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**Market-based Opportunities for
Conservation and Sustainable Tourism (CSTP) - Nicaragua
FY2011 Annual Report
October 1st, 2010 – September 30, 2011**

October 31, 2011

This publication was produced for review by the United States Agency for International Development. It was prepared by FHI 360.

MARKET-BASED OPPORTUNITIES FOR CONSERVATION AND SUSTAINABLE TOURISM

This program – also referred to as the ***Conservation and Sustainable Tourism Program*** (Cooperative Agreement No. AID-524-A-10-00002) – is funded and managed by the USAID/Nicaragua. Services and support are provided by FHI 360 (the prime recipient) in partnership with: Agora Partnerships, Asociación de Educación y Comunicación "La Cuculmecca", Mesoamerican Ecotourism Alliance, Paso Pacifico, and University of Idaho-Center for International Training and Outreach. Collaborating entities include various Nicaraguan and U.S. government agencies, international organizations, conservation and tourism development organizations, academic institutions, NGOs, community-based organizations, and private enterprises.

DOCUMENT NOTE – COOPERATIVE AGREEMENT MODIFICATION PENDING

As of the date of this document, a major modification to the official cooperative agreement is pending. The pending modification will reflect a 62% LOP budget cut (\$12.899M to 4.968M) that was communicated by USAID/Nicaragua on April 15, 2011. The modification has significant implications on the original program design such as reduction in number of components, regions, implementing sub-recipients and indicators. On May 24, 2011, FHI 360 submitted a revised technical and cost application that reflects a new 36-month program. In spite of administrative delays in the modification process, programmatically, the Mission and FHI 360 have worked closely to agree on the revised vision and a sub-set of activities under original scope and revised structure to proceed with during the delayed modification process. Given the intermediate status of the pending mod, this document reflects:

- The revised program description and structure; but the
- Original indicator table (since MOD/PMP is pending approval)

Once the modification is approved, the quarterly reports and indicator tables will reflect the revised program.

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LIST OF ACRONYMS

AC:	American College
ANID:	Association of Nicaraguan Investors and Developers
ANTUR:	Asociación Nicaragüense de Turismo Receptivo
CANATUR:	Nicaraguan Chamber of Tourism
CBO:	Community-Based Organization
CCAD:	Comisión Centroamericana de Ambiente y Desarrollo
CES:	Center for Environmental Strategies
COP:	Chief of Party
COSEP:	Consejo Superior de la Empresa Privada
CSTP:	Conservation and Sustainable Tourism Program
DCA:	Development Credit Authority
DMO:	Destination Management Organization
EE:	Environmental Education
FC:	Fundación Cocibolca
FENITUR:	Feria Nicaragüense de Turismo
IDB:	Inter-American Development Bank
IFC:	International Finance Corporation
INATEC:	Instituto Nacional Tecnológico
INTUR:	Instituto Nicaragüense de Turismo
LC:	Asociación de Educación y Comunicación La Cuculmeca
MARENA:	Ministerio de Recursos Naturales y del Ambiente
MEA:	Mesoamerican Ecotourism Alliance
MINED:	Ministerio de Educación
MSME:	Micro, Small and Medium Enterprise
NGO:	Non-Governmental Organization
PA:	Protected Area
PC:	Peace Corps
PMP:	Performance Monitoring Plan
PP:	Paso Pacífico
PROARCA:	Programa Ambiental Regional para Centroamérica
RRSP:	Red de Reservas Silvestres Privadas
SFIFAM:	Santa Fe International Folk Arts Market
SINIA:	Sistema Nacional de Información Ambiental de Nicaragua
UAM:	Universidad Americana
UCA:	Universidad Centroamericana
UCC:	Universidad de Ciencias Comerciales
UI:	University of Idaho
UNAN:	Universidad Nacional Autónoma de Nicaragua
URACCAN:	Universidad de las Regiones Autónomas de la Costa Caribe Nicaragüense
USAID:	US Agency for International Development
USFS:	US Forest Service

I. INTRODUCTION

Through this document FHI 360 formally presents to USAID/Nicaragua the Annual Report for FY11. An overview of the program FY (October 01, 2010 – September 30, 2011) is included below. In addition, as with other quarterly reports, the primary activities and accomplishments conducted in Q4 FY11 are listed in section II.

