

**Company:** LOS QUETZALES LODGE & SPA  
**Country:** Panama  
**Project:** Program TMF: Poverty reduction and environmental improvement.  
An integral, sustainable development strategy.  
**Year:** 2005

### THE COMPANY

Los Quetzales Lodge & SPA, is located in Guadalupe –Punta Cerro Corregimiento – in the Chiriqui Province, Panama. The Project started as an initiative by Carlos Alfaro, in 1991. It is well known for the extension of its land – which has been kept as a private forest reserve. This reserve is 400 hectares and has achieved a 15% secondary forest development; it adjoins two large protected areas: La Amistad International Park and Baru Volcano National Park.

The hotel employs 20 people – including 4 people in the Administrative Office in David and 4 temporary ones. During high season, personnel increase by 5 or 6 people.

The hotel's administration wants to continue growing, through the extension of the installed capacity and the offer of services to its clients. In general, the clientele's feedback shows total satisfaction with services and attention received.



### SERVICES

Los *Quetzales Lodge & SPA* offers:

- Lodging in 10 hotel rooms, 5 suites, 1 duplex cottage, three bedrooms and 5 cottages in the Word (1 is a duplex)
- 8 paths through the primary and secondary forests
- Trout pond
- Bar
- Jacuzzi
- Recreational green areas
- Restaurant
- Bakery
- Spa and gym
- 4 Wheel Drive transportation
- Horses and bicycle rental
- Guided tours in the hotel's reserve
- Bird watching
- Souvenir, photo and accessories shop



### PROJECT DESCRIPTION

This project was developed under the Joint Cooperation Agreement CONEP-CEGESTI – in the frame of the project “Instruments of Environmental Management and Entrepreneurial Participation in Clean production”, carried out by the CONEP and financed by the Inter-American Development Bank; and the project “Poverty Reduction and Environmental Improvement: An Integral Development Strategy (TMF)” carried out by CEGESTI and financed by the Dutch Government Ministry of Foreign Affairs.

Los Quetzales Lodge & Spa decided, in mid 2004, to participate as a beneficiary company in this program, which aims at applying the concept of tourist sustainability, and the *cleaner production* methodology through CEGESTI's technical assistance. Technical assistance would help participating companies in the development of a system based on Sustainability Tourism Certificate – STC- that is a program by the Costa Rican Tourist Institute (ICT by its Spanish acronym), designed to categorized and differentiate tourist companies according to the degree their operations reach a sustainability model, regarding natural, cultural and social resources.



