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ANALYSIS OF THE TOURISM VALUE CHAIN FOR THE CARIBE ESMERALDA ATLANTIDA, HONDURAS



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DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or The United States Government.

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ATLANTIDA, HONDURAS

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I EXECUTIVE SUMMARY

The scope of this report covers four tourism clusters in the Caribe Esmeralda which includes

1. Tela Bay
 - Lancentilla Botanical Gardens
 - Jeanette Kawas National Park
 - Punta Izopo National Park
2. La Ceiba Region and associated protected areas
 - Pico Bonito National Park
 - Cuero y Salado Wildlife Refuge
 - Cangrejal River Corridor
 - Nombre de Dios National Park
3. Cayos Cochinos
4. Costa Garifuna Balfate from Corozal to Rio Coco

The concentration of both natural and cultural attractions of the Caribe Esmeralda is one of the best in the Mesoamerican region. There are also significant, but currently underutilized historical attractions from the early banana days. Each of the clusters have developed visitation experiences and have a portfolio of products, the least developed being the Costa Garifuna Balfate.

Visitation trends to the region and more specifically Honduras have been extremely positive with Honduras experiencing the highest growth of all Central American countries from 2006 – 2007 at 18% increase. There are three broad markets for international multi-day visitors: Central Americans (54%); North Americans (38%) and Europeans (5%). Each of these broad segments has unique characteristics and it is important for each actor involved in tourism in the Caribe Esmeralda to clearly identify their target markets.

The tourism value chain is composed of all the inputs required for a positive visitor experience. This covers the entire gamut from natural/historical/cultural attractions, infrastructure, protected area & tourism policies, lodging and guest services, to creating linkage to market. There are some fundamental weaknesses in the tourism value chain for the Caribe Esmeralda with poorly defined roles of protected area management agencies, lack of private market incentives, and lack of communication between the key tourism actors. Lack of basic hospitality training is a significant challenge creating generally negative first impressions from tourist at their first point of contact be it hotel reception, transportation company, or service providers at the airports. Currently there is a culture of disinterest, “doing a tourist a favor”, mentality that is extremely off-putting to first time visitors. Visitors have remarked that Hondurans are a wonderful fun-loving people except when they are working – then they can unfriendly, dour, and not helpful or interested in solving even simple problems. For Honduras to

compete in the international tourism market fundamental attitudes need to change for tourism service providers. There are many alternative destinations in the region and world where local people are genuinely much more amenable to assisting tourists.

Each cluster has evolved with a nice mix of complementary products. Poor definition/research of target markets and lack of understanding of motivations and preferences of these markets is one obstacle for improved performance. Poor or non-existent implementation of public use plans has lead to disorganized, unprofessional, and poorly implemented tourism strategies. Lack of visitor impact monitoring and mitigation programs have prevented collecting visitor satisfaction surveys which identify preferences of target markets. The opportunity for complementary products and creating packages within each cluster and between clusters is outstanding. Clearly defining the roles of the different actors and creating partnerships is critical for long-term success. Currently all the protected areas operate in an isolated manner. Having the protected areas transition to thinking broader outside their respective management responsibilities and more regional would not only create a more integrated conservation vision but also communicate this vision to visitors that this experience is only one part of greater whole.

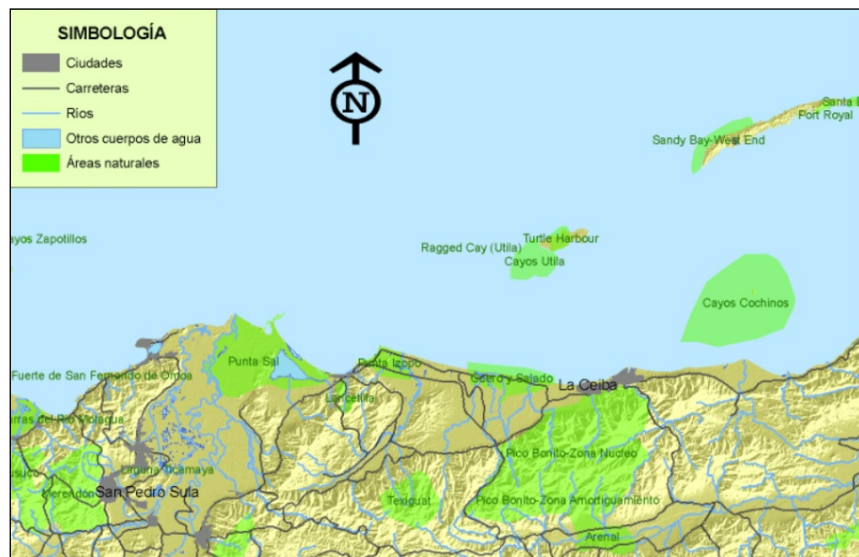
One of the fundamental challenges is that most of the co-management NGOs have been trying to raise operations funds through operating tourism ventures. In the process they have not integrated local communities and have not created entrepreneurial incentives and have alienated private operators. Co-management NGOs need to get out of the general tourism business, develop concessions that will give both local communities and private operators incentives and increase capacity for protected area management.

Future trainings should focus on improving general hospitality skills for the north coast tourism sector, developing a model concession that can be then applied to each tourism cluster, and co-management NGOs product development workshop that seriously researches and develops products for scientific and educational markets that complement private operators and community based products.

MAP 1: GENERAL LOCATION OF THE CARIBE ESMERALDA



MAP 2: CARIBE ESMERALDA



2 GEOGRAPHIC FOCUS/IDENTIFIED TOURISM CLUSTERS:

- Bahia de Tela – Lancetilla
- La Ceiba Region with Associated Protected Areas
- Costa Garifuna Balfate – Corozal to Rio Coco
- Cayos Cochinos

3 SITE ANALYSIS

Each of the identified tourism clusters were investigated through site inventories that evaluated cultural and natural attractions of protected areas & communities. Each cluster and components of each cluster will be described.

3.1 BAHIA DE TELA – LANCETILLA

Protected Areas:

- Jeanette Kawas National Park
- Punta Izopo National Park
- Lancetilla Botanical Gardens

Key Communities:

- Tela
- Triunfo de la Cruz
- La Ensenada
- Tornabe
- Miami

MAP 3: JEANETTE KAWAS NATIONAL PARK



3.1.1 JEANETTE KAWAS NATIONAL PARK

This is an outstanding natural protected area located west of Tela, in the department of Atlantida, and composing the western half of Tela Bay. It is approximately 78,000 hectares with 36% (28,000 hectares+) in marine protected status. Jeanette Kawas National Park (JKNP) includes approximately 35 km of coast and is divided into two management units – 44,100 (57%) in a core zone, and the buffer zone which surrounds it.

The buffer zone has additional sub-zoning including an administration and ecotourism zoning. A unique aspect of this area is the development of the Los Micos Beach & Golf Resort (www.losmicosresort.com) within the buffer zone of the JKNP. While this is not unprecedented in the region, the scale of this project is, covering 312 hectares, with plans for 3500 rooms and luxury villas, golf course, clubhouse and other resort amenities. The first phase is currently under construction and 800+ rooms and villas are to be completed by 2010. This will obviously have a huge impact on visitation to not only Jeanette Kawas but also the region.

JKNP is a key area in the regional conservation efforts of both the Mesoamerican Barrier Reef System and Mesoamerican Biological Corridor due to its high biodiversity. Designated a National Park in 1996, JKNP is part of the National System of Protected Areas of Honduras (SINAPH) and under a co-management agreement with ICF (Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre), and is managed by Fundación PRONLANSATE (www.prolansate.org), a non-profit/non-governmental conservation organization.

JKNP includes 5 lagoons:

- Tisnachi

- Rio Tinto
- Quemada
- Los Micos
- Diamate

JKNP includes 6 rivers:

- Chamelecón
- Ulúa
- Agua Blanca
- San Alejo
- La Esperanza
- Canal Martinez (constructed by Tela Rail Road Company in 1956)

JKNP includes 4 Garifuna communities with estimated populations:

- Rio Tinto – 900 habitants
- Miami – 60
- Tornabe – 6,000
- San Juan – 4,000

And two additional communities involved with tourism efforts:

- Los Cerritos
- Ramal del Tigre

There are a total of 44 communities with a total population estimated at 60,000 within the buffer zone but these are not identified as currently engaged in tourism activities at a significant level. Annual park visitation is approximately 6,000 – 7,000 total visitors with 75% being foreigners.

KEY NATURAL & CULTURAL ATTRACTIONS:

- Garifuna communities
- Outstanding diversity of marine & terrestrial ecosystems supporting abundant wildlife including:
 - Caribbean coral reef
 - Brackish water lagoon systems
 - Freshwater lagoon systems
 - Mangrove
 - Seasonally inundated tropical forests
 - Semi-evergreen deciduous tropical forests
 - Lowland evergreen tropical forest
 - Savannas
 - Tropical Dune
 - Inland tropical riparian

PRINCIPLE TOURISM DESTINATIONS:

1. Punta Sal Peninsula
2. Los Micos Lagoon
3. Laguna del Diamante
4. Community of Miami
5. Community of Tornabe
6. Community of Ramal del Tigre
7. Community of Rio Tinto

KEY NATURAL & CULTURAL ATTRACTIONS BY DESTINATION:

Punta Sal Peninsula

- 3 hiking/interpretive trails (Cocalito, Caribe & Curumos)
- 7 Beaches
- Reef
- Variety of habitats from reef/coastal, mangroves to humid tropical forest
- Birding/Wildlife Viewing
- Traditional Garifuna meal at El Cocalito

Current activities:

- Boat tours
- Interpretive hikes
- Snorkeling
- Fly-fishing
- Camping
- Bird watching and wildlife observation

Los Micos Lagoon

- Garifuna communities of Miami & Marion; Los Cerritos
- Excellent mangrove habitat
- Beaches
- Birding/Wildlife
- Observation tower
- PROLANSATE Visitor Center
- Camping areas & cabanas

Current activities:

- Kayaking
- Birding/wildlife observation (Howler & White-faced Capuchin Monkeys)
- Fly-fishing
- Camping
- Community overnights in community cabanas

- Night walks
- Cultural activities with Garifuna communities
- Horseback riding

Laguna del Diamante

- Coastal lagoon ecosystem
- Patch reef
- Beach
- Birding/wildlife

Current activities:

- Boat tour
- Picnic lunch on beach
- Birdwatching
- Snorkeling

Community of Ramal del Tigre

- Ulua River
- Banana Plantations
- Railroads

Current activities:

- Rail road tours
- Historic banana plantation tours
- Ulua River boat tour

Community of Rio Tinto

- Garifuna community
- Camping
- Trails

Current activities:

- Camping
- Hiking
- Birding/Wildlife observation
- Traditional Garifuna meals
- Swimming

JKNP - UNIQUE ATTRIBUTES:

- Absolutely stunning scenery – from marine to hiking to the top of peninsula ridge

- Excellent combination of cultural and natural experiences
- Hiking across the peninsula on easy interpretive trail
- Exciting boat ride around the tip of Punta Sal
- Fantastic small beach/traditional Garifuna meal
- Hiking & snorkeling options

JKNP - CONCERNS:

- Lack of sub-zoning in public use plan for different visitor experiences
- Lack of adequate administration
- Lack of training for boat operators
- Lack of visitor impact monitoring & mitigation plan
- Currently no management strategies to control visitor impacts from Los Micos Resort
- Lack of incentives for local communities to be involved in ecotourism activities

3.1.2 PUNTA IZOPO NATIONAL PARK

Punta Izopo National Park (PINP) is located on the eastern side of Tela Bay approximately 7 km from the town of Tela in the department of Atlantida. PINP consists of 18,820 hectares with two management zones— core zone and buffer zone. Within the buffer zone there are two sub-zones – Administration and Ecotourism. Similar to Jeanette Kwas, a significant portion (approximately 20%) is marine and the remainder terrestrial composed of salt and freshwater lagoons, wetlands, and river systems. It is a very important haven for biodiversity and is a RAMSAR site, and part of the Mesoamerican Barrier Reef System and Mesoamerican Biological Corridor. Designated a National Park in 1996, PINP is part of the National System of Protected Areas of Honduras (SINAPH) and under a co-management agreement with ICF (Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre) and is managed by Fundación PRONLANSATE (www.prolansate.org), a non-profit/non-governmental conservation organization.

PINP includes 2 lagoons:

- Laguna Negra
- Laguna Hicaque

PINP includes 3 rivers:

- Lean
- Hicaque
- Plátano
-

PINP includes 2 Garifuna communities with estimated populations:

- Triunfo de la Cruz – 7000 habitants
- Ensenada - 300

There are a total of 20 communities within the buffer zone with an estimated population of 36,000. Visitation for PINP in 2007 was recorded at approximately 1,200 visitors with 25% or approximately 300 of these being foreigners.

KEY NATURAL & CULTURAL ATTRACTIONS:

Natural attractions are similar to JKNP on a smaller scale. The lower visitation creates a sense of exploration. Access is a bit more challenging.

- Caribbean coral reef
- Brackish water lagoon systems
- Freshwater lagoon systems
- Mangrove
- Seasonally inundated tropical forests
- Beaches

Cultural attractions are extremely strong with Triunfo de la Cruz the most developed destination for Garifuna culture including:

- Cultural Visitor Center
- Ceremony House
- Cassava and coconut bread “Factory”
- Many options for Garifuna cuisine
- Garifuna Festival

Current Activities:

The majority of visitation is for beach tourism particularly during La Semana Santa. Boat tours of the coast and depending upon lagoon entrance, boat tours and kayaking in the lagoons. In general, due to access issues and low demand, the different options are limited at this point for penetrating into the park. Potential is excellent to diversify and involve local communities.

PINP - UNIQUE ATTRIBUTES:

- One of the most vibrant Garifuna cultures on the north coast
- An excellent mix of natural & cultural experiences on a scale ideal for half-day or full-day trips

PINP - CONCERNS:

- Lack of sub-zoning in public use plan for different visitor experiences
- Lack of adequate administration
- Lack of visitor impact monitoring & mitigation plan
- Lack of training for boat operators
- Currently no management strategies to control visitor impacts from Los Micos Resort
- Lack of incentives for local communities to be involved in ecotourism activities

3.1.3 LANCETILLA BOTANICAL GARDENS

Founded in 1926 by the United Fruit Company, Lancetilla Botanical Gardens consists of 1,681 hectares of humid and sub-tropical forests ranging in elevation from 20 meters above sea level to over 880 meters, and is located approximated 6 km south (inland) of the town of Tela. There are over 1200 species of plants, 365 species of birds and supplies 30% of water for the town of Tela. There are three basic zoning classifications: Natural Reserve (1281 hectares); Botanical Garden and Arboretum (78 hectares); and Forestry Plantations (322 hectares). It is a designated Natural Reserve and Center of Investigation, part of the National System of Protected Areas of Honduras (SINAPH) and under a co-management agreement with ICF (Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre) and is managed by the National School of Forestry Sciences (ESNACIFOR).

Lancetilla includes 1 river – the Lancetilla River; and seven communities:

- Lancetilla
- San Antonio
- San Francisco
- Las Quebardas
- El Dorado
- San Jacinto
- Miramar

Visitation is between 45,000 to 50,000 per year, with students the main market with 1,200 visitors per day on the busiest days.

KEY NATURAL & CULTURAL ATTRACTIONS:

Lancetilla is the most “urban” protected area in the Tela Bay cluster. Due to its’ long history and original mission to conserve and research the coastal ecosystems of the North Coast of Honduras – there is a much more education oriented visitation and much more infrastructure including restaurant, conference room, a new visitor center and long standing housing and research facilities. There is also an extensive trail system.

Natural attractions include the impressive variety of plant species including non-native species and bamboo plantation. There is a popular swimming area along the Lancetilla River, and excellent birding opportunities. As one climbs in elevation, there is a transition of different native forests types. Lancetilla is claimed to be the second largest tropical botanical garden in the world.