A. FY11 - The Year in Review

Overall, the year can be summarized in that exogenous challenges were encountered, but the program team adapted, core program activities were delivered, and the program is well positioned for ramping up in FY12.

Challenges - FY11, the initial year of the program, involved several exogenous and administrative challenges that impacted implementation:

- Suspension of AED
- 62% LOP budget cut/program revision
- Delays in concluding modification

These impediments have required constantly adapting and working closely with the AOTR the program team to navigate the challenges.

The most noteworthy issue was the 62% LOP budget cut and modified geographic scope of the program which required a significant strategic and operational change and resulted in changing the nature of the program from a national/systemic program to a regional/operational program. The revised program entails a sustainable tourism cluster based in Estelí and another in Jinotega, and some limited conservation activities in Bluefields / Laguna de Perlas.

Activities – The core activities in both the original program and the revised program have effectively been structured around Strengthening Local Leadership; Building Better Businesses; and Improving Natural Resource Management. Below are the highlights of the year under these core activity areas:

- **Strengthening Local Leadership**
 - Adapted from national/systemic program to geographically-focused/local program.
 - Developed local relationships with INTUR, MARENA, departments, local actors.
 - Positioned program – small, practical, hands on, no infrastructure, realistic.
 - Identified leadership groups –Jinotega – 5 groups / Estelí – 4 groups.
 - Identified intervention modality – technical assistance, marketing, and limited co-financing of small projects.
 - Conducted marketing assessment to identify target segments.
 - Position to formalize engagement with groups in FY12, validate action plan and implement technical assistance and marketing activities.

- **Building Better Businesses**

- Adapted from national program to geographically-focused/local program.
- Completed business assessment tool and baseline.
- Defined business selection and evaluation criteria.
- Surveyed 114 businesses in Estelí, Somoto and Jinotega.
- Position to validate diagnostic and execute training in FY12.
- Planned, recruited and set-up guide training to be executed Nov 7 – Dec 2.

- **Improving Natural Resource Management**

- Adapted from national program to geographically-focused/local program.
- Secured agreement from MARENA for work on five protected areas under CAFTA agreement.
- Conducted Biodiversity Assessments in (Bluefields, Estelí and Jinotega) with scientists and local stakeholders to develop lists of important biodiversity, threats to biodiversity, and contributing factors underlying these threats.
- Assessed Bluefields issues and developed framework for grant making activities.
- Organized youth biodiversity capacity building activities.
- Executed coastal clean-up activities.

Outlook - In sum, the program is well positioned to ramp up as a regional program. For Q1 FY12, CSTP anticipates the conclusion of the modification process and continuation with diagnostic validation activities. Contingent on modification approval, we expect to solidify sub-recipient contracts and operationalize sub-grants. This modification conclusion and solidifying of agreements will be pivotal to ramp up field activities in the areas of leadership, marketing, business, and biodiversity in Q2-Q4.

B. About the Program

Market-based Opportunities for Conservation and Sustainable Tourism (also referred to as the **Conservation and Sustainable Tourism Program - CSTP**) is a three-year (September 2010 - September 2013) initiative that seeks to generate new and diversified enterprises and employment opportunities for rural populations, while introducing sound environmental practices in and around protected areas.

The program works with local partners to offer new economic alternatives related to the growing nature-based tourism market to combat threats to biodiversity and high rural poverty rates in the target regions. The program approach is centered on building and strengthening sustainable tourism clusters – “geographic concentrations of interconnected companies, specialized suppliers, service providers, and associated institutions in a particular field”¹ – to develop a competitive, market-based environment with economic incentives for conservation.

