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Policy Issues in Environment and Tourism

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Glossary

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| ADB | Asian Development Bank |
| CLIA | Cruise Lines Industry Association |
| G8 | Group of Eight Industrial Nations |
| IATA | International Air Transport Association |
| ICAO | International Civil Aviation Organization |
| ICLEI | International Council of Local Environment Initiatives |
| IH&RA | International Hotel and Restaurant Association |
| IPCC | Intergovernmental Panel on Climate Change |
| IDB | InterAmerican Development Bank |
| IGO | Inter-Governmental Organisation |
| ISO | International Organization for Standardization |
| MDG | Millennium Development Goals |
| NGO | Non Governmental Organisation |
| PATA | Pacific Asia Tourism Association |
| SIDS | Small Island Developing States |
| SMEs | Small- and Medium- Sized Enterprises |
| ST-EP | Sustainable Tourism – Eliminating Poverty |
| UNEP | United Nations Environment Programme |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UNWTO | World Tourism Organization |
| VISIT | Voluntary Initiative for Sustainability in Tourism |
| WSSD | World Summit on Sustainable Development |
| WTO | World Trade Organization |
| WTTC | World Travel and Tourism Council |
| WWF | Global Environment Conservation Organization |

Policy Issues in Environment and Tourism¹

EXECUTIVE SUMMARY

1. This paper reviews the state of Commonwealth Tourism in relation to evolving global sustainability strategies and against the backdrop of the Millennium Development Goals and the outcomes of the 2002 World Summit on Sustainable Development. It considers trends, goals and optimization strategies.

Background

2. The starting point is the global sustainable development agenda – from the Rio Earth Summit through the Millennium Summit to the Johannesburg World Summit on Sustainable Development (WSSD) – which has evolved from ‘planet and preservation’ to ‘people and poverty’, with partnerships emerging as the key issue.

3. It pays particular attention to the policy evolution in the United Nations Environment Programme (UNEP), the World Tourism Organization (UNWTO) and the International Civil Aviation Organization (ICAO) – the first because of its overarching environmental role; the second because of its global leadership role on tourism, now that it has become a full UN Agency; and the third because of the pivotal importance of air transport in relation to tourism development as well as its challenges in relation to greenhouse gases and climate change.

4. The paper looks at the evolution of the tourism sector – its substantial size and scope, structural development and its sustainability agenda, record and expectations. It also notes the fragmented but coalescing position of governments, the hesitant and protracted engagement of the industry, and the increasingly demanding role of civil society.

Policy Issues

5. Three broad areas of topical and strategic interest for Commonwealth countries are identified:

- a) climate change and its impacts;
- b) sustainable growth and its effect on people and places; and
- c) implementation drivers

6. The paper evaluates strategies and mechanisms that are in place or under development, and that respond to the triple bottom line sustainability imperative, as well as the respective capabilities of rich and poor nations, concluding that the bulk of Commonwealth countries need significant reform and support to achieve the sustainability targets of the MDGs.

¹ This paper was prepared by Geoffrey Lipman, Advisor to Secretary General UNWTO and Chairman GGv. The views expressed are those of the author and do not necessarily reflect those of the Commonwealth Secretariat.

Final Considerations

7. Finally, the paper offers some ideas on how Commonwealth member countries might improve on-the-ground performance through a sustainability databank and incentive framework targeted to the world's poorest countries. This initiative, in support of the MDGs is seen as a way of improving information flows on best practice on the one hand and incentivising performance on the other, through the earmarking of funds from existing and planned sources, rather than the creation of new ones. It suggests that such a concept could be explored with UNWTO and UNEP as key partners and with private sector involvement.

Issues for Ministers

8. Ministers may wish to consider the following issues, both in relation to UNEP and Commonwealth strategies for this sector:

- What actions can Environment Ministers take to help the tourism sector support climate change objectives?
- What measures can Environment Ministers take to give real impetus to sustainable tourism implementation?
- How can increased funding and resources be made available to the world's poorest countries to better deliver triple bottom line sustainability in the sector?
- How can action by Environment Ministers be more effectively co-ordinated with Tourism Ministers?

