

Country Name	Project on Sustainable Tourism based on Public-Private Partnership in the Dominican Republic
Dominican Republic	Republic

## I. Project Outline

Background	<p>The tourism sector was considered as a priority sector for development and tourism promotion policies such as tax incentives for foreign investment and developing infrastructure were implemented. As a result, the Dominican Republic became the most popular tourist destination in the Caribbean countries with 3.98 million visitors in 2008. The Province of Puerto Plata, which is located in the northern part of the country, is the third-largest tourist destination of the country and had approximately 540,000 foreign visitors for tourism in 2008. While most of beach resort development that the Government actively promoted was so-called "all-inclusive resort<sup>1</sup>" led by the foreign investment, opportunities for local people to participate in tourism businesses were limited and the people did not receive much benefit. Also, the standard of living in the province remained lower than the average of the country. Under these situations, the Government of the Dominican Republic requested the Government of Japan a technical cooperation project to develop a framework for sustainable tourism development to benefit local communities by utilizing unique local characters and resources, based on cooperation among stakeholders in the public and private sectors.</p>										
Objectives of the Project	<p>Through development of tourism products and services as well as establishment of the tourism development model based on the public-private network at the municipal and provincial levels, the project aimed at establishing a system to benefit local communities based on public-private partnership (PPP) in order to benefit local communities, thereby contributing to increase in local communities' opportunities of participation in tourism activities for sustainable tourism development and livelihood improvement.</p> <p>Overall Goal: Local communities in and around the tourism development areas have more opportunities to participate in tourism activities, associated and collaborated with existing tourism industries, and realize a sustainable tourism development and an improvement of local communities' livelihood level.</p> <p>Project Purpose: This project aims to establish a system to benefit local communities based on public-private partnership, through developing tourism products and services by using local resources.</p> <p>Note: PPP in the project means a system for activity implementation through effective collaboration between the "public" (government institutions including the Ministry of Tourism (MITUR), National Institute of Technical Professional Development (INFOTEP) and municipalities) and the "private" (private companies, universities, and civil society organizations).</p>										
Activities of the project	<p>Project site: 9 Municipalities of Puerto Plata Province (Puerto Plata, Altamira, Guanatico, Imbert, Los Hidalgos, Luperón, Sosúa, Villa Isabela and Villa Montellano)</p> <p>1. Main activities: 1) establishment of the public-private network at the municipal and provincial levels, 2) implementation of pilot tourism projects, 3) development of tourism products and services, 4) preparation of guidelines, etc.</p> <p>2. Inputs (to carry out above activities)</p> <table border="0"> <tr> <td>Japanese Side</td> <td>Dominican Republic Side</td> </tr> <tr> <td>1) Experts from Japan: 9 persons</td> <td>1) Staff allocated: 19 persons</td> </tr> <tr> <td>2) Training in Japan: 7 persons</td> <td>2) Land and facilities: Office space, etc.</td> </tr> <tr> <td>3) Local cost: Expenses for hiring local consultants, in-country training, etc.</td> <td>3) Operation cost: Cost for fuel and maintenance of vehicle, drivers, etc.</td> </tr> </table>			Japanese Side	Dominican Republic Side	1) Experts from Japan: 9 persons	1) Staff allocated: 19 persons	2) Training in Japan: 7 persons	2) Land and facilities: Office space, etc.	3) Local cost: Expenses for hiring local consultants, in-country training, etc.	3) Operation cost: Cost for fuel and maintenance of vehicle, drivers, etc.
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Project Period	November 2009 to November 2013	Project Cost	(ex-ante) 300 million yen, (actual) 451 million yen								
Implementing Agency	Ministry of Tourism (MITUR) (Renamed from the State Secretary of Tourism in 2010), National Institute of Technical Professional Development (INFOTEP)										
Cooperation Agency in Japan	IC Net Limited.										

