Sustainable Tourism and Stakeholder Networking for SIDS Policy Makers

- Online-Course Transcript –
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WEEK 5

Week 5: Funding Opportunities and Project Development

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List of Acronyms

AECID	Spanish International Cooperation Agency for Development
AfDB	African Development Bank
APEC	Asia-Pacific Economic Cooperation
APN	Asia-Pacific Network For Global Change Research
CAF	Development Bank of Latin America
CBD	Convention on Biological Diversity
CBF	Caribbean Biodiversity Fund
CREST	Center for Responsible Travel
DANIDA	Danish International Development Agency
DFAR	Ministry of Fisheries and Aquatic Resources
DFAT	Department of Foreign Affairs and Trade
DFID	Department for International Development
DMO	Destination Management Organization
DG DEVCO	Directorate-General for International Cooperation and Development
EBRD	European Bank for Reconstruction and Development
ERDF	European Regional Development Fund
EU	European Union
FEST	Foundation for European Sustainable Tourism
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICEIDA	Icelandic International Development Agency
IDB	Inter-American Development Bank
IDRC	International Development Research Center
IFC	International Finance Corporation
IFIs	International Financing Institutions
IMF	International Monetary Fund
JICA	Japan International Cooperation Agency
KOICA	Korea International Cooperation Agency
LFA	Logical Framework Approach
MPA	Marine Protected Area
NGO	Non-Governmental Organization
NZAid	New Zealand Agency for International Development
OPI	Operational Programme I
PATA	Pacific Asia Travel Association

PM4ESD	Project Management for European Sustainable Tourism
PMI	Project Management Institute
PMP	Project Management Professional
PPP	Public-Private partnership
PRINCE2	Projects IN Controlled Environments
RFP	Requests for Proposals
Sida	Swedish International Development Cooperation Agency
SIDS	Small Island Developing States
SMART	Specific; Measurable; Achievable; Realistic; Time-bound
SRI	Socially Responsible Investing
ToR	Terms of Reference
UN	United Nations
UN DESA	United Nations Department of Economic and Social Affairs
UNEP	United Nations Environment Programme
UNU-FTP	United Nations University Fisheries Training Programme
UNWTO	United Nations World Tourism Organization
USAID	United States Agency for International Development
WTTC	World Travel and Tourism Council
WWF	World Wide Fund for Nature / World Wildlife Fund

Introduction to Sustainable Tourism

In this unit you will learn to:

✔ Understand the funding process
✔ Write a Problem Statement and use various tools to define projects
✔ Successfully find project funding

Figure 1: The Funding Process(Sustainable Travel International, 2018)

PHASE 1: GENERATE IDEAS AND DEFINE PROJECT

- A comprehensive understanding of which tourism products and services exist at a destination represents a critical early step in tourism development and destination management. Week 2 provided several methods and strategies for **gathering information** from accommodations providers, tour operators, transportation providers, attractions (natural and cultural), and other components of the tourism supply chain in order to summarize destination supply strengths and gaps.
- Gather initial background information and carry out a participatory process to **determine the overall vision and to draft goals** (Week 2).
- **Engage with stakeholders and the DMO** to be able to better understand problems and take advantage of opportunities (Week 4).
- **Developing the project** in written form is a principal output of the project preparation and planning stage. Clearly articulate the problem the project aims to solve, the project objectives and activities, and demonstrate how these activities link to intended results (this includes the Problem Statement, Logical Framework Approach, and Project Action Plan as detailed in the Project Development Tools section of this Unit)
- **Establish strategic partnerships.** Some project organizers may need to join forces to enhance capacity, maximize funding opportunities, and optimize networking, such as collaborating with another ministry or those from the private sector.

PHASE 2: FIND FUNDING

- Understand **funding mechanisms and local conditions**

- Talk and network with the local community, budding and time-tested entrepreneurs, and others in the travel in tourism industry. Contact potential donors and foundations. A brief conversation can produce valuable information and determine a good fit before committing hours of work on proposals.
- Determine and **maximize project bankability;** conduct a feasibility analysis.
- **Identify funding sources**
  - Identify the appropriate funding type for the project (for example, determine if a grant or a loan is best).
  - Research
    - Identify funders that are interested in your cause and region (for example, certain funders focus on cultural heritage grants, others on environmental conservation).
    - Find and learn from a winning grant proposal relevant to your project.
  - Key questions to ask when **determining which donors to target** include:
    - Does the project achieve goals and objectives relevant to the funding organization; do your causes and beliefs align?
    - How will you demonstrate your project will make an impact or contribution to their mission?
    - Does your team have a connection or contact with the funding organization?
    - What is the potential scale of your project, and does the funder have the ability to fulfill this need?

PHASE 3: DEVELOP AND SUBMIT PROPOSALS
- Write clear, easy to read proposals that **match the investor**'s and destination's vision and strategy. Before finalizing the project proposal draft, review a checklist of donor requirements to make sure each has been met.
- Often it takes **many tries to attain funding**. Furthermore, it may be that many grants need to be attained to get started or throughout the course of a project to fund it completely.
- Once the proposal has been submitted, the team must wait for comments, questions, and suggestions for any necessary changes from the funding organization. The project team must **respond promptly**.
- The team may receive several communications with technical questions prior to a decision. If accepted, the project team must **develop a full proposal**. This may involve identifying management staff and consultants, conducting additional assessments to further detail activities, and solidifying partnership arrangements.

PHASE 4: RECEIVE AND MANAGE YOUR FUNDING AWARD
- Project **start-up and launch** (if ready in this cycle) to achieve the project purpose.
- Further delineate and **implement action planning that was outlined in the project concept** development phase
  - The **size and nature of implementation will vary** according to the project scope.
  - Projects often fail due to poorly defined project scope and scale, unprofessional project management, lack of understanding of the local situation,

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unskilled/unprofessional implementation, and lack of leadership, collaboration and communication between stakeholders.

- ○ As one **factor of success is project management**, there are many resources available on effective project management. The [Project Management Institute (PMI)](#) offers Project Management Professional (PMP) Certifications. PMP describes core practices and a range of project management techniques. [Projects IN Controlled Environments](#), or PRINCE2, uses a methodology to define what must be done, when and how it must be done, and by whom during the life of a project. The Foundation for European Sustainable Tourism (FEST) has developed a version of PRINCE2 specific to Project Management for European Sustainable Tourism (PM4ESD).
- **Execute the management structure** of the project, as outlined in project development materials, including who will manage the project and implement activities, who will receive funds, and how funds may be distributed.
- **Manage stakeholders** by maintaining participation and keeping them informed of opportunities while addressing concerns (Week 4).