Cultural attractions are limited with the restaurant offering typical Honduran meals, a women’s cooperative with limited handicrafts and food products. There are several festivals including:

- Earth Day
- Arbor Day
- Christmas Bird Count

Current activities:

Primarily Honduran students visiting for the day, with some groups staying overnight in the cabanas and/or dormitory. Primary activity is following the interpretive trail. Birding groups and foreign tourists also visit using the existing trail system. Lancetilla has a long history of scientific investigation with visitors in this segment.

LANCETILLA - UNIQUE ATTRIBUTES:

- History of scientific and educational tourism
- 7 guides on site
- Unique plants
- Good infrastructure

LANCETILLA - CONCERNS:

- Over visitation
- Undefined target markets
- Dependency on entrance fees for operations budget
- Lack of sub-zoning in public use plan for different visitor experiences
- Lack of visitor impact monitoring & mitigation plan
- Limited involvement of local community members in tourism
- Lack of motivation for local communities to be involved in tourism activities

3.2 LA CEIBA REGION WITH ASSOCIATED PROTECTED AREAS

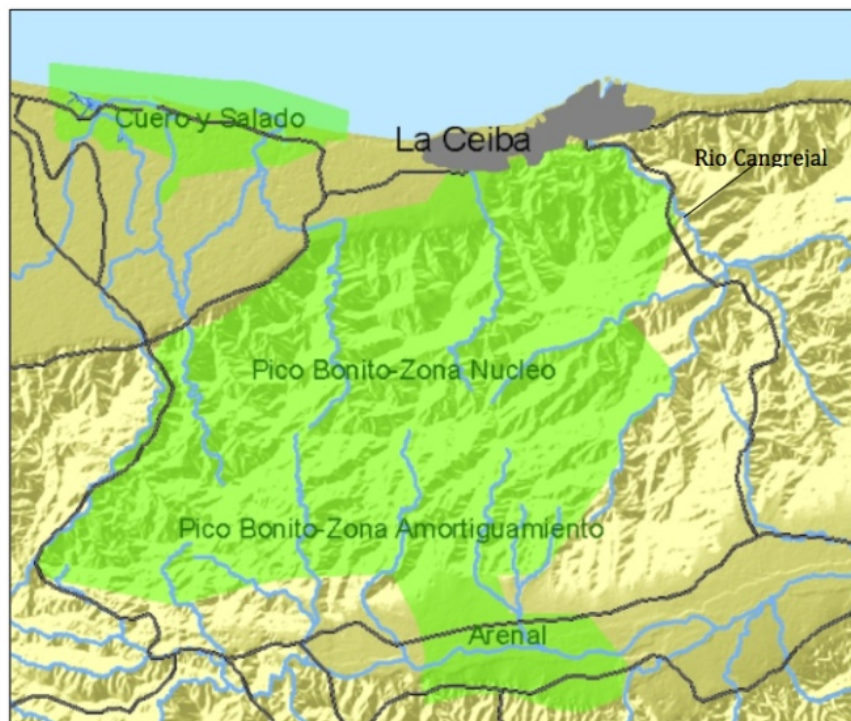
Protected Areas:

- Pico Bonito National Park
- Cangrejal River Corridor
- Cuero y Salado Wildlife Refuge
- Nombre de los Dios National Park

Key Communities:

- La Ceiba
- Barra Salado
- El Pino
- El Naranjo/Las Mangas

MAP 4: LA CEIBA CLUSTER



3.2.1 PICO BONITO NATIONAL PARK

Pico Bonito National Park (PBNP) is the second largest national park in Honduras and is located approximately 5 km south of the city of La Ceiba and covers 131,430 hectares, which 56,430 hectares (43%) is nuclear or core zone and the remaining in buffer zone. PBNP straddles two departments – Atlantida and Yoro and is one of the most biologically diverse protected areas in the country ranging from lowland evergreen rainforest on the north coast, cloud forests at the higher elevation and pine-oak on the dryer southern side.

The two tallest peaks are Pico Bonito (2,435 meters above sea level) and Pico Montana de Corozal (2,480 masl). These tall peaks are less than 15 km from the coast and the dramatic terrain makes access to the inner areas of the park extremely difficult. There are two primary public use access points – Rio Zacate on the northwest side and the Rio Cangrejal on the northeast side. It is a designated National Park and part of the National System of Protected Areas of Honduras (SINAPH) and under a co-management agreement with ICF (Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre) and is managed by the Fundación Parque Nacional Pico Bonito (FUPNAPIB).

There are 46 rivers that have their headwaters in PBNP; and key communities on the north side are El Pino (Rio Zacate), Las Mangas and El Naranjo (Rio Cangrejal). Current visitation for PBNP is estimated at approximately 5,000 visitors per year with the majority utilizing the Rio Cangrejal.

KEY NATURAL & CULTURAL ATTRACTIONS:

Due to its size, location, and limited access, PBNP is one of least disturbed with exceptionally high biodiversity.

Natural attractions:

- Pristine wilderness
- Abundant rivers
- Abundant waterfalls
- White water rafting
- Outstanding birding

Cultural attractions beside interaction with local guides and community members are fairly limited when compared to some nearby Garifuna communities. There are some pre-Columbian sites that are currently being investigated, and particularly the Rio Cangrejal has many cultural attractions to be discussed in the next section.

Currently there are 5 hiking trails open to the public, a visitor center, and local guides. While most of the hikes are less than 4 km, the scenery is spectacular, most with waterfalls and rainforest river swimming. The trails (with approximate distance and access point) are:

- | | | |
|----------------------------|----------|--------------------------------|
| 1. El Mapache | – 2.5 km | – Visitor Center Rio Cangrejal |
| 2. El Vampiro | – 770 m | – El Naranjo Rio Cangrejal |
| 3. Las Lianas/Zacate Falls | – 2.5 km | |
| 4. Rio Coloradito | – 4 km | – El Pino |
| 5. El Cardomomo | – 5 km | – El Pino |

PBNP - UNIQUE ATTRIBUTES:

- Dramatic landscape
- Pristine habitat
- Whitewater rafting
- Bird watching
- Proximity to La Ceiba

PBNP - CONCERNS:

- Lack of sub-zoning in public use plan for different visitor experiences
- Lack of visitor impact monitoring & mitigation plan
- Proximity to La Ceiba

3.2.2 CANGREJAL RIVER CORRIDOR

The Cangrejal River borders Pico Bonito National Park on the east side of the park and the newly declared Nombre de Dios National Park which borders the Cangrejal River on the west. The Cangrejal is an internationally renown white-water river with Class I – V+ rapids. It is estimated that 3,000 rafters & kayakers enjoy the river per year. Three private operators focus their business on the Cangrejal:

- La Moskitia Ecoaventuras
- Omega Tours
- Jungle River

Other tourism operators and hotels sub-contract these operators for their clients which include:

- The Lodge at Pico Bonito
- Palma Real Resort
- Garifuna Tours
- Tourist Options

There are a number of small lodging facilities along the river and increasingly foreign investors have been buying property for private homes. There are a number of eco-cabanas being built or planned. Existing lodging on the Cangrejal are:

- Casa Cangrejal
- Omega Tours Jungle Lodge
- Jungle River Lodge
- Cabanas Aventuras del Bosque
- Villas Cangrejal
- Las Cascadas

Through the efforts of local NGOs Guaruma and FUPNAPIB, as well as many funders like USAID Honduras, the communities along the Cangrejal River have made great progress in organizing for tourism. Guaruma is a non-profit organization that promotes environmental awareness and conservation through educational programs in the Rio Cangrejal watershed. They have formed an alliance of ten different tourism service providers under the name of Cangrejal Ecoturismo. The 10 members of this alliance are:

- I. Guaruma: NGO promoting conservation and ecotourism in the Cangrejal watershed.

2. Cabanas del Bosque: Promoting excellence in tourism services with overnight accommodations and restaurant.
3. Artesanias Saravia: A local business making wood carvings from the natural resources of the Cangrejal watershed.
4. Cooperativa Reyes y Asociados
5. La Moskita Ecoaventuras: A full service private operator focusing on water sports and promoting local guides.
6. Grupo Orquidiario Toncontin: Cultivating and exhibiting orchids from the Cangrejal region.
7. Orquidiario Pico Bonito: Experts in the cultivation of native orchids.
8. Grupo Juan Pablo II: Local women who capture the beauty of Cangrejal in sewing and embroidery.
9. Comites Turisticas: A community committee that aims to strengthen local ecotourism.
10. Centro de Visitantes Pico Bonito: Promoting environmental education in the Cangrejal region.

The Cangrejal Ecotourism, while still relatively young as an organization, has developed an excellent portfolio of complementary experiences. They currently need funding in a number of areas with linkage to market and additional training their priorities.

There is a restaurant under construction in El Naranjo. The community of Las Mangas, with Cangrejal Ecotourism, also have two interpretive trails – La Vista and Guaruma.

CANGREJAL RIVER CORRIDOR - UNIQUE ATTRIBUTES:

- World class white-water river
- Well organized community based tourism
- Portfolio of different activities for different desired visitor experiences
- Strong pool of local guides
- Proximity to La Ceiba

CANGREJAL RIVER CORRIDOR - CONCERNS:

- Lack of sub-zoning in public use plan for different visitor experiences
- Lack of visitor impact monitoring & mitigation plan
- Lack of funding for Cangrejal Ecotourism and maintaining community engagement

3.2.3 CUERO Y SALADO WILDLIFE REFUGE

Cuero y Salado Wildlife Refuge (CSWR) is located about 33 km west of La Ceiba and consists of a coastal protected area of 13,255 hectares. CSWR is a system of coastal lagoons, rivers, and canals. It was a former site of Standard Fruit Company. It has a mix of coastal dune, mangrove, savannas, coconut plantations, and humid tropical forest ecosystems and is one of the best wildlife viewing protected areas in the entire region of Mesoamerica. It is a designated Wildlife Refuge and part of the National System of Protected Areas of Honduras (SINAPH) and under a co-management agreement with ICF (Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre) and is managed by the Fundación Cuero y Salado (FUCSA).

While at least fifteen rivers drain into CSWR, the three main river systems are:

- Cuero River
- Salado River
- San Juan River

Two communities are located within the reserve (listed first) and 4 more in the zone of influence:

- Salado Barra
- Boca Cerrada
- La Union
- Tierra Firme
- Boca del Toro

Current visitation for the reserve is approximately 4,000 visitors per year and has been growing steadily over the last five years. From a study in 2004, approximately 64% of visitors are nationals and 36% foreigners. The vast majority of visitors begins their trip in La Union and takes the old Standard Fruit Company narrow gauge railroad 9.5 km to reach the community of Salado Barra and Visitor Center. From here they visit the reserve by boat exploring the many rivers and canals. There is a short trail to the beach from the community of Salado Barra and a longer community trail is being developed. The visitor center has a restaurant, bathrooms and there is also a dormitory. Currently there are three local guides with two more in training. Boca Cerrada is approximately 20 km west and has a bathroom, park guard station and camping area.

CUERO Y SALADO UNIQUE - ATTRIBUTES:

- Narrow gauge train transfer
- Outstanding wildlife viewing
- Standard Fruit Company history

CUERO Y SALADO - CONCERNS:

- Lack of sub-zoning in public use plan for different visitor experiences
- Lack of visitor impact monitoring & mitigation plan
- Lack of adequate administration
- Limited involvement of local community members in tourism
- Lack of motivation for local communities to be involved in tourism activities

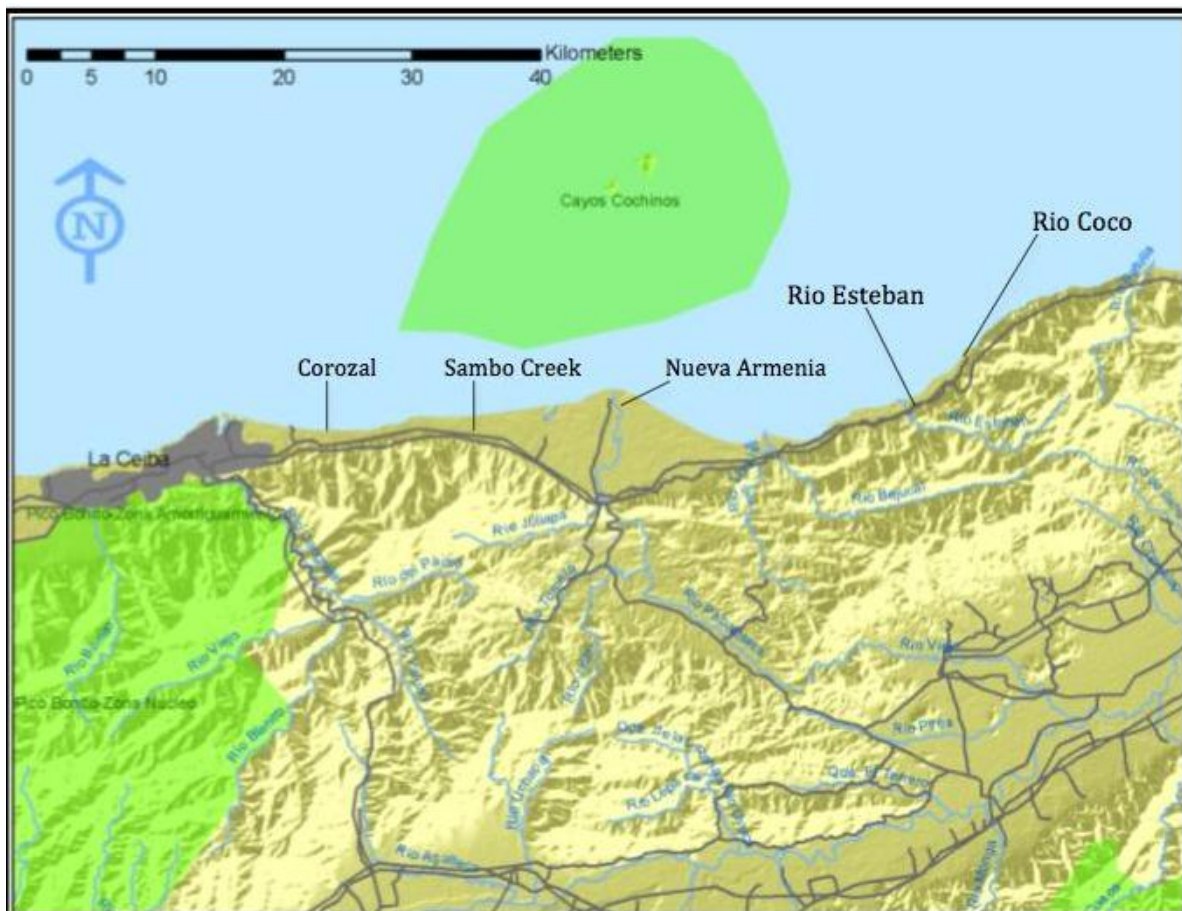
3.3 COSTA GARIFUNA BALFATE

The coast east of La Ceiba has a number of primarily Garifuna communities developing tourism activities. This is also the boat transfer area for visitors to Cayos Cochinos. There is a very attractive mix of both cultural and natural attractions that complement the region. This cluster straddles two departments Atlantida and Colon.

Starting from La Ceiba going east, the communities working or developing tourism activities are:

1. Corozal (Garifuna)
2. Sambo Creek (Garifuna)
3. Jutiapa (Mestizo)
4. Nueva Armenia (Garifuna)
5. Rio Esteban (Garifuna)
6. Rio Coco (Mestizo)

MAP 5: GARIFUNA BALFATE COAST & CAYOS COCHINOS CLUSTER



Besides Sambo Creek, where the majority of Cayos Cochinos visitors begin their trip, there is very little visitation except during La Semana Santa or the Garifuna Festival in Rio Esteban.

KEY NATURAL & CULTURAL ATTRACTIONS BY DESTINATION:

Corozal:

- Relatively clean beaches
- Small Garifuna museum
- Restaurants
- Nice hotel in front of the beach on the far-east side of town.