I. STATUS OF COMMONWEALTH TOURISM AND ENVIRONMENT

9. The scale and scope of the tourism sector has accelerated substantially in the past two decades and it continues to do so. The environmental impact of tourism has increased equally with growing regulation, voluntary codes of industry conduct and public-private partnerships.

The Economics

10. The Commonwealth Tourism Ministerial in Abuja this year reiterated that tourism – business and leisure travel and the supply chain sectors it comprises² – is of great significance to Commonwealth members, particularly the poor members in Africa and small island developing states. Its impact in economic terms represents some 10 per cent of direct and indirect GDP of member countries and in tourism centric regions like the Caribbean and the Indian and Pacific Oceans it is dramatically higher. An analysis of 17 small island states last year indicated that tourism accounts for more than 25 per cent of GDP. Tourism is also a strong job creator with similar percentages of total employment as well as a driver of investment and services exports. For poor member countries – including African countries – tourism is one of the largest sources of foreign exchange earnings.

11. The Commonwealth accounted for almost 100 million tourist arrivals in 2004 – about twelve per cent of the world total, with more than 75 per cent in 7 large states (UK, Canada, Malaysia, South Africa, Singapore, India and Australia); 5 per cent in 12 States of the Caribbean and 9 per cent in the states of Sub-Saharan Africa. It also generated some \$90 million in tourist receipts in similar proportion.³

12. The tourism sector has consistently grown slightly ahead of the economy at large, with its impact doubling over the past decade despite wars, terrorism and epidemics and economic gyrations, to which it is particularly exposed but equally resilient. These patterns are expected to continue and arrivals are expected to double again by 2020.

13. The key sectoral trends are: (a) intensifying demand in the leisure segment, a market which is seeing more older travellers; (b) growth in lifestyle and adventure tourism; (c) a consolidating supply side at all levels but particularly air transport where the low-cost carrier explosion is accelerating the process; and (d) in distribution, where the internet is squeezing travel intermediaries and pushing control from supplier to consumer. Growth drivers are the economies of China, India and an expanded Europe. New increases in fuel price and potential transport, poverty and climate taxes may create shifts in traffic flows.

14. Finally, in an economic context it is necessary to emphasize the present and potential importance of this sector to the poorest and most vulnerable countries of the Commonwealth, particularly the Small Island Developing States (SIDS) and landlocked states. Increasingly, tourism is becoming their largest economic sector and job creator.

² Transport, Accommodation, distribution, food supply, entertainment, destination services, etc. Twenty per cent of the supply chain is large multilateral operators, 80 per cent are SMEs.

³ These figures are for international tourism – the domestic sector – which is not accurately measured but which is also of significant environmental impact and is estimated at 10 times the international effect.

The Poverty Gap

15. Against the backdrop of the increasing global concern for poverty alleviation generally and in Africa specifically, especially through the attainment of the MDGs, the tourism potential for poor countries is of massive significance. Tourism is the one market-driven area of comparative advantage poor countries all share – namely strong diverse cultural heritage and largely unspoiled natural patrimony. These are the very product characteristics that are of growing importance to tomorrow's more discerning and demanding travellers. It also highlights the importance of ensuring triple bottom line sustainability in the sector and particularly in these thin markets.

16. Firstly, there is the need for fuller participation by the states and their citizens in the benefits of tourism development – an issue that will be an element in the on-going Doha development agenda negotiations. Reducing leakages of export income back to the origin countries, while enhancing the linkages to the local economy, remains a challenge. Secondly, there is the importance of ensuring that tourism facilities, particularly heavily visited sites, remain unspoiled, unpolluted and are conserved. Thirdly, there is the question of social inclusion and community-based tourism to ensure that local communities fully participate in the tourism development process and get a fair share of the returns.

17. The points above underscore the urgent need for quality and sustainability standards as well as targeted support for capacity building, infrastructure, and information and communication technologies to make the tourism sector internationally competitive. This is a point that was highlighted in the Commonwealth Tourism Ministers Meeting in Abuja (April 2005) – although no specific implementation approaches were identified, other than to ensure that future developments were closely coordinated with the work of the UNWTO, as the lead agency for the sector and the institution charged by the Rio and Johannesburg summits with strengthening environmental performance in the sector.