PHASE 5: TRACK AND SHARE RESULTS

- **Use a monitoring and evaluation framework** focused on results. Ensure project activities link to goals and objectives and selected indicators. Donors have varying requirements for monitoring and evaluating plans. Be sure to review these carefully and follow the standard evaluation procedures that may be required. A Logical Framework Approach is useful to design project monitoring and evaluation elements and is presented this week in the Project Development Tools section (Week 5). Various levels of monitoring can contribute to a project's success, which include destination statistics to monitor visitor and resident information (Week 2), observing the tourism trends and changes on the destination's performance and resources (Week 2), DMO marketing monitoring to track marketing performance (Week 4), and tourism impact monitoring (Week 6).
- **Share results** with project partners and determine which results to report publicly.
- Reflect on **lessons learned**.
- Assess project status and **begin the cycle again** (as applicable). If the funding helps to implement the project to a certain stage, the funding cycle can begin again.

Generate Ideas and Define Project: Project Development Tools

Defining a sustainable tourism project is a key step for success. It takes the project into a more mature phase and begins to look at the details. Vetting fundamental information helps collect various initial building blocks and pushes a project concept into the form of an actionable project.

Defining the Problem with a Problem Statement

Successful project preparation begins by clearly defining the problem that the project hopes to mitigate or overcome. A problem statement, or needs statement, outlines the negative points of the current situation and why it needs to be resolved. It serves as a useful communication tool, helping to gather support and buy in from others. The problem statement is often the first item a grant proposal reviewer will see, so it needs to leave a compelling and favorable impression about why the project matters.

The problem statement implies understanding core issues, their importance, and why support should be provided. To understand the interaction between numerous environmental, social and other factors (from environment to socio-economic to political), a broad expertise is advantageous. Engaging stakeholders throughout the project process (Week 4), including in this formulation of the problem, enables the proper identification of the conditions that lead to the proposed solution.

The defining of the problem considers the main problems or specific deficiencies you wish to address in the sector and geographical area, and the impact of these problems. This is not a list of traditional problems but a demonstration that problems really exist and the impact that they have had. The statement is written with the perspective of those experiencing its impacts and provides a convincing case of the magnitude of the problem/need in the community. So, think about what change will occur as a result of the proposed project and to what extent the people served be impacted.

A good way to start is by answering a series of questions (Gohr, Hielkema, and Sanchez, 2010). First, respond to these three questions:
● What is the problem your project will address?
● Who is affected by the problem, and how?
● What facts and statistics can be used to substantiate the problem and the impact on the affected population?

Next, answer the next questions to guide the creation of your statement:
● What is the need for the project? Is it a serious problem or issue, or a lack of a needed service?
● What are the facts and the sources that back up the need for your project?
● Who will benefit from the project and how? Define the audience by age, gender, location, ethnic background, country of origin, or a combination of these factors.
● Can you put a human face on the problem by relating a story, example, or quote that will highlight the problem or the benefits of the solution?
● What is the solution to the problem you have identified?

An example of a shorter problem statement is included in the figure below. To see examples of longer problem statements for sustainable tourism projects, see the following documents:
● Section "1. Global Significance and Problem Statement" of Implementing Tourism Adaptation to Climate Change in the Maldives project.

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- Section "II. Objective and Justification" of Support to Climate-Resilient Tourism Development in San Salvador project

An example of a shorter problem statement is included in the figure below:

Section 1: Problem Statement

Worldwide, people are the biggest threat to corals. At the moment the most effective way to help coral reefs globally is to protect the ones that already exist. This can be done through the use of Marine Protected Areas (MPAs). The main issues with MPAs are that they are large scale areas and that they have inadequate enforcement. Specifically in the Florida Keys, where the Great Keys Reef lies, boaters, tourists, and other people in the area have been driving through the area without knowing that they are crossing into a protected area. Due to the lack of enforcement and on water indicators locating MPAs, ignorant people are causing damage that they are not aware of. Park rangers doing reef cleanups or divers who notice the damage are currently the only information sources, unless a scientist is studying the reef. Consequently, the people who cause the coral injury are not held accountable because the damage they cause is not discovered right away, if at all. Working to prevent people from entering the areas will in turn allow for the boating accidents to be avoided. By creating a system that notifies boaters when they are approaching a MPA, coupled with increasing the public's knowledge of coral reefs' importance, the team will be able to better protect the coral inside of MPAs.
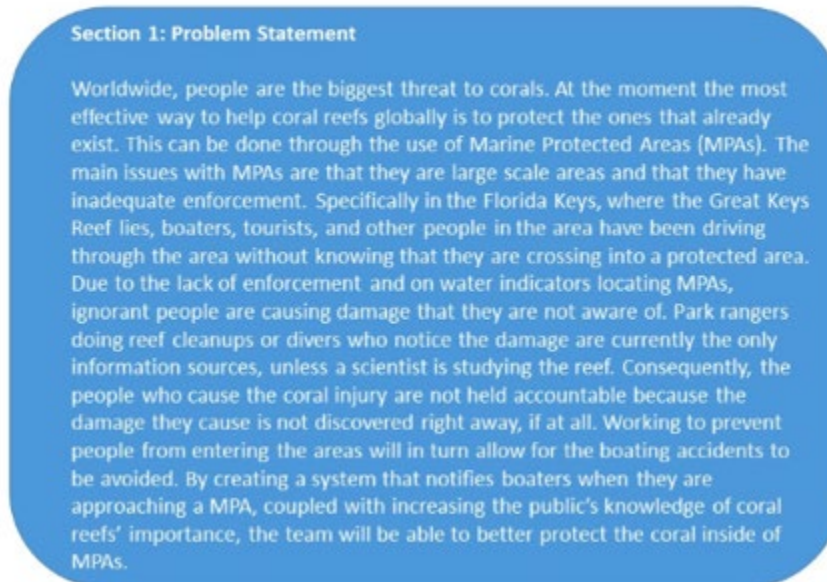
Figure 2: Example of Short Problem Statement (Rachel Babaganov, 2019) based on Sustainable Travel International, 2018

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Problem statement tips:
- Apply "Who, What, Where, When and Why" to the problem statement. "Why care?" should be the basis.
- Focus only on one problem or need.
- Include the timeframe over which the problem has been occurring and be sure to focus on an existing problem.
- Quantify the problem with supporting evidence such as data, statistical facts, documented research and expert views. If you do not have the data to hand, defer writing the final problem statement until you have been able to quantify the problem.
- Include a human interest story to explain how the problem is real and impacting a person's life, and how the proposed project would improve his or her situation.
- Engage with stakeholders; developing the statement in a small group of 4-6 people is very effective.
- Revise the statement as the problem's root cause is investigated and refined. To zone in on the root cause of the problem, apply the root cause technique of asking "Why?" five times.

- While the problem statement is related to the solution, it should not suggest the solution. When it comes time to visualize a final outcome and solution, reflect on the problem and visualize what success looks like with key stakeholders.
- Align with potential funder's priorities but focus on the people to be served by your project.

To gain a perspective on the kinds of problems and needs that could become fundable projects, refer back to the SIDS Challenges discussed in Week 1. The image below from UNWTO provides another overview of SIDS challenges and opportunities.

