

INTER-AMERICAN DEVELOPMENT BANK

MEMORANDUM

Date: November 24, 2014

TO: Joel Branski
Representative

THROUGH: Guilherme Piereck
Integration and Trade Specialist, Integration and Trade Sector (INT)

FROM: Natasha Boyce
Operations Senior Associate

SUBJECT: **BA-T1035 & BA-T1036 - CT/INTRA: Study Tour to Brazil and Chile for staff members from relevant Ministries of the Government of Barbados (GOB), specifically the Ministry of Tourism and International Transport, the Ministry of Culture, Sports and Youth and the Ministry of Finance and Economic Affairs.**

I. RELATIONSHIP TO THE BANK'S STRATEGY OBJECTIVES IN THE COUNTRY

Barbados is a mature Caribbean touristic destination mostly known for beach-resort tourism and cruises. Tourism has been the pillar of the island's economy since the 70's, contributing approximately 36% of GDP in 2013 and even more if indirect effects are considered. Barbados is appealing to tourists because of its natural attributes, such as its climate and coastal environment, its stable political environment, and unique culture and natural heritage. In 2011, Barbados entered the UNESCO World Heritage List with the designation of historic Bridgetown as a World Heritage Site, as an example of British colonial architecture.

Barbados' tourism was seriously affected by the global economic crisis and the resulting decline of arrivals and receipts from key source markets. Over the period 2007 to 2012, both cruisers and stay over arrivals declined, 16% and 6.3%, respectively, while tourism receipts dropped 24%, and its market share in the American region was reduced (21.4% for expenditure and 17.4% for international stay over visitors). Soon after the first signs of the economic crisis, the authorities implemented a number of measures to preserve employment and minimize other negative impacts.

The objective of this operation is to exchange accumulated knowledge in the fields of heritage and cultural tourism from the governments of Brazil and Chile, to the government of Barbados.

Additionally, this operation complements the Bank's objectives as it directly relates to the loan, BA-L1033, National Tourism Program, which has the objective of supporting competitive and sustainable tourism in Barbados through tourism growth and reinvigoration.

This project reflects the priority to support increasing Barbados' competitiveness in tourism by investing and upgrading Barbados' heritage tourism product and the development of a comprehensive marketing plan for tourism sector.

The specific objectives of this operation are:

- To share knowledge accumulated on IDB projects in the tourism sector in Brazil and Chile; and
- To exchange knowledge and present best practices in the areas of airlift and tourism diversification with emphasis on heritage tourism.

With this program, Barbados expects to accomplish the following activities:

- Meet with private sector tourism stakeholders in Brazil;
- Meet with governmental authorities of Sao Paulo, Brazil;
- Meet with tourism planners in Chile; and
- Perform a tour on heritage tourism sites in Chile.

We expect this 5-day visit will take place from November 30 to December 6, 2014.

The Government of Barbados requested a study tour of both Brazil and Chile. It was recommended and approved that the officials visit these two countries in one trip in order to reduce costs. As the estimated budget for a study tour to both countries was above the maximum amount allowed for CT-Intra operations, it was decided that the cost would be divided between two operations

II. CONCORDANCE WITH THE COUNTRY'S DEVELOPMENT POLICIES AND STRATEGIES

Barbados positioned itself in 2012 as the 6th Caribbean destination in terms of stay over arrivals and 7th in terms of stay over receipts, and in 2013 it was rated #27 among 140 economies in terms of the overall competitiveness of its travel and tourism industry (World Economic Forum-WEF 2013).

The applicability of this project to the enhancement of Barbados' tourism sector is twofold and will specifically pursue the following goals:

- In Chile, the project will address the issue of Barbados' competitiveness as a tourism destination by improving its offered products in heritage tourism. This will assist tourism planners to capitalize on the benefits to be leveraged from the designation in 2011 of Historic Bridgetown and its Garrison as a United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage site. This study seeks to build on existing and previous efforts by visiting and obtaining best practices information on previous heritage tourism projects undertaken by the Bank in Chile (CH-L1004, Urban Renewal and Development Valparaiso, Chile and CH-L1032, Historical Monuments Preservation Program).
- In Brazil, the project will capitalize on the work undertaken by the Regional Technical Cooperation operation ATN/AT-13431-RG Caribbean-Brazil: Tourism

and Trade Promotion Initiative, by providing an opportunity for tourism planners in Barbados to meet with tourism stakeholders in Brazil, to learn best practices when marketing to the Brazilian market. Additionally, it will allow Barbados' officials to learn from the Secretary of Tourism of Sao Paulo's know-how on tourism plans and marketing strategies.