The program is targeting development of three clusters grouped in two priority geographic zones: the **Northern Mountain Zone** (Jinotega Cluster and Estelí Cluster); and the **Southern Caribbean Coastal Zone** - (Bluefields Cluster). The cluster development activities provide a

¹ Porter, Michael E. Institute for Strategy and Competitiveness. Competition and Economic Development: Cluster & Cluster Development. <http://www.isc.hbs.edu/econ-clusters.htm>

framework to harness the energy from growing tourism sector to develop a common vision and strategy for development. The program seeks to achieve its objectives through three components that reinforce one another:

- 1) Strengthening the *Enabling Environment* for Sustainable Tourism
- 2) Improving *Private Sector Competitiveness* in the Tourism Sector and *Widening Livelihoods* for MSMEs that Support Tourism
- 3) *Biodiversity Conservation and Environmental Education*

The resulting environment will generate new and diversified enterprises and employment opportunities for rural populations, while introducing sound environmental practices in and around public protected areas and private wildlife reserves.

II. QUARTERLY ACTIVITIES PROGRESS (Q4 FY11)

Below is a summary of activity progress during Q4 of Fiscal Year 2011 (July – September). The activities described here are organized by technical and geographic (i.e. destination) zone. The status of indicators is summarized in clear discrete tables in section IV for ease of review.

A. *Program Restructuring*

This section covers many important work planning & administrative elements established for project management. As such,

- **Partner Coordination Meetings** – Two CSTP partner meetings were held during the reporting period aimed at discussing the budget cut and new geographic focus, and resulting modification of partners’ Scope of Work and budgets. The second meeting was a work planning session aimed at discussing implementation of pre-approved activities; drafting workplan through September 30; and, coordinating activities among partners.
- **Lux-Development Meetings** – CSTP continued strengthening its relationship with Lux Development, which has resulted in the identification of synergies and potential areas of collaboration to complement and advance results in CSTP’s areas of implementation. A list of “potential areas of alliance” to be included in a memorandum of understanding to formalize areas of collaboration is currently being discussed within FHI 360 and CSTP partners.
- **Administrative Process to Modify Cooperative Agreement** – The process begun in April 2010 to modify the cooperative agreement has been an ongoing task that impacted program progress.
- **Implications of 6+ Month Delay in Modification:** The delay has limited our activities to work with current partners and only on 2-3 month intervals of activities (vs. long term agreements). However, without an authorized approved revised budget and reduced technical proposal cannot contract with actors required to move forward:
 - Engage stakeholders with long-term outlook to reach program targets

- Engage UNAN-FAREM Estelí in development of resource institution
- Hire Estelí support team
- Issue grants to engage Bluefields actors

B. Technical Activities

Below is a summary of the activities carried out by our technical partners during the Q4 FY11 reporting period:

Mesoamerican Ecotourism Alliance (MEA)

- Developed tools for marketing research to identify tourist segments and analyze service providers' marketing needs in areas of program implementation.
- Designed and implemented surveys to volunteer businesses and Tour Operators in order to identify preferences and motivations of tourists currently traveling to Jinotega and Estelí; as well as with INTUR-certified tourist guides to identify positioning of Jinotega and Estelí in the market.
- Held focus groups with entrepreneurs and tourists in Estelí and Jinotega to obtain information on preferences and motivations.
- Identified current offer of “market-ready” tourism products and potential markets.
- Completed and presented FHI 360 and CSTP partners with the results of the marketing research study.

Agora Partnerships

- Trained the team of consultants charged with conducting the business assessment tool.
- Completed business assessment tool and baseline and defined business selection and evaluation criteria.
- Surveyed 114 businesses in Estelí, Somoto and Jinotega.
- Analyzed results and elaborated report of business and managerial indicators.
- Identified and analyzed existing manuals and toolboxes for SMEs.
- Selected businesses and defined territorial headquarters for workshops to take place.
- Based on diagnostic results, it defined contents, duration, methodology, and identification of tools and programming of workshops.
- Completed and presented FHI 360 and CSTP partners with the results of the business diagnostic.
- Defined synergies with Lux Development/Ruta del Café in order to complement CSTP activities in areas of program implementation.

Paso Pacífico

- Conducted a series of five workshops (Managua, Bluefields, Estelí and Jinotega) with scientists and local stakeholders to develop lists of important biodiversity, threats to biodiversity, and contributing factors underlying these threats. Workshop participants also ranked threats with respect to their scope, severity, and permanence.

- MIRADI models were developed using data collected during these workshops (MIRADI is an open-standard conservation planning software package, in order to visualize and assess threats to biodiversity in the program regions). This process allowed the development of an explicit conceptual framework for understanding which development targets will also best contribute to biodiversity conservation.