Addressing challenges and promoting opportunities

Challenges	Opportunities
Connectivity Tourism development in the SIDS depends on air connectivity. SIDS need competitive, frequent, reliable and fair air while increasing efforts toward emissions reduction goals. Policies on regulation and taxation of air transport should take into account the dependence of SIDS from air transport.	**Employment & Women Empowerment.** Tourism is key for employment in SIDS, particularly for women – women's participation in the hotel and restaurant sector in the Caribbean ranges between 43% and 63%. Opportunities exist to further grow direct and indirect jobs through capacity building, the promotion of value chains between agriculture and tourism or handicrafts and tourism, a conducive investment framework and participatory actions.
Scarce and fragile natural resources Tourism development has to be guided by, and comply with, spatial and physical plans that take full account of the current and future capacity of an island's limited resources – especially land, water, coastline, biodiversity and energy	**Promotion and protection of natural resources.** Tourism can generate income to promote and protect natural resources. It can also be an alternative economic activity to other more resource intensive ones. For example, shark watching is worth 150 times more than shark fishing. Possible negative impacts can be minimized through regulations, incentives, voluntary codes and certification programmes and the promotion of good practices.

Figure 3: Addressing challenges and promoting opportunities (HAW Hamburg, 2019) presented by sustainable tourism in SIDS (UNWTO , 2014)

For more information:
- Writing the Needs or Problem Statement
- Introduction to Proposal Writing (Online Training)
- Needs Statement Toolkit
- Planning tools: Problem Tree Analysis for the Logical Framework Approach

Logical Framework Approach

When developing a product, it is necessary to design the project in a systematic and logical way. Using the Logical Framework Approach (LFA) is a results-based method to analyze information and plan critical project elements. The logical framework, nicknamed "logframe," helps to conceptualize, design, implement, monitor, and evaluate projects. It provides structure to project planning and communicates essential information about the project to stakeholders in an efficient, easy-to-read format. It is a useful tool for detailed planning, to develop clearly defined objectives

that can be monitored, to delineate clear management responsibility, and to formulate a predetermined evaluation process. (The guidance on LFA in this section is from Bertrand, 2014)

Advantages of the logical framework:
● Problems are systematically analysed
● Objectives are clearly formulated, logical, and measurable
● Risks and conditions for project success are taken into account.
● Monitoring and evaluation have an objective basis
● Provides a compact, comprehensive overview of the project to the reader
● Promotes ownership, collaboration and transparency
● Leads to a coherent and logical project proposal

Logframe can be complex, so here we will focus on the main points and uses of the tool. Most logframes consist of a 4 x 4 table to summarize what you want to achieve and how you will achieve it (see Figure 4 below).

	Project Summary	Indicators	Source of Verification	Assumptions
Overall Objective/Goal				
Purpose (Outcome)				
Results (Outputs)				
Activities				

Figure 4: Logframe matrix template (Sustainable Travel International, 2018)

Let's now look more closely. The rows outline the project's hierarchy of objectives (long- to short-term objectives from top to bottom). This captures the project's development pathway; basically, how an objective or result will be achieved. It includes the following:

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- **Overall Objective/Goal:** The broad development impact to which the project contributes; the long-term goal.
- **Purpose (Outcome)**: The development outcome at the end of the project; the expected benefits to the target group(s); clear statement of important short/med-term results.
- **Results (Outputs)**: The direct/tangible results (goods/services) that the project delivers; clear statement of what should be accomplished.
- **Activities**: The tasks that need to be carried out to deliver the planned results. (Provide a summary of activities in this row - you can outline activities via a more detailed action plan, as detailed in the next section.)

The columns summarize how the project's achievements will be monitored which include the following:

- **Project summary:** An explanation/listing of the objectives.
- **Indicators**: The objectively verifiable ways to measure changes connected to the intervention. These specify what the evidence will tell you when the aim is reached in terms of quantity, quality, target group(s), time/date, and place. Helps answer the question "How will we know if the results have been delivered?"
- **Source of Verification**: The sources of information and methods used for data collection to enable the calculation of indicators. These also consider if appropriate external sources already exist (such as reports or statistics); if they are reliable, accessible, affordable and specific enough.
- **Assumptions**: The external conditions or factors outside of the project's direct control (cannot be tackled by the project itself) that are necessary to get results. These explore the underlying macro-economic, institutional, political, ecological, socio-cultural conditions which cannot be influenced.

The matrix, or table, summarizes critical project information. Take a moment to review each of the cells in the table below. Note that the numbers in each cell indicate the sequence of completion.

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- **Overall Objective/Goal:** The broad development impact to which the project contributes; the long-term goal.
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- **Results (Outputs)**: The direct/tangible results (goods/services) that the project delivers; clear statement of what should be accomplished.
- **Activities**: The tasks that need to be carried out to deliver the planned results. (Provide a summary of activities in this row - you can outline activities via a more detailed action plan, as detailed in the next section.)

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- **Assumptions**: The external conditions or factors outside of the project's direct control (cannot be tackled by the project itself) that are necessary to get results. These explore the underlying macro-economic, institutional, political, ecological, socio-cultural conditions which cannot be influenced.

The matrix, or table, summarizes critical project information. Take a moment to review each of the cells in the table below. Note that the numbers in each cell indicate the sequence of completion.

	Project Summary	Indicators	Source of Verification	Assumptions
Purpose (Outcome)	**2** The development outcome at the end of the project; the expected benefits to the target group(s); clear statement of important short/med-term results.	**11** The objectively verifiable ways to measure changes connected to the intervention. These specify what the evidence will tell you when the aim is reached in terms of quantity, quality, target group(s), time/date, and place. Helps answer the question "How will we know if the results have been delivered?" [As related to the Purpose (Outcome).	**12** The description of information sources of information and methods used necessary for data collection to enable the calculation of indicators. [As related to the Purpose (Outcome)].	**7** The external conditions or factors outside of the project's direct control (cannot be tackled by the project itself) that are necessary to get results. [As related to the Purpose (Outcome)].

	Project Summary	Indicators	Source of Verification	Assumptions
Overall Objective/ Goals	**1** The broad development impact to which the project contributes; the long-term goal.	**9** The objectively verifiable ways to measure changes connected to the intervention. These specify what the evidence will tell you when the aim is reached in terms of quantity, quality, target group(s), time/date, and place. Helps answer the question "How will we know if the results have been delivered?" [As related to the Overall Objective/Goal].	**10** The description of information sources of information and methods used necessary for data collection to enable the calculation of indicators. [As related to the Overall Objective/Goal].	**8** The external conditions or factors outside of the project's direct control (cannot be tackled by the project itself) that are necessary to get results. [As related to the Overall Objective/Goal].

	Project Summary	Indicators	Source of Verification	Assumptions
Results (Outputs)	**3** The direct/tangible results (goods/services) that the project delivers; clear statement of what should be accomplished.	**13** The objectively verifiable ways to measure changes connected to the intervention. These specify what the evidence will tell you when the aim is reached in terms of quantity, quality, target group(s), time/date, and place. Helps answer the question "How will we know if the results have been delivered?" [As related to the Results (Outputs)].	**14** The description of information sources of information and methods used necessary for data collection to enable the calculation of indicators. [As related to the Results (Outputs)].	**6** The external conditions or factors outside of the project's direct control (cannot be tackled by the project itself) that are necessary to get results. [As related to the Results (Outputs)].

