo Mountain Bike Challenge; (2) Kayaking and Rowing Challenge in the Apanás Lake; and (3) Off-road Running Challenge in Tisey, Estelí. These events opened the doors for Apanás Tours to become known, at the local as well as at the national and international levels, enabling it to establish contacts and strategic alliances with different companies and organizations that work in the tourism sector.



At the beginning, Apanás Tours had approximately twenty thousand cordobas in assets; currently, it has approximately two hundred and twenty thousand cordobas - an increase of 1,100%. Mr. Zeas has increased his monthly income by 20%; he is the owner of the company, he is generating employment and his tour operator services are increasingly in demand.

With all this, the prospects for this company are for sustained and solid growth. As the owner of Apanás Tours, Mr. Zeas believes that the support received from the program was fundamental to the development of his company and the position that it occupies as a recognized and benchmark tour operator in Jinotega.

FROM TURTLE FISHERS TO TOUR OPERATORS

I. CONTEXT

The municipality of Pearl Lagoon is part of the South Atlantic Autonomous Region (RAAS). It is located 475 kilometers from Managua, the capital of the country. It has an area of 3,876 square kilometers and a population of 7,413 inhabitants with a population density of 3.78 inhabitants per square kilometer.

Pearl Lagoon has a tropical forest climate. This climate is prevalent in the lowlands of the Atlantic Coast, especially the southeastern coast. It is the most humid area of Nicaragua and records the highest levels of annual precipitation at 4,000 millimeters. The maximum temperature is 37°C and the median temperature for the coldest month is above 18°C.

The area of Pearl Lagoon was originally inhabited by a Kukra ethnic population, belonging to the Ulúa Group, extending to the south of the Pearl Lagoon Basin and the Corn Islands. In the second half of the seventeenth century, they began to mix with Africans who came to the Americas as slaves. Later, their predominance was interrupted by the expansion of the Miskito ethnic group which, in alliance with English pirates, subjugated them until they were absorbed and became extinct.

Between 1824 and 1842, the Miskito monarch, Robert Charles Fredrick, had his residence in this area. In 1860, the Reserve of the Mosquitia was created on the Atlantic Coast of Nicaragua through an agreement between the British and U.S. governments in which Nicaragua had no part. Pearl Lagoon was a part of this reserve, as the second largest city in it. In 1894, the government of Nicaragua incorporated that reserve into the national territory, extinguishing the Miskito monarchy, and Pearl Lagoon became part of the province of Zelaya.

As a municipality, Pearl Lagoon owes its name to the lagoon of the same name, situated approximately in the center of the territory and serving as the main source for subsistence.

The municipality of Pearl Lagoon is comprised of 16 rural communities and the municipal seat.

It includes the Pearl Keys, a group of 18 islands with coconut trees and very white sand beaches with bands of coral reefs, measuring 50 square kilometers overall and situated some 15 miles east of the coast in the Caribbean Sea.

This area is rich in fish and very important in the marine eco-system. It forms part of the indigenous ancestral lands. The Miskito people fish for green sea turtles in this area.



One of the Pearl Keys

Currently, these keys are the center of a legal controversy between indigenous authorities and conservationists on the one hand and, on the other, a foreign investor who claims to be the

owner and has put them up for sale. The Nicaraguan government has intervened in the dispute as the national laws establish the inalienable nature of this type of resource. .

The Miskito community of Kahkabila is located in Pearl Lagoon. Its Miskito name means "mouth of the kaka plant", a thin and thorny palm which is plentiful in the area.

The community of Kahkabila is located approximately one hour from Pearl Lagoon by motor boat across the lagoon. It has a population of about 920 inhabitants and an area of three kilometers along the coast of Pearl Lagoon.

There is a school in the community used for primary school classes in the morning and first through fourth year of secondary school in the afternoon. There is also a health post in the community that is currently not operating due to a lack of personnel.



Entrance to Kahkabila Community in Pear Lagoon

KABU TOURS

The 11 youth that comprise Kabu Tours Cooperative live in Kahkabila. This cooperative was formed with a grant from the Conservation and Sustainable Tourism Program (CSTP), implemented by FHI 360 and financed by the United States Agency for International Development (USAID). This grant was executed through the Wildlife Conservation Society (WCS), a non-governmental organization (NGO) with its office in the municipality of Pearl Lagoon.