Sambo Creek:

- Relatively clean beaches
- Restaurants
- Several lodging options
- Thermal hot springs
- Canopy tour

Laguna de Cacao:

This is a small lagoon with basic infrastructure for visitation including a small entrance kiosk, boardwalk and pier. Boat and kayaking tours are offered. This is a community managed protected area with around 2000 visitors per year. The largest all-inclusive hotel – Palma Real – offers day trips.

Jutiapa:

Located at the junction of the unpaved road continuing along the coast to Rio Coco and the main highway heading south, this is a jumping off point for the more remote communities. Limited attractions.

Nueva Armenia:

One of the most vibrant Garifuna communities with a fishing village on the Cayos Cochinos – Chachajuate. They offer tours to Cayos Cochinos, dancing/traditional drumming, Garifuna food, and community tours. Currently unorganized and very trashy, intimidating for most international tourists.

Rio Esteban:

This is the largest Garifuna community in the Costa Garifuna Balfate area with about 5,000 residents. They are actively developing tourism. Attractions:

1. Tradition Garifuna meals
2. Drumming – 2 groups: Club Voluntario & Club Pajarito
3. Handicrafts– wood products, drums, machuca, shell jewelry, masks, cabezas, labezetas
4. Festival Garifuna (Each year on August 16 with 2000 visitors)
5. Cooking classes

There is also industrial production of cassava in Rio Esteban, one of only two places in the country. Besides cassava, there are also cacao plantations and lobster fishing. They are investigating the potential for other types of tours including:

- ATV tour to Rio Coco
- Walking tours – community; agricultural; interpretive
- Horseback riding
- Bicycles
- Traditional fishing

There is some patch reef and there is interest to develop a SCUBA Center to compete with Bay Islands. Accommodations include 2 hotels and 1 B&B; Hotel La Fe and Hotel Las Texas. In the area there are two private reserves (Dr. Dodson's and Hugo Galeano); two hot springs; archeology sites with petroglyphs on private property; short interpretive trail.

Visitation: La Semana Santa there are 500-600 visitors; Garifuna Festival – there are 2000 visitors; 30 – 60 visitors per day on weekends during the busy season (March – April and July – August).

LisLis Lagoon:

Between Rio Esteban and Rio Coco is the LisLis Lagoon. This has very good potential for kayak/canoe tours and reportedly has the largest crocodiles in the region.

Rio Coco:

At the end of the road is the beautiful community of Rio Coco. While most of this area has fantastic sand beaches, the ease of access and remoteness of the Rio Coco beach sets it apart. Other attractions include:

- 6 patch reefs (10 – 15 feet deep)
- Nesting sea turtles
- Snorkeling
- Tubing
- Horseback riding
- 2 cabanas w/ one queen and two bunk beds in each
- Cerro Corre Viento – mountain above and between Rio Coco & Manati which has primary mid-elevation rainforest habitat and good wildlife observation

- The small community of Manati is 25 minutes by boat; 1 hour hike; with isolated beach, small freshwater stream and patch reef just off the beach.
- Pozo de Cahon (1 km) – series of small waterfalls with huge boulders, great for swimming and jumping off rocks into deep pools.

Estimated visitation: La Semana Santa – 450 – 600/day; busy season (March – August) 200/month; groups of Salvadorans' come by bus (50 at one time) to visit beach and river. A foreigner owns beach front property at the mouth of the Rio Coco River and is trying to develop beach front homes. Currently there is not any construction activity.

COSTA GARIFUNA BALFATE - UNIQUE ATTRIBUTES:

- Strong traditional Garifuna culture
- Pristine beaches
- Current low visitation levels
- Network of small natural areas
- Potential for strengthening the alliance between the communities with complementary products and services

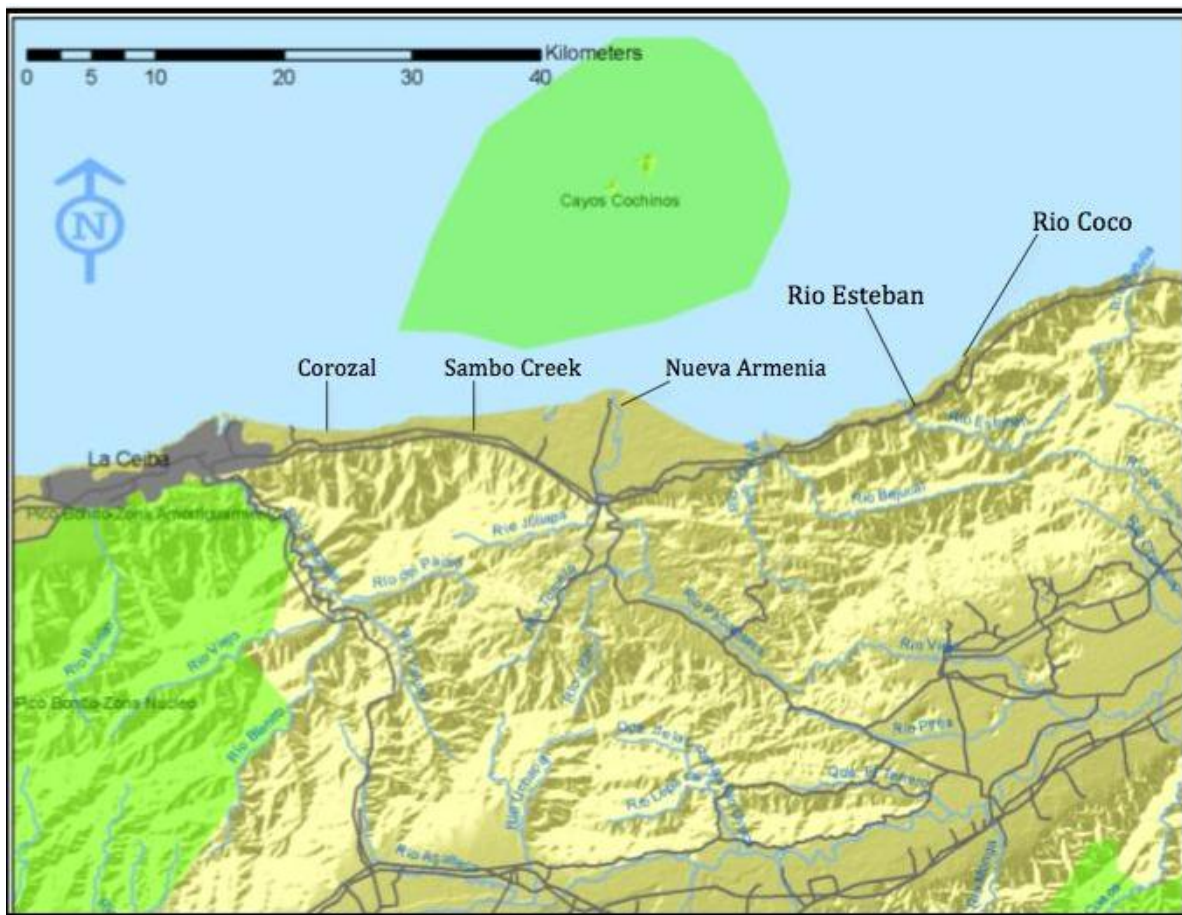
COSTA GARIFUNA BALFATE - CONCERNS:

- Lack of strong organization between the communities
- Lack of funding for keeping communities engaged
- Lack of micro-financing to diversify tourism activities

3.4 CAYOS COCHINOS

Cayos Cochinos are a group of two small islands (Cayo Menor and Cayo Mayor) and 13 small coral cays covering almost 50,000 hectares 19 miles northeast of La Ceiba on the northern Honduran coast. In 1993 a team of business leaders concerned with the conservation of the Honduran coast and its wildlife together with the Swiss conservation foundation called AVINA, formed the Honduran Coral Reef Foundation (HCRF) which lobbied the Honduran Government to obtain protection for these beautiful islands. In 2003, Legislative decree 114-2003 designated the Cayos Cochinos as a Marine Natural Monument and The HCRF as the managing agency responsible for the conservation of the islands for the next 10 years. In 2004, the official Management Plan was approved. The protected area covers 489.25 km² and HCRF is responsible for the management of the area. Cayos Cochinos is one of the most important areas of the Mesoamerican Barrier Reef System for conservation and one of the least disturbed ecosystems in the Bay Islands complex. Prohibition of fishing has made this an attractive SCUBA and snorkeling destination. While it was declared a protected area in 2004, it is 100% privately owned.

MAP 5: GARÍFUNA BALFATE COAST & CAYOS COCHINOS CLUSTER



KEY NATURAL & CULTURAL ATTRACTIONS:

Fundación Cayos Cochinos has a scientific research station on Cayo Menor and this is the visitor reception for all visitors. Upon arrival visitors are given a brief conservation overview and visitor etiquette presentation. Both Cayo Menor and Cayo Mayor have terrestrial trail systems.

Natural attractions of Cayos Cochinos:

- Outstanding marine ecosystem
- Endemic terrestrial species Pink Boa and Black Iguana
- Rare plant communities
- Occasional whale sharks
- Hawksbill Sea-turtle nesting beaches
- Good birding habitat particularly for neo-tropical migrants

Cultural attractions include a long history of mainland Garifuna villages with seasonal fishing outposts. In some cases these have turned into permanent communities for Chachajuate (Nueva Armenia) and East End (Rio Esteban). Both communities offer visitors traditional Garifuna meals and have overnight accommodations. East End is developing some alternative activities like traditional fishing excursions to complement reef based activities.

Plantation Beach Resort on Cayo Mayor has 12 cabanas, dive shop, restaurant, two hiking trails, and boat moorings. Casa Paraiso on Cayo Culebra is a small dive resort.

Visitation has been growing 20 – 25% per year to approximately 6,500 per year. Scientific tourism and “reality TV” Tourism have had significant impacts on visitation over the last 2 to 3 years. Access is by boat only with multiple embarkation points which include:

1. Sambo Creek
2. Nueva Armenia
3. La Ceiba
4. Rio Esteban
5. Rio Coco
6. Utila
7. Roatán
8. Utila

CAYOS COCHINOS UNIQUE ATTRIBUTES:

- Outstanding reef system
- Garifuna culture and linkages to mainland communities
- Endemic species
- Proximity to La Ceiba

CAYOS COCHINOS CONCERNS:

- Lack of implementation of Public Use Plan
- Lack of control mechanism for access
- Lack of sub-zoning in public use plan for different visitor experiences
- Lack of visitor impact monitoring & mitigation plan
- Lack of training for boat operators

4 MARKET ANALYSIS

4.1 INTERNATIONAL

Central America has seen positive tourism increases over the last five years. Honduras has performed strongly and outperformed the region from 2006 to 2007 with an impressive 18% increase. Informal feedback for 2008 indicates that even with the worldwide financial crisis overall visitation should be positive at around 3 to 4% increase. Part of this good news for 2008 was timing, with the bulk of the busy season over before consumers began to drastically cut back discretionary spending. While it is difficult to be optimistic about 2009, we will explore a few potentially positive scenarios. Unfortunately the political upheaval during June 2009 will most likely have a dramatic negative impact on the North American market, and to a lesser extent the European market. While Central Americans have a much better and generally more accurate understanding of the political situations, all things being otherwise equal between destination countries, the political situation will push potential visitors to alternate destinations. The cost of political instability in the tourism industry is millions of dollars since there are so many competing destinations.

TABLE 1: TOURIST ARRIVALS WORLDWIDE, 2003-2007 (MILLION TOURISTS)

Continento	2003	2004	2005	2006	2007	% 07*/06	Cuota de Mercado 2007
África	31.0	33.8	37.3	40.9	44.2	8.1	4.9
Norte de África	11.1	12.8	13.9	15.1	16.4	8.6	1.8
Subsariana África	19.9	21.1	23.4	25.9	27.8	7.3	3.1
América	113.1	125.7	133.5	135.7	142.1	4.7	15.8
Norte América	77.4	85.7	89.9	90.7	95.0	4.7	10.6
Caribe	17.1	18.1	18.9	19.4	19.3	-0.5	2.1
Centro América	4.9	5.7	6.5	6.9	7.7	11.6	0.9
Sur América	13.8	16.2	18.2	18.7	20.2	8.0	2.3
Asia y el Pacífico	113.3	144.2	155.4	167.8	184.9	10.2	20.6
Noreste de Asia	61.7	79.4	87.6	94.3	104.2	10.5	11.6
Sureste de Asia	36.1	47.1	49.3	54.0	60.4	11.9	6.7
Oceanía	9.0	10.1	10.5	10.5	10.7	1.9	1.2
Sur Asia	6.4	7.6	8.0	9.0	9.7	7.8	1.1
Europa	407.1	424.4	441.0	460.8	480.1	4.2	53.5
Norte de Europa	45.8	49.6	52.9	54.9	56.0	2.0	6.2
Oeste de Europa	136.1	139.0	142.6	149.8	155.0	3.5	17.3
Centro/Este de Europa	78.5	86.3	87.1	91.3	92.8	1.6	10.3
Meridional/Medit. Europa	146.8	149.5	158.4	164.8	176.3	7.0	19.6
Oriente Medio	29.5	36.3	39.2	41.0	46.4	13.2	5.2
Mundo	694.0	764.0	806.0	846.2	897.7	6.1	100.0

Fuente: Barómetro Organización Mundial del Turismo 2007

International visitors to Honduras breached the 1 million-visitor point in 2004, primarily due to the dramatic increase in cruise ship arrivals in Roatán as well as day-trip visitors. There has been a steady increase in multi-day international tourists with a 10% increase from 2005 – 2006, and 13% increase from 2006 – 2007 to over 830,000 total visitors. The focus of this report for international tourists is on this segment – multi-day international tourists. The visitation level of international visitors to Honduras is similar to Nicaragua (855,000 in 2007 – INTUR), and slightly below Guatemala (1.1 million in 2007 – INGUAT). For regional comparison Costa Rica has been maintaining visitation at slightly more than 2 million visitors with small increases; and regional powerhouse Cancun received over 7 million visitors in 2007 (SECTUR).

TABLE 2: ENTRY OF VISITORS TO HONDURAS, ACCORDING TO INTERNATIONAL CLASSIFICATION, 2003-2007 (THOUSANDS)

CONCEPTO	2003	2004	2005	2006 P/	2007 P/	Variación Porcentual			
						04/03	05/04	06/05	07/06
Total Visitantes (Turistas mas excursionistas)	886.6	1,025.5	1,117.6	1,136.4	1,336.6	16	9	2	18
Turistas (Visitantes que Pernoctan)	610.5	641.0	673.0	738.7	831.4	5	5	10	13
Excursionistas (cruceistas mas Visitantes del día)	276.1	384.5	444.6	397.7	505.2	39	16	-11	27
- Cruceistas	161.6	266.7	277.1	204.8	297.4	65	4	-26	45
- Visitantes del día	114.5	117.8	167.6	192.9	207.8	3	42	15	8

Fuente: Instituto Hondureño de Turismo y Puerto de Cruceros y Marina de Islas de la Bahía

P/ = Cifras Preliminares

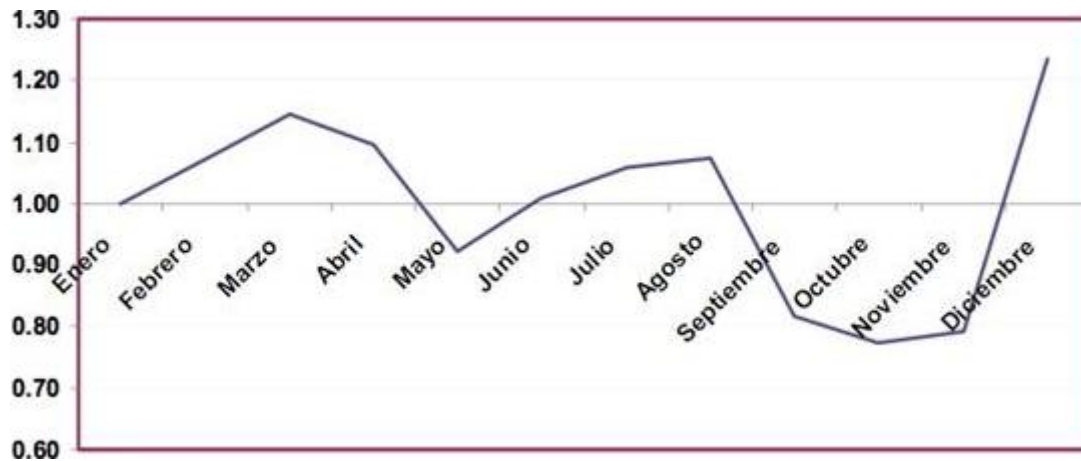
Nota: la variación negativa en el año 2006 en el número de cruceistas, fue debido a reestructuración interna de la Norwegian Cruise Line lo que obligó a cancelar sus viajes a nuestro país por ese año.