	Project Summary	Indicators	Source of Verification	Assumptions
Activities	**4** The tasks that need to be carried out to deliver the planned results. (More details in the Action Plan).	**15** The objectively verifiable ways to measure changes connected to the intervention. These specify what the evidence will tell you when the aim is reached in terms of quantity, quality, target group(s), time/date, and place. Helps answer the question "How will we know if the results have been delivered?" [As related to the Activities].	**16** The description of information sources of information and methods used necessary for data collection to enable the calculation of indicators. [As related to the Activities].	**5** The external conditions or factors outside of the project's direct control (cannot be tackled by the project itself) that are necessary to get results. [As related to the Activities].

Figure 5: Guidance for completing a logframe matrix for a project (Rachel Babaganov, 2019) based on Sustainable Travel International, 2018 - adapted from MFAR, ICEIDA and UNU-FTP, nd.)

Below is an example of a completed logframe matrix:

	Project Summary	Indicators	Source of Verification	Assumptions
Goal	10% increase in the number of Grades 5-6 primary students continuing on to high school within 3 years.	Percentage of Grades 5-6 primary students continuing on to high school.	Comparison of primary and high school enrolment records.	N/A
Outcome	Improve reading proficiency among children in Grades 5-6 by 20% within 3 years.	Reading proficiency among children in Grades 5-6	Six monthly reading proficiency tests using the national assessment tool.	Improved reading proficiency provides self confidence required to stay in school.
Outputs	1. 500 Grade 5-6 students with low reading proficiency complete a reading summer camp 2. 500 parents of children in Grade 5-6 with low reading proficiency help their children read at home.	Number of students completing a reading summer camp. Number of parents helping their children to read at home.	Summer camp attendance records. Survey of parents conducted at the end of each summer camp.	Children apply what they learnt in the summer camp. Children are interested in reading with their parents.
Activities	1. Run five reading summer camps, each with 100 Grades 5-6 students who have low reading proficiency. 2. Distribute 500 "Reading at Home" kits to parents of children attending summary camps.	Number of summer camps run. Number of kits distributed.	Summer camp records. Kit distribution records.	Parents of children with low reading proficiency are interested in them attending the camps. Parents are interested and able to use the kits at home.

Figure 6: Logframe example (Rachel Babaganov, 2019) adapted from Tools4dev/Bisits Bullen , nd.

To complete the table, start by filling in the first column (Project Summary). First write in your overall goal and work your way down by explaining your purpose/outcome, expected results, and activities.

Next, complete Assumptions (last) column. Here, work your way up listing the external conditions needed to get results. Consider this with three stages: risk analysis + mitigation = assumptions. For example: "If the risk is hurricanes, what can the project do to reduce the severity of this risk? One option is to ensure staff are trained in emergency procedures. So in the assumption cell you put: "staff training and disaster management to minimise the impact of hurricanes" (Larsson, 2015).

Consider the boxes in the table with an "if..then" logic.
For example: "If we establish a community committee (activity) and people are enthusiastic (assumption) then we'll have the capacity to build and manage a playground (output). If we have a playground (output) and it's easy to maintain (assumption) then children will have fun

(purpose). If children are having fun (purpose) and families continue to grow in the village (assumption) then we'll reach the goal of a happy community" (Larsson, 2015).

	Project Summary	Indicators	Means of Verification	Assumptions/Risks
Goal	10% increase in the number of Grades 5-6 primary students continuing on to high school within 3 years.	Percentage of Grades 5-6 primary students continuing on to high school.	Comparison of primary and high school enrolment records.	N/A
Outcome	Improve reading proficiency among children in Grades 5-6 by 20% within 3 years.	Reading proficiency among children in Grades 5-6	Six monthly reading proficiency tests using the national assessment tool.	Improved reading proficiency provides self confidence required to stay in school.
Outputs	500 Grade 5-6 students with low reading proficiency complete a reading summer camp	Number of students completing a reading summer camp	Summer camp attendance records.	Children apply what they learnt in the summer camp.
Activities	Run five reading summer camps, each with 100 Grades 5-6 students who have low reading proficiency.	Number of summer camps run.	Summer camp records.	Parents of children with low reading proficiency are interested in them attending the camps.

Figure 7: If...Then Logframe Sequence (Rachel Babaganov, 2019) based on Tools4dev/Bisits Bullen , nd

Next, work on the Indicators and Sources of Verification columns. Think about how you can measure your progress on your project. The indicators you choose should help you measure if you have achieved the different project levels. (Tip: Make these SMART: specific; measurable; achievable; realistic; time-bound.) List the sources of information required to verify the indicators, which can include reports, field surveys, government statistics, etc.

The logframe matrix should be part of the project design process, not filled in once the project is already designed. Likewise, the logframe is to be used throughout project implementation (and subsequent evaluation) as a key management and monitoring tool. It is a living document and should be reviewed regularly.

International development agencies often require a performance monitoring program. Donors in particular typically require potential indicators and a summary of the approach to develop the performance monitoring plan. LFA is widely used in project development and implementation. Examples of the many organizations who use it include the Inter-American Development Bank (IDB), USAID, WWF, and the European Commission.

For more information:
- Logical Framework for Project Design
- The Logframe Handbook, World Bank

- [The Logical Framework Approach and the Writing of Proposals](#)
- [Logical Framework Analysis Guidance Notes](#)
- [An example of a completed Project Logical Framework by World Wide Fund for Nature (WWF)](#)

Writing Objectives and Activities

The following explains how to differentiate between objectives and activities as well as offers tips for writing them.

Objective: A Change in Condition
- An objective describes a change in condition—an increase in a positive phenomenon or a decrease in a negative one. The objective can be drafted as the opposite of the problem statement; the objectives should tell proposal reviewers what will change as a result of your project/initiative.
- As you are writing objectives, make sure that the "action word" denotes a change in condition rather than an activity. If you find that your objectives include words like "provide," "establish," "support," "hold," etc., you need to re-think—those are probably activities rather than objectives. Verbs such as train, develop, attract, increase, improve, recruit, and organize are good action words to use for objectives.
- Aim high, but be realistic. Be realistic about what is possible within the grant period and the baseline from where you are starting. It is critical that the objectives are realistic because the funder will hold you accountable for accomplishing the objectives if you receive a funding award.
- Answer the Questions. A good objective should tell the reader what you are going to change, how much it will change, and when it will change. The test for a strong objective is that it contains within itself the answer to the questions—how will we evaluate this? How will we know when the objective has been accomplished?
  - Examples of poor objective: Increase access to international markets
  - Example of a good objective: Increase by 50% the number of international visitors by 2020.
- For example, say your overarching goal is to enhance tour guiding skills among young guides in your community. You have documented a problem—that guides have poor skills and you have determined that a lack of training is one of the causes of the problem. So, one of your objectives is to increase the level of tour guiding skills by 80% by 2015.