- The workshops and MIRADI models revealed a complex interplay of social, economic, and biological factors that resulted in several conservation targets facing severe threats, in all project zones. The most severe direct threats to biodiversity in project zones include deforestation associated with conversion to agriculture or pasture, severe weather events associated with global climate change, and uncontrolled pollution and contamination of water.



Representatives from government institutions, and Lake Apanas communities of Datanlí and Yalí Nature Reserves work as groups to discuss biodiversity threats in Jinotega.

- Completed and presented results of the biodiversity threats analysis to FHI 360 and CSTP partners.
- Dr. Kimberly Williams, member of the Paso Pacífico/CSTP biodiversity science team, conducted a workshop about the role of bats and ecosystem services within tourism destinations at the Masaya Volcano National Park.
- In celebration of the International Coastal Cleanup, Paso Pacífico engaged communities in hands-on activities to improve water quality and sanitation in Bluefields and Pearl Lagoon.
- Liza González, Paso Pacífico's National Director, participated as a guest in the weekend talk show "Margarita Te Voy a Contar" dedicated to commemorate the International Day of Tourism. The topic was the environment and tourism, and specifically discussed the importance of maintaining clean rivers and beaches at tourism destinations across Nicaragua. Audience reached is estimated in 20,000 viewers.
- Ongoing activity: two to four tweets per day to promote Nicaragua as a tourism destination and the biodiversity of Nicaragua. Over 630 followers include *Travel Nicaragua*, *Nicaragua Report* and other tourism organizations. Other followers include dozens of Nicaraguan citizens.

University of Idaho

- Designed and developed the curriculum plan for the month-long guide training course taking place in November, 2011.
- Set guides' selection criteria.
- Presented detailed schedule and proposed venues for guide training course.

Jinotega Cluster

Specific activities implemented in the Jinotega Cluster during this reporting period included:

- CSTP/Paso Pacífico in collaboration with CSTP partner La Cuculmeca held a workshop to assess the primary threats to biodiversity in the area, according to local experts. Representatives of the Gabinete de Turismo, INTUR, MARENA and Comités de Manejo Colaborativo from Datanlí and Yalí Nature Reserves, as well as from Lake Apanas communities attended the workshop.
- FHI and CSTP partners –MEA and Agora- held field visits and met with local actors to gain support for the Program and for the business and market diagnostic activities.
- As part of the CSTP's outreach and participatory approach, the FHI team along with Agora Partnerships gave a presentation to the Jinotega Gabinete de Turismo, municipal authorities, local organizations and entrepreneurs in order to informally introduce the Program and announce the upcoming business assessment carried out by Agora Partnerships.
- CSTP/La Cuculmeca along with community members organized the cleaning of the MARENA Training Center in La Esmeralda community, in order to have it ready for the upcoming CSTP presentation and meetings of the Comité de Manejo Colaborativo from Datanlí-El Diablo Nature Reserve.
- CSTP/La Cuculmeca conducted nine environmental education sessions with the participation of over 300 children, 3rd and 4th grade from schools in the communities of Sisle, Sasle, Paraíso and La Esmeralda.

Estelí Cluster

Specific activities implemented in the Estelí Cluster during this reporting period included:

- In order to improve coordination and gain support from local stakeholders, the CSTP team gave a brief presentation about the Program and its objectives during a Gabinete de Turismo Extraordinary Meeting. Over 40 people attended the meeting where local actors presented their views and expectations about the Program.
- Paso Pacífico/CSTP held a workshop to assess the primary threats to biodiversity in the area according to local experts. Representatives of the Gabinete de Turismo, INTUR, MARENA and Comités de Manejo Colaborativo from Mirafior and Tisey-Estanzuela Nature Reserves, as well as from the Somoto Canyon National Monument attended the workshop.

- CSTP partners –MEA and Agora– held field visits and met with local actors to gain support for their business and market diagnostic activities.
- As part of the CSTP’s outreach and participatory approach, the FHI team along with Agora Partnerships gave a presentation to the Estelí Gabinete de Turismo, municipal authorities, local organizations and entrepreneurs in order to informally introduce the Program and announce the upcoming business assessment conducted by Agora Partnerships.