The Environmental Dimension

18. From an environmental perspective, the sector is not the most advanced. During the years leading up to and beyond the Rio Earth Summit the international focus and pressure was on extractive and other visible sectors. The full range of environmental concerns related in the tourism sector was not as evident, and the potentially problematic areas around greenhouse gases, concentration and social marginalization had simply not fully emerged.

Tentative First Steps

19. Moreover, the main tourism sub-sectors had found their own equilibrium through the need for compliance with non-sector specific regulation coupled with effective lobbying. Hotels complied with prevailing local standards and national laws. Transport operators were focused on meeting noise norms, and as for the small business component of the supply chain, they rather ignored the issue.

20. The airlines, the most powerful and visible group, were the most pressurized both on noise generally and specifically in the regions of airports. Through the International Civil Aviation Organization and under pressure from the political forces in the EU, a series of noise standards were applied which were designed to lower the level and the footprint of impacts. The progressive, negotiated introduction of these measures – speeded up by political

interventions and moderated by co-ordinated industry response – was coupled with continuously enhanced technology from the manufacturing side.

21. A similar pattern can be discerned for the cruise sector – the fastest growing component of the industry – with its increasingly large vessels, strong concentration on ports and in many cases small island communities in the Caribbean and Mediterranean. A series of waste spills in the 1990s and a strengthening law of the sea led to negotiated rules under the International Maritime Organization. At the same time ship builders were able to improve waste management to meet increasingly high standards.

22. For the hotels and restaurants, the key questions were: air pollution, particularly as controls on cigarette smoke began to bite in the late 1990s; waste management and energy efficiency in mature markets; and increasingly the challenges of land use and social inclusion in developing markets.

Growing Momentum

23. As the pressures mounted in the 1990s, both the World Tourism Organization (then WTO now UNWTO⁴) and UNEP began to develop specific sustainability programmes. UNWTO placed emphasis on the emerging ecotourism market, the management of destinations and the potential for quality standards. UNEP looked at supply chain issues and tour operator practices after briefly examining the question of taxes on tourists generally, and airlines particularly, as a pollutant control (by demand reduction) measure.

24. At the same time the private sector, largely through its trade associations [World Travel and Tourism Council (WTTC), International Hotel and Restaurant Association (IH&RA), Pacific Asia Tourism Association (PATA) and International Air Transport Association (IATA)], began to develop responsive measures. The WTTC, after producing the first sectoral version of the Rio Agenda 21, next initiated a certification programme, Green Globe 21⁵, which is today operating independently with ISO-type standards around the world, with a strong regional component in the Caribbean, as well as research and standards development facilities in Australia. IH&RA has also initiated a strong ‘green awareness’ programme, International Hotel Environment Program, and has partnered with UNEP and International Business Leaders Forum to produce toolkits and other practical corporate social responsibility support material.

25. IATA is working closely with its counterpart ICAO (International Civil Aviation Organisation) on noise and emission standards. It created a multi-stakeholder Air Transport Action Group (ATAG), which undertakes research and policy analysis around environmental and related infrastructural and economic impact issues. At the same time it engaged fully in the research and analysis work on greenhouse gases and climate change under the auspices of ICAO. It is worth noting that in the aviation sector, the airports have played a somewhat different game – grounded in local authority linkages and noise standards they have been less ‘conservative’ in their support for tougher environment standards while recognizing that their future growth is tied closely to their airline clients. ICAO has provided the melting pot for consensus.

⁴ The World Tourism Organization, an International Government Organisation since the 1970s, became the UN Tourism Agency in 2004 and changed its name to UNWTO in 2005.

⁵ Covering standards for companies, communities, new build and eco-tourism.

26. The cruise companies through CLIA (Cruise Lines Industry Association) developed codes for sustainable cruising, including conduct at sea and in port. They also undertook basic research with Conservation International to strengthen general responsiveness to sustainability issues and to look for proactive approaches to good corporate citizenship.

Intergovernmental Stirrings

27. In the late 1990s, the UN Commission on Sustainable Development (CSD) made tourism its central topic of consideration. It concluded that an increased push was needed for this sector, that it had the potential for both good and harm, environmentally (with particular leverage in developing markets), and that tourism's impacts had to be carefully managed with symbiotic contributions from the public, private and civil society sectors. These also emphasised the importance of the social dimension of tourism, particularly its capacity to help small developing states and rural communities.