## II. Result of the Evaluation

1 Relevance
<p>&lt;Consistency with the Development Policy of Dominican Republic at the time of ex-ante evaluation and project completion&gt;</p> <p>The project was consistent with Dominican Republic's development policies, as community tourism was prioritized in the "National Plan for Competitiveness" (2006), "National Development Strategy of the Dominican Republic 2010-2030" and "Government Plan 2012-2016."</p> <p>&lt;Consistency with the Development Needs of Dominican Republic at the time of ex-ante evaluation and project completion&gt;</p> <p>Opportunities for local people to participate in tourism businesses were limited, and the people did not receive much benefit. The project was consistent with development needs for improving the livelihood through tourism activities, at the times of both the ex-ante evaluation and project completion</p> <p>&lt;Consistency with Japan's ODA Policy at the time of ex-ante evaluation&gt;</p> <p>One of the priority areas was set as "poverty reduction" based on the policy dialogue on economic cooperation in 2007<sup>2</sup>. Related to this issue, capacity development through rural development and tourism was considered as a support approach.</p>

<sup>1</sup> Package in which fees for room, food and activity are all included.

<sup>2</sup> Ministry of Foreign Affairs (2009) "ODA Databook 2008."

<Evaluation Result>

In light of the above, the relevance of the project is high.

2 Effectiveness/Impact

<Status of Achievement for the Project Purpose at the time of Project Completion>

The Project Purpose was achieved. As PPP for tourism development, 10 Municipal Units for Community Patrimony (Unidades Municipales para el Patrimonio Comunitario: UMPCs) were established (Indicator 1). UMPC members were from the municipality, NGOs and community organizations. Some UMPCs acquired NGO status and others were applying for NGO and other status. Each UMPC developed tourism products and services based on its own brand (Indicator 2), such as the “Land of the Amapolas” of Los Hidalgos and “Paradise of Manati” of Villa Isabela. The Provincial UMPC Network, Provincial Coordination Table (Mesa de Coordinación Provincial: MCP) and TURISOPP<sup>3</sup> Unit<sup>4</sup> were developed as part of the system for supporting municipality-level efforts (Indicator 3). These experiences were accumulated in the guidelines on tourism development models (Indicator 4).

<Continuation Status of Project Effects at the time of Ex-post Evaluation>

The project effects have partially continued. Among UMPCs established during the project period, five of them have continued tourism activities as NGO or community-based organization, based on the municipal brand for tourism. Four UMPCs have not conducted continuous activities and one has already been dissolved. According to the Provincial UMPC Network and UMPCs, reasons of inactive UMPCs are lack of leadership, transfer of young members, disagreement among members on visions and activities, inappropriate capacity of planning and marketing, and so on. The Municipal UMPC Network has not been functioning as before, since the key personnel who had been active during the project period was transferred and the new personnel has been busy with his/her own UMPC activities. MITUR has not newly employed a paid staff in the province since 2017, due to inappropriate planning for staff assignment and budget shortage but has supported UMPCs through the Unit of Sustainable Tourism (UTS). MCP has changed its functions from supporting municipalities on community tourism to promoting tourism activities related to the cruise ship in Puerto Plata, in line with the government policy of re-launching Puerto Plata as an important tourist destination. However, regardless changes in the provincial level coordination, some UMPCs have independently continued their activities, according to the Provincial UMPC Network and UMPCs.

<Status of Achievement for Overall Goal at the time of Ex-post Evaluation>

It is judged that the Overall Goal has been achieved. Local communities have participated in UMPC’s tourism activities, by preparing the festival jointly with UMPC (Sosúa), providing promotion and logistics services (Guananico), preparing snacks for tourists (Villa Isabela), and so on. They have increased incomes from selling artisan chocolates and crochets or providing guide services (Indicator 1). The number of tourism activities have increased in some municipalities and decreased in other municipalities (Indicator 2). As successful examples, in Altamira, Chocolala (community organization which aims at promoting women’s economic empowerment) has developed new tourism products. Including this municipality, others have increased tourism activities to attract passengers of the cruise which arrives at Puerto Plata.