Representatives from INTUR, MARENA, cooperatives, communities and tourism services providers attended the presentation about the CSTP and the business diagnostic in Estelí.-

Bluefields Cluster



Group of volunteers joined CSTP/Paso Pacifico’s- led effort in the Bluefields Cluster during the International Coastal Cleanup Day.

Specific activities implemented in the Bluefields Cluster during this reporting period included:

- Over 700 people participated in clean-up events within Bluefields and Pearl Lagoon. With the support of municipal authorities and local organizations, Paso Pacífico celebrated the International Coastal Cleanup Day by engaging communities in actions to improve water quality and sanitation. There were two pulses of efforts, the second involving clean up on the water surface.

- CSTP/Paso Pacífico conducted a workshop in Bluefields to assess the primary threats to biodiversity in the cluster area. Representatives of the Municipal Government, MARENA Delegation, local universities and organizations within Bluefields, Pearl Lagoon, El Bluff and surrounding communities attended the workshop. A meeting with MARENA Bluefields Delegation and representatives from the Municipal Government followed the workshop. The meeting

aimed to improve local coordination among stakeholders for watershed and wetland management and sanitation.

- CSTP/FHI team members visited Bluefields and held meetings with Blue Energy, Wildlife Conservation Society -WCS, and BICU University, as well as MARENA's Regional Delegate to discuss potential interventions in the area.

III. Cost Share Report

Given that the pending modification includes an adjustment of the cost-share rate and the short-term agreements with sub-recipients, no cost-share was reported this quarter. However, the team is recording the cost retroactively and will include in next quarter.

IV. Performance Indicators

Below are the project indicator tables broken down by (A) standard USAID indicators, plus (B) additional program indicators. In addition, the indicators are broken down by Male/Female when appropriate.

NOTE - As noted in disclaimer on front cover, this indicator table is from the original Program. The modified program has yet to be approved by USAID. As such, we are reporting on contractually agreed upon table. Once modification is approved, we will modify indicators, PMP and report on revised indicator table.

A. Standard Performance Indicators

The performance indicators are core to the PMP system. Below are the 11 indicators structured as per the agreement and form the foundation for monitoring program activities:

#	Indicator	Baseline	Sum Total	Target	Q1	Q2	Q3	Q4	Total FY	Notes
Private Sector Competitiveness – 6.2 Private Sector Productivity										
1	Amount of private financing mobilized with a DCA agreement			0	\$0	\$0	\$0	\$0	\$0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.
2	# of people receiving USG supported assistance to improve their management practices			60	0	0	0	0	0	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
2a	→Of which, Male			30	n/a	n/a	n/a	n/a	n/a	
2b	→ Of which, Female			30	n/a	n/a	n/a	n/a	n/a	
3	Number of firms receiving USG supported assistance to invest in improved technologies			14	0	0	0	0	0	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones..
4	Number of SMEs receiving USG supported assistance to access bank loans or private equity			40	0	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.

#	Indicator	Baseline	Sum Total	Target	Q1	Q2	Q3	Q4	Total FY	Notes
5	Number of SMEs that successfully accessed bank loans as a result of USG assistance			8	0	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.

Environment – 8.1 Natural Resources and Biodiversity										
6	# of Hectares in areas of biological significance under improved management as a result of USG assistance			1,300	0	0	0	0	0	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
7	# of hectares under improved natural resource management as a result of USG assistance.			1,500	0	0	0	0	0	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
8	# of people receiving USG supported training in natural resource management and/or biodiversity training.			120	0	68	20	86	174	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
8a	→Of which, Male			60	0	42	9	52	103	
8b	→ Of which, Female			60	0	26	11	34	71	
9	#of people with increased economic benefits derived from sustainable natural resource management and conservation as a result of USG assistance.			110	TBD	TBD	0	0	0	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
9a	→Of which, Male			50%	N/A	N/A	N/A	N/A	N/A	
9b	→ Of which, Female			50%	N/A	N/A	N/A	N/A	N/A	
10	# of policies, laws, agreements or regulations promoting sustainable natural resource management and conservation that are implemented as a result of USG assistance.			0	0	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.