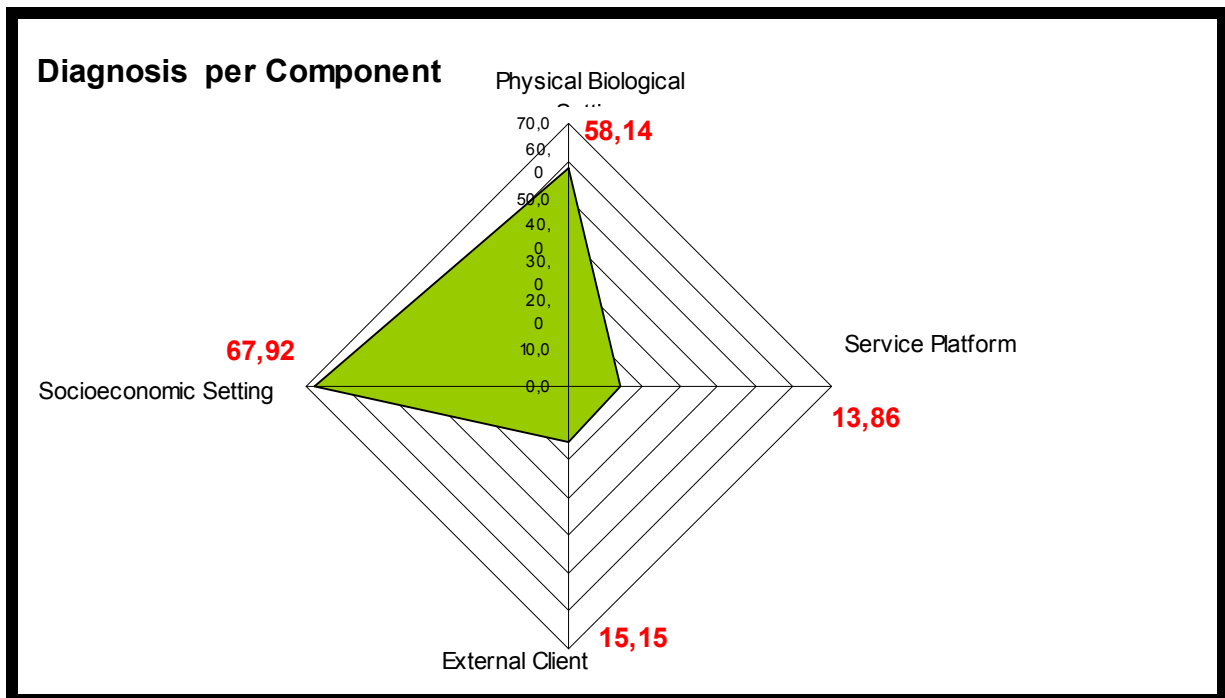
Its fundamental objective lies on changing the concept of sustainability into something real, practical and necessary in the context of tourist competitiveness in the region. This aims at improving the manner how natural and social resources are used. Also, active participation of the local communities is encouraged, and new support is granted for competitiveness in the tourist entrepreneurial sector.

### INITIAL STC ASSESSMENT

To assess the sustainability position of a tourist company, the ICT makes an analysis of the company with regards to four components:

- Physical biological setting
- Service platform
- External client setting
- Socio-economic

The following diagram shows the initial results of the assessment done to the hotel Los Quetzales on STC.



Each one of these components consists of different topics – which punctually analyze the company’s social, economic and environmental performance, hence its contribution to sustainable development.

The questionnaire assessed by the Grupo Ecoturístico Los Quetzales S.A is one which allows obtaining a general perception of the tourist sustainability dimension the company shows – presented in the previous chart. As the graph shows, the biggest strength was the Socio-economic component and the Physical and Biological one, while the biggest opportunities to improve were in the topics of External Client and Service Platform.

**MOST RELEVANT RESULTS:**

<b>Strategies, policies and plans</b>
<p>The company’s strategic work frame was defined:</p> <p style="text-align: center;"><b>Company’s Mission</b></p> <p>Los Quetzales Lodge &amp; Spa is a private, for profit organization dedicated to ecotourism. We are located at the damping zone within the International Park La Amistad and the Baru Volcano National Park. We offer lodging services, food, recreation and nature integrating activities which fit international standards and which complement each other allowing economic and social development in the region, as well as promote harmony between tourism and preservation, and create opportunities for our people’s development.</p> <p style="text-align: center;"><b>Company’s Vision</b></p> <p>To be positioned as the favorite Ecologde to national and international tourists facilitating their journey towards natural areas as to appreciate the culture and natural history of the local environment – with adequate precautions to avoid altering neither the ecosystems’ integrity, nor the location’s culture. Also, we seek to generate economic opportunities so that natural areas preservation becomes beneficial to local groups – with the commitment that their visitors respect nature’s integrity.</p> <p style="text-align: center;"><b>Sustainability Policy</b></p> <p>We seek economic, environmental and social sustainability. To achieve it, we pay a lot of attention to our clients’ attention while at the same time we generate economic resources and development opportunities for our clients and our community, adding value to the environment and leading actions for its conservation.</p> <p>We believe in the sustainable use of natural resources, the integration of local communities and the implementation of micro ecotourism companies. This is why we care to educate and generate support for parks conservation so that the community and tourists in general learn about the meaning and beneficial impact that forests have on the climate, water supplies, ecology and economy at the local and global level, and for them to know how they can contribute to their preservation.</p> <p>Our challenge is to contribute in placing - in tourism terms - Guadalupe, Cerro Punta, Panama at an international level offering its culture, its idiosyncrasy, and its history – giving added value to the tourist activity while generating maximum benefits to the integral welfare of our employees and community.</p>

