



Overseas Development
Institute

Presentation 10



International Trade Centre
UNCTAD / WTO

Step 8: Developing the Short List: Prioritisation

Step 8

Phase	Step	What to do?	Why?
Phase 1: Diagnosis	Step 1	Preparation	To define the destination, target group of poor, and the project team
	Step 2	Map the big picture: enterprises and other actors in the tourism sector, links between them, demand and supply data, and the pertinent context	To organise a chaotic reality, understand the overall system
	Step 3	Map where the poor participate	To avoid erroneous assumptions about poor actors To take account of the less visible suppliers
	Step 4	Conduct fieldwork interviews in each node of the chain, with tourists and service providers	To provide data and insights for Steps 5 to 8
	Step 5	Track revenue flows and pro-poor income Estimate how expenditure flows through the chain and how much accrues to the poor Consider their returns and factors that enable or inhibit earnings	To follow the dollar through the chain down to the poor, and how assess how returns can be increased
Phase 2: Opportunities	Step 6	Identify <i>where</i> in the tourism value chain to seek change: which node or nodes?	To use Steps 1 to 5 to select areas ripe for change To focus Steps 6 to 8 down to specific areas
	Step 7	Analyse blockages, options, and partners in the nodes selected, to generate a long list of possible interventions	To think laterally and rationally in generating the range of possible projects
	Step 8	Prioritise projects on the basis of their impact and feasibility	To generate a project shortlist, comprising projects most likely to deliver impact
Phase 3: Planning	Step 9	Project planning	How to package selected projects for funders

From a long list to a short list of interventions

Criteria table for each intervention (or combination)

Criteria	Impact			
	Unacceptable	Low	Medium	High
PRO POOR IMPACT				
Total PPI increase, \$ per annum				
Net non-financial benefits to poor people				
No. of poor reached				
Reach to key target/disadvantaged groups				
Benefit: cost ratio				
Likelihood of indirect impact via replication / lesson learning				
Overall pro poor impact				
How does impact depend on other interventions?				

Rule out options with a mark in a box

From a long list to a short list of interventions

Criteria table for each intervention (or combination)

Criteria	Impact			
	Unacceptable	Low	Medium	High
LIKELIHOOD OF IMPACT				
Feasibility of implementation; capacity in place				
Commercial viability of the change				
Alignment of market/political incentives with desired changes by stakeholders				
Capacity to mitigate main risks to non-achievement				
Sufficiency of resources				
Availability/interest of appropriate partners				
Overall likelihood of impact				

Rule out options with a mark in a box

From a long list to a short list of interventions

Criteria table for each intervention (or combination)

Criteria	Impact			
	Unacceptable	Low	Medium	High
PRO POOR IMPACT				
Likelihood of impact				

Rule out options with a mark in a box

From a long list to a short list of interventions

Assess each option and combinations

After doing all the assessing, reflect,
discuss, compare, and **DECIDE!**

A 'traditional' intervention

- **Example:** Wild Coast community-based tourism project 2000-2005. Developed **community-based accommodation** (lodges & campsites) at three sites along this very rural stretch of the South African coast. Supported **hospitality training; craft development; community empowerment; hiking trail development; environmental management and tourist promotion**. Established **community trusts** to manage receipts from tourists.
- **Cost:** Funded by EU at cost of €12.9m
- **Impact (& ROI):** created **87 jobs** for the **3 years** the project was running – none sustainable (**\$50,000 cost per job per year**). Generated about **\$20,000 in a community trust** much of which did not benefit anticipated beneficiaries. **Private sector concessions collapsed** due to community conflict and local government resistance. Main beneficiary was urban, affluent Irish consultancy company.



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A 'market-based' intervention

- **Example:** Berimbau project took place in 2006 in NE Brazil near Salvador. **Private sector owners of Costa do Sauipe resort of 1,800 beds** joint-financed training initiative with United Nations to raise local community access to jobs in the hotel
- **Cost:** **US\$1m** from resort owner and **US\$340,000** from United Nations Export Led Poverty Reduction Programme (including support for craft and agricultural links).
- **Impact:** **US\$1.3m additional income yearly** into poor community from **1,100 additional local people accessing jobs** at resort (10% to 40% total workers **raising average household income from \$100 to \$200** per month)





Practical exercise

Produce short lists of priority interventions for Addis Ababa and Kilimanjaro

Hint: work with the market!