Activity: An Action You Will Take
- An activity indicates an action you are going to take. You may provide, establish, serve, etc. It is something that you are going to do in order to accomplish the project objectives,

i.e., implement a training program to help ecotourism programs improve their marketing materials.

- The activities that you propose to undertake to alleviate/resolve the problem should flow naturally from the causes of the problem that you identified and from the objectives that you develop.
- Be specific. The activity section of your project should supply sufficient detail so that someone else could take over and run the program using only the narrative. If you are vague, reviewers are likely to conclude that you aren't knowledgeable about what it takes to implement a successful project. This section should not only describe a clear and convincing plan for operating the project, but should also build your credibility among reviewers by showing that you have carefully thought through project implementation and that you are aware of the activities required for a successful project.
- Be reasonable. As with the objectives, it is important to show that you are ambitious in what you plan to accomplish during the project period. However, it is equally important to be reasonable and realistic in which activities you can accomplish with the time and resources you have available. Experienced reviewers can generally tell when an applicant is outlining a work plan that is unreasonable, and they will not score the proposal favorably.
- For example, the kinds of activities you might develop to support the objective [to increase the level of tour guiding skills by 80% by 2015] are as follows: Assess existing training and organization and determine how to improve available training and add additional courses. Work with trainers to improve their skills and develop courses. Establish an incentive program to increase tour guide attendance at training. Ensure tour guides can be certified as a result of training, etc. What you would not want to include are seemingly random activities like purchase new office equipment, etc.

Project Action Plan

An action plan delineates the activities required to make a goal a reality by outlining the implementation phases, team/roles, timelines, and resources. For a strategy to succeed, certain activities must be executed and executed well. Action plans also increase efficiency and accountability, which are essential when resources are tight in complex project groups. Action planning is also a highly valuable tool to motivate partners, staff and stakeholders to act. Action plans can be drafted while defining a project, and refined during project implementation.

Developing an action plan usually includes defining the following components:

- Goal
  - List the identified goal(s), linking the project relationship to the destination's strategic development priorities for tourism. (If you used the Logical Framework Approach, copy these from your table).

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- Activities
  - List the concrete activities with steps/phases. (If you used the Logical Framework Approach, copy these from your table).
- Person Responsible
  - Determine who is accountable for completing the task. Including their title is helpful if team members change often.
- Start Date/Due Date
  - Add timelines to keep everyone on track.
- Technical and financial resources
  - Describe additional technology, equipment, staffing, capital investment and marketing needs

The figure below shows a completed example:

Project Action Plan for Sustainability Standards Program						
Goal 1: Increased quality service and improved visitor experience						
Activities	**Person Responsible**	**Start Date**	**Due Date**	**Resources Required (staff, tech, $, etc.)**	**Status**	**Notes**
Diagnostic: Identify the gaps between the current programs and an integrated quality and sustainability tourism standards program	David P., Analyst	Jan. 15, 2018	March 15, 2018	Hired consultant ($600)	Complete	
Program Design: Conduct a development and validation workshop with key stakeholders	Sarah R., DMO Representative	April 1, 2018	April 20, 2018	Workshop facility ($500), Internal staff	In progress	

Project Action Plan for Sustainability Standards Program						
Testing and Training: Develop a pilot testing of the program with a selection of tourism providers of each sector	Liza T., Program Manager	May 1, 2018	July 15, 2018	Tourism providers (volunteers), Internal staff, Website	Not started	
Testing and Training: Design and develop a training program for auditors	Liza T., Program Manager	Aug. 1, 2018	Sept. 1, 2018	Outsourced training staff ($800), Internal staff	Not started	
Promotion and Governance: Prepare and implement an awareness raising campaign on the importance of the standards for the sector	Liza T., Program Manager	Oct. 15, 2018	Feb. 15, 2019	Website, Marketing materials ($700), Internal staff	Not started	

Figure 8: Example Project Action Plan for Sustainability Standards Program (Rachel Babaganov, 2019) based on Sustainable Travel International , 2018

For more information:
- [Developing an Action Plan - Guidance, examples, templates](#)

Find Funding: Funding Mechanisms and Sources

There are various ways to fund a project. The life cycle of a project should not only consider financing the initial costs (who/how to raise the cash for construction/development) but also how it will be funded and sustained over the long-term. Funding options can be foreign or domestic, public or private, or a mix.

Financing can be broken down into three general categories:
- Public: Funds provided by governments, national/regional development banks, or multilateral development organizations. For example, a city invests in infrastructure paid with taxes.
- Private: Funds provided by organizations, individuals, or foundations. This includes commercial lending (loans), venture capital, crowdfunding, microfinance, and public offerings. For example, a foundation funds an environmental conservation project with a grant.
- Public-Private partnership (PPP): Funds are provided by mixing public and private lending. This includes tax incentives/subsidies, community investing and social/impact investing. An example of this would be where a company receives government tax breaks during project development.

Next we take a look at the three funding types available to sustainable tourism projects.

Grants. The key feature of a grant is that the provider has no expectation that funds will be repaid or that a financial return will be earned. The provider likely expects non-financial social and environmental returns. With grants, the project is granted, or given, money. Grants are highly competitive and can come from various sources including both public and private sources, through donor-funded economic development projects, competitions, matching programs, etc.

Equity financing. The defining features of equity financing are that it is risk capital for which providers are entitled to a proportionate share of any economic returns (full participation on both the upside and the downside). If the project fails, the investor is out of luck. The funds invested are not recoverable. In return for accepting that risk, the investor is also entitled to a pro rata share of financial returns earned by the project. Equity financing can take the form of cash and in-kind (for example the value of land contributed to a project, labor that a community provides, or professional services that a partner provides at low or no cost).

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Debt financing. An individual or organization provides capital with a clearly defined expectation of having that capital returned within a specified time period. In most cases that financing comes with a cost that reflects the opportunity cost of using that money elsewhere, and the returns that could be earned from alternative uses, balanced against risks that the funds might not be repaid on time or in full. There are a wide variety of debt financing instruments available that vary in terms of cost, risk exposure, and maturity (repayment period), or types of guarantees required. In general terms, the lower the risk and the shorter the maturity, the lower the cost will be.

The following is provided as an example of how an organization provides various funding instruments. The EU provides funding in different forms, including grants, loans and guarantees, subsidies, prizes and public contracts (European Commission, 2018).

EU Funding Forms - Example

The EU provides funding in different forms, including grants, loans and guarantees, subsidies, prizes and public contracts. For more information: https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/types-funding_en

Grants

- Awards to organizations (and occasionally individuals) to help carry out projects that further EU's policies. Grants are awarded in various fields, from research to education to humanitarian aid.
- Rarely finances projects 100%. Rather, grants are a form of complementary financing with the beneficiary organization also contributing a percentage of the funding.
- Advertises opportunities through calls for proposals.