III. CONFORMITY WITH THE BANK'S NORMS AND CONDITIONS

The proposed operation conforms to the Bank's norms and conditions as stated in the Intra-Regional Technical Cooperation Program (CT/INTRA). The primary goal of this CT/INTRA is the transfer of knowledge for the development and implementation of a program which will add to the overall development of tourism in Barbados with a view to enabling tourism planners with practical skills to increase the country's competitiveness as pertains to best and most effective practices in marketing and the development of heritage tourism.

This operation will facilitate the exchange of experiences and best practices with the Government of Barbados through tour operators in Brasil and Chile and the Secretary of Tourism of Sao Paulo. The exchange will strengthen the capacity of the Government of Barbados to implement a country specific program to assist with tourism marketing and product development.

IV. BACKGROUND

The Bank has been supporting the tourism sector in Barbados through different instruments and projects, among these are the following programs:

- National Tourism Program (BA-L1033): currently under preparation, aims to promote tourism and trade and investment between Barbados and Latin America with a special focus on developing new market segments, and generation of new touristic products and services.
- Enhanced Access to Credit for Productivity Project (BA-L1034): currently under preparation, aims to increase productivity of SMEs (including those in the tourism sector) by facilitating access to medium and long-term credit;
- Support for the revitalization of Bridgetown (BA-M1011): a Multilateral Investment Fund (MIF) program approved in May 8th 2013, to enhance international competitiveness of the City of Bridgetown, recently nominated as a UNESCO World Heritage site;
- Development of Tourism Micro-Projects in Barbados (BA-M1004): a US\$150,000 grant approved in November 2nd 2009 to encourage and support the development of tourism innovative products and services provided by small and micro business owners and operators; and
- The Caribbean Hotel Energy Efficiency Action (CHENACT) program funded by the Bank and other donors, to encourage and coordinate at a regional level the implementation of energy efficiency and renewable energy practices ATN/AT-13431 which identified the potential for development of Latin American tourism markets for Caribbean countries.

V. PARTICIPANTS

Five (5) participants from three (3) different Ministries of the Government of Barbados have been selected to participate in this initiative based on their technical capacity and expertise in the relevant areas that will be covered during the visits in Brazil and Chile. Additionally, each of the government officials that benefit from these trainings will play a relevant role in the design and implementation of the loan operation BA-L1033 in Barbados.

The following Ministries will be represented in the training sessions:

Ministry of Culture, Sports and Youth:

- This Ministry has overall responsibility for policy formation with respect to culture, sports and youth development. It is responsible for directing programming in these areas. The Ministry is in charge of the Barbados World Heritage Committee.
- The Barbados World Heritage Committee is a Special Committee appointed by the Cabinet of Barbados in July 2010. It is technical committee comprising representatives of governmental and non-governmental organizations with the overall objective of the preservation of world heritage sites in Barbados.

Ministry of Tourism and International Transport, Division of Tourism

- The Division of Tourism, Ministry of Tourism and International Transport is the leading public sector agency responsible for sustainable tourism development in Barbados. This division is also in charge of the Barbados Tourism Marketing Inc. and the Barbados Tourism Product Authority.

Ministry of Finance and Economic Affairs, Investment Division

- The Investment Division of the Ministry of Finance and Economic Affairs is the agency of the Government of Barbados which has overall responsibility for policy direction as pertains to public investment in Barbados. Key responsibilities include conducting and/or participating in negotiations with international funding agencies, monitoring and supporting the Government's ongoing development projects and/or activities and assisting government agencies in developing new capital projects.

Name	Position	Institution
Ruth Blackman	Permanent Secretary, Ministry of Culture, Sports and Youth	Ministry of Culture, Sports and Youth
Mark Cummins	Chairman, World Heritage Committee	Ministry of Culture, Sports and Youth
Celia Pollard Jones	Deputy Permanent Secretary, Ministry of Tourism and International Transport (Division of Tourism)	Ministry of Tourism and International Transport
Nicole Alleyne	Chief Tourism Development Officer, Ministry of Tourism and International Transport,	Ministry of Tourism and International

	(Division of Tourism)	Transport
Avery Green	Chief Project Analyst, Ministry of Finance and Economic Affairs (Investment Division)	Ministry of Finance and Economic Affairs