#	Indicator	Baseline	Sum Total	Target	Q1	Q2	Q3	Q4	Total FY	Notes
Environment – 8.2 Clean Productive Environment										
11	# of people receiving USG supported training in environmental law enforcement, public participation and cleaner production policies, strategies, skills and techniques.			0	0	15	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.
11 a	→ Of which, Male			50%	0	10	N/A	N/A	N/A	
11 b	→ Of which, Female			50%	0	-5	N/A	N/A	N/A	

B. Additional Performance Indicators

Below are the 10 additional performance indicators to assist in management and monitoring of program activities:

Table 1 : Additional Program Indicators

Program Indicator	Anticipated Results	Year 1 Target*	Q1	Q2	Q3	Q4	Total FY	Notes	
A. Strengthening the Enabling Environment for Sustainable Tourism									
Expected impact: Open and collaborative environment where government and non-government entities can effectively address opportunities and threats related to sustainable tourism.									
A1	# of policy for a, Competiveness Council meetings held	Mechanisms established for stakeholders to share vision and gain consensus	3	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.	
B. Improving Private Sector Competitiveness in the Tourism Sector									
Expected impact: Increase in sustainable natural resource-based tourism enterprises and enhanced capacity to manage it for long-term benefit.									
B1	% increase web viewers to Nicaraguan websites through social media	Tourists with greater access to destination-specific information and visitor experiences	TBD**	TBD	TBD	TBD	TBD**	TBD**	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
C. Widening Livelihoods for Micro, Small and Medium Enterprises that Support Tourism									
Expected impact: Increased economic benefits to local enterprises and communities involved in natural resource-based tourism.									

C1	% increase in revenue in participating MSMEs	More MSMEs investing greater resources in sustainable tourism	TBD**	TBD	TBD	TBD	XXX	XXX	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
C2	% increase in new jobs generated in participating MSMEs	Increased economic benefits from tourism to rural communities	TBD**	TBD	TBD	TBD	XXX	XXX	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.
C3	# of SMEs with operational business plans	SMEs with greater capacity to manage sustainable tourism	20	0	0	0	0	0	The fourth quarter was focused on biodiversity threats analysis, and business, market diagnostics in zones.

D. Conservation Biodiversity

Expected impact: Improved management of protected areas and priority biodiversity resources for conservation and sustainable tourism benefits.

D1	# of management plans developed for private Pas	Increased capacity for effective protected areas management and protection	4	0	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.
D2	# of new private Pas	Increase in private lands receiving biodiversity protection, and that serve as destinations for sustainable eco tourism	4	0	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.
D3	# of community rangers trained to protect endangered wildlife/private Pas	Strengthened local capacity to safeguard natural resources	20	0	16	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.
D3a	→Of which, Male		10	0	14	N/A	N/A	N/A	
D3b	→Of which, Female		10	0	2	N/A	N/A	N/A	
D4	# of market-based biodiversity/pilot projects	Expanded tools for effective biodiversity conservation in Nicaragua	4	0	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.

E. Environmental Education and Training

Expected impact: Increased in-country awareness of the value of biodiversity conservation and capacity to address threats to biodiversity.

E1	# of Nicaraguans reached through environmental education, communication campaigns, social media	Greater awareness of threats to biodiversity and the value and benefits that natural resource protection provides	TBD**	0	296	0	1412	2,338	International Coastal Cleanup Day – Bluefields/Pearl Lagoon
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D3a	→Of which, Male		TBD**	0	167	N/A	432	599	
D3b	→Of which, Female		TBD**	0	129	N/A	350	479	
D3c	→Of which, not specified		TBD**	0	129	N/A	630	630	
F. Access to Capital									
Expected impact: Increased flow of financial resources to MSMEs involved in sustainable tourism.									
EQ	N/A		0	0	0	0	0	0	NOTE – NO LONGER RELEVANT IN REVISED PROGRAM.

* Not cumulative.

** To Be Determined, based on the setting of a baseline, which will be established within 90 days after program award

V. Planned Activities (Q1 FY12)

The following activities are planned for October – December 2011.