28. Landmark intergovernmental conferences of small and landlocked countries in the Canary Islands and Brussels led to increasing activity in UNWTO, culminating with the important UN year of Ecotourism in 2002 creating an extensive work programme concentrating, *inter alia*, on community development, rural transformation, community based initiatives and indigenous stakeholder inclusion. The outcomes were reported to the WSSD and underpinned recommendations to develop the activity area as an anti-poverty tool. In its following up, UNWTO has developed various mechanisms for measuring destination impacts (Sustainable Destination Indicators) and considering ameliorative action. This has been broadened to link closely with multilateral and bilateral development financing agencies and recently adding an entry point to micro credit.

29. At the same time, UNWTO with initial support from United Nations Conference on Trade and Development (UNCTAD) launched its ST-EP initiative,⁶ within the framework of a broader 'Liberalization with a Human Face' programme, incorporating strategies for poverty, fair trade, sustainability and ethics. One outcome has been a comprehensive Global Code for Ethical Tourism, which establishes a broad framework for all tourism stakeholders on the directions of responsible, socially just and fair tourism. Another has been a strong rallying stance on the question of sexual exploitation of women and children. Finally, the UNWTO held an international consultation in 2004 on climate change impacts on tourism, attracting tourism and environment ministries, the private sector and NGOs.

30. UNEP has worked closely with UNWTO on many of these issues – particularly ecotourism and destination management. It organized its own consultation with the private sector, created tools for hotels in collaboration with the private sector, promoted 'voluntary initiatives' beyond regulation and issued a report at WSSD identifying good practice and directions for corporate social responsibility. In this general context UNEP has established a 'Tour Operator Initiative' – a voluntary programme to advance sustainability standards throughout the supply chain, which was developed with UNWTO and UNESCO (United Nations Educational, Scientific and Cultural Organization). UNEP has also formulated a set of Principles for the Implementation of Sustainable Tourism, which was designed to serve as a tourism integration guide for governments and other stakeholders in relation to the UN Convention on Biological Diversity, the UN Framework Convention on Climate Change, Regional Seas Action Plans, and related international agreements.

⁶ Sustainable Tourism - Eliminating Poverty. This is designed to link the poverty and sustainability agendas and create specific solutions of community based projects with a focus on Africa.

31. When Commonwealth Tourism Ministers met in Malaysia in 2004 and again in Abuja in 2005 they considered these developments, reiterated the importance of developing programmes that responded to the above imperatives and sought close collaboration with UNWTO in their design and execution.

32. The framework in which the tourism sector's sustainability response takes place has been strengthened significantly by the twin focus on climate change and poverty alleviation adopted by the UN and the Bretton Woods Institutions within the Millennium Development Review, the G8, the Commission for Africa, and the Montreal Climate Change Conference in 2005, with particular emphasis on solidarity funding from airline passengers for poverty and the question of taxing energy use for the same alleviation purpose. This in turn has intensified interest in market-based incentives with a primary focus on emission trading.

II. POLICY ISSUES FOR TOURISM SUSTAINABILITY

33. There are many ways to categorise the principle tourism related sustainability issues. For this paper, we have combined elements from the Millennium Declaration agenda and the WSSD Plan of Implementation with issues under strategic consideration by the major intergovernmental, private sector and civil society organizations. This produced a list of key issues, which are grouped below into three clusters. Poverty alleviation has been taken as the cross cutting priority rather than as an issue in itself.

i. Climate Change

- a. Transport Emissions
- b. Energy Conservation

ii. Sustainable Growth

- a. Destination Management
- b. Resource Utilization
- c. Ecotourism, Community Tourism and Fair Trade Tourism

iii. Implementation

- a. Taxes/Incentives
- b. Voluntary Initiatives/Certification /Code of Ethics

Climate Change

34. Climate change has emerged as a new pivotal priority in 2005 following the Millennium Assembly Review, the G8 declaration, and the recently concluded Montreal Intergovernmental conference. These processes all brought tourism into sharper focus through the proposed solidarity tax on air passengers.

Transport Emissions

35. Tourism is affected by climate change and will increasingly be so. Destination characteristics and travel patterns will be changed, small island developing states are particularly vulnerable, and ski resorts are factoring climate change into medium term planning.