Seasonality follows regional patterns with a bit stronger June thru August than in other Central American destinations. In fact, there is a fairly consistent flow from December – August with the exception of May being a consistently slow month. One advantage for Honduras specifically for August is this is a major holiday for El Salvador and Honduras is a preferred destination. The recently weak US dollar and extremely strong Euro also has contributed to strong summer months since this is a traditional vacation time for Europeans.

**TABLE 3: TOURIST MONTHLY ARRIVAL BY YEAR
2003-2007**

Mes	2003	2004	2005	2006	2007 ^{a/}
Enero	52,705	50,832	52,654	63,525	71,634
Febrero	54,138	59,944	62,831	65,741	69,191
Marzo	60,451	58,216	81,863	60,571	72,683
Abril	50,216	71,324	48,046	73,129	76,522
Mayo	48,659	47,969	49,203	59,093	63,828
Junio	52,339	55,214	58,138	63,525	64,893
Julio	54,486	53,231	59,989	65,741	75,130
Agosto	57,414	50,385	56,906	69,435	78,395
Septiembre	41,804	42,038	45,212	50,229	59,010
Octubre	38,479	41,972	43,967	46,536	54,300
Noviembre	38,829	43,226	44,673	47,275	56,890
Diciembre	61,015	66,630	69,553	73,867	88,957
Total	610,535	640,981	673,035	738,667	831,433

FIGURE I: RECEIVER TOURISM SEASONALITY INDEX



In segmenting the market by departure region (Central America, Europe, North America and Rest of World), Central Americans have 54% of the international tourism market, North Americans have 38%, Europeans have 5%, and the rest of the world at 3%. It seems surprising that Europe only had a 5% market share in 2007 considering how strong the Euro was and how affordable Honduras is compared to Europe.

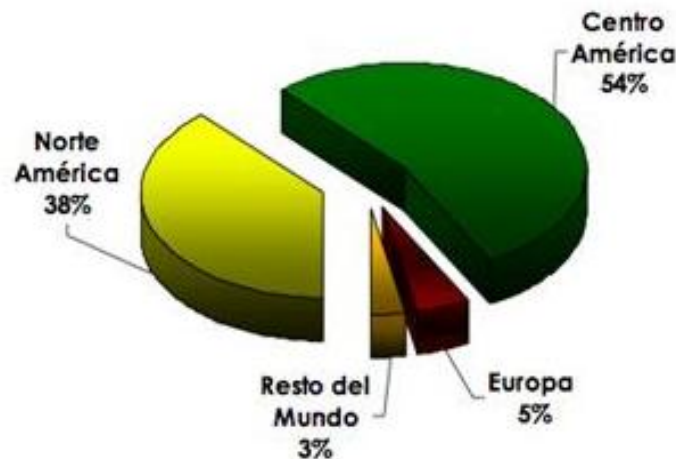
TABLE 4: TOURIST ARRIVALS BY REGION OF RESIDENCE 2007

Nacionalidad	Turistas	Peso Porcentual
Norte América	318,148	38%
Centro América	448,514	54%
Europa	38,226	5%
Resto del Mundo	26,545	3%
Total	831,433	100%

Fuente: Instituto Hondureño de Turismo

Particularly around La Ceiba it seemed that Italians were the majority. There appears to be a tendency for Italians to concentrate in certain areas. There is a similar situation in Yucatan south of Playa del Carmen. Never the less, for international tourists – the most lucrative is North Americans/Europeans by spending per day, and by volume, Central Americans.

FIGURE 2: TOURIST ARRIVALS BY REGION OF RESIDENCE 2007



Looking at motivation for visiting Honduras gives some additional insight into these broad segments. Europeans are much more pleasure oriented while Central Americans are much more business oriented. While North Americans are the highest number of international tourist seeking pleasure (2007), there are more North Americans visiting family & friends than pleasure. This could indicate two distinct North American segments – 1) your traditional sun & beach/ecotourist on vacation, and, 2) Hondurans living in the US and Canada visiting on holiday. Very distinct motivations and preferences.

TABLE 5: ARRIVAL OF TOURISTS ACCORDING TO MAIN REASON FOR TRAVELING, 2007

Motivo principal del viaje	Total	Norte América	Centro América	Europa	Resto del Mundo
Placer	268,259	109,416	104,388	23,048	11,798
Visitar Amigos / Parientes	258,691	122,883	124,735	5,247	2,949
Negocio / Trabajo	233,061	51,902	186,660	8,432	9,831
Misioneros	29,389	20,761	4,423	375	0
Motivo Religioso	13,669	3,086	11,943	0	655
Congresos / Seminarios	12,986	2,525	10,616	375	983
Salud	5,468	3,086	2,212	0	0
Estudio / Docencia	4,101	2,245	883	374	0
Otros Motivos	5,809	2,244	2,654	375	329
Total	831,433	318,148	448,514	38,226	26,545

Fuente: Instituto Hondureño de Turismo

Nota: Estimación aproximada según resultados de la Encuesta del Gasto y Perfil del Turista

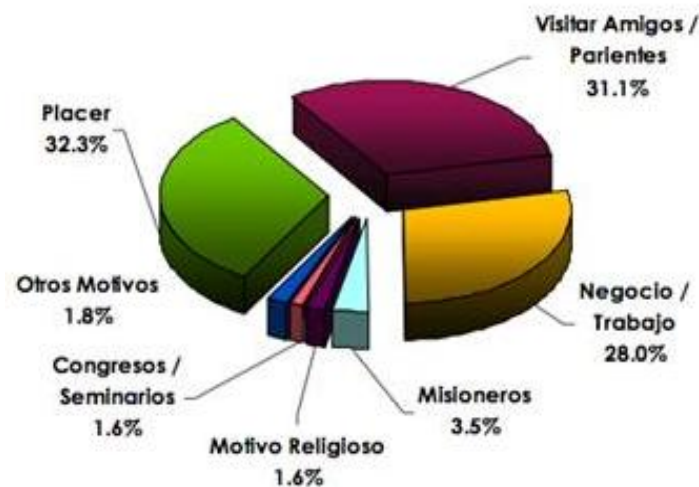
TABLE 6: PERCENTAGE SHARE OF TOURIST ARRIVALS, ACCORDING TO MAIN REASON FOR TRAVELING, 2007

Motivo principal del viaje	Total	Norte América	Centro América	Europa	Resto del Mundo
Placer	32.3	34.4	23.3	60.3	44.4
Visitar Amigos / Parientes	31.1	38.6	27.8	13.7	11.1
Negocio / Trabajo	28.0	16.3	41.6	22.1	37.0
Misioneros	3.5	6.5	1.0	1.0	0.0
Motivo Religioso	1.6	1.0	2.7	0.0	2.5
Congresos / Seminarios	1.6	0.8	2.4	1.0	3.7
Salud	0.7	1.0	0.5	0.0	0.0
Estudio / Docencia	0.5	0.7	0.2	1.0	0.0
Otros Motivos	0.7	0.7	0.6	1.0	1.2
Total	100.0	100.0	100.0	100.0	100.0

Fuente: Instituto Hondureño de Turismo

For all international tourists the number one motivation for visiting Honduras is pleasure (32.3%), visiting family and friends is second (31.1%), and business is third (28%). These three motivational categories make up over 90% of the market. In tourism product development it is important to consider the different segments, the segment size, and think about what are the preferences of these different products and what attributes of your product will or will not appeal to the different segments.

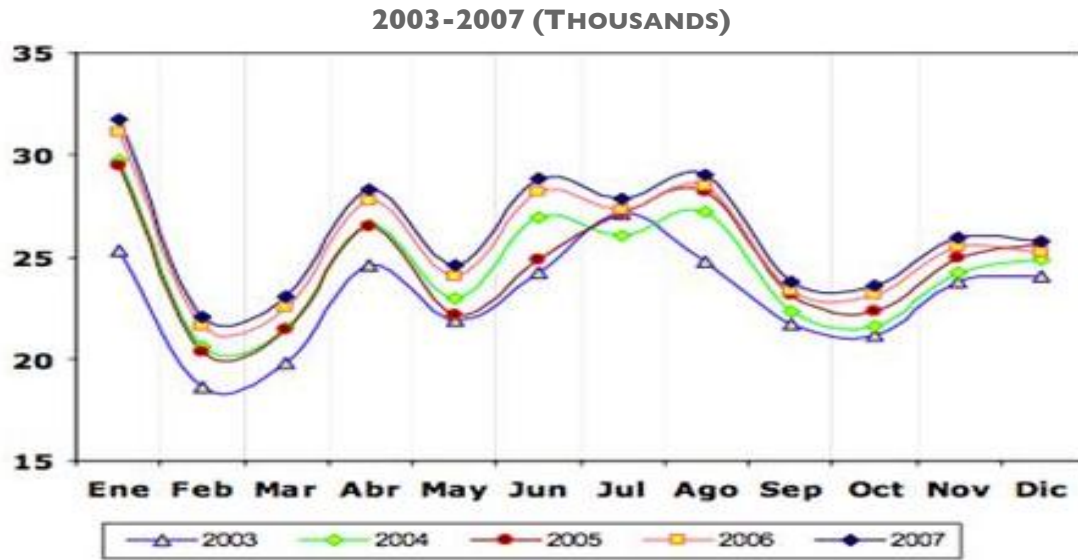
FIGURE 3: TOURIST ARRIVALS ACCORDING TO MAIN REASON FOR TRAVELING, 2007



The following chart allows us to make some inferences. It is the monthly volume chart of Hondurans traveling internationally from 2003 – 2007. If we assume that Hondurans have similar patterns to other Central Americans it allows us some perspectives on seasonal travel segments. First, there is a steady increase in volume each year which indicates the increase in availability of disposal income for international travel. Second, you can observe the main travel holidays for the region – La Navidad (Christmas) and La Semana Santa (Holy Week). It is also interesting to see the consistent travel in June – July – August.

As stated earlier, Europeans traditionally take vacation in July and August. North Americans tend to travel to the tropics during the winter months, particularly December – March. So if your busiest months are during January, February and March; you should consider developing products that appeal to North Americans. You may want to consider adjusting/adapting your products from North Americans in January – March; to Central Americans April – June; and perhaps to build a new segment, more European in July – August. This is just an example of inferences from statistics and how to position products.

FIGURE 4: MONTHLY OUTPUT OF HONDURANS AND RESIDENTS



4.2 INTERNATIONAL PROFILE

There are some interesting differences between the broad segments:

- The majority of North American & Central American visitors are above 38 years old
- The majority of North American & Central American visitors are married and the majority of Europeans are single
- Over 53% of North Americans and over 50% of Europeans make more than \$30,000 per year compared to 12.9% of Central Americans
- Well over half of Europeans are visiting Honduras for the first time while most Central Americans and North Americans have visited before.

**TABLE 7: ANNUAL ARRIVAL OF TOURISTS - PERCENTAGE STRUCTURE
BY AGE GROUP, ACCORDING TO REGION OF RESIDENCE, 2007**

Grupos de Edades	Total	Norte América	Centro América	Europa	Resto del Mundo
26 o Menos	13.3	12.7	13.3	14.3	18.5
27 a 38 Años	33.0	27.0	37.8	42.9	32.1
39 a 57 Años	42.0	45.0	41.5	30.5	35.8
58 o más	11.7	15.3	7.4	12.3	13.6
Total	100.0	100.0	100.0	100.0	100.0

Fuente: Instituto Hondureño de Turismo

**TABLE 8: ANNUAL TOURISTS ARRIVAL - PERCENTAGE STRUCTURE
BY MARITAL STATUS, BY REGION OF RESIDENCE, 2007**

Estado Civil	Total	Norte América	Centro América	Europa	Resto del Mundo
Soltero(a)	36.2	38.0	29.8	54.9	44.4
Casado(a)	57.2	55.6	63.2	38.2	50.6
Otro	6.6	6.4	7.0	6.9	4.9
Total	100.0	100.0	100.0	100.0	100.0

Fuente: Instituto Hondureño de Turismo

**TABLE 9: ANNUAL TOURISTS ARRIVAL - PERCENTAGE STRUCTURE
BY INCOME LEVEL GROUP, ACCORDING TO REGION OF RESIDENCE, 2007**

Nivel de Ingreso	Total	Norte América	Centro América	Europa	Resto del Mundo
\$5,000 o menos	15.6	3.1	32.1	5.0	3.1
\$5,001 a \$10,000	13.8	6.5	23.1	8.5	9.2
\$10,001 a \$20,000	12.7	10.4	16.0	10.6	9.2
\$20,001 a \$30,000	13.1	16.3	8.8	17.0	13.8
\$30,001 a \$50,000	13.7	18.2	7.8	17.0	18.5
\$50,001 a \$70,000	8.5	12.3	2.8	15.6	15.4
\$70,001 o más	13.6	22.6	2.3	17.7	21.5
Dependiente	8.9	10.6	7.2	8.5	9.2
Total	100.0	100.0	100.0	100.0	100.0

Fuente: Instituto Hondureño de Turismo

**TABLE 10: ANNUAL TOURISTS ARRIVAL - PERCENTAGE STRUCTURE
FREQUENCY OF VISIT GROUP, ACCORDING TO REGION OF RESIDENCE, 2007**

Frecuencia de Visita	Total	Norte América	Centro América	Europa	Resto del Mundo
Visitó Honduras por primera vez	25.9	27.5	16.0	57.7	50.6
Visitó Honduras por mas de una vez	74.1	72.5	84.0	42.3	49.4
Total	100.0	100.0	100.0	100.0	100.0

Fuente: Instituto Hondureño de Turismo

4.3 NATIONAL

One of the biggest challenges in the region is accurate data on national tourists. There is very little segmentation. In comparison, the US market is in a continual process of segmentation as new products are being introduced to niche markets. It is the same for Honduras, though less developed – there are many different market segments and they should not just be lumped into “nationals”. One attraction to the national market is the sheer volume. In 2007, over 3.4 million Hondurans traveled during the year. This is over 4 times the number of international visitors. By far La Navidad and La Semana Santa are the preferred travel times.