The WCS has been working for twelve years on the Caribbean Coast and in Pearl Lagoon, developing a sea turtle conservation program throughout the Nicaraguan Caribbean under an agreement with the Ministry of the Environment and Natural Resources (MARENA). The WCS works on projects to monitor the fishing of green sea turtles and the nesting of the hawksbill sea turtles. When it began its work, the WCS worked on the scientific aspects to understand the biological and conservation issues. Recently, it has placed more importance on incorporating economic alternatives to reduce the pressure of turtle fishing and achieve the conservation objectives.

In 2012, the WCS obtained US\$25,000 in funding from the United Nations Environmental Program (UNEP) for a project for conservation of biodiversity through tourism. With that, the economic alternative component began with a pilot tourism project, creating a tourist product for turtle watching. However, there is a concern about the number of fishers who could commit to reducing turtle fishing based only on this tourism product. Based on that experience, financing was sought and obtained from the CSTP in order to expand the proposal for tourism products to two additional products, for a total of three products: turtle watching, coral reef viewing and community-based tourism.

The financing from USAID was used to develop the products: coral reef viewing and community-based tourism. In addition, a component was added for the development of capacities to provide good quality tourism services, a process that is more long-term, considering that the target group

members were fishers and converting fishers into tourism service providers was a fairly significant challenge.

The Kabu Tours Cooperative was organized and constituted by 11 turtle fishers who became direct beneficiaries of the CSTP. All but one of them are heads of their families and live in the community of Kahkabila. They met the requirements for registration as a cooperative: they received 40 hours of training in cooperative principles, they manage a bank account, they developed statutes, they elected their board of directors. They only lack registration as a cooperative, which is in the hands of their legal advisor who is processing the requirements.



Some members of Kabu Tours. From left to back row: John Swart, Wilbert Swart, Róger Penglas, David Hodgson, Ruben Swart and Mariano Penglas. Front row, from left to right: Edward Ghart, Mark Humphries y Sergio Humphries.

With the support from the CSTP, all the members of Kabu Tours received training courses on biodiversity and conservation of species, ecology and conservation of reefs, identification of marine species, food service and hospitality, and snorkeling, obtaining international certification for the latter. They also received first aid courses and are now certified in this. Furthermore, they received specific training on operations management and financial management, provided by FHI 360.

In addition, as part of the training, the program paid the costs of trial tours, where the youth from Kabu Tours could put their learning into practice in a real way with foreign tourists. The process of strengthening the cooperative included the environmental education component with the community of Kahkabila, given that all the members of Kabu Tours are fishers but are also part of a community. That community must be receptive to tourism and understand why tourism is one of the best alternatives for them. This environmental education program involved training seven primary and secondary school teachers and members of the community (some 100 to 150 people). Most of them are leaders and heads of households and include a group of women who manage a community lodge, which is used to provide services to the tourists that are served by Kabu Tours.

To complement the training, work was done on issues related to protocols for good practices and safety for people who transport tourists to the Pearl Keys. For this component, the group of beneficiaries was expanded to the town of Pearl Lagoon, as part of the program is the conservation of the Pearl Keys site and the good practices protocol explains how to conduct oneself in that place. That effort included a group of four tourism providers that make trips from Pearl Lagoon to the Keys, the seven members of the communal government, the territorial government (10 people), and the Municipal Council of Pearl Lagoon (14 members). They heard presentations on the topics related to good practices and safety protocols for the Pearl Keys.

The financing provided by the program totaled C\$1,625,818. In addition, the program financed the equipping of Kabu Tours, providing equipment for boats and for the maintenance of the outboard motors, equipment for snorkeling, life jackets, cooking equipment and table settings, as well as camping equipment (tents, mats, portable toilets), and first aid supplies. Another

important contribution by the program was the production of publicity materials, contributing to the design of the web page, a banner and brochures, etc.

All the support that has been received from the program for publicity materials has served to promote the project, with good outreach nationally and internationally, generating a fair demand for the services offered. This represents economic income that they did not have previously, as they only fished for turtles to feed their families and sold just a minimum amount of the product in the community. It was a subsistence economy with very little income. In contrast, now they have jobs, they are members of a cooperative and obtain income. As a result, they are very motivated and empowered by their new activity, with a desire to improve and move forward.

As a consequence of all the support received, Kabu Tours has become the only tour operator in Pearl Lagoon that has the capacities and equipment to provide quality services to tourists and to sell the three tourism products designed for that area.

The members of Kabu Tours, who previously were turtle fishers and were considered predators of that species, are now aware and committed to the care of the turtles and to good management of natural resources. At the same time, they are raising the awareness of the members of the community of Kahkabila, of Pearl Lagoon and of the tourists about conservation of biodiversity and the sustainable management of natural resources. They have proven that this is not incompatible with the economic activity of tourism that they are undertaking as the main means of support for them and their families.

