



# REQUEST FOR PROPOSAL

**Request for Proposal: DOT/HCD**

**Provision of Consulting Services for an Assessment of the Capacity and Potential of the Cayman Islands Tourism Industry and the Development of a Sustainable Tourism Development Strategic Plan (2017 – 2021)**

**19<sup>th</sup> April, 2016**

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The following document outlines the specific criteria for eligible firms to submit a proposal for the provision of consulting services to the Cayman Islands Department of Tourism for an Assessment of the capacity and potential of the Cayman Islands Tourism Industry and the revision of the National Tourism Management Plan. This document is divided into six sections:

Section I	Background Information
Section II	Identified Objectives and Scope of Work for the Consultant
Section III	Consultant Criteria/Capabilities
Section IV	Instructions on Preparations and Submission of Proposals
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Section VI	Selection Timeline

## Section I

### Background

The Cayman Islands has been developing its tourism industry for over thirty-five years. The major attractions in the Cayman Islands form part of its natural heritage such as coral reefs, bluffs, caves and hiking trails as well as built heritage such as historic buildings and sites and cultural and intangible heritage including local cuisine, music, art and craft and traditions. The Cayman Islands has also established marine and terrestrial protected areas.

As stated in its Revised National Tourism Management Plan (NTMP) 2009-2013:

“The Cayman Islands will provide a distinctive, high quality good value experience for all visitors, which draws on and supports the Islands’ individual character(s) and enhances the Islands’ image and reputation. The goal is a thriving and sustainable sector of the economy which will continue to create wealth for the local community; a sector that is sustainable in terms of the Cayman Islands’ environment, the local community and the local industry.”

With tourism development, tourist arrivals have fluctuated, historically reaching a peak of 385,379 air arrivals in 2015 and 1,923,597 cruise arrivals in 2005. Average annual tourist arrivals during the period 2000-2015 were 304,871 by air and 1,565,829 by cruise. Tourism accommodation capacity (including condos, villas and hotels) for the Cayman Islands as at 30<sup>th</sup> December, 2015 was 5,449 rooms, with the vast majority of 5,068 rooms in Grand Cayman, 236 rooms in Cayman Brac and 145 rooms in Little Cayman. Over the next few years, tourist accommodation stock is expected to increase further with new or expanded hotel and resort developments carded to be added to the room stock inventory. Additionally, major development projects including upgraded ports of entry, road infrastructure, new tourist attractions and other initiatives geared towards enhancing the visitor experience are carded.

### **Government of the Cayman Islands Strategic Policy (2016/2017)**

Some of the key initiatives that the Government has announced have the potential to create a more enabling environment for a more sustainable and globally competitive tourism industry in the Cayman Islands including:

- National Solid Waste Management Strategy and an Integrated Solid waste Management System (ISWMS)
- Owen Roberts International Airport terminal expansion
- New cruise ship berthing facility
- Revitalization of George Town
- Road network expansion and upgrades
- National Culture and Heritage Policy and Plan and cultural/creative industry development
- Development of sports tourism in Cayman Brac
- National Energy Policy Development
- Recently announced Cayman Airways Ltd. Fleet Modernization Plan

## **Role of the Cayman Islands Department of Tourism (CIDOT)**

With major decisions regarding the future of the Cayman Islands tourism industry at hand, the Department of Tourism (DOT) is the public sector agency charged with short and medium term responsibility for tourism strategic planning and general destination management. To be successful, the Department must maintain a global perspective and a parallel local sensitivity in order to meet its broadest objectives as outlined in the NTMP. The nature of the activities executed by the Department include research and policy development and implementation, international marketing and sales, industry training programmes and the development of environmentally responsible programmes for the tourism industry. The DOT is a global organisation and maintains a marketing and promotions presence with offices in New York, USA and London, UK including at home based staff in Calgary and Toronto, Canada. The economic impact through visitation is the top metric used to gauge the tourism industry business development performance. At all times, the Department seeks to advance the heritage, culture and values of the Cayman Islands and promote the advancement of sustainable tourism policies for the benefit of future generations.

The Cayman Islands Department of Tourism's Product Development Unit is responsible for developing new and existing products to enhance the visitor experience in the Cayman Islands. The Cayman Islands Environmental Project for the Tourism Sector (CEPTS) is one of the projects being administered by the Unit. It is hinged on public-private sector partnership for improved environmental performance in the Cayman Islands tourism sector. CEPTS aims at conducting environmental audits and establishing environmental management systems (EMS) for the tourist accommodation sector and ensuring that environmental policy is upheld. A destination Sustainability Assessment was also conducted to establish a baseline for the Cayman Islands regarding the attainment of minimum global destination sustainability criteria as established by the Global Sustainable Tourism Council (GSTC).