<Other Impacts at the time of Ex-post Evaluation>

First, female participation has increased in tourism activities. As women were encouraged to hold important positions in UMPC such as treasurer and coordinator which had been occupied only by men, some of them have started tourism business: sales booths on the beach and restaurant (Villa Isabela). Some chocolate shops including ones in Hacienda Cufa are headed by women, which was not a case before the project. According to UMPCs, barriers of gender and age have been removed by the project. Second, the government incorporated the project experience in the action plan for tourism development in the five provinces in the Northwestern Region, including community participation, organization for PPP, institutional infrastructure for promotion and marketing, and so on. Also, the project experience has been utilized in the succeeding project, “Project for Enhancing the Mechanism for Sustainable Community Based Tourism Development in the North Region” (2016-2021), sharing the following principles: local initiative, local prosperity and harmony and local pride and attraction. In the mentioned project, the Government of Dominican Republic has set up the first community tourism strategy, “Strategy for Development of Sustainable Community Tourism in the North Region in the Dominican Republic.”

<Evaluation Result>

Therefore, the effectiveness/impact of the project is high.

Achievement of the Project Purpose and Overall Goal

Aim	Indicators	Results
(Project Purpose) This project aims to establish a system to benefit local communities based on public-private partnership to benefit local communities, through developing tourism products and services by using local resources.	1. More than 9 tourism development and management systems at municipal level are established.	Status of achievement: <u>Achieved (Partially Continued)</u> . (Project Completion) - 10 UMPCs were established. (Ex-post Evaluation) - Five of the 10 UMPCs established during the project period have continued their activities. Other four UMPCs have operated the activities in an intermittent manner and one has been dissolved.
	2. More than 9 tourism products and services based on municipal brand are developed.	Status of achievement: <u>Achieved (Continued)</u> . (Project Completion) - 10 municipal brands were developed by 10 UMPCs, and more than 30 tourism products and services were developed through pilot projects. (Ex-post Evaluation) - Tourism products and services have been sustained in eight UMPCs.
	3. A tourism development and	Status of achievement: <u>Achieved (Partially continued)</u> . (Project Completion)

<sup>3</sup> TURISOPP is the abbreviation of the project title in Spanish.

<sup>4</sup> MCP members are from the Provincial UMPC Network, the public sector (MITUR, INFOTEP, Ministry of Environment, Provincial Government, etc.) and the private sector (chamber of commerce, hotel association, etc.). TURISOPP Unit members are officers of INFOTEP and MITUR.

	management system at provincial level to support municipal systems is established.	- The Provincial UMPC Network was established in August 2008. - The system for promoting tourism-based community development at the provincial level was developed by MCP and TURISOPP Unit. (Ex-post Evaluation) - The Provincial UMPC Network has been maintained, but regular meetings have been reduced. - MCP has been assumed by a provincial coordination unit with local stakeholders. - TURISOPP Unit has sustained its functions as UTS..
	4. Recommendations for the tourism development models are prepared.	Status of achievement: <u>Achieved (Mostly continued)</u> . (Project Completion) - The guidelines including recommendations on tourism development models were developed and approved by the Joint Coordination Committee of the project. (Ex-post Evaluation) - The guidelines including recommendations on tourism development models have been utilized, but it was pointed out by UMPCs that it lacked marketing and institutional development.
(Overall goal) Local communities in and around the tourism development areas have more opportunities to participate in tourism activities, associated and collaborated with existing tourism industries, and realize a sustainable tourism development and an improvement of local communities' livelihood level.	1. Tourism activities newly developed by the project enable local communities to participate in the tourism industry and increase income level.	Status of achievement: <u>Achieved</u> . (Ex-post Evaluation) - Local communities which participate in tourism activities have increased their income, according to MITUR, UMPCs, etc., from selling artisan chocolates and crochets or providing guide services.
	2. All municipalities increase tourism activities.	Status of achievement: <u>Partially achieved</u> . (Ex-post Evaluation) - According to MITUR and UMPCs, the number of tourism activities have increased in some municipalities and decreased in other municipalities.

Source: Project Completion Report, data provided by MITUR and UMPCs.

### 3 Efficiency

Although the project period was as planned (ratio against the plan: 100%), the project cost exceeded the plan (ratio against the plan: 150%) mainly because of additional inputs for a new output (establishment of the municipal level network for tourism development). Therefore, the project efficiency is fair.