TABLE I I: KEY INDICATORS OF DOMESTIC TOURISM

Indicador	
Personas que viajaron durante el año	3,472,700.0
Promedio de viajes durante el año	2
Personas por grupo familiar	4.6
Pernoctación promedio	5.6
Gasto promedio por viaje (L.)	5,016.3
Gasto promedio por persona	1,334.1
Gasto de consumo por turismo interno (Millones de L.)	9,266.0

Fuente: Instituto Hondureño de Turismo

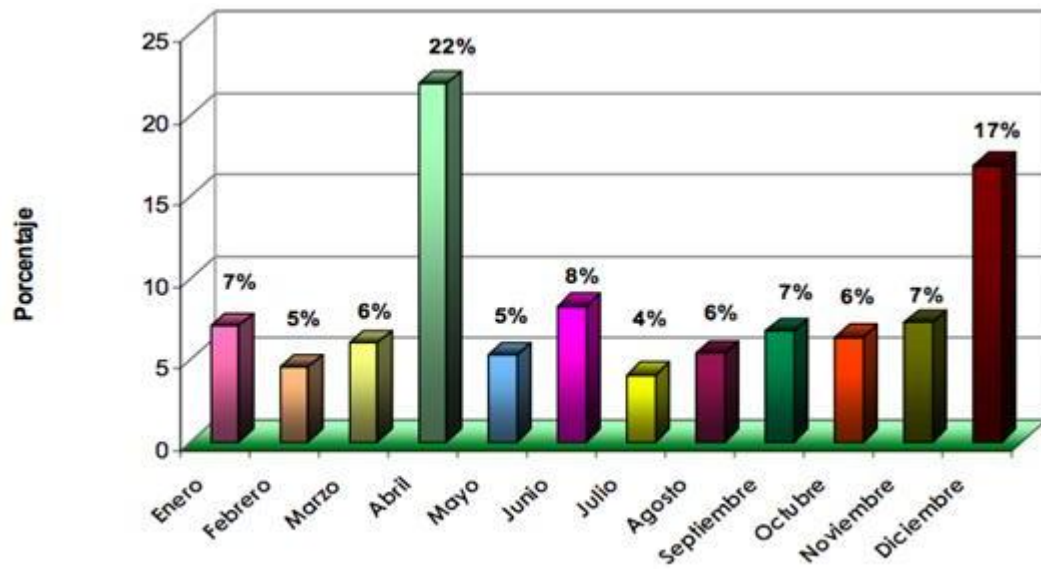
TABLE I2: MAIN DESTINATIONS VISITATION

No.	Destino	Porcentaje
1	LA CEIBA	16.9
2	TELA	13.2
3	SAN PEDRO SULA	13.0
4	TEGUCIGALPA	8.7
5	PUERTO CORTES	7.7
6	ISLAS DE LA BAHÍA	4.5
7	OMOA	4.1
8	TRUJILLO	4.1
9	CHOLUTECA	3.7
10	COPAN RUINAS	3.2
11	SANTA BÁRBARA	3.1
12	AMAPALA	2.8
13	SANTA ROSA DE COPAN	2.8
14	COMAYAGUA	2.4
15	SIGUATEPEQUE	1.8
16	OTROS	7.9

Fuente: Instituto Hondureño de Turismo

The Caribe Esmeralda is well positioned for capturing Hondurans on vacation with nearly 50% of the national market visiting or passing through the department of Atlantida.

FIGURE 5: VISITATION BY MONTH



Fuente: Instituto Hondureño de Turismo

4.4 GENERAL STATISTICS

Average spending by broad segments indicates that Europeans spend the most; slightly more than North Americans and each of these segments spend 3 times as much as Central Americans. Again, in developing new products and adjusting offerings throughout the season this is an important consideration. You must identify your target markets to appropriately design and price your product.

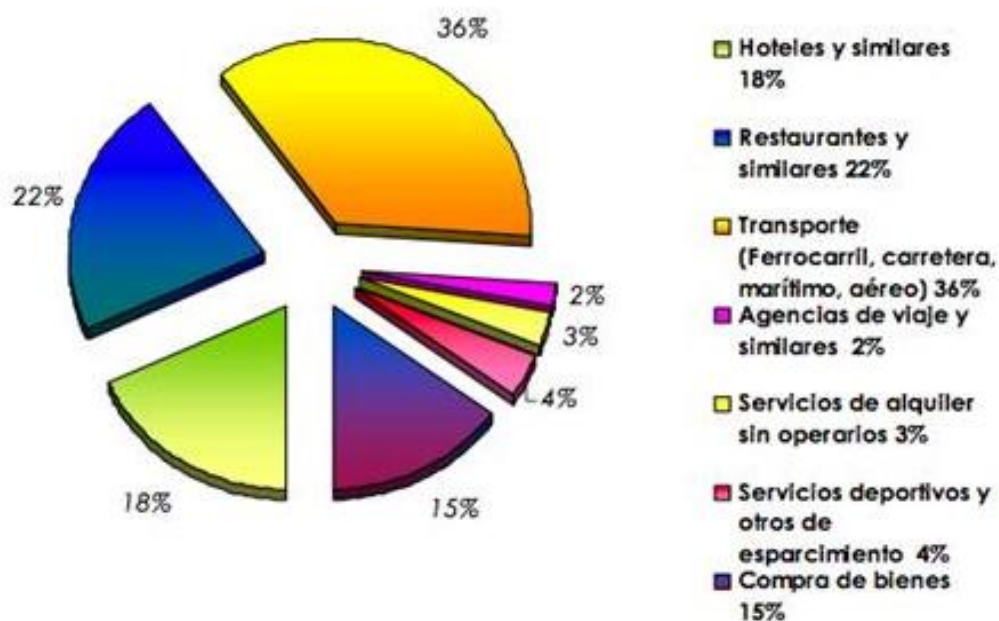
TABLE 13: AVERAGE SPENDING OF TOURIST RECEIVER BY REGION RESIDENCE 2006-2007

Región de Procedencia	Gasto Promedio por Estadía (US\$)	
	2006	2007 p/
Norte América	1,014.46	867.52
Centro América	270.44	279.94
Europa	1,220.26	890.84
Resto del Mundo	1,331.20	845.95

Nota: Para 2006 el gasto promedio fue estimado en base a región de procedencia según nacionalidad para el año 2007 se estimó en base al país residencia.

p/= Preliminar

FIGURE 6: STRUCTURE AVERAGE OF OUTFLOWS OF TOURISM



4.5 CONCLUSION:

We can expect a decrease in tourism in 2009 due to the worldwide financial crisis. People will still travel, but on a much more local level. Mexico and Central America are well positioned for the US market being “close to home”. The recent strengthening of the US dollar is making the region more affordable. Travelers will be looking for bargains and already the market is responding with large discounts.

For the tourism clusters in the Caribe Esmerald, this downturn is a good opportunity to improve existing products and develop new offerings for the 2010 rebound season. It is critical that each offering is developed, priced and marketed with specific market segments in mind. We have highlighted the general differences in the three main markets of international tourists and Honduran tourists. Each cluster, and more specifically each site has a unique mix of visitor segments. With an inventory of attractions, preferences of different market segments, each site can significantly improve their appeal.

5 VALUE CHAIN ANALYSIS

The traditional manufacturing value chain describes the full range of activities that are required to bring a product or service from conception, through the different phases of production, delivery to final consumers and final disposal after use. However, tourism is a service. Because services cannot be stored, the production and consumption of tourism services is usually simultaneous and takes place at a specific geographical location – the tourist destination. For improving service and ultimate tourist satisfaction, value chain analysis (VCA) is a useful tool to identify potential weaknesses and take corrective actions. It is also a useful tool to analyze opportunities to shift some of the economic benefits into different sectors through value added services. For example, from international tour operators to local communities through investment in specialized guide training for unique activities that appeal to the international market segments thus “shifting” some economic benefits to local communities because international operators will pay more for additional services appealing to their clients.

For the Caribe Esmeralda, we will analyze each cluster and identify strengths and weaknesses in an effort to improve existing products, assist in developing new products, and identify opportunities to shift benefits to the local level. The following diagram illustrates the tourism value chain. While this model can be applied to almost any tourism destination, this has been developed for nature and cultural based sustainable tourism in Mesoamerica. Each input will be briefly explained before we begin the cluster analysis.

NATURAL RESOURCES:

- Biodiversity: endemic/rare plants & animals, rare plant communities, high species diversity, unusual abundance or spectacles of nature.
- Natural attractions: waterfalls, beaches, mountains (tallest peak), volcanoes, and unusual phenomena.

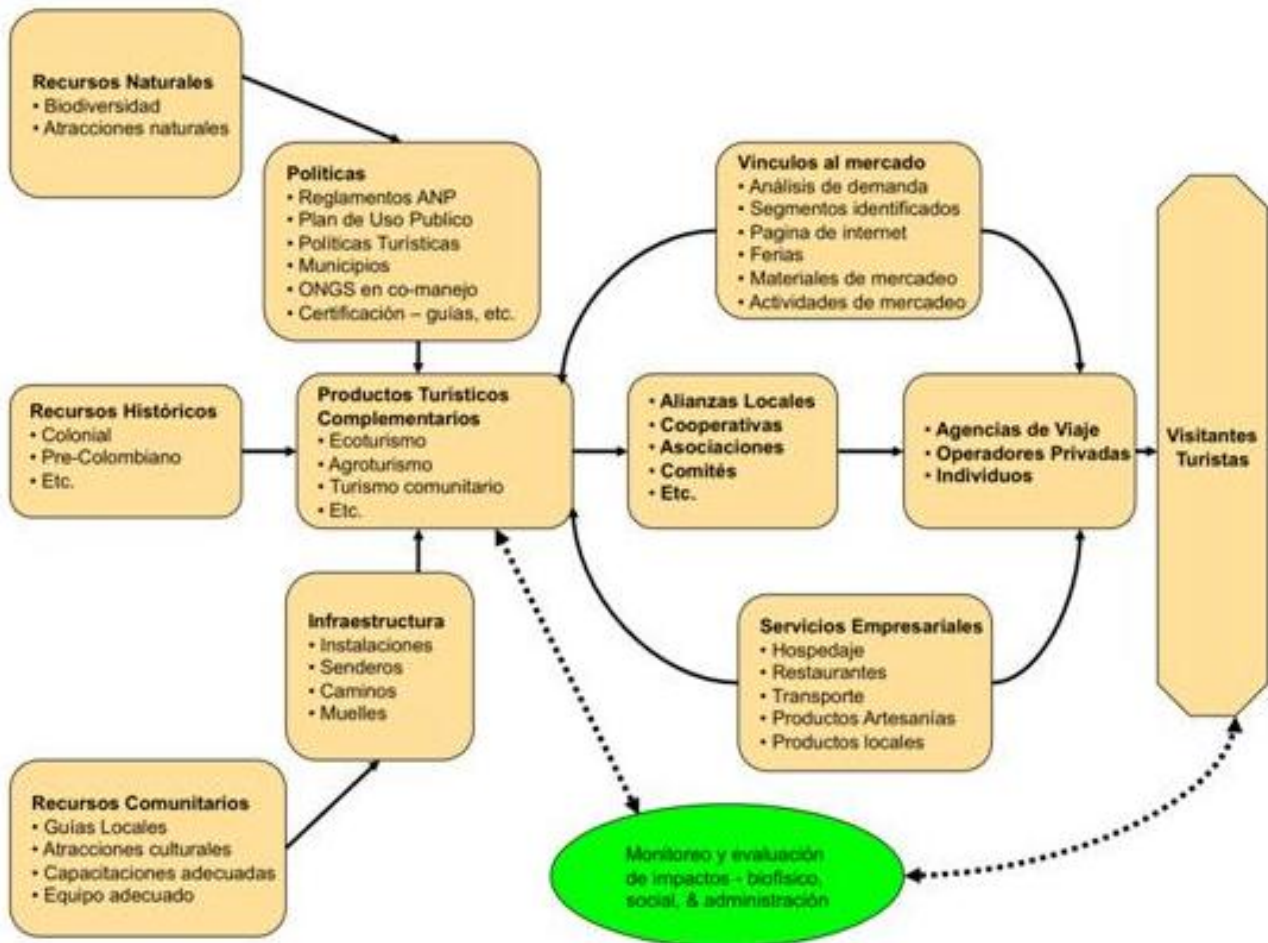
HISTORICAL RESOURCES:

- Colonial: churches, forts, architecture, etc.
- Pre-Columbian: archeology sites, rock art, etc.
- Historical: trains, ships, and structures like the banana plantation buildings

COMMUNITY RESOURCES:

- Local guides and community members interested and willing to be involved in tourism.
- Cultural attraction: unique local cuisine, traditional ceremonies, festivals, architecture/lifestyle
- Adequately trained local community members prepared to interact with tourists on a basic level.
- Adequate equipment to work with tourist like First Aid, binoculars for birding groups, safe equipment, etc.

FIGURE 7: TOURISM VALUE CHAIN



POLICY:

- Natural protected area regulations
- Visitor management or public use plans
- Tourism policies on local, regional and national levels
- Local municipal support and policies for tourism
- Co-management agreements between government entities and NGOs
- Certification and/or basic standards for tourism services & infrastructure

INFRASTRUCTURE:

- Basic installations like bathrooms, visitor kiosks and signs
- Trails
- Access roads
- Piers

COMPLEMENTARY TOURISM PRODUCTS:

These are the actual feasible tourism options taking into account all the inputs. Some example categories are:

- Ecotourism
- Agricultural tourism
- Community tourism
- Etc.

LINKAGE TO MARKET:

This includes two phases; 1) researching and identifying appropriate target markets, and; 2) creating linkages through various channels to communicate with market segments and includes:

- Demand analysis
- Market segment/s identification
- Web site
- Marketing materials
- Trade shows
- Other marketing activities

LOCAL ALLIANCES:

These are local organizations formed to better serve the market and include:

- Trade associations
- Chambers
- Cooperatives
- Committees
- Etc.

BUSINESS SERVICES:

These are usually private market efforts and include:

- Hotels/Eco-lodges
- Restaurants
- Transportation
- Handicrafts
- Other local products

THE MARKET:

- Travel Agencies
- Private Operators (inbound/outbound)
- Individuals

VISITATION:

Finally, with all these different inputs you have a successful visitation program that has a sustainable business base as well as sustainable and rational use of resources.

IMPACT MONITORING AND MITIGATION:

To ensure that the products are sustainable a visitor impact monitoring program is required to monitor the biophysical, social, cultural and administrative environments.

5.1 TOURISM VALUE CHAIN CLUSTER ANALYSIS

Clusters:

1. Bahia de Tela – Lancetilla
2. La Ceiba Region with Associated Protected Areas
3. Costa Garifuna Balfate – Sambo Creek to Rio Esteban
4. Cayos Cochinos

5.1.1 BAHIA DE TELA – LANCETILLA

Protected Areas:

- Jeanette Kawas National Park
- Punta Izopo National Park
- Lancetilla Botanical Gardens

Key Communities:

- Tela
- Triunfo de la Cruz
- La Ensenada
- Tornabe
- Miami

RESOURCES - NATURAL, HISTORICAL, AND COMMUNITY

Natural:

As stated in the site analysis all three protected areas are world-class attractions with regard to biodiversity, spectacular landscapes and unique features.

Historical:

In looking at the cluster as a whole there are some extremely significant historical resources relating to the “Banana Republic” era with United Fruit Company. Formerly headquartered in Tela, the hub for this cluster, there are many historical buildings in danger of destruction and being lost forever. Jeanette Kawas has both present day banana plantations, and surviving buildings and train infrastructure from the banana era. Lancetilla Botanical Gardens has some historically significant buildings and research documents dating back to the 1920s. Currently these historical resources are being underutilized or overlooked completely.

Community:

Extremely strong for the Garifuna communities in terms of cultural attractions. However, the communities are not well organized; there is a need for significant training in hospitality, group management, and basic nature interpretation. There is a fundamental lack of motivation to launch small-scale tourism ventures for a variety of reasons; most importantly they are not being integrated into the value chain by neither local private operators nor the co-management NGOs responsible for managing the conservation of the areas. This has resulted in very limited or non-existent local guides.

For Lancetilla, there has been progress in involving local communities; there are 7 local guides, and a Women's Cooperative. There seems to be barriers to community participation, the most obvious being distance and a lack of entrepreneurial spirit. . Local community members focus on obstacles instead of creative ideas for self-financing and building their micro-enterprises. However, there is a potentially strong market of local products.

POLICIES - PROTECTED AREAS, VISITOR MANAGEMENT/PUBLIC USE, LOCAL-REGIONAL-NATIONAL, CO-MANAGEMENT NGOS, CERTIFICATION:

On a cosmetic level all three protected areas are well administrated with Management Plans, Public Use Plans, and even an Interpretive Site Plan in the case of Lancetilla. On a functional level there seems to be a fundamental conflict of mission. Particularly in the case of PROLANSATE, the organization responsible for the protection of the biological resource is also in the tourism business. One of the key weaknesses is the lack of incentive for local community members to become involved and to benefit from visitation to these protected areas. The communities are simply being by-passed by both local operators and the co-management NGOs. Due to severe under-funding and lack of successful fundraising efforts, the co-management NGOs look at entrance fees and tourism as a means to support their office operations. This has also resulted in lack of funding for park guards – 6 for Jeanette Kawas, 1 for Punta Izopo; no sustained effort in implementing public use plans with sub-zoning for different visitor experiences; and almost non-existent visitor impact monitoring.