Loans, guarantees and equity

- Provides as forms of financial assistance to support EU's policies and programs.
- Examples include providing loans to businesses of all types for investment in research and innovation, providing guarantees to help beneficiaries obtain loans more easily or at better conditions from banks and other lenders, and financially participating in a project by owning parts of it.

Subsidies

- Managed directly by EU national governments, not by the European Commission.
- For example to support farmers, agricultural subsidies are awarded.

Prizes

- Rewards to winners of contests from Horizon 2020. The winner of a contest receives cash, publicity coverage or promotion.

Public contracts

- Used to buy services, works and goods from the market for EU's internal use.
- Selected via calls for tenders and not considered a form of EU funding.

For more information: https://ec.europa.eu/info/funding-tenders/how-eu-funding-works/types-funding_en

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There are various examples of funding mechanisms, which can be public, private, public-private partnership, equity financed, debt financed, grant, or any mixture of these. Examples include the following:

- **Crowdsourcing** (or crowdfunding) requests contributions from large numbers of people, either paid or non-paid. Usually utilizing the internet and social media, crowdsourcing has recently gained in popularity and has promising potential for tourism.

- **Socially responsible investing** (SRI) aims for positive social change, integrating environmental and financial goals. **Impact investing** goes a step further by directly addressing specific environmental and social issues. Social investing, also known as ethical or "green" investing, is a growing trend which is promising for sustainable development and tourism.

- **Microfinancing** offers funding for small projects or businesses. Microfinancing is especially useful for the poor and other groups who have little collateral or who seek small sums ($100 - $1000 USD) of little interest to typical lenders. Artisans, street vendors and new small business owners who have low overhead can benefit from the initial push from microfinance.

- **Diaspora investment:** Diasporas are transnational communities maintaining connections with their countries of origin. Remittances from migrants and their descendants can be a large source of financial inflows to many developing countries. Diaspora investors can contribute to sustainable development by transferring resources, knowledge, and capital back home.

- **Internal funding.** Project funding can be sourced internally from within the government or institution's budget.

CASE STUDY: Renewable Energy in Gozo
The island of Gozo, part of the Maltese Archipelago, has aimed to increase its renewable energy to at least 10% in support of the EU's goals for 2020. The island aims to shift from conventional offerings to more sustainable forms of ecotourism (ecoGozo, 2012). Their pursuit to become a more sustainable destination led them to solar and wind energy production (offshore wind farms). The total cost of the project amounted to more than €450,000, and approximately €123,000 (about a quarter of the total cost) was funded by the European Fund for Regional Development (ecoGozo, 2015) as part of the OPI Investing in Competitiveness for a Better Quality of Life ERDF program (Investing in Your Future, nd.). The government added solar panels to ministry buildings roofs to help reach their renewable energy goals. The energy cost savings from this project were reinvested as additional panels, and at the end of 2012 the buildings were using up to 60% renewable energy (ecoGozo, 2012). Additionally, as least 16,000 panels have been added to rooftops for residential and industrial customers (ecoGozo, 2012). The project has helped to reduce carbon emissions, improve the island's image to tourists when they choose a destination, saved the government money in energy costs, and also improved the quality of life for Gozitans. HYPERLINK "https://sustainabletravel.org/places/st-kitts/"

- **Travel philanthropy**: Destinations can encourage voluntary action of conscientious consumers and responsible travel companies to donate money, time, and talent to protect the natural and cultural heritage that they visit or care about. CREST explains, "travelers' philanthropy is tourism businesses and travelers making concrete contributions of time, talent, and treasure to local projects beyond what is generated through the normal tourism business" (CREST/Honey, 2011). More information in the Travelers' Philanthropy Handbook by CREST.

CASE STUDY: Torres del Paine Legacy Fund

The Torres del Paine Legacy Fund is a travel philanthropy program dedicated to enhancing the long-term health of Torres del Paine National Park and its surrounding communities in Chilean Patagonia. The program was launched in 2014 by Sustainable Travel International in partnership with the Fink Family Foundation in response to challenges posed by rapidly increasing visitation to this iconic yet fragile landscape. The Torres del Paine Legacy Fund provides a mechanism for travelers and tourism businesses to give back to the National Park and its surrounding communities, complimenting public sector investments in conservation and community development projects. It engages local and international tourism businesses, municipalities, park authorities, fellow NGOs, and visitors in a joint effort to collaboratively raise funds, awareness, and execute local sustainability action projects that:

● Restore and protect ecosystems
● Improve tourism infrastructure and mitigate visitor impacts
● Promote community development
● Diversify recreation and cultural opportunities for residents and visitors

Sustainability projects include trail construction and maintenance, reforestation, recycling and community tourism and heritage protection. To date, the Fund has raised over $210,000 in financial and in-kind donations to support these efforts.

More information at: https://supporttdp.org/ HYPERLINK "https://sustainabletravel.org/places/st-kitts/"

Funding Sources

Various options exist for obtaining debt and equity financing and grant funding for project implementation. Many are available at national or local levels, by donor organizations, government agencies, and NGOs, and are often mixed. Major donors often fund sustainable tourism development projects that meet particular strategic objectives and development goals. Each major multilateral donor such as the World Bank, the Inter-American Development Bank (IDB), the Global Environment Facility (GEF), and the United Nations (UN) as well as bi-lateral governmental donors such as USAID or UK's Department for International Development (DFID) set their objectives and goals on a periodic basis. The overall objectives and goals are public information and easily accessible both printed and on the internet. Private donors and foundations also provide guidelines and instructions to access their grant funding system.

Therefore, it is essential to identify your project's major results to match with organizations that may have similar goals or objectives. Several donor websites appear below. Also check with

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locally available projects, such as donor country offices, government programs, industry associations, foundations, and the local press.

Funding pathways vary widely and are often blended. Below various vehicles are presented with examples that are relevant to sustainable development, travel and tourism.

- **Multilateral Aid** is official development finance or aid mobilized from a representation of several governments to a recipient country (similarly Bilateral Aid is from one country to a recipient country). Multi-lateral and bi-lateral donors set specific country objectives and develop funding programs based on these. Donors rely on their in-country program teams and development experts to develop these in concert with the host government and key stakeholders such as non-governmental organizations. Once established, a donor announces a request for proposals or applications from private and non-governmental organizations to compete for projects that meet their goals. Also includes International Financing Institutions (IFIs), a group of global finance providers, also fit in this group.

  Global
  - CBD (Convention on Biological Diversity) is a voluntary funding mechanism to facilitate the participation of indigenous and local communities, giving special priority to those from developing countries and countries with economies in transition and SIDS
  - CAF (Development Bank of Latin America) has the mission of stimulating sustainable development and regional integration by financing projects in the public and private sectors, and providing technical cooperation and other specialized services.
  - IMF (International Monetary Fund) 189 countries working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world.
  - AfDB (African Development Bank) is a regional multilateral development bank, engaged in promoting economic development and social progress
  - EBRD (European Bank for Reconstruction and Development) is a multilateral developmental investment bank that uses investment as a tool to build market economies
  - UN (United Nations) works in helping to eradicate poverty, reduce inequalities and build resilience so countries can sustain progress
  - European Commission makes funding available in different forms, including grants, loans and guarantees, subsidies, prizes and public contracts.