### 4 Sustainability

#### <Policy Aspect>

The tourism sector is prioritized in the "National Development Strategy of the Dominican Republic 2010-2030". Besides, the Government of Dominican Republic has set up a strategy for community tourism development with the aim of increasing tourists to 10 million by 2020. The strategy includes components related to PPP and a policy of "Re-launching Puerto Plata" as a tourist destination. Thus, the tourism development in Puerto Plata Province is backed up at least until 2020.

#### <Institutional Aspect>

It can be said that an appropriate organizational structure for promoting the model developed by the project has been sustained, from the following facts. As of the time of the ex-post evaluation, MITUR has sustained UTS with three staff with responsibilities of monitoring and supporting UMPCs. UTS has worked for tourism promotion in the province in collaboration with the private sector. INFOTEP has a satellite office (seven staff) in Puerto Plata, providing training programs on community development which was based on the TURISOPP model, such as promotion of community development, community marketing, and design of action plans. The satellite office can receive administrative and technical support from the North Region Office of INFOTEP in Santiago when necessary. MITUR, INFOTEP and the Ministry of Economy, Planning and Development (MEPyD) have sustained their agreement on development and diffusion of the TURISOPP model. MEPyD has played a role as an inter-institutional coordinator.

#### <Technical Aspect>

MITUR has sustained sufficient knowledge for diffusion of the TURISOPP model, including support for UMPCs. Since the project completion they have dedicated monitoring and supervision works and have played a key role in the succeeding project. UTS has received training opportunities provided by MITUR headquarters. Though there has been no specific training for UMPCs, they can take part in programs offered by INFOTEP, as mentioned above. The guidelines on the TURISOPP model developed by the project, which include recommendations on tourism development models, have been utilized by UMPC, MITUR and INFOTEP.

#### <Financial Aspect>

Although financial data were not available from MITUR and INFOTEP at the ex-post evaluation, it can be said that MITUR has disbursed budgets for tourism promotion based on the TURISOPP model to some extent, as it has maintained UTS exclusively for supporting UMPCs, according to MITUR. In align with its institutional strategic plan; MITUR has expected a mid-term disbursement for promotion of community tourism in the North Region. Regarding INFOTEP, as it started a training institution exclusive for the tourism, it is presumed that it has intensively invested in tourism development.

#### <Evaluation Result>

Therefore, the sustainability of the effects is high.

### 5 Summary of the Evaluation

The Project Purpose was achieved, and the effects have partially continued. UMPCs were established and tourism products and services were developed on each municipal brand. Through UMPCs, collaboration among the municipality, community and private sectors was strengthened and the experience was compiled as guidelines. Since the project completion, half of UMPCs have expanded tourism activities with community participation. Community tourism activities have been sustained and expanded, and the project experience has been utilized in other provinces. Regarding sustainability, MITUR and INFOTEP have sustained appropriate institutional structure and capacity for supporting UMPCs. Although financial data of MITUR were not confirmed, sufficient budgets for UTS'

support for UMPCs have been secured. As for the project efficiency, the project cost exceeded the plan.

Considering all of the above points, this project is evaluated to be highly satisfactory.

### III. Recommendations & Lessons Learned

Recommendations for Implementing agency:

- At the ex-post evaluation survey, there was a difficulty in getting detailed quantitative data and information on the project experience and effects. It is recommended to MITUR headquarters to specify a section which collects and accumulates such data and information so that it could share them with other provinces.

- It is recommended to MITUR to re-activate UMPCs which have suspended their activities but are willing to restart, by providing training opportunities in collaboration with INFOTEP on leadership, marketing and preparation of the action plan.

Lessons learned for JICA:

- After the project completion, since some UMPCs have reduced their functions, some community tourism activities have been stopped. Reasons include lack of leadership, lack of skills on marketing and planning, and so on. UMPCs and community members had been trained on these topics and encouraged to implement pilot activities, but opportunities for learning from the implementation results of themselves and other UMPCs were limited. As a result, for some UMPCs, experiences were not sufficiently entrenched for sustaining activities. In projects which have components of capacity building through implementation of pilot activities, it is important to have not only training but also giving practicing opportunities with appropriate feedback in case they fail.



Lunch on the “higüero” (fig tree)plate in the tour (Hacienda Cufa, Municipality of Guanatico)



Gastronomy Festival (Municipality of Sosúa)