## **The Challenges and The Opportunities**

The Cayman Islands is at a developmental crossroad with regard to its tourism industry. The Revised NTMP sums it up in its conclusion that:

“Cayman displays the classic later stages in the ‘tourist area life cycle’ whereby a destination goes through periods of growth (exploration, involvement, development and consolidation) before reaching a point of stagnation and then decline – or rejuvenation. It might be argued that ‘rejuvenation’ has already occurred through cruise; the loss of stayover visitors has been countered by a rapid increase in cruise ship passengers. But... this has brought its own problems and there may be an external capping process as operators feel the quality of the experience is deteriorating for their passengers.

The Cayman Islands Government must engage in a multi-sectorial approach to make sure the rejuvenation process is sustainable over the long-term by making some hard decisions now and focusing on maximizing value through providing a distinctive high quality product and promoting it effectively....”

The Revised NTMP also mentions that:

- There is a heavy concentration of tourist activities on the George Town and Seven Mile Beach Areas which have changed dramatically in the past thirty years to the point where “there are indications that the scale and nature of development is beginning to deter visitors.”
- In terms of visitor accommodation and facilities, there is scope for new high quality redevelopment in George Town and Seven Mile Beach as long as this is in conjunction with enhanced public space and access. This should give priority over new, additional development that will reinforce the sense of over-development and congestion in this part of Grand Cayman.
- The western coast and well known Seven Mile Beach corridor of Grand Cayman also receives all the cruise visitors. In terms of infrastructure and community acceptance, there are times when capacity is exceeded. On certain peak days, the impact is deemed excessive by most stakeholders, including many cruise operators. There is physical scope to grow the sector-off peak but this may not be possible for operational or market reasons. Capacity will be maximized and – more important - the visitor experience enhanced, with better management of visitors in George Town and at key attractions.
- Beyond west Grand Cayman, tourism has had relatively little impact as yet. There is scope for new development in the Eastern Districts and the Sister Islands as long as it is accepted that additional capacity will mean more imported labour to support increased development. Any such development has the crucial proviso that the nature and scale of such development is well planned, of high quality, is built in the context of a new environmental code, is designed with a distinctive Caymanian character of its own and sensitive to environmental constraints of the site and its terrestrial and marine surroundings. “
- Whilst the Cayman Islands is not a mass tourism destination, the islands and local population are considered to be small and during the peak cruise ship season, hundreds of cruise ship passengers may disembark to explore Grand Cayman. The result of this is increased congestion in major tourist zones which can impact the quality of life for locals and residents.
- “Whilst recognizing and welcoming the economic benefits the tourism industry brings, Caymanians clearly have concerns about the impacts of tourism and associated development on the culture and character of the Islands.
- “There is a growing impression within the community that certain types of commercial development have been allowed to proceed at a pace and in a direction which is not increasing the quality of life of the local population. The community would like to see economic development in balance with the needs of our natural and built environments, the Caymanian workforce and the social fabric.”
- The previous NTMP highlighted the concern for the impact of tourism on the marine and terrestrial environment, congestion and over-development at the west end of Grand Cayman and the proportion of non-Caymanians in the workforce.

## Section II – Identified Objectives and Scope of Work for the Consultant

### Scope of Work

As the Cayman Islands approaches the maturity stage of its tourism product life cycle, the anticipated growth of tourist arrivals, along with the expanding accommodation capacity and demand for various visitor experiences has highlighted the need to monitor and manage potential physical, environmental and social impacts of this growth in the medium to long term. It will therefore become increasingly important to establish limits of acceptable change and visitor management systems as recommended by a recent assessment of the sustainability of the Cayman Islands as a tourist destination.

The following issues to be addressed were identified in the Revised NTMP and are still relevant today, even in the face of changes that have occurred since its expiration:

- What level and nature of tourism activity is right for the Cayman islands, specifically in terms of the tourism product (accommodation facilities, attractions (terrestrial and marine, infrastructure and services)
- How can tourism be best managed to ensure the right balance is maintained between the economic, environmental and social impacts over the next five years and beyond?
- What is the market potential for tourism growth?
- What is the Cayman Islands' capacity to absorb tourism activity?
- What do Caymanians want from tourism?