The inability of the co-management NGOs to get proper funding has created a significant barrier for tourism development. In general, the role of the NGO is to be a tourism incubator to stimulate an appropriate level of visitation, and then concession these activities to local actors with appropriate impact monitoring and mitigation safeguards. Instead, it appears that the NGOs have been trying to generate operations funds through fee-based tourism activities. Protected area management and administration requires significant funding and long-term government commitment to protect natural areas. This is one of the most important areas to address since it is at such a fundamental level and undermines the entire tourism value chain. Pro-Corredor is planning to invest \$3 million Euros over the next 3 years into the cluster. While these funds will be invaluable for increasing park guard staffing, and other key investments, the lack of implementation since the public use plans have been completed in 2004 is a concern. The conflict of mission, lack of effort in planning/anticipating visitor impacts, simple indicators and standards, are also cause for concern. When asked how they would sustainably finance increased staff, infrastructure and conservation work, (after the 3 year Pro-Corredor funding) the response is that entrance fees would generate “profit”. To put the probability of success of this into perspective, there is not one natural protected area in the region that is “profitable”. The exceptions

are the major Ancient Maya archeology sites like Tikal, Chichen Itza & Tulum. These few examples are used to fund the entire national systems. It is imperative that the co-management NGOs:

1. Focus on protected area management and manage sustainable resource use.
2. Incubate tourism activities and then concession out to encourage local involvement in protection and to generate income; presently NGOs use tourism to fund operations and this leads to conflict internally and with communities
3. Given the lack of government support, conflict with communities, limited man power resources and financial situation, NGOs should get out of tourism business

Pro -Corredor will help short term but there is a lack of long term planning.

CERTIFICATION/BEST PRACTICES:

Some workshops have been held and there is progress in this area. However there is no strategy in place for boat captains or land transportation.

INFRASTRUCTURE:

Jeanette Kawas has made steady improvement with aquatic and land trails, visitor center and signage.

Punta Izopo has plans prepared to diversify the visitor experience but needs significant funding.

Lancetilla has the longest-term and most developed infrastructure with a new visitor center, 2 km of trails, swimming area, improved overnight facilities a restaurant, and plans for a new interpretive center.

COMPLEMENTARY PRODUCTS:

This cluster offers a nice mix of options. While day-trips to Punta Sal and Punta Izopo on the surface seem similar, they are different experiences. Punta Sal really highlights the scale and natural attractions of the region with good infrastructure to explore; while Punta Izopo is much less developed and has a strong Garifuna cultural component. Lancetilla complements these experiences with a more developed educational component and the unique experience of a botanical garden.

What seems to be lacking is a consistently maintained marketing effort to package these destinations. The local tour companies offer packages to all three destinations. However, both the regional and international markets are not aware that these diverse experiences are available and how easy it is to visit all three.

LINKAGE TO MARKET:

Demand analysis/market segment identification: PROLANSATE has identified “scientific and education tourism” as their target market. Lancetilla has traditionally focused on these segments from its long history as a botanical garden. Lancetilla has made good progress and is further segmenting the market

with national and international visitors and looking at strategies to create a preferred mix. There does not appear to be any research into motivations and preferences for these target markets or product development that would specifically attract these segments and/or differentiate the experience between different segments.

Marketing: The confusion to the market is who is selling these visitation experiences? There are so many distribution channels – from the NGOs, private market, international NGOs trying to help, etc.; the visitor really does not get a clear message on how and why to visit. Marketing and promotion are extremely expensive, in order to justify this expense, all three areas and relevant tour operators should work together to develop materials and sell a clear, consistent message. Each organization has multiple websites, each private operator has their own sites, and then some overarching websites like Honduras Tips are also in the mix. All the organizations have some printed materials with basic information about the sites. This confusing promotion is not unusual as destinations develop. However, to improve the experience, clearly identifying target markets, developing products specifically designed for these target markets, and differentiating NGO activities from other local service providers is important. For example, PROLANSATE and Garifuna Tours have two distinctly different target markets. This needs to be clearly communicated to the market and these organizations need to collaborate. Every marketing dollar needs to be highly leveraged with a specific strategy.

LOCAL ALLIANCES:

There is an excellent opportunity for coordination through the Tela Sustainable Tourism Platform. This organization was formed in 2007 and has representatives of almost all key stakeholders – the only exception is Los Micos Resort. This is exactly what this cluster requires to begin positioning itself as a premier destination in Honduras.

TRAVEL AGENCIES/PRIVATE OPERATORS:

The leading private tour operator based in Tela is Garifuna Tours, in addition to Honduras Caribbean Tours and Caribbean Expeditions. It appears that everyone is offering the same product and competing on price. This is common and as the market grows there will most likely be consolidation. PROLANSATE and Lancetilla are offering almost the same products in their respective areas with a slight positioning difference tilted to the scientific/educational market. However, there is very little difference in the itineraries/activities. The concern is that all these entities are generally by-passing the local communities except for specific services. While private operators need to survive in a very competitive market, there appears to be opportunity for PROLANSATE and Lancetilla to diversify the product portfolio with capacity building in local communities and creating new products.

Regarding individual travelers, certainly one of the challenges is finding out what the options are for activities. Particularly for international visitors, finding out about PROLANSATE educational tours, or Garifuna Tours, you need to spend one or two days looking around. Fortunately, the Tela Sustainable Tourism Platform is aware of this challenge.

BUSINESS SERVICES:

One of the main attractions of Tela is the beautiful beach. What strikes first time visitors is the amount of garbage and general poor infrastructure of the beachfront. An extended visit to Tela highlights numerous historical buildings, but also their state of disrepair. Creating a diverse selection of lodging and dining options is part of creating an attractive destination and building a strong tourism cluster. Dining and lodging options are limited. Currently there are very few hotels that meet international standards with safe swimming beaches. Tela could be an extremely attractive destination with public investment in cleaning up the beachfront area and proper sanitation treatment.

Another challenge is lack of transportation options for visiting Lancetilla, Triunfo de la Cruz and other nearby areas. The only options are public bus or taxi. Most tourists are looking for a shuttle system so they have flexibility in the case they want to stay longer or leave earlier. A basic shuttle system would improve the linkage to the different destinations and have a strong appeal to international tourists. With Los Micos Resort coming online, this will probably create a sustainable base for a shuttle system.

For traditional Garifuna meals in the different communities it is important to diversify the menu selection. “The Meal” is fried fish. There are many more traditional dishes and restaurants should experiment and come up with some new ideas.

VISITORS:

Unfortunately, we do not know what visitors currently think of their experience to the Tela Bay Cluster. This highlights the lack of consistent data collection and visitor impact monitoring.

VISITOR IMPACT MONITORING AND EVALUATION:

It is imperative that the organizations involved in managing the protected areas begin visitor impact monitoring programs. This includes:

- Biophysical impacts – damage to the environment
- Administration impacts – what are the staffing and infrastructure requirements for your public use plan
- Social – visitor satisfaction and, where applicable, community impacts from tourists in or near their community
- Cultural – how tourist impact traditional practices and activities.

5.1.2 LA CEIBA REGION WITH ASSOCIATED PROTECTED AREAS

Protected Areas:

- Pico Bonito National Park
- Cangrejal River Corridor
- Cuero y Salado Wildlife Refuge
- Nombre de Dios National Park

Key Communities:

- La Ceiba
- Salado Barra
- El Pino
- El Naranjo/Las Mangas

RESOURCES - NATURAL, HISTORICAL, AND COMMUNITY

Natural:

This is probably one of the strongest clusters of natural attractions in the region. From excellent wildlife viewing in Cuero y Salado, white-water rafting and kayaking in the Rio Cangrejal, to rainforest hiking in Pico Bonito. Outstanding natural features.

Historical:

There are excellent historical buildings in La Ceiba that should be protected. La Ceiba has the potential to become the “New Orleans” of Central America but many, if not all of the historical buildings, are in danger of collapse. The narrow gauge train of Cuero y Salado with the big plantation house and other infrastructure are a great potential resource. There are also some pre-Columbian archeological sites that are currently being investigated. There is a lot of potential.

Community:

The communities are becoming more organized and more engaged in tourism activities. There has been an endless stream of different local and international NGOs with different trainings and plans that never seem to last more than one or two year funding cycle. However, in each of the areas there is community level organization, some local guides, and some different alliances and networks. For Cuero y Salado Wildlife Refuge, the co-management NGO – Fundación Cuero y Salado (FUCSA) needs to create incentives for the local communities to invest in tourism activities. There is a lack of enthusiasm/creativity and entrepreneurial spirit for example in Salado Barra, even with a consistent flow of visitors. In turn, both FUCSA and private operators in La Ceiba need to support and integrate new activities into their offerings. While still early in development, overall the community resources are strong with additional investment and incentives.

POLICIES - PROTECTED AREAS, VISITOR MANAGEMENT/PUBLIC USE, LOCAL-REGIONAL-NATIONAL, CO-MANAGEMENT NGOS, CERTIFICATION:

On a cosmetic level all three protected areas are well administrated with Management Plans and Public Use Plans. On a functional level there is a lack of implementation of the public use plans particularly visitor impact monitoring and mitigation. Pico Bonito National Park and FUPNAPIB have been successful with integrating local communities and other stakeholders into visitation strategies for Pico Bonito. Both the Zacate access point and Rio Cangrejal have local communities involved.

Cuero y Salado is a bit more challenging. As mentioned above, there is a certain amount of “community burnout” from endless workshops and short term community activities organized by a wide variety of aid organizations, each working according to their own plan and with minimal coordination. However there is a solid core of 3 local guides with 2 more in training and real commitment by local communities in tourism. Lack of resources for protected area management is certainly part of the issue. However, there do not seem to be realistic incentives for community members to invest in tourism activities as a small business. Symptomatic of the problem is boat motor maintenance. Almost 100% of visitors to Salado Barra explore the aquatic trails by motor boat. FUCSA has 4 motors (1 dedicated to conservation, 3 to tourism). Commonly 2 of the motors are not functioning and tourist groups sometimes have to wait two hours until one of the functioning motors becomes available. This leads to poor visitor experience. FUCSA needs to make sure there are incentives in place not only for basic repair and maintenance, but also for financing additional boats and quieter and more efficient motors. The restaurant “concession” is not functioning optimally. The lack of sufficient electricity to run a refrigerator poses a great challenge as groups must make reservations in advance for typical meals. There is no motivation on the concession’s part to innovate with a menu that does not require chicken or fish. An additional challenge to arriving to Salado Barra requires taking a narrow gauge train which is administered by the federal government and has no accountability to the communities or wildlife refuge. The train has a very erratic schedule and there is very poor communication with the manager of the train who often does not answer his cell phone.

The municipal of La Ceiba is not proactive in diversifying the tourism offering. The current administration appears to be committed to strengthening the festivals – the primary being Carnival – and not improving the cluster.

INFRASTRUCTURE:

Significant improvement in Pico Bonito with additional trails, visitor center and bridge in the Rio Cangrejal watershed as well as two community trails. Improvement of the Zacate Falls trail. Cuero y Salado has built a visitor center/restaurant, a basic dormitory style ecolodge, and is developing a community trail in Salado Barra. The 9.5 km of narrow gauge railroad is scheduled to be rebuilt in 2009.

Access roads are not well signed. Boats and motors at Cuero y Salado are not up to market expectations.

COMPLEMENTARY PRODUCTS:

Pico Bonito National Park, the Cangrejal River, and Cuero y Salado Wildlife Refuge offer distinctly different and complementary activities. There is a great mix of ecotourism, adventure tourism, and community tourism. As with Bahia de Tela, the challenge is communicating these attractions to visitors. Most tourists are either unaware of the opportunities or not informed enough to realize how close or accessible these options are.

LINKAGE TO MARKET:

Demand analysis/market segment identification: The national and particularly the international market finds the attractions offered in this clustered as preferred activities. One of the strategies for the cluster as a whole is to expand to new market segments. One of the traditional market segments has been the international “backpacker” market known for notoriously tight budgets and unwillingness to pay for added value. While this is a viable segment, higher-end North American & European ecotourists tend to spend 5 to 6 times more per day/trip. The Lodge at Pico Bonito, as well as the Palma Real Hotel has created an opportunity to service this segment. The cluster as a whole needs to build on this and develop wholesale pricing for The Lodge and Palma Real and retail pricing for individual travelers. The cluster also needs to look at the seasonality of visitors and adjust services accordingly (January – March North Americans; April – June Hondurans; July – August Europeans/Central Americans). The cluster also needs to market the destination, not just specific products but the whole portfolio. There is a huge amount of SCUBA business from the Bay Islands that need to wait 24 hours before international flights which could be a lucrative segment.

Local tour operators offer very similar products and compete on price. There is some differentiation on adventure/white-water rafting but it is very competitive.

LOCAL ALLIANCES:

Unfortunately there is not an organization like the Tela Sustainable Tourism Platform. It is recommended that the La Ceiba Chamber of Tourism initiate the formation of a similar organization to pool limited marketing resources and present a cohesive message to the market.

Cangrejal Ecotourism is ideal for moving forward and diversifying products for the Cangrejal River Corridor. FUPNAPIB and the community of El Pino need to make extra efforts to make sure they are included. El Pino is a member of Recotour (Red de Comunidades turísticas) which includes five or six small communities (including Salado Barra) which could be important.

The private tour companies, local communities and NGOs need to work closer together.

TRAVEL AGENCIES/PRIVATE OPERATORS:

There are five main tour operators based in La Ceiba – Tourist Options, Garifuna Tours, La Moskitia Ecoaventuras, Omega Tours, and Jungle River. Omega and Jungle River focus almost exclusively on the Rio Cangrejal. As mentioned previously, they all offer very similar packages and compete on price. As

also mentioned previously, the tour companies need to work closer with the co-management NGOs and local communities. Incentives for increased visitation, investing in infrastructure and other opportunities should be explored. Both NGOs and communities need to understand pricing structures to create incentives for private operators to increase visitation.

BUSINESS SERVICES:

Transportation and variety of quality lodging are two areas restricting tourism. La Ceiba has been promoting the idea of being an “ecotourism destination” but there are almost no options for ecolodges outside the 4 star Lodge at Pico Bonito. The Rio Cangrejal is responding to this market opportunity with a number of medium size developments in process or planned. A shuttle system is needed to strengthen all three areas. Public bus or taxis are currently the only options and due to the distances neither functions well for tourism. Pooling resources and having a morning and afternoon transfer to and from Cuero y Salado would have a dramatic impact. The Cangrejal River Corridor is more challenging since there are attractions spread out over 10 kilometers so a simple pick up and drop off will only have limited impact. The key is to create a sustainable flow of visitation for variety of small businesses, transportation being one example.

Food service in both Cuero y Salado and the Cangrejal need to be more dependable. Again, this hinges on a sustainable flow of visitation to support the business. If either location gained a reputation for unique dishes, good service, fun places to eat, etc. the market would shift to include meals at these locations. Currently the food service is so undependable that private groups either bring a box lunch or plan to eat in La Ceiba.

Handicrafts are being promoted by funding organizations and their sale needs to be encouraged through concentrating (a stand at the train station loading and off-loading areas for example) and point of purchase strategy; essentially, setting up some souvenir shops. The Cangrejal communities have developed a nice diversity of products and the communities need to work together to develop multiple distribution/sales points.

VISITORS:

Unfortunately, we do not know what visitors currently think of their experience to the different areas. This highlights the lack of consistent data collection.

VISITOR IMPACT MONITORING AND EVALUATION:

It is imperative that the organizations involved in managing the protected areas begin visitor impact monitoring programs. This includes:

- Biophysical impacts – damage to the environment
- Administration impacts – what are the staffing and infrastructure requirements for your public use plan
- Social – visitor satisfaction and, where applicable, community impacts by tourist in or near their community
- Cultural – how tourist impact traditional practices and activities.