- **Event:** **CSTP Presentation of Diagnostics Results (Biodiversity Threats Assessment; Market Study; Business Diagnostic) to key national actors**
Participants: INTUR and MARENA officials, Lux-Development representative
Date: November 1st
Time: 3:00 P.M.
Place: Managua, Salón de Conferencias Huella, Edificio Discover

- **Event:** **Surveys on wildlife in and around the Somoto Canyon**
Objective: To build information base for tourism regarding wildlife and to establish program monitoring.
Date: November 8
Place: Somoto Canyon

- **Event:** **CSTP Presentation of Diagnostics Results (Biodiversity Threats Assessment; Market Study; Business Diagnostic) to key local actors in Jinotega**
Participants: Jinotega's Gabinete de Turismo, INTUR, MARENA, Comités de Manejo Colaborativo, target businesses.
Date: November 21
Place: Jinotega

- **Event:** **CSTP Presentation of Diagnostics Results (Biodiversity Threats Assessment; Market Study; Business Diagnostic) to key local actors in Estelí**
Participants: Estelí's Gabinete de Turismo, INTUR, MARENA, Comités de Manejo Colaborativo, target businesses
Date: November 22
Place: Estelí

- **Event:** **Workshop on Ecosystem Services and Value of Water and Wetlands**
Objective: To increase local values towards water sanitation and freshwater supplies in Bluefields.
Date: November 24
Place: Bluefields

- **Event:** **Field Visit Bluefields and Pearl Lagoon**
Participants: FHI 360, USAID/AOTR, USAID/REA
Date: November 29-30
Place: Bluefields

- **Event:** **Guide Training Closing/Graduation Ceremony**
Participants: 20 graduates, INTUR officials (Minister possibly attending), USAID Mission.
Date: December 2nd
Place: Hotel La Riviera, Estelí

VI. Additional Observation/Issues

While the November 6 elections present an exogenous risk to operations, we do not anticipate any particular effect.

VII. Conclusion

While exogenous circumstances influenced this program in Quarters 1-4, including a significant reduction in LOP Budget, the program is reorganized as a regional initiative and well positioned for ramping up activities in FY12. We look forward to a very productive subsequent FY12.

VIII. Financial Annexes

A. Quarterly Financial Report

(see attached spreadsheet)

B. Quarterly Cost Share Report

(see attached spreadsheet)

IX. In-Country Training – Annex

Type and Name of Training Program	Field of Study	Objectives	Beneficiaries/Municipality	Dates	Total number of training hours	No. Male	No. Female
Workshops – Biodiversity Threats Analysis	Conservation of Biodiversity	To develop lists of important biodiversity, threats to biodiversity, and contributing factors underlying these threats.	National and local experts, Municipal authorities, NGOs, community members. Estelí, Jinotega, Bluefields, Managua	August 26 August 29 August 30 September 1	32	33	26
Training on Environmental Education	Conservation of Biodiversity	Teach the fundamentals of environmental stewardship to young children living in the protected areas.	Children 3 rd and 4 th grade Four communities in Jinotega: Sasle Sisle Paraíso La Esmeralda	- September 8, 23, 30 - September 22, 29 - September 8, 23, 30 - September 21, 28 - September 20, 27		170	138
English Training for Community Guides	Capacity Building	To introduce community members interested in becoming tourist guides to basic English.	Apanas Lake communities	August-September	12	11	18