VI. COST TO THE BANK

The Bank will contribute the equivalent of US\$29,980 (US\$15,000 from BA-T1035 and US\$14,980 from BA-T1036) to cover eligible expenses under these CT INTRA operations pursuant to the following budget (see tables below):

Budget CT/INTRA (BA-T1035) – Barbados / Brazil / Chile – December 2014				
Item	No. of Persons	Unit Cost	No. of nights	Total Cost (\$US)
Airfare	3	4,145.00	N/A	12,435.00
Per diem Miami	5	66.00	2	660.00
Per Diem Santiago, Chile	5	286.00	1	1,430.00
Part Per Diem Arica, Chile	5	95.00	1	475.00
TOTAL				15,000.00

Budget CT/INTRA (BA-T1036) – Barbados / Brazil / Chile – December 2014				
Item	No. of Persons	Unit Cost	No. of nights	Total Cost (\$US)
Airfare	2	4,145.00	N/A	8,290.00
Per Diem São Paulo, Brasil.	4	370.00	1	1,480.00
Per Diem São Paulo, Brasil.	5	370.00	1	1,850.00
Per Diem Santiago, Chile	5	286.00	2	2,860.00
Part Per Diem Arica, Chile	5	100.00	1	500.00
TOTAL				14,980.00

VII. CERTIFICATION

The Grants and Cofinancing Management Unit (ORP/GCM) certifies that the amount of US\$29,980 (US\$15,000 from BA-T1035 and US\$14,980 from BA-T1036) from the CT/INTRA Program of the Ordinary Capital is available to finance the project proposed herewith.

ORIGINAL SIGNED

11/24/2014

 Sonia M. Rivera
 Chief a.i.
 Grants and Cofinancing Management Unit

 Date

VIII. APPROVAL

In accordance with the provisions of Resolution DE-34/11 of June 1, 2011, the IDB Representative in Barbados authorizes the utilization of resources up to the equivalent of US\$29,980.00 (US\$15,000 from BA-T1035 and US\$14,980 from BA-T1036) from the Intra-regional Technical Cooperation Program.

Approved: ORIGINAL SIGNED _____ Date: 11/25/2014 _____
Joel Branski
Representative

Terms of Reference to Team from Government of Barbados

Objectives of the Study Tour:

The purpose of the study tour is to allow officials from the Government of Barbados (GOB), specifically the Ministry of Tourism and International Transport, the Ministry of Culture, Sports and Youth and the Ministry of Finance and Economic Affairs, to engage with tourism stakeholders in Brazil and Chile with the objective of obtaining information on best practice in marketing and the development of heritage tourism products to assist with the design of similar programs in Barbados.

Objectives of the Technical Visit:

The objectives of the study tour are as follows:

- To share knowledge on IDB projects in the tourism sector in Brazil:
 - ATN/AT-13431-RG - Caribbean-Brazil: Tourism and Trade Promotion Initiative
- To share knowledge on IDB projects in Chile
 - CH-L1004 - Urban Renewal and Development Valparaiso;
 - CH-L1032 - Historical Monuments Preservation Program
- To exchange knowledge and present best practices in the areas of airlift and tourism diversification with emphasis on heritage tourism in Chile.
- To exchanged knowledge and present best practices in the areas of tourism marketing, new tourism products, business tourism developed by the government of Sao Paulo, Brazil.

It is expected that the study tour will accomplish the following activities:

- Meet with private sector tourism stakeholders in Brazil (members of of BRAZTOA, the Brazilian tour operator association) in Sao Paulo;
- Meet with governmental authorities from the secretary of Tourism of Sao Paulo;
- Meet with the consultants that prepared the studies under ATN/AT-13431-RG Caribbean-Brazil: Tourism and Trade Promotion Initiative, in Sao Paulo;
- Meet with tourism planners in Chile; and
- Perform a tour on heritage tourism sites in Chile.

Deliverables at the end of the Tour:

As a deliverable of the study tour, the team will be expected to develop a report on lessons learnt and information that should be circulated to authorities in Barbados in anticipation of the development of similar programs in Barbados. The report should be submitted to the Bank no later than January 15th, 2014.