5.1.3 COSTA GARIFUNA Balfate

Starting from La Ceiba going east, the communities working or developing tourism activities are:

1. Corozal (Garifuna)
2. Sambo Creek (Garifuna)
3. Jutiapa (Mestizo)
4. Nueva Armenia (Garifuna)
5. Rio Esteban (Garifuna)
6. Rio Coco (Mestizo)

RESOURCES - NATURAL, HISTORICAL, AND COMMUNITY:

The Balfate area has a very attractive mix of both natural and community attractions. This is a new area and in general terms, the tourism value chain overall is very weak and/or some important inputs missing. Two aspects of this area make it very attractive, the Garifuna culture complements the natural attributes of the La Ceiba cluster; and the lack of mass tourism and open pristine beaches. Obviously the second attraction can easily be destroyed by over visitation.

The natural attractions include community level protected areas, waterfalls, hot springs, and mangrove lagoons ideal for exploring by kayak or canoe. These attractions are distributed over the 30 kilometers of this area with the majority concentrated at the end of the road by the community of Rio Coco.

Cultural resources are strongest in Rio Esteban and Nueva Armenia having a very Garifuna feel, as well as Sambo Creek and Corozal. The Festival Garifuna in Rio Esteban is certainly a main cultural event for the area. Traditional fishing and farming should not be overlooked for community based market segments.

POLICIES - PROTECTED AREAS, VISITOR MANAGEMENT/PUBLIC USE, LOCAL-REGIONAL-NATIONAL, CO-MANAGEMENT NGOS, CERTIFICATION:

The main effort from a policy perspective has been to improve the road for access. There have been a number of different small scales projects funded by NGOs including supporting a restaurant & handicrafts in Rio Esteban, building cabanas in Rio Coco, handicrafts, furniture manufacturing in Corozal, and even the possibility of developing a SCUBA Dive Center in Rio Esteban. The newly declared Nombre de Dios National Park is on the western part of this area. Best practices training and other workshops have been offered for the communities.

However, any overarching or tourism policy for this area is not in place at this time.

INFRASTRUCTURE:

The road access is improved but is still unpaved. There are several river crossings which have also been improved but can be barriers to access in unusually heavy rain. There are a number of community trails, generally short (less than 1 km). There is not an official visitor center or main collecting point for tourism activities.

COMPLEMENTARY PRODUCTS:

This area complements the other two nearby clusters – La Ceiba and Cayos Cochinos. Due to the proximity of Cayos Cochinos and the historical relationship these communities have with Cayos, there is opportunity to “fill out” a day trip to Cayos Cochinos with a visit to this area. Also appealing, each community has a slightly different market position with Corozal closest to La Ceiba; Sambo Creek departure point for Cayos Cochinos; Nueva Armenia a bit isolated and very Garifuna with nearby lagoon; Rio Esteban the hub of the area; Rio Coco the paradise at the end of the road. It is recommended that each community focus on a core product that is different from the others. This will make them attractive for your more adventurous independent travelers and also the private operators and hotels in La Ceiba.

LINKAGE TO MARKET:

Currently no private operators offer trips to the area east of Jutiapa on a consistent basis. Through working collectively, the communities need to develop complementary services (cultural, natural, service – restaurants/bathrooms) and some basic half-day, full-day, and maybe overnight trips. Inviting the local private operators out to experience the products will get feedback and suggested improvements. Essentially it requires perseverance and determination in developing a destination. Taking advantage of all training, building a network, and always promoting, will slowly bring some operators to experiment with new destinations and activities.

LOCAL ALLIANCES:

From our research, two alliances were identified, with one being a cluster of communities on the mainland, and the Chamber of Cayos includes Fundación Cayos Cochinos – Rio Esteban, Nueva Armenia, and Sambo Creek. Both are important to strengthen to ensure complimentary product development and promotion of the clusters instead of simply one destination or service provider. Both are very weak organizationally but have an agreed upon organization, structure, and leadership.

TRAVEL AGENCIES/PRIVATE OPERATORS:

Acosta Tours operates out of Sambo Creek for tours to Cayos Cochinos; the other private operators are Tourist Options and Garifuna Tours (also focusing on Cayos Cochinos).

BUSINESS SERVICES:

Outside of a few exceptions – Rosie’s Restaurant in Rio Esteban, Cabanas Rio Coco, and two basic hotels in Rio Esteban - there are limited service east of Jutiapa. Corozal has a nice hotel and restaurant (Ocean View) and Sambo Creek has several lodging options. Transportation is by public bus, taxi or private car. There are plans for several foreign retirement communities so more services may develop.

VISITORS:

Unfortunately, we do not know what visitors currently think of their experience to the different areas. This highlights the lack of consistent data collection.

VISITOR IMPACT MONITORING AND EVALUATION:

As this area develops it is important that the Costa Garifuna Balfate position itself appropriately in the market. The pristine beaches, lack of mass tourism and authentic culture are its main attractions. Maintaining this can be extremely challenging if they suddenly become “discovered” and appropriate visitor impact monitoring and mitigation strategies are not in place. Monitoring visitor, social, and cultural impacts should probably take a bit more priority due the unique characteristics. Determining limits of acceptable change for community members is important in order to avoid conflict. Discussing how to share cultural traditions with the public and setting up accepted guidelines will also minimize impacts. This does not mean the biophysical and administrative impacts are not important. It does mean these other areas need to be evaluated more from a community perspective and not strictly a traditional protected area management perspective. This includes:

- Biophysical impacts – damage to the environment
- Administration impacts – what are the staffing and infrastructure requirements for your public use plan
- Social – visitor satisfaction and, where applicable, community impacts by tourist in or near their community
- Cultural – how tourist impact traditional practices and activities.

5.1.4 CAYOS COCHINOS

RESOURCES - NATURAL, HISTORICAL, AND COMMUNITY:

The natural marine resources of Cayos Cochinos are a global conservation priority for The Nature Conservancy, the largest conservation organization in the world. There are also some important terrestrial resources discussed in the Site Analysis section. Needless to say, this is an outstanding natural area.

There are two Garifuna villages that have historically used these islands for seasonal fishing camps. Both Chachajuate and East End add cultural value to visiting Cayos Cochinos. Both have restaurants and overnight accommodations.

Cayo Menor is the protected area administrative hub and is permanently staffed. All the islands are privately owned so there is also a mix of private homes as well as “yachties” - private sail boats passing through.

Community members of Cayos Cochinos benefit from visitation primarily through services – boat services for scientific tourism, meals for day visitors and lodging for overnight visitors. Local guides are limited since most visitors book their trip from one of the private operators in La Ceiba or Sambo Creek who have their own guides.

POLICIES - PROTECTED AREAS, VISITOR MANAGEMENT/PUBLIC USE, LOCAL-REGIONAL-NATIONAL, CO-MANAGEMENT NGOS, CERTIFICATION:

Fundación Cayos Cochinos is the managing NGO for the marine reserve. Similar to PROLANSATE, there seems to be a fundamental conflict of interest between the mission of the organization and being involved in the business of tourism. There are at least seven different boat departure points for visiting Cayos Cochinos and over visitation is a serious threat. Over the last several years, Fundación Cayos Cochinos have been involved in scientific tourism with WALLASEA, a UK for-profit “volunteer and scientific research” private company; an Italian television production company that has a contract to produce the equivalent of “Survivor” reality TV show for the Italian market, and a contract with a private Spanish operator to offer “survival” trips to the private market. This has undoubtedly created important revenues for the organization and maintained its financial health. There is a Management Plan and a Public Use Plan. Included in the public use plan are recommendations for developing visitor impact indicators and standards. Unfortunately, there is little being done to seriously monitor visitor impacts to the important areas. An ironic example is the group that is doing the data collection – WALLASEA, has the largest groups and most impact while trying to collect impact data. The reality TV show and survival tours are primarily on Cayo Menor in endemic/endangered terrestrial species habitat without monitoring visitor impacts. Sadly, the additional revenue could have been used to establish a model for marine and island visitor impact monitoring and mitigation program. Fundamentally this conflict of mission is creating degradation of the resource.

On a positive note, the community of Chachajuate has received training and support from Fundación Cayos Cochinos in developing and managing their restaurant service, bathrooms, and best practices and nature guide training.

INFRASTRUCTURE:

Visitor Center on Cayo Menor is adequate with bathrooms and orientation area for day visitors. There are a number of cabanas for researchers as well as research stations and restaurant. There are some trails on Cayo Menor for researchers only (and reality TV crew and survivor tourists). Cayo Mayor has a simple trail from East End and Plantation Beach Resort has two private trails. It is not permitted to drop anchor in the marine protected and currently there is not a buoy system to tie up boats. Currently there are ideas for aquatic sea-kayaking trails but not officially established.

COMPLEMENTARY PRODUCTS:

As mentioned, Cayos Cochinos complements the Costa Garifuna Balfate and other cluster activities in La Ceiba. The high quality reef environment is some of the best snorkeling in the Caribbean. The communities of East End and Chachajuate should identify slightly different target markets to service. The communities of Corozal and Sambo Creek should develop some complementary products – Garifuna dancing, theater, etc. that could take place after a day on the reef. The other communities further east should explore multi-day options with a final day visit to Cayos Cochinos and then the return to La Ceiba.

LINKAGE TO MARKET:

Currently the tour operators in La Ceiba are offering tours to Cayos Cochinos as well as some operators on the Bay Islands. The key is identifying viable target markets. Most developments to date have been focused on budget travelers. If scientific volunteer travel is an identified segment, managing impacts of these large groups is imperative. Creating more value added services, managed by the communities is important; e.g. aquatic interpretive trails for sea-kayaking.

LOCAL ALLIANCES:

There is one association – Chamber of Tourism Cayos Cochinos – that is organizationally weak at the moment but has a structure and would be an excellent tool to future development to ensure minimizing impacts, development of complementary products and community involvement.

TRAVEL AGENCIES/PRIVATE OPERATORS:

Tourist Option and Acosta Tours are the leading private operators with Garifuna Tours also bringing some clients. The challenge is bringing new market segments to La Ceiba since Cayos Cochinos is a well known destination.

BUSINESS SERVICES:

Transportation is fairly well developed for people to visit from La Ceiba. Tour operators depart daily. As mentioned, the current lack of control on the number of boats that can visit should be one of the top concerns for Fundación Cayos Cochinos.

Unfortunately, the accommodations in general are not up to international market expectations with perhaps the exception is Casa Paraíso on Cayo Culebra (not visited). The accommodations in Chachajuate are extremely rustic and for budget travelers only. The restaurant in East End could easily position itself as the higher service option to Chachajuate. Unfortunately the extremely poor design (2 rooms with 10 beds in each room) and location (10 feet from neighboring community homes) of the accommodations in East End make it only attractive to large low-budget groups. Obviously the social impacts of constructing a bunkhouse in the middle of the community were not considered. There is one other accommodation option, the Plantation Beach Resort. This is located on Cayo Mayor and surrounded by beautiful forest. It includes 12 cabanas with restaurant and moorings for boats. At one point this must have been a stunning property but neglect and infrastructure deterioration makes it run down and dangerous.

Until more demanding market segments with a willingness to pay more for services consistently visits Cayos Cochinos, it will remain a day-trip option. Fundación Cayos Cochinos may want to consider this as preferred visitation option since day trips may have less biophysical impacts than guests who stay overnight.

VISITORS:

Unfortunately, we do not know what visitors currently think of their experience to Cayos Cochinos. This highlights the lack of consistent data collection.

VISITOR IMPACT MONITORING AND EVALUATION:

It is imperative that Fundación Cayos Cochinos begin visitor impact monitoring programs. This includes:

- Biophysical impacts – damage to the environment
- Administration impacts – what are the staffing and infrastructure requirements for your public use plan
- Social – visitor satisfaction and, where applicable, community impacts by tourist in or near their community
- Cultural – how tourist impact traditional practices and activities.

6 PRODUCT DEVELOPMENT & PARTNERING

Each of the clusters has developed a portfolio of products that highlight the natural attributes of each location. To varying degrees, cultural and historical attractions have been included in the portfolio of products. Four additional steps are needed to appropriately position the Caribe Esmeralda in the market:

1. Identify motivations and preferences of target markets
2. Adjust itineraries to appeal to specific target markets
3. Package products within each cluster
4. Package products between clusters

Target markets currently identified:

1. Education – national students
2. Education – international students
3. Education – international individuals
4. Scientific/volunteer – international
5. Adventure – national
6. Adventure – international
7. Ecotourism – national
8. Ecotourism – international
9. Cultural – national
10. Cultural - international

Each of these target markets have distinct preferences and price points and can be further divided. For example the target market “Ecotourism – international” can further be segmented into:

1. Ecotourism – international – Central American
2. Ecotourism – international – North American
3. Ecotourism – international – European

Each of these sub-segments has their own unique characteristics and seasonal visitation patterns. A key part of visitor impact monitoring is assessing visitor satisfaction and learn about preferences from different market segments. Simply including an interpretive guide on a basic tour does not meet the needs of the educational market segment. Almost all the private operators throughout the Caribe Esmeralda have bi-lingual guides and incorporate nature and cultural interpretation. In fact, you generally find the most skilled guides in the private market where they get compensated more for their expertise. What educational component do you offer that is not part of an “ecotourism” package?

Equally important is how do maximize benefits. Certainly the first benefit usually considered is financial. From the market analysis we know that the European and North American segments spend the most per day when visiting. We also know the national market is by far the largest, but spends the least. In between is the Central American market. From the value chain analysis there are limitation in meeting

the expectations of the North American market in terms of lodging, guiding, and meal preparation. Europeans, in general, are more tolerant in all these areas. So if you want your product to succeed, you must have the capacity, training & equipment to meet the market expectations. To aggressively go after the North American market with poor lodging, no bi-lingual guides, dining in local restaurants without food preparation training; will not be successful.

Complicating this is almost all the mentioned target markets can be further divided into wholesale/retail. This means that you are an intermediary – wholesale - (between US outbound operator, University, etc.) or communicating directly with individuals (retail). If you are in the capacity of an intermediary, commissions of 15 – 20% are expected, and obviously less profitable. However, intermediaries have limited marketing expenses.

Each organization and cluster needs to consider how to position itself with other service providers and attractions with the other destinations within the cluster and between clusters. Rather complicated but required for long-term success. All tourism destinations worldwide face the same requirements.

Also to consider is how to transition to more value-added/profitable market segments. Most organizations need to slowly evolve and strategically introduce new products to specific new target markets as they have more capacity and resources to service the additional expectations.

FIGURE 8: EXAMPLE - APPEARANCE OF DIFFERENT MARKET SEGMENTS WITH PRICE INCREASES



For this analysis we will look at each cluster and identify what we think are the most viable segments throughout the year. We will then make some recommendations for inter-cluster packages that appeal to what we think are the most viable segments.

Regional pattern: La Semana Santa and the first week in August are well-known regional vacation times. Particularly during La Semana Santa almost all tourism related entities are over capacity. It is important to plan for huge amounts of trash and human waste, and particularly for fragile areas, guidelines established to minimize negative impacts.

6.1 BAHIA DE TELA – LANCETILLA

Protected Areas:

- Jeanette Kawas National Park
- Punta Izopo National Park
- Lancetilla Botanical Gardens

Key Communities:

- Tela
- Triunfo de la Cruz
- La Ensenada
- Tornabe
- Miami

MARKET SEGMENTS:

- National Students
- International Students
- European Ecotourists
- North American Ecotourists
- Specialty Tours – Birding, Plants, Orchids, Butterflies

National Students:

While the financial benefits of this segment are minimal the long-term investment in the future is extremely important. Infrastructure is in place to service this market and the key is to position visitation in “shoulder seasons”; when they are not displacing a more lucrative market segment. Ideally this is May, September – November. However we know that the preference is generally May – August. This segment is ideal for introducing new services and products and give local community members experience working with groups.