X. Media Coverage - Annex

ARTICLE	JOURNALIST	DATE	MEDIA	URL
“Nos interesa el turismo de Nicaragua”	Amparo Aguilera	8/2/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/economia/109481
Millonaria inversión en Estelí	Roberto Mora	8/3/11	La Prensa	http://www.laprensa.com.ni/2011/08/03/nacionales/68710
Incentivan turismo sostenible	Felix Rivera	8/5/11	La Prensa	http://www.laprensa.com.ni/2011/08/05/departamentos/68886
Guacalito con US\$47 millones más	Gisella Canales	8/6/11	La Prensa	http://www.laprensa.com.ni/2011/08/06/nacionales/69050
“El gran reto es elevar la calidad de nuestra oferta”	Mario José Moncada	8/8/11	La Prensa	http://www.laprensa.com.ni/2011/08/08/economia/69174
Mejores condiciones dignifican	--	8/8/11	La Prensa	http://www.laprensa.com.ni/2011/08/08/economia/69175
Marinos “ofrecen” ver ballenas por 150 dolares	Wilder Perez	8/10/11	La Prensa	http://www.laprensa.com.ni/2011/08/10/nacionales/69451
Más peces mueren en Laguna de Perlas	Jesus Salgado	8/15/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/nacionales/110789
Mortandad de peces preocupa en Caribe Sur	Jesus Salgado	8/15/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/nacionales/110759
Turismo rural se relanza	Amparo Aguilera	8/5/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/economia/109812
Nuevos hallazgos en San Antonio	Alina Lorio	8/16/11	La Prensa	http://www.laprensa.com.ni/2011/08/16/departamentos/69997
Firman convenio para promocionar Nicaragua	Lucia Navas	8/22/11	La Prensa	http://www.laprensa.com.ni/2011/08/22/nacionales/70648
Biodiversidad es nuestro petróleo	Edith Pineda	8/25/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/nacionales/111765
Lecciones para cuidar la Tierra	Edith Pineda	8/25/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/contactoend/111744
Tarea: no tiren las botellas	Wilder Perez	8/25/11	La Prensa	http://www.laprensa.com.ni/2011/08/25/ambito/71016
Un día al pie del Cañón	William Aragón	8/28/11	La Prensa	http://www.laprensa.com.ni/2011/08/28/seccion-domingo/71353#.Tluu_xyRPm0
Hola Corn Island	María Haydee Brenes	9/5/11	La Prensa	http://www.laprensa.com.ni/2011/09/04/seccion-domingo/72177#.TmOb5ByRPm0
Foro de líderes en San Rafael del Norte	Silvia González	9/2/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/departamentales/112586

Eco fogón, alternativa de poco humo y leña	Mercedes Sequeira	9/3/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/departamentales/112678
Punta Aposentillo Sol, playa y... tranquilidad	Amparo Aguilera	9/5/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/turismo/94700
Ofrecen a El Bluff en cinco millones de dólares	Sergio Leon	9/5/11	La Prensa	http://www.laprensa.com.ni/2011/09/05/ambito/72294
Varados por pasaporte	Carlos Larios	9/8/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/nacionales/113229
El Bluff solo será para los caribeños	Jesus Salgado	9/8/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/nacionales/113219
Expendios móviles ofrecen droga en la calle	Roberto Mora	9/8/11	La Prensa	http://www.laprensa.com.ni/2011/09/08/hechos/72595
Reviven la Managua turística	Amparo Aguilero	9/10/11	E l Nuevo Diario	http://www.elnuevodiario.com.ni/economia/113435
Nicaragua cuida su capital verde	Rafael Lara	9/11/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/nuestromundo/113498
Turismo con nueva estrategia	Melvin Vargas	9/15/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/economia/113898
“Costas sin plásticos”	Tania Goussen	9/18/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/nacionales/114181
Hay que visitar el Cañón de Somoto	Gloria Rizo	9/19/11	La Prensa	http://www.laprensa.com.ni/minoticia/412
Buscan inversión en turismo en El Bluff	Wilder Perez	9/21/11	La Prensa	http://www.laprensa.com.ni/2011/09/21/ambito/74177
Cómo visitar Río San Juan y no perderse en el intento	---	9/21/11	La Prensa	http://www.laprensa.com.ni/minoticia/160
Fomav repara vía de Jinotega a San Rafael del Norte	---	9/22/11	El Nuevo Diario	http://www.elnuevodiario.com.ni/contactoend/114591
Debate por control de transporte turístico	Lucydalia Baca	9/22/11	La Prensa	http://www.laprensa.com.ni/2011/09/22/ambito/74291
Mejoran ruta productiva	---	9/22/11	La Prensa	http://www.laprensa.com.ni/2011/09/22/ambito/74294
Miskitos acusarán al Estado	Gloria Picon Duarte	9/22/11	La Prensa	http://www.laprensa.com.ni/2011/09/22/poderes/74323

Ganado y café afectados por el cambio climático	Gisella Canales	9/22/11	La Prensa	http://www.laprensa.com.ni/2011/09/22/activos/74262
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