- World Bank Group is an international financial institution that provides loans to countries of the world for capital projects.
- Global Innovation Fund is a collaboration between DfID (the UK), USAID (the US), the Omidyar Network, Sida (Sweden), and DFAT (Australia). They accept applications on a continuous basis, with no deadlines or 'rounds' of funding. The review process is highly selective and rigorous, and less than 10% of applicants are invited to submit full proposals.
- Global Environmental Facility, a partnership between 182 member countries, UN agencies, the World Bank, regional development banks, and others is one of the leading providers of financing, including grants, for projects in the developing world that support environmental conservation.

○ Regional
  - Inter-American Development Bank is the main source of multilateral financing in Latin America. It provides solutions to development challenges and support in the key areas of the region.
  - Asian Development Bank is an international development finance institution dedicated to reducing poverty in Asia and the Pacific
  - Asia-Pacific Network For Global Change Research (APN) is an intergovernmental network that promotes policy-oriented research and capacity-building activities related to global change in the region.
  - Australia Aid focuses on promoting prosperity, reducing poverty, enhancing stability enhancing the accountability and effectiveness.
  - IDRC (International Development Research Center)- Part of Canada's foreign affairs and development efforts, IDRC invests in knowledge, innovation, and solutions to improve the lives of people in the developing world.
  - DANIDA (Danish International Development Agency) - Part of the Ministry of Foreign Affairs of Denmark that provides humanitarian aid and development assistance to other countries, with focus on developing countries.
  - EuropeAid and the European Commission's Directorate-General for International Cooperation and Development (DG DEVCO) is responsible for designing European international cooperation and development policy and delivering aid throughout the world.
  - KfW is a German government-owned development bank

- GIZ is a German development agency that provides services in the field of international development cooperation.
- JICA (Japan International Cooperation Agency) is a governmental agency that coordinates official development assistance for the government of Japan
- KOICA (Korea International Cooperation Agency) a governmental organization to enhance the effectiveness of South Korea's grant aid programs for developing countries.
- NZAid (New Zealand Agency for International Development) supports sustainable development by targeting projects to improve people's lives, particularly in the Pacific region.
- AECID (Spanish International Cooperation Agency for Development) is in charge of designing, implementing and managing development cooperation projects and programmes, directly and through collaboration with other national and international bodies and non-governmental organizations.
- USAID (United States Agency for International Development) is an independent agency of the United States federal government that is primarily responsible for administering civilian foreign aid and development assistance
- Caribbean Biodiversity Fund - (CBF) is a regional Environmental Fund whose objective is to provide a sustainable flow of resources to support activities that contribute substantially to the conservation, protection and maintenance of biodiversity in the Caribbean
- Compete Caribbean provides technical assistance for projects that enhance productivity and competitiveness of Caribbean businesses

- A **Foundation** is a non-governmental entity established as a non-profit or charity with the primary objective of providing grants to organizations, institutions or individuals associated with scientific, educational, cultural, or religious purposes. Examples include:
  - Rockefeller Brothers Fund has sustainable development as a priority funding area and most grantees are NGOs
  - Bill and Melinda Gates Foundation focuses on agricultural development and nutrition and is one the largest private foundation in the United States.
  - Swiss Foundation for Solidarity in Tourism supports organisations, projects and initiatives that pursue sustainable tourism development.
  - Pacific Asia Travel Association (PATA), a not-for profit membership association, has achieved international acclaim by acting as a catalyst for the responsible development of travel and tourism to, from and within the Asia Pacific region.

- o [Waitt Institute](#) is a nonprofit institution partnering with island governments and communities to restore coral reefs and fisheries.

- **Directories** with online database of foundations and funding sources are another good place to search for funding. Examples include:
  - o [Terra Viva Grants Directory](#) develops and manages information about grants for agriculture, energy, environment, and natural resources in the world's developing countries.
  - o [Devex](#) is a social enterprise and media platform for the global development community. Devex aims to connect and inform development, health, humanitarian, and sustainability professionals through news, business intelligence, and funding & career opportunities in international development
  - o [DevelopmentAid](#) is an innovative membership organisation providing comprehensive information services for the international developmental sector through funding opportunities, expertise, and curated data.

Develop and Submit Proposals: Writing the Concept Note

Once a project is actionable and considered workable, it is ready to be formalized and put in writing to be considered or discussed by others in the form of a proposal. This document has various names including **project concept note, project abstract or technical application**. A concept note is a shorter summary of a proposed project which is often used to help applicants save time in the proposal process. Organizers often use the project concept to garner agreement or approval from project stakeholders and supporters such as donors and government. Drafting a *base* proposal or concept note is useful before finding potential funders to maintain clarity and focus (as in most cases a donor requires specific timelines and processes for submitting a concept).

The concept proposal format and process for submitting varies depending on the funder; however, the basic information required tends to be similar.

The following are the items often included in a proposal or concept note:
- Executive summary. Present your overall case of how your product solves a problem/need.
- Provide background Information. Describe the project's beneficiaries or direct clients and its socio-economic and institutional context (specific sector, activities, number of beneficiaries, gender, geographic location, degree of organization and support received from other institutions, income level, poverty indicators, etc.).

- Define the problem and describe the solution. Describe the main problems or deficiencies that the project addresses in the sector and geographical area, and the impact that these problems are having. Include the project goal and objectives.
- Presentation of the team and project management. Describe your team's experience in the sector and how you plan to carry out the project. Describe who will be implementing the project and briefly explain why you represent the best option to carry out the project.
- Approach and proposed solution. Describe advantages of your model's approach to solve the problems. Include information about additional partners, activities, risks and assumptions, resources, and budget.
- Results. Describe expected results of the project as well as how these will be monitored and evaluated.
- Project sustainability. Describe how your project and its impacts will continue after funding has been completed.
- Optional appendix. Include resumes or other items which do not fit well in the other sections.

Proposals are much more likely to be successfully funded if they align with both the destination tourism strategy and the investor's vision. Therefore, when researching potential funding opportunities and writing proposals it is essential to consider the contributor's needs and point of view of the problem to be solved. Often Requests for Proposals (RFP) or grant applications will be solicited by organizations who are looking for solutions to a particular problem or to fill a particular need. It is essential to match your solution and qualifications to their criteria, or Terms of Reference (ToR), and present the information clearly and in the format they have specified.

For more information:
- [Developing a Project Concept Note Practical Manual](#)
- [Writing a Funding Proposal/Concept Note](#)
- [Example Call for Proposal from Caribbean Biodiversity Fund](#)
- [Partnership for Development Strategies based on Cultural Heritage and Sustainable Tourism - Concept Note Example](#)
- [Livelihood Enhancement & Association of the Poor in Cambodia - Concept note Example](#)
- [Final Proposal Guardians of the Reef - Example](#)
- [IDB Funded Projects database (select project, then click on "Documents")](#)
- [APEC Funded Projects database](#)

Funding Restrictions and Opportunities

There are key challenges to bear in mind when considering funding opportunities. There is often a heavy reliance on grant funding, which is highly competitive. It is also necessary to understand

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the differing needs and requirements of donors. Also, co-financing requirements can be complex and tedious. Another challenge is in the restricted capacity to develop profitable projects.