Draft Schedule Tourism CT-Intra

Sabado, 29 Noviembre
Saturday, November 29

7:45 a.m. Los Oficiales salen de Barbados por Miami

Officials leave Barbados for Miami

4:50 p.m. Los Oficiales salen de Miami por Brasil

Officials leave Miami for Brazil

Domingo 30 Noviembre
Sunday, November 30

4:30 a.m. Arribo a São Paulo, Brasil
Arrival in São Paulo, Brazil

7:30 a.m. Arribo al Hotel
Arrival at Hotel

2:00 p.m. Gira de São Paulo, Brasil
Tour of São Paulo, Brazil

Lunes, 1 Diciembre
Monday, December 1

10:00 a.m. Reunión con un representante de turismo de la Ciudad de São Paulo
Meeting with a tourism official of the city of São Paulo

2:30 p.m. Reunión con los consultores de CT ATN/AT-13431-RG (CARICOM-Brasil Tourism and Trade Promotion Initiative)
Meeting with the consultants from the TC ATN/AT-13431-RG (CARICOM-Brazil Tourism and Trade Promotion Initiative)

Martes, 2 Diciembre
Tuesday, December 2

09:00 a.m. Reunión con BRASTOA (Associação Brasileira das Operadoras de Turismo) y agencias de Viajes en Brasil
Meeting with BRAZTOA (Association of Tour Operators of Brazil) and travel agencies in Brasil

17:15 p.m. Salida São Paulo, Brasil

18:35 p.m	<p>Deaparture from São Paulo, Brazil</p> <p>Arribo a Santiago, Chile Arrival in Santiago, Chile</p>
<p>Miércoles, 3 Diciembre Wednesday, December 3:</p>	
08:30 a.m	<p>Viaje a Valparaíso Trip to Valparaíso</p>
11:00 a.m	<p>Reunión con funcionarios del Municipio de Valparaíso a cargo de Dirección de Cultura y Desarrollo, Dirección de Gestión Patrimonial Meeting with Officials of the Municipality of Valparaíso by Department of Culture and Development, Office of Asset Management</p>
1:00 p.m.	<p>Reunión con el Consejo Nacional de la Cultura y las Artes, Meeting with National Council for Culture and the Arts</p>
15:00 p.m	<p>Reunión con el Secretario Regional Ministerial de Turismo de la Región de Valparaíso Meeting with the Regional Secretary of Tourism of the Region of Valparaíso.</p>
18:00 p.m	<p>Regreso a Santiago Return to Santiago</p>
<p>Jueves, 4 Diciembre Thursday, December 4</p>	
07:35 a.m	<p>Salida Arica Departure to Arica</p>
11:20 a.m	<p>Arribo a Arica, Chile Arrival in Arica, Chile</p>
14:00 a.m	<p>Reunión con Fundación Altiplano (12 de experiencia en gestión Patrimonial en la zaona) Meeting with Foundation Altiplano</p>
	<p>Reunión con la Dirección de Turismo de Arica-Parinacota Meeting with the Department of Tourism in Arica-Parinacota</p>
18:00 p.m	<p>Regreso al Hotel en Arica Return to Hotel in Arica</p>
<p>Viernes, 5 Diciembre Friday, December 5:</p>	
10:00 a.m.	<p>Reunión con Loreto Pérez, Encargada Nacional de Turismo Cultural, Servicio Nacional de Turismo Meeting with Loreto Perez, Oficial with responsibility for Cultural Tourism National Tourism Service</p>

11:00 p.m.	<p>Reunión con Fidel Angulo, Coordinador del Programa de Puesta en Valor del Patrimonio, Subsecretaría de Desarrollo Regional del Ministerio del Interior</p> <p>Meeting with Fidel Angulo Program Coordinator Heritage Value Enhancement, Department of Regional Development, Ministry of Interior</p>
3:00 p.m.	<p>Reunión con Cristian Matzer, Encargado del Área Internacional del Consejo Nacional de Monumentos</p> <p>Meeting with Cristian Matzer Head of the International Department of the National Council on Monuments</p>
11:40 p.m.	<p>Salida Arica, Chile</p> <p>Departure from Arica, Chile</p>
<p>Sábado, 6 Diciembre</p> <p>Saturday, December 6</p>	
2:10 a.m.	<p>Arribo a Santiago, Chile</p> <p>Arrival to Santiago, Chile</p>
11:20 p.m.	<p>Los oficiales salen de Santiago, Chile por Miami</p> <p>Officials leave Santiago, Chile for Miami</p>
<p>Domingo, 7 Diciembre</p> <p>Sunday, December 7</p>	
9:50 a.m.	<p>Regreso a Barbados</p> <p>Return to Barbados</p>