International Students:

Some key characteristics that this segments looks for are:

- Making local connections
- Visiting out of the way places
- Service projects (beach clean-up, helping local school, etc.)
- Affordable, simple dormitory style accommodations
- Sites that can accommodate fairly large groups (15 pax +)
- Central locations
- Supporting local conservation organization
- Multi-day itineraries

PROLANSATE and Lancetilla are well positioned to service this market. Infrastructure, local community relations, and staffing are in place to manage these groups.

Sample itinerary:

- Day 1: Arrive in Lancetilla (overnight: Lancetilla)
- Day 2: AM: Visit the different community sectors of Lancetilla; PM Service Project (overnight: Lancetilla)
- Day 3: AM: Transfer to Tornabe; PM: Visit Miami (overnight: Tornabe)
- Day 4: AM: Punta Sal; PM: Service Project (overnight: Tornabe)
- Day 5: AM: Transfer to Triunfo de la Cruz; PM Service Project in Punta Izopo (overnight: Triunfo de la Cruz)
- Day 6: AM: Visit to Ensenada; PM OPEN (overnight: Triunfo de la Cruz)
- Day 7: Depart

European Ecotourist:

This segment is looking for natural and cultural attractions. The European segment is a bit more adventurous and usually willing to rent a car and can find destinations. They adapt well to more rustic housing within reason, prefer community interaction, and like to try local foods.

Sample Itinerary:

- Day 1: Arrive in Tela overnight on beach hotel – Cesar Marisco / TelaMar / other options
- Day 2: Punta Sal with visit to Miami (overnight: Tela)
- Day 3: Triunfo de la Cruz, Punto Izopo, dancing/community tour (overnight Triunfo de la Cruz)
- Day 4: Lancetilla with community visit (overnight Tela)

North American Ecotourist:

Wholesale by outbound operator. Like to see natural and cultural highlights, very high quality accommodations, require proper food preparation or else become sick.

Sample Itinerary:

- Day 1: Arrive in Tela (overnight: TelaMar)
- Day 2: Punta Sal with visit to Miami (overnight: TelaMar)
- Day 3: Triunfo del Cruz, Punta Izopo (overnight: TelaMar)
- Day 4: AM: Lancetilla; PM depart of other destination

Specialty Tours: These are focused on outstanding examples in a particular area and are usually foreigners, particularly birding groups. Normally a well-known expert designs the itinerary. It is important to assess the resources and talk with experts to develop attractive itineraries. For example,

Robert Gallardo would be a good contact to develop a 3-day birding/butterfly/orchid tour. Usually seasonality is very important.

6.2 LA CEIBA REGION WITH ASSOCIATED PROTECTED AREAS

Protected Areas:

- Pico Bonito National Park
- Cangrejal River Corridor
- Cuero y Salado Wildlife Refuge

Key Communities:

- La Ceiba
- Barra Salado
- El Pino
- El Naranjo/Las Mangas

MARKET SEGMENTS:

- International Adventure
- European Ecotourists
- North American Ecotourists
- Day trips for Palma Real and The Lodge at Pico Bonito
- Specialty Tours – Birding, Plants, Orchids, Butterflies

International Adventure:

The Rio Cangrejal with white-water rafting and kayaking is a natural attraction for this segment. The challenge is to expand the activity base since the Rio Cangrejal is a one-day event due to its short length. A logical expansion would be a full-day kayaking trip in Cuero y Salado, and incorporating a moderate hike in Pico Bonito. Refurbishing La Casona, the plantation house in Salado Barra could make this a special experience. Different price points can be accommodated from accommodation selection – Cabanas del Bosque, Jungle River, Omega, The Lodge at Pico Bonito.

Sample Itinerary:

- Day 1: Arrive Rio Cangrejal – late afternoon swim
- Day 2: Rafting the Rio Cangrejal

- Day 3: Hiking Pico Bonito from Visitor Center; PM transfer to Cuero y Salado La Casona; night walk (overnight: La Casona)
- Day 4: Kayaking to Barra Cerrado, overnight camping
- Day 5: Return to La Ceiba

European Ecotourists Sample Itinerary:

- Day 1: Arrive Cabanas del Bosque; PM community trail hike
- Day 2: AM: Community visit to El Naranjo/Las Mangas; PM: Rafting the Rio Cangrejal (overnight: Cabanas del Bosque)
- Day 3: Hiking Pico Bonito – Zacate Falls (overnight: Cabanas del Bosque)
- Day 4: Kayaking from Boca del Toro to Salado Barra, return to La Ceiba

North American Ecotourists:

- Day 1: Arrive at Omega Cabanas; PM swim in Cangrejal
- Day 2: AM: community visit in El Naranjo and Las Mangas; PM rafting Rio Cangrejal (overnight: Omega)
- Day 3: AM: Pico Bonito hike from Visitor Center; PM: transfer to La Casona
- Day 4: Early morning boat tour looking for Manatees; PM: return to La Ceiba

Day Trips for Palma Real and The Lodge at Pico Bonito:

Both hotels are very familiar with the different attractions of the area. One area with opportunity for new products is what to recommend to their guests on a rainy day. Cangrejal Ecotourism can develop an excellent package visiting their different member sites. What is required is consistency in service and wholesale pricing. The other opportunity is diversifying the experience (and improving consistency) in Cuero y Salado. First the basic package must be improved. This is taking the train from La Union to Salado Barra; having functioning boats and guides; and timely return. If appropriately designed, a half-day and maybe a full-day kayaking trip would also be popular. And if safe with healthy and well-trained animals, horseback riding is usually popular if reasonably priced. Refurbishing La Casona and offering a late afternoon train trip, overnight, and early sunrise tour may be attractive but remember the guests are already paying for lodging so this may be prohibitive.

Specialty Tours:

These are focused on outstanding examples in a particular area and are usually foreigners, particularly birding groups. Normally a well-known expert designs the itinerary. It is important to assess the resources and talk with experts to develop attractive itineraries. For example, Robert Gallardo would be a good contact to develop a 3-day birding/butterfly/orchid tour. Usually seasonality is very important.

6.3 COSTA GARIFUNA BALFATE

Starting from La Ceiba going east, the communities working or developing tourism activities are:

1. Corozal (Garifuna)
2. Sambo Creek (Garifuna)
3. Jutiapa (Mestizo)
4. Nueva Armenia (Garifuna)
5. Rio Esteban (Garifuna)
6. Rio Coco (Mestizo)

MARKET SEGMENTS:

- European Rural/Ecotourist
- North American Rural/Ecotourists

Due to the lack of many services, it is recommended that one basic itinerary be developed and as more products are developed to add on to the itinerary. The itinerary can be adjusted to target market segments. The basic itinerary is:

Rural Tourism:

- Day 1: La Ceiba to Rio Coco; PM hike up to the waterfall/swimming
- Day 2: Boat & snorkeling to Manati Beach, picnic on beach, community visit
- Day 3: AM: Casava factory tour; community trail; lunch and community tour Rio Esteban; return to La Ceiba

North American Ecotourist:

- Day 1: La Ceiba to Rio Coco; PM hike up to the waterfall/swimming
- Day 2: Boat & snorkeling to Manati Beach, picnic on beach
- Day 3: Kayaking at LisLis lagoon; PM: lunch and community tour Rio Esteban; return to La Ceiba

6.4 CAYOS COCHINOS

MARKET SEGMENTS:

- International Scientific/ volunteer (multi-day)
- International Adventure (multi-day)
- Sun & Beach
- European Ecotourists
- North American Ecotourists

Fundación Cayos Cochinos has well-established programs for the first two segments. Visitor satisfaction surveys and additional market segment research is important to maintain and expand these segments.

Sun & Beach segment is operating with individuals having multiple options from La Ceiba and Sambo Creek; Palma Real and Lodge at Pico Bonito have existing contracts.

European & North American Ecotourists:

If visitor impacts are acceptable for overnight visitation, this segment has potential to spend one or two nights. It is recommended they stay at either Plantation Beach Resort or possibly Casa Paraíso. The accommodations at Chachajuate and East End are designed for budget travelers and do not meet this segments expectation. This does not exclude them from utilizing new products or existing services.

Sample Itinerary:

- Day 1: Transfer to Cayos: AM snorkeling; PM: Lunch Chachajuate, check into lodging
- Day 2: AM: kayaking; PM: Lunch at East End hike on Cayo Mayor
- Day 3: AM: snorkeling/return to La Ceiba

6.5 INTER-CLUSTER ITINERARIES

The Caribe Esmeralda should aggressively promote inter-cluster itineraries to raise the profile of the region. We believe the most viable market segments are European Ecotourist with more of an emphasis on cultural & community based attractions; and North American Ecotourists that have more of an emphasis on natural attractions and easy to moderate activities but have the same cultural & community based attractions, just shorter versions. These two segments complement each other through seasonality with North Americans visiting January – March and Europeans June – August.

Two other segments considered are the international educational segment and the scientific/volunteer segment.

EUROPEAN:

- Day 1: Arrive in San Pedro Sula transfer to Tela, relax on beach
- Day 2: Punta Sal with Miami
- Day 3: Triunfo de la Cruz/Ensenada; Punto Izopo
- Day 4: Lancetilla visiting with Women's Cooperative, swimming, restaurant before departing to La Ceiba (Cabanas del Bosque).
- Day 5: AM: Community visit El Naranjo/Las Mangas; PM: rafting
- Day 6: Cuero y Salado; PM: hike in Pico Bonito
- Day 7: Transfer to Rio Coco; afternoon swimming at waterfalls
- Day 8: Manati Beach/snorkeling/short hike
- Day 9: AM: Rio Esteban community visit; PM: transfer to Corozal (Ocean View)
- Day 10: Transfer to Cayos Cochinos (Plantation Beach Resort); snorkeling
- Day 11: snorkeling return to La Ceiba
- Day 12: Return to San Pedro Sula

NORTH AMERICAN

- Day 1: Arrive in San Pedro Sula transfer to Tela, relax on beach
- Day 2: Punta Sal with Miami
- Day 3: Triunfo de la Cruz/Ensenada; Punto Izopo
- Day 4: Lancetilla visiting with Women's Cooperative, swimming, restaurant before departing to La Ceiba (Lodge at Pico Bonito).
- Day 5: AM: Community visit El Naranjo/Las Mangas; PM: rafting
- Day 6: Cuero y Salado; PM: hike in Pico Bonito
- Day 7: Day trip to Cayos Cochinos
- Day 8: Return to San Pedro Sula

INTERNATIONAL EDUCATIONAL SEGMENT:

- Day 1: Arrive in Lancetilla
- Day 2: AM: Visit the different community sectors of Lancetilla; PM Service Project
- Day 3: AM: Transfer to Tornabe; PM: Visit Miami
- Day 4: AM: Punta Sal; PM: Service Project
- Day 5: AM: Transfer to Triunfo de la Cruz; PM Service Project in Punta Izopo
- Day 6: AM: Visit to Ensenda; PM OPEN
- Day 7: Transfer to Cuero y Salado
- Day 8: AM: morning boat tour; PM Service Project
- Day 9: AM: transfer to Cabanas del Bosque; PM open swimming
- Day 10: Community visit; PM: rafting
- Day 11: Transfer to East End, Cayos Cochinos; PM: Snorkeling
- Day 12: Service Project
- Day 13: Transfer to La Ceiba

SCIENTIFIC/VOLUNTEER:

- Day 1 – 7: Tornabe and data collection for Jeanette Kawas
- Day 8 – 12: Lancetilla data collection
- Day 13 – 20: Cayos Cochinos
- Day 21: Depart

SPECIALIZED BIRDING TOUR

- Day 1: Arrive in San Pedro Sula transfer to TelaMar
- Day 2: Punta Sal
- Day 3: AM: birding Lancetilla; PM: transfer to Lodge at Pico Bonito, after dinner owls
- Day 4: Pico Bonito National Park
- Day 5: Cayos Cochinos – Plantation Beach Resort
- Day 6: Transfer to Olanchito
- Day 7: Return to La Ceiba
- Day 8: Depart

7 PARTNERING

For the Caribe Esmeralda to become a world class destination, the different actors need to work together. Tourism is one of the most competitive industries and the consumer literally has the entire world to make a decision. Each actor must clearly understand its role. Model after model demonstrate that creating private market incentives for service providers is the most effective means to service the private market. However, the tendency for the private market is to over-exploit and extract benefits from unregulated tourism. So to guarantee sustainability a system of checks and balances needs to be in place, that allows the private market to function as freely as possible, but guarantees resource conservation. As discussed, certain market segment's preferences are better serviced by one actor over another.

The co-management NGOs (PROLANSATE, Lancetilla, FUPNAPIB, FUCSA, and Fundación Cayos Cochinos) must clearly understand their role with tourism since they are ultimately responsible for long-term conservation. The first and most important is that they are conservation organizations. They are NOT private operators. Any involvement in tourism activities must focus on creating sustainability with an emphasis on natural resource conservation. They must not look at tourism activities as a way to generate operations revenue. This is equivalent as forming a competing private business with unfair advantages (access and no taxes) and is a fundamental conflict of mission. One of greatest weaknesses of the tourism value chain for Caribe Esmeralda is this lack of clear definition of role for the co-management NGOs. However, they do have a critical role to play and revenue from visitation should finance monitoring and mitigation of visitors impacts. The key areas for the co-management NGOs regarding tourism are:

- Incubator for sustainable tourism micro-enterprises
- Ensuring appropriate environmental education of all visitors
- Managing concessions
- Managing visitor impact monitoring and mitigation program
- Taking corrective action where warranted using an adaptive management model

As an incubator for sustainable tourism micro-enterprises this includes creating incentives for involvement of local communities, one of the fundamental strategies of sustainable tourism. This involves obtaining funding for feasibility studies, infrastructure, equipment, training, etc. This area is well understood by the NGOs. The next step is implementing a visitor impact monitoring program, and then creating concessions for local community members and/or private operators. The co-management NGOs still receive a percentage of revenue and allows the NGOs to focus on their mission – conservation; and not on trying to run a business. By managing the concession, the NGOs can take corrective action if there are unacceptable impacts.

So the key to partnering is the co-management NGOs must develop clear relationships and create incentives for local communities and private operators to reinforce sustainable tourism programs.

The segments appropriate for the co-management NGOs are:

1. Education – national students
2. Education – international students
3. Education – international individuals
4. Scientific/volunteer – international

In the long-term, it is much more efficient for the NGOs to concession these activities to the private market as well.

The private market must commit to the conservation goals of the protected areas and willingly pay entrance fees. They also must involve local communities. Surprisingly, one of the challenges in creating partnerships is the lack of tiered pricing structures for wholesale and retail. Private operators need financial incentives to support programs if they are to stay in business. Offering 15 – 20% commissions is one example. Protected area managers, in this case the NGOs, have a responsibility to create safe, educational, and interesting experiences. If the resources is managed appropriately, and local communities and private operators are given incentives; the market will be willing to pay for a high quality experience.

8 TRAINING ASSESSMENT AND RECOMMENDATIONS

Past and Currently Planned Trainings

1. Road Construction
2. Trail Construction – Rio Zacate
3. Interpretive Trails
4. Implementing Public Use Plans
5. Nature guide training (12 guides)
 - Module I – Tour Introduction
 - Module II – Tour Structure
 - Module III – Managing Groups
 - Module IV – Use of Interesting Language, Marketing & Cost Estimation
6. Training Trainers – Nature Guides
7. Servicing the Client (Sambo Creek, Corozal, Balfate)
8. Food Preparation
9. Cultural Tourism

RECOMMENDED TRAININGS:

The demand for training is limitless. The challenge is to identify two or three workshops that will make a substantial impact on creating the Caribe Esmeralda as a preferred tourism destination in Mesoamerica.

There are three areas that would make a significant difference at this stage of development:

1. Replicating the Tela Sustainable Tourism Platform in La Ceiba and Cayos Cochinos/Costa Garifuna Balfate
2. Creating inter-cluster packages for different target markets and clearly defining roles of NGOs, communities, private operators, and other actors.
3. Concession Design, Implementation & Management