### Overall Objectives

1. To review the current status of the Cayman Islands' tourism industry in terms of tourist arrival trends, accommodation capacity, tourism-related infrastructure and tourism product offerings through the lens of destination competitiveness and sustainability.
2. To provide recommendations as to the limits of acceptable change that the tourism industry should strive to not exceed given the current tourism development plans.
3. To develop a visitor management system that takes into consideration anticipated growth in tourist arrivals.
4. To update the Revised National Tourism Management Plan to cover the period 2017 - 2021 (five years) based on the market potential for tourism growth, a sustainable tourism development approach and the national vision for tourism.

### Specific Objectives

In carrying out this project, the following specific objectives should be met:

1. Conduct a situational analysis of tourism in the Cayman Islands (including tourism product, destination marketing strategy, SWOT analysis)

2. Provide recommendations on enhancing visitor management at the main air and sea ports of entry and most visited sites and attractions to address existing and foreseeable challenges that may arise from growth in visitor arrivals.
3. Conduct a tourism visioning exercise with key stakeholders to determine a new vision for cruise and stayover tourism development in the Cayman Islands.
4. Building upon the last National Tourism Management Plan and taking into consideration the situational analysis, destination sustainability assessment results, desired vision for tourism, target market analyses and relevant tourism-related public and private sector initiatives, provide a Strategic Plan with recommendations on the type and pace of sustainable tourism development that the Cayman Islands should pursue for the next five years (2017 -2021).

## **Budget**

The budget for fulfilling the scope of work ranges from CI\$ 50,000 – CI\$ 80,000, including any required travel to the Cayman Islands.

The Consultant should not exceed the budget but in the event of additional fees, CIDOT should be advised in advance for approval.

In the event that the successful company is based outside the Cayman Islands, CIDOT and the Consultant will negotiate for travel to the Cayman Islands for any required work that has to be done in the destination.

## **Technical Requirements and Deliverables**

The deliverables in the form of reports should be submitted electronically and as three hard copies.

### **a) Deliverables**

- Inception Report
- Situational Analysis
- Visitor Management Strategy
- Tourism Visioning Report
- Draft Sustainable Tourism Strategic Plan (2017-2021)
  - Executive Summary
  - Situational Analysis
  - Visitor Management Strategy
  - Tourism Vision
  - Recommendations for sustainable tourism development
- Presentation summarizing key findings and recommendations from Draft Plan
- Final Sustainable Tourism Strategic Plan
- Presentation (summarizing key findings and recommendations from Final Plan)

The following estimated timelines should be observed:

- Inception Report should be submitted by June 10<sup>th</sup>, 2016
- Situation Analysis should be submitted by June 24<sup>th</sup>, 2016
- Visitor Management Strategy should be submitted by July 15<sup>th</sup>, 2016.
- Tourism Visioning Report should be submitted by August 22<sup>nd</sup>, 2016.
- Draft Sustainable Tourism Strategic Plan and presentation should be submitted by October 24<sup>th</sup>, 2016.
- Final Sustainable Tourism Strategic Plan and presentation should be submitted by November 25<sup>th</sup>, 2016.

### **Section III – Consultant Criteria/Capabilities**

Overall:

- Relevant experience with projects of a similar scope and complexity
- Demonstrated related work experience in the Caribbean region
- A sound understanding of the tourism industry in the Cayman Islands
- A good command of the English language and the ability to communicate clearly
- Ability to meet deadlines and pay attention to detail
- Demonstrated ability to engage with large stakeholder groups
- Evidence of high level of commitment to client service in terms of quality, thoroughness of strategic approach and follow through of project

### **Section IV – Instructions on Preparation and Submission of Proposals**

#### **Structure of Proposal**

The Proposal should cover a 6-month period (maximum) during the **June 1<sup>st</sup> to November 25<sup>th</sup>, 2016 period**. It should be written in English and not exceed 20 pages (excluding Annexes). It should specify how each element of the Scope of Work will be approached and completed and should incorporate the following:

1. The title of the proposal should contain your firm's name, address, telephone number, principal contact and email address.
2. Description and history of the Consultant/company
3. Brief of relevant prior experience of the Consultant/company
4. Links to or actual copies of previously produced relevant material showcasing the quality of your work and testimonials where applicable.
5. Consulting team: name, title and a brief CV for the Team Leader and each team member, inclusive of their roles and responsibilities for the proposed project.
6. Understanding of the scope of work and objectives
7. Outline of project approach, strategy for carrying out the scope of work and methodology
8. Detail the time to be spent on the project
9. Financials should include a detailed "line item" breakdown of costs for the project quoted in Cayman Islands dollars