## Service Platform: Cleaner Production Plan

The following table shows the score earned at the beginning and at the end of the technical assistance:

Assesment		Initial score	Final score
Service plant	Policies	12	67
	Water consumption	0	38
	Energy consumption	19	63
	Products consumption	18	72
	Wastes management	11	56
	Training	22	67
<b>Component score</b>		<b>14</b>	<b>61</b>

The improvement in the earned score for this component was achieved through the following actions:

### Water consumption

- Delay program in the washing of towels and bed linens – with an expected annual savings of \$480.00 USD



- Water meters were installed to measure water consumption per month and client – the amount of water used in laundry per client.
- A maintenance and revision program for washing machines was implemented to prevent leaks and improve processes efficiency.

### Energy Consumption

- The water heating system was substituted from diesel to gas ones. This will result in an expected annual saving of close to \$2,160.00 USD.
- A continuous Maintenance Plan was established for freezers and refrigerators as to save in energy consumption.
- The personnel from the boiler equipment and the electrical systems were trained to make processes more efficient.





- A timetable was programmed to turn lights on and off in the hotel.
- Motion detectors were installed to turn lights on and off.
- A program was established to substitute incandescent lights for fluorescent ones.

### **Solid Waste Production**

- The acquisition of containers has diminished through the purchase of products in bulk, or the use of refillable containers; plus materials which may be recycled – such as glass bottles, aluminium cans, and other containers are separated.



- An area was set up to make compost from organic waste from the kitchen and the bakery. California worms are being used for the organic waste biodegradation.

## Pests

- To control the cockroach pest, wood furniture and equipment was substituted for stainless steel equipment; devises for easy cleaning were installed in the kitchen area; and so were processes of more frequent deep cleansing; adequate food storage; wall sealing; and elimination or relocation of objects, tools and unused equipment in the production area. Personnel have been hired to professionally assist in the fumigation and pest control.
- The most important effort the management has carried out is to demand from authorities the regulation and control in the use of hen droppings as organic fertilizer in the region. Legislation – with state organizations (ANAM, MIDA, MINSA, IPAT and Alcaldía Municipal) - has been ruled to control hen droppings use throughout the republic.



- For fly pest control, automatic doors systems in eight entrances were installed to prevent their income to the restaurant area, bakery and spa, as well as other mechanisms such as special lamps and specialized pesticide – non-toxic for warm-blooded animals.

## External Client

The following table shows the score earned at the beginning and at the end of the technical assistance:

Assesment		Initial score	Final score
External client	Communicationa & participation	9	55
	Rooms	0	43
	Guidance to groups	29	57
	Response measurement	29	0
<b>Component score</b>		<b>15</b>	<b>41</b>

The improvement in the earned score for this component was achieved through the following actions:

- The company provides information about natural areas of tourist interest – especially promoting accessible interest points for their clients in their visits to Quetzales – such as Dracula Farm which is a renowned botanical garden, tour to the Quetzales path, tour to Barriles archaeological site and other ecotourist and cultural tours.



### Physical Biological and Socio-economic Component

The following tables show the score earned at the beginning and at the end of the technical assistance:

Assesment		Initial score	Final score
Physical biological component	Policies and programs	67	83
	Emissions	54	27
	Green areas	57	86
	Natural areas	60	88
	Flora & fauna protection	57	71
<b>Component score</b>		<b>58</b>	<b>62</b>

Assesment		Initial score	Final score
Socioeconomic component	Direct economic benefits	67	83
	Indirect economic benefits	86	94
	Contrib to cultural development	91	55
	Health contribution	50	50
	Infraestructure and safety	33	25
<b>Component score</b>		<b>68</b>	<b>64</b>