It is clear that they are now in a better situation (trained, aware and equipped) to develop tourist activities, always taking care to do so while implementing practices for the sustainability of resources, in order to leave a legacy to the new generations.

Their next steps, they say, are to acquire an office site, purchased or rented, in Pearl Lagoon for the tour operator and to become registered and legally constituted as a cooperative. They are also convinced that a key aspect for success is publicity. Thus, they will maintain the spaces for publicity that the program has left them, but also intend to continue investing in strategic publicity. In addition, they are seeking new alliances with different national and international organizations that work in tourism and in conservation and care of the environment, in order to become stronger as a cooperative and to multiply all of what they have learned to support the community of Kahkabila and the municipality of Pearl Lagoon.

BREAKING BARRIERS FOR A MORE EQUITABLE AND SUSTAINABLE WORLD

Bluefields:

Bluefields was founded in 1602, the year in which the Dutch pirate, Peter Blauvelt, began to use the site as his base of operations. Later, the British arrived, and today one can observe the architectural style of homes lived in by the colonists of that time, as well as the presence of religious groups.

The total population of Bluefields is approximately 90,000 people, divided among the urban (80%) and rural populations (20%). The latter live in the communities of Rama Cay, Dokuno, Tursuani, Río Kama, Mahogany, Barcelona, Kukra River, Caño Negro and El Bluff.



Palo de Mayo dance in Bluefields, one of the most known cultural activities



Panoramic view Port of Bluefields

There are six ethnic groups living in Bluefields. The majority are mestizos, who today are not only those that emigrated from the northern, central and Pacific areas of Nicaragua, but also those who are descended from the mix of Rama, Miskito, Creole, Ulwa and Garífuna ethnicities with the mestizos that moved to the Caribbean in previous years.

Bluefields lacks the organization of proper urban planning. The city center is

comprised of 17 neighborhoods, including Old Bank and Cotton Tree, the oldest of these.

Blue Energy

In 2002, as a result of his participation in the course on “Entrepreneurship in the Developing World”, at the Massachusetts Institute of Technology (MIT), Mathias Craig developed a business plan for blueEnergy, a non-governmental organization (NGO) to help develop business ideas for the less developed population of the world. This business plan was created and presented to the MIT Business Plan Program in 2002. Of 128 projects, only 10 were selected, including blueEnergy, which was the winner in the Global Markets category.

After his graduation, Craig spent the summer of 2003 working full time on blueEnergy. He assembled a dynamic team to embody the blueEnergy Association, which began its work in Nicaragua in May 2004. A French partner organization, ER&DE, was created in 2004 to strengthen European aid for the project. In 2007, blueEnergy was officially registered as a non-profit international organization operating in Nicaragua.



Under the premise that all people deserve the opportunity to improve their lives and the lives of the people that surround them, the Conservation and Sustainable Tourism Program (CSTP) provided a grant to blueEnergy to create opportunities in some of the most challenging contexts of the city of Bluefields, where more than 50% of the communities do not have potable water and the public services are highly deficient. A study had determined that 98% of the wells for drinking water were contaminated with coliform bacteria. The grant was to (i) provide environmental education on the management and recycling of waste, training to provide alternatives for the management of solid waste and to help reduce the high levels of water pollution and risk of disease; (ii) provide bio sand filters to manage access to potable water, hygiene and sanitation; and (iii) strengthen the municipality and institutions to develop self-management capacities.

The plan made the following interventions in conjunction with the government of the South Atlantic Autonomous Region (RAAS):

- Implementation of appropriate technologies to improve the conditions for access to potable water, hygiene and sanitation in Bluefields by supplying 350 bio sand water filters, which were built by the local members. These families, living in 10 neighborhoods, are now using the filters that provide them with access to clean drinking water.
- A solid waste management plan, which has been promoted and adopted by the municipal government of Bluefields, 10 schools and 1,000 families in 10 neighborhoods. In addition, educational manuals have been produced and distributed in the 10 schools. With the collaboration of the municipal government, clean-up days were organized in each of the 18 participating neighborhoods, which received clean-up kits.

This model of intervention for human development has become the joint working model for the authorities (municipal government), the national government (the Ministry of Health and the Ministry of Education), the community (Potable Water and Sanitation Committees - CAPS), beneficiaries (sweat equity construction), and the partners, which are blueEnergy and FHI 360. This has improved access to water and sanitation for the community of Bluefields, thus creating an opportunity to move toward sustainable development.