10. Any other information deemed appropriate for this project.

### **Submission of Proposals**

**Contractors are required to submit an electronic (PDF) copy of the Proposal or three (3) hard copies. The deadline for receipt of proposals is noon (12:00 pm) Central Standard Time on May 13<sup>th</sup>, 2016. Contractors should ensure that they make the necessary arrangements with courier services for mailed submissions to arrive on time. Submissions received after the deadline will not be accepted.**

If mailed, proposals should be addressed to:

Deputy Director, Tourism Product Development  
Cayman Islands Department of Tourism, Government Administration Building, Box 134  
133 Elgin Avenue, Grand Cayman, KY1-9000  
Cayman Islands

Envelopes should be sealed and clearly marked **“Tender Documents – Cayman Islands Tourism Strategic Plan.”**

Should you have any questions regarding the tender information or the preparation of the submissions or if emailing a proposal, please direct them to:

Deputy Director, Tourism Product Development  
Cayman Islands Department of Tourism  
E-mail: [ghenry@caymanislands.ky](mailto:ghenry@caymanislands.ky)

Any tender clarification that may take place shall not be considered a tender negotiation but shall be deemed a clarification in areas of uncertainty with the tender submission. Any tender clarifications brought to the attention of the identified contact above must be submitted in writing at the earliest opportunity and well before the date for the return of the tender. *Queries will only be accepted up to 4:00 pm Central Standard Time on May 10<sup>th</sup>, 2016.*

The consultant firm is required to disclose at the time of submitting its tender in a written and signed statement to the Government, such interests which could under any circumstances be construed either to reflect upon its integrity or on the integrity of any person on the agency's proposed team or be perceived as a conflict of interest if employed as the agency of record for the Cayman Islands Department of Tourism.

The Cayman Islands Government will not defray any submission costs incurred by the tendering company. However, any additional requests made by the Cayman Islands Department of Tourism to the consulting firm awarded the project, will be assessed and where significant, considered for reimbursement.

## Section V – Evaluation Criteria

### Evaluation of Proposals

All proposals will be reviewed during the week of May 16<sup>th</sup>, 2016 and the successful company will be notified during the week of May 29<sup>th</sup>, 2016. The length of the contract will be a maximum of six months.

Proposals will be evaluated by a Committee based on the following criteria:

1. Understanding of Scope of Work and Objectives
2. Project Approach, Strategy and Methodology
3. Relevant Prior Experience
4. Quality of consultant staffing
5. Pricing of project

### Evaluation Criteria

Criteria	Weighting/ Priority	Evaluation/Rating					Total Points
		1 (low)	2	3 (average)	4	5 (High)	
	(%)						
<b>1. Understanding of scope of work and objectives</b>	<b>(15)</b>						
a. Plan covers all requirements of the RFP (5)							
b. Plan addresses project scope (5)							
c. Plan clearly demonstrates knowledge of project description (5)							
<b>2. Project Approach, Strategy and Methodology</b>	<b>(20)</b>						
a. Plan demonstrates effective approach and strategy (10)							
b. Plan demonstrates effective methodology (10)							
<b>3. Relevant Prior Experience</b>	<b>(30)</b>						
a. Success in similar prior projects (10)							
b. Experience in tourism industry (10)							
c. Experience in the Caribbean region within past five years (10)							
<b>4. Quality of consultant staffing</b>	<b>(25)</b>						
a. Project management qualifications and experience (5)							
b. Tourism qualifications and experience (5)							
c. Strategic planning experience (5)							
d. Stakeholder consultations experience (5)							
e. Evidence of ability to meet deadlines and pay attention to details (5)							
<b>5. Pricing of project</b>	<b>(10)</b>						
a. Thoroughness of financial information (5)							
b. Total cost relative to expected deliverables (5)							

**Section VI – Selection Timeline**

<b>Time Range</b>	<b>Action</b>
April 22 <sup>nd</sup> - May 5 <sup>th</sup> , 2016	RFP tender advertised
April 22 <sup>nd</sup> – May 10 <sup>th</sup> , 2016	Queries accepted
May 13 <sup>th</sup> , 2016	Deadline for Submissions
Week of May 16 <sup>th</sup> , 2016	Review, Evaluate and Short list Bids
Week of May 29 <sup>th</sup> , 2016	Agency selected