The improvement in the earned score for this component was achieved through the following actions:

- The company continuously participates in environmental improvement programs in the surrounding zones, specifically in the protected areas in regions like La Amistad and Baru volcano parks.
- The company has been part of organizations, which actively work with environmental problems – such as Species, Boquete's Association to Protect the Quetzales' Path.
- The company participates and supports in the maintenance and management of the protected areas at the La Amistad and Baru Volcano Parks; and it keeps under the same protection regime an important part of its private property of 400 hectares. This support is primarily seen in the activism kept by the general manager, Carlos Alfaro, in the protection of protected areas against illegal hunting, the transformation of lands into stock farming and agriculture, and in the promotion for these areas maintenance.

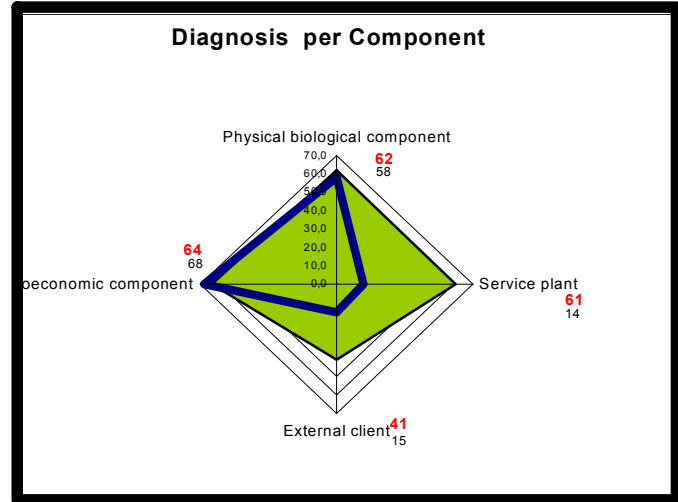


- The company has a commercial relation as well as one of permanent support with various local micro-companies: Cabinetmaking and Welding Aaron – which provides an important support for the hotel's furniture, support of local tinsmith to make especial chimneys and other kitchen equipment; Genover Santamaria Jr, who provides the hotel with tour guide services for their clients; and Mechanical Workshop José L. Caballero – where hotel vehicles are given maintenance.
- Local providers in general supply fruits and vegetables.
- Crafts sold at the hotel are made by local craftspeople.

## FINAL ASSESSMENT

The final assessment shows significant improvements in the Service Platform component (final score of 61%) and the External Client component (final score of 41%) with net increases in the assessment of 47% and 26% respectively. These components had the lowest scores in the initial assessment and, therefore, clear opportunities to improve.

It may be concluded that the Cleaner Production and the Communication and Training Programs achieved to have a positive impact in the hotel's operation – with tangible results. It remains up to the hotel to keep the programs and continue with the detection and improvement of opportunities to improve the hotel.



### Phrase by Carlos Alfaro Founder and Proprietor

*"It was very meaningful for Los Quetzales Lodge & Spa to be chosen to participate in this important program for sustainable development. Just having our efforts recognized by CONEP incited us to subscribe in the program. CEGESTI's systematic advising to monitor, technicalize, and our effort to live in harmony with nature and our community polished our conviction to work as a team to achieve established goals.*

*The Cleaner Production and Integral Sustainable Development Program enhanced our investment and urged our human resource. CEGESTI's professional consultants support strengthened weaknesses, tuned strengths, and put us in the fast track to what we hope to be totally sustainable and clean production.*

*We trust that other companies and the IPAT do not only see the importance of participating in this CST program, but that as a whole country enough changes are implemented to present to the world a positive image of sustainable coexistence- compared to that in Costa Rica.*

*We need humbleness to recognize weaknesses and accept changes, transparency with our clients and personnel, and qualified labourers who are aware of harmonious coexistence with the environment.*

*We hope that our participation incites the IDB to continue financing projects which help other companies to live together with the environment and its socio-economic setting.*