36. This trend was accelerated by the outcomes of the UNFCCC (United Nations Framework Convention on Climate Change) session in Montreal in December 2005 and its

parallel session of Kyoto Protocol Parties. The result is a new impetus to: actions to implement Kyoto; intensify the climate change work programme; and plan for the post 2012 period. What is also important is that the special needs of the poorest countries were at the heart of the decisions and this gives a framework for a new action agenda for tourism, which is their common comparative advantage.

37. A pivotal component of this issue is the impact of transport emissions generally and air transport specifically. In 2001 the IPCC⁷ (Intergovernmental Panel on Climate Change) produced its comprehensive report at the request of ICAO drawing strong links between air transport and both CO₂ and NO_x emissions (in some cases positive). The bottom line is that while impacts vary, dependant on operating patterns, the scope, scale and growth of air transport (and hence tourism) mean that it is a very real contributor to ozone depletion and relies heavily on new technology to mitigate its impacts.

Energy Conservation

38. In regard to energy generally, the tourism sector (as a major driver of the economy) is a significant user of fuel. In general terms, while it includes energy conservation in its broad environmental strategies and energy reduction is an important part of management cost control action there is no evidence of any large-scale programmes focusing on energy conservation, renewables or alternatives. Indeed, there is evidence that even steep price hikes in fuel have not had any significant impact on supply or demand of total travel, though they may have contributed to operational restructuring.

39. The tourism sector has generally not been directly involved in climate change issues except for the airlines, who through IATA have participated in the research evaluations and generally argued that air travel is less problematic than perceived, because: at some level of operation it enhances ozone build; other forms of transport are more intensive polluters; it is delivering societal benefits which must be taken into account, particularly for the world's poorest countries; and technology is helping solve the problem. Airlines strongly oppose taxes and favour market mechanisms, including emissions trading.

40. The UNWTO has for its part supported the analyses of tourism and climate change impacts by weaving it into its initiatives on mountain areas, small islands, and eco- and desert-tourism. It has called for response mechanisms at any level to pay due regard to the MDGs and the needs of the world's poorest and most vulnerable countries.

41. In October 2003, UNWTO and the Government of Tunisia hosted a Conference on Climate Change and Tourism involving key government and non-governmental stakeholders. The ensuing Djerba Declaration (see Annex A) contains a broad action agenda for all stakeholders. It covers: intensified conservation and alternative fuel issues; protecting the interests of small poor countries; action by IPCC on tourism; and identifies a future UNWTO data bank on climate change issues. There has been no further elaboration of these issues.

⁷ Intergovernmental Panel on Climate Change. For a range of scenarios, the range of increase in carbon dioxide emissions to 2050 are 1.6 to 10 times the value in 1992. NO_x subsonic emissions in 1992 are estimated to have increased ozone concentrations at cruise altitudes in northern mid-latitudes by up to 6 per cent, compared to an atmosphere without aircraft emissions. This ozone increase is projected to rise to about 13 per cent by 2050 in the reference scenario (Fa1). The impact on ozone concentrations in other regions of the world is substantially less. Average increases will tend to warm the surface of the Earth.

Sustainable Growth

42. Sustainable growth is where the tourism sector has applied its most significant efforts to date. This has been done at an institutional level, through codes of conduct, indicators, best practice publications and certification programmes. This has included public sector, private sector and civil society organisations. Green awareness programmes of the early 1990s which focused on corporate action have given way to Corporate Social Responsibility programmes at the company level and 'responsible' and ethical tourism at the consumer level. The focus on planet and preservation has shifted to people and poverty. Triple bottom line is a given – but is not widely applied.

Destination Management

43. Much of the focus is now on destination management – the ultimate expression of 'glocalization' and the realisation that strategic frameworks can and must be identified multilaterally; regionally and nationally, but implementation has to be achieved at the local level.

44. A key component is the development of Local Agenda 21, tourism destination initiatives and particularly indicators of sustainability performance. Tourism specific guidance material and toolkits are now available from UNEP and UNWTO and kits of a more general nature are available from ICLEI (International Council for Local Environment Initiatives). Nevertheless there remains a lacuna in terms of governance and the linkages between such initiatives.

45. A further element is the relatively recent initiation of serious consumer programmes targeting responsible tourism. These have a strong focus on ecotourism with its built-in emphasis on community based and indigenous people considerations. The International Year of Ecotourism in 2002 immediately prior to the WSSD was a major point of reference, and the WSSD itself contained directions for work in this respect, with UNWTO as the co-ordinating agency and with a specific reference to the importance for Africa of this kind of programme.

46. South Africa took the lead in establishing responsible tourism regulations, that are complementary to other regulations, closely tied to social goals, and which obligate companies and hence consumers to follow community and individual stakeholder inclusion in design and operation. Other African states are looking at the possibility of similar approaches and it can be assumed that there will be regional initiatives in due course.

47. It is clear that when it comes to destination management there are a substantial range of initiatives in place and that there are attempts to link various programmes at a global and regional level. It is equally clear that there is, as yet, no overarching strategy – perhaps because there is a lack of clear governance beyond the national level⁸ and a concern about any form of compliance at the industry level. The market, left to its own accord, does not devise strategies.

⁸ The EU has wrestled with the creation of a strategy and a labelling system – but this has not yet been agreed.

Resource Utilization

48. Most initiatives undertaken within the sector have had sustainable management of water and land amongst their goals. Significant tourism related initiatives have either been subsets of national, sub-regional and local regulation, or specific programmes funded by development agencies or international financing institutions, which see tourism as one of the key components of ultimate economic sustainability, particularly through investment and jobs.

49. Given the prevailing view that water resource conservation is primarily a question of integrated governance it stands to reason that tourism is just another sector in that framework.

50. The Mekong Delta programme supported by Asian Development Bank, the International Development Bank's Mundo Maya project and the African Okavanga Basin and Limpopo-Shashe Conservation Area projects fall into this category. In all cases, while there are very broad sustainability issues at play, tourism (particularly ecotourism) is seen as a major component of a conservation and socio-economic enhancement programme. This is particularly so with respect to job creation, foreign direct investment and infrastructure support. A similar situation exists with the Jordan River regional development project, where tourism is seen as a builder of harmony between nations with a potentially less harmonious interest in water resource allocation. UNESCO, which has the co-ordinating UN role on water, and which has its own tourism conservation programmes built around World Heritage Sites, makes reference to the importance of the sector in terms of water use and its conservation, but does not place specific priority on its activities.

51. The potential conflicts manifest themselves most clearly at the local level where the obvious requirements for water by visitors can contrast with supplies for local communities. This is accentuated where water-demanding tourism facilities like golf courses and swimming pools are involved. In mid 2004, WWF (Global Environment Conservation Organization) published a report detailing the problems created for water resources by expanding tourism in the Mediterranean region. It noted, *inter alia*, the heavy demands of mass tourism, leisure needs and landscaping.⁹ It also pointed favourably to the more conservationist value of ecotourism and called for the sector to cut its utilisation in half.

52. Land use is also an important area. One concern is that tourism developers may seek to circumvent traditional allocations protecting local interests, or may develop with lip service to environmental needs and regulations. The importance of the latter became sadly evident during the December 2004 tsunami, and there is a vital need to ensure that rebuilding follows strict sustainability norms, including building far from exposed beaches.

53. Increasingly in recent years, attention has been paid to potential conflicts during the planning stages of development, and amelioration through multistakeholder consultations. This is slowly leading to integrated governance decisions.

54. It is also worth noting here the many bilaterally supported national level initiatives funded by development agencies deal fully with resource allocation issues, including water. Through the sustainability criteria in bidding processes they effectively ensure that balanced approaches are taken into account. What will be important over time is that these criteria and

⁹ Freshwater and Tourism in the Mediterranean.

ones used by multilateral organisations – including the Commonwealth and the UN, be broadly similar.

Ecotourism, Community Tourism and Fair Trade Tourism

55. Since the late 1990s, the shift from planet to people has put an emphasis on tourism with two main characteristics:

- host communities seeking greater control over their own tourism destiny; and
- ensuring that in poor countries there is a better balance of benefits between local communities and foreign suppliers.

56. There have been numerous studies referring to the leakages and linkages question from UNWTO, UNCTAD and others. The general line is that the vast majority of returns particularly from package tourism, stay in the hands of the suppliers from rich countries and little remains in the local economy. It has also been argued that the same is true of cruise ship operations in the Caribbean, where the environmental impact of both the vehicle and thousands of people descending on a small island community can create more damage than the economic benefits of visitor and company spend. Many islands levy much disputed taxes to cover for this. On the other side of the coin, operators argue that the solution is not to artificially manage the trade aspects of the relationship, but to enhance the linkages between tourism and the local industry supply chain.

57. WSSD and the poverty focus of recent years has also identified ecotourism with its consideration of community, conservation and indigenous people, as a central way forward, and UNWTO has developed considerable guidance material for communities and operators as well as reflecting measurement criteria in its tourism destination indicators.

58. The emphasis on community, as noted earlier, has given rise to a number of demand side initiatives emanating largely from the UK and South Africa. ‘Responsible tourism’ seeks to educate tourists to become part of the solution to the ‘exploitation’ issue by commitment to acting and spending in a community conscious way. This has even led to a newly named ‘conscientious tourism’ and to ‘responsible travel’ holidays – a socio-focused version of the original eco-friendly holidays of the early 1990s. In the USA, National Geographic promotes not surprisingly ‘Geo-Tourism’.

59. What is interesting is that the development aid agencies have started to look for these types of product in their own destination projects, and this suggests that down the line there could well be a coalescence of emerging regulation and labelling at destination with those of origin. Coming out of South Africa is the notion of Fair Trade Tourism springing from the Fair Trade Bananas and Coffee initiatives designed to provide consumer brands for so called Trade Justice.

60. In considering the evolving patterns of sustainable tourism growth over the past decade or so it would be fair to say that the directions have been right but the pace intensity and implementation have been lagging. Governments have been reluctant to regulate an industry which is as fragmented as this sector. The industry has flirted with serious sustainability strategies (but no more than that), while focusing on corporate social responsibility programmes, and NGOs have snapped at their heels without any real cohesive vision.

Implementation Drivers

61. It is clear that the next decade will see a strong pressure for implementation of more effective sustainability strategies for the tourism sector.

Penalties/Incentives

62. The launch by France and Germany of the 'voluntary' anti-poverty tax targeting air travellers, and the renewed focus on climate change solutions, will be a major wake up call to the sector. There has been mixed reaction. The EU Finance Ministers have expressed support for consideration of the tax, as has the G8. But thus far the European Commission has refused to develop proposals. Some countries – France, Germany, Belgium and Sweden – have indicated they will experiment with the tax in 2006. The US has expressed opposition.

63. The airlines not surprisingly are unhappy, claiming it is discriminatory and aimed at a sector which has major economic challenges and massively increasing fuel prices. UNEP has long argued for such a tax. UNWTO has argued that any tax of this kind must not harm tourism export growth and the reality is that the world's poorest countries already have inadequate air service to harness their export potential.

64. There have been efforts to impose a tax of this nature previously, which have failed. The difference now is the high level initiation, the poverty linkage, and the clear link between airline emissions and greenhouse gases.

65. On the other side of the scales there has been only limited consideration of genuine incentives for tourism specific sustainability initiatives¹⁰, and it may well be that a gap exists for a renewable energy related programme that would encourage not only the large players but the 80 per cent of the industry that are SME's (small and medium enterprises) to consider the new technologies for example in land transport, solar fuel cells and the like. A fund for poor countries' renewable energy would be particularly appropriate – the more so given significant increases in funding from Montreal.

Voluntary Initiatives/Certification /Code of Ethics

66. There are a range of actions already in place in the public sector, private sector and the NGOs. These are aimed at corporate social responsibility, consumer commitment and local community triple bottom line sustainability benefits. They have been supported in a loose, lukewarm fashion, by national, bilateral and regional development agencies as well as the international financing institutions.

67. The International Ecotourism Society has also undertaken significant research on this sector and the Rainforest Alliance has analysed the possibilities for certification programmes. These two bodies are advancing programmes of this kind in the Americas, supported by comprehensive research. In the private sector, Green Globe 21 offers an ISO-type ecotourism benchmarking and certification programme based on tested Australian models, which it is targeting in Asia with PATA. In Europe, the VISIT (Voluntary Initiative for Sustainability in Tourism) labelling project groups seven labels and the Blue Flag Clean Beach programme.

¹⁰ An analysis of historic tourism