Developing an understanding of the challenges investors face helps to develop more successful funding strategies. If the proposal can take these into account (or avoid where possible), the investor has less obstacles to potentially hurdle. Barriers that investors face in sustainable tourism include zoning regulations, licences, land access (such as foreign ownership restrictions), import restrictions, taxes, customs, inadequate infrastructure, political instability, and ease of doing business.

While there is significant investment in development, travel and tourism, securing funding is frequently the most challenging part of project development. One reason for the challenge is that each project is unique and so will have unique risks, requirements, timelines, political climates, etc. to balance in finding the most appropriate type of funding.

For large scale developments and where there is a high risk / low return ratio (such as in sustainable tourism projects in developing countries), there is commonly a blending of involvement from both the public and private sectors.

Public sector investment in tourism and infrastructure improves quality of life (with improved roads, for example) and stimulates the local economy (by generating income and jobs). So while government are often motivated to be involved, there is frequently a shortage in cash available for sustainable tourism development.

Therefore, tourism is largely funded by the private sector. Equity, debt or hybrid financing commonly fund a variety of tourism projects and businesses. Traditionally, private equity invests in high risk projects while expecting high financial returns (such as start-ups). However in developing countries there is limited collateral, yet commercial banks often require extra collateral to cover the risk of the loan not being repaid. One solution is with national development banks who normally offer limited or non-recourse financing (where if the borrower defaults, the investor can seize the collateral but not any further compensation, even if the collateral does not cover the full value of the defaulted amount). However, national banks carry challenges along with the opportunity. Often tourism is not high on their priorities and there is frequently a lack of available capital.

Many other funding sources are also available, including foundations, donors, and venture capital groups, who look for a balanced triple bottom line instead. Unfortunately, strict lending requirements, limited resources, and fierce competition are also found here.

It is therefore essential to navigate the funding landscape with a good understanding of the many options available while taking local financial conditions into account, and to even consider securing funding for the various project components from various sources. For example, matching

grants may support project definition assessments while a governmental organization may support the feasibility study.

It is also vital to fully understand the project's financial side. Lenders require a financial assessment, or feasibility analysis, before committing capital. The type of analysis depends on the project and funding situation, from smaller projects only requiring a simplified pre-feasibility analysis for smaller projects to a full analysis prepared by an independent (third party) professional. This due diligence examines the prospective viability of the project's "bankability."

Even though there are many challenges, opportunities abound. The call for sustainable investment and financing is clear. "In modeling undertaken by UNEP to quantify the likely effects of increased green investment in tourism, results indicated that despite a rise in the flow of tourists, green investment would lead to significant resource conservation through considerable efficiency improvements" (CREST 2017).

And to add an empowering statistic from the WTTC: "Travel & Tourism is expected to have attracted capital investment of USD882.4bn in 2017. This is expected to rise by 4.8% in 2018, and rise by 4.3% pa over the next ten years to USD1,408.3bn in 2028. Travel & Tourism's share of total national investment will rise from 4.5% in 2018 to 5.1% in 2028" (WTTC, 2018).

Investor demand for social impact investing is growing as the concept becomes more common. Millennials and traditional investors are increasingly attracted to financing projects that offer social and environmental gains as well as economic ones. According to the International Finance Corporation, of the World Bank Group, "the market for impact investment—currently estimated at $228 billion—is still relatively small, but is scaling up. However, the growth trajectory for impact investing shows significant momentum, with the industry growing fivefold between 2013 and 2017" (IFC, nd.).

According to the UNWTO report Tourism in SIDS, "Coastal and maritime tourism are two of SIDS's main assets. There is a major opportunity to promote an oceans' economy that makes sustainable use of oceans, invests in green technologies to reduce energy and water consumption and contributes to biodiversity conservation" (UNWTO, 2014).

Exercise: Developing Your Project with a Problem Statement, Logical Framework Analysis, Funding Plan and Concept Note

Determine your project based on local needs and solutions related to tourism for your chosen SIDS. Use the knowledge you have gained throughout this course to develop these materials. The reading for this section has been kept brief to allow for extra time to devote to this exercise (allow for more than 4 hours). Your submissions will be reviewed by your peers next week.

- Draft a Problem Statement.
    - Briefly describe the main problem or specific deficiency that your project plans to address and the impact that these problems are having.
- Complete a Logical Framework Matrix.
    - Draft your own logframe for your project by using the template below. Focus on developing solid information in the Project Summary column to start. Then draft the remaining parts of the table.

	Project Summary	Indicators	Source of Verification	Assumptions
Overall Objective/Goal				
Purpose (Outcome)				
Results (Outputs)				
Activities				

- Draft a Funding Plan.
    - Include insights on local funding conditions, suitable financing types and potential funding sources.
- Draft a one-page proposal summary, or concept note.
    - Show how your project solves the problem.
    - Include an Executive Summary, Problem and Solution, Team Summary, Approach, and Expected Results.

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Developing Your Sustainable Tourism Project

Determine your very own sustainable tourism project based on local needs and solutions related to tourism for your chosen SIDS. Use the knowledge you have gained throughout this course to develop a sound project proposal. Please keep your project submission to less than 7 pages in length. Please note that project submissions that exceed 7 page lead to rejection (assignment failed).
Required font size: Arial 10 pt
2 ways to submit: Either post it directly into a textbox on the platform, or upload a word file.

Mandatory assignment: Proposal Summary / Concept Note

Draft a proposal summary text, i.e. a concept note, based on your logframe results. Show how your sustainable tourism project solves the problem(s) that you identified for your small island. Include the seven sections outlined below.

1. Project Title
Add a brief yet meaningful title of no more than 100 characters including spaces.

2. Executive Summary
Provide a short summary of all the main aspects of your proposal; briefly indicate the relevance of your project for your identified target group(s) (max. 250 words)

3. Problem Statement (challenge)
Briefly describe the main sustainability related problem or specific deficiency that your project plans to address and the impact that these problems are having. Indicate the project impact level too – local, regional, national, international. (max. 250 words)

4. General approach (solution)
Provide a convincing argumentation describing the main challenge addressed and explain how your project seeks to address this challenge; by defining an overall objective, supported by specific objectives, and elaborate how your project will contribute to sustainable tourism (max. 500 words)

5. Expected Results (monitoring and evaluation)
Present the expected results of your sustainability project and explain how you intend to measure project results – what are appropriate indicators? (max. 250 words)

6. Resources (team summary)
Explain which type of partners and resources you intend to include in the project to achieve project success (max. 250 words)

7. Project Financing Plan (funding)
Include insights on local funding conditions, suitable financing types and potential funding sources (max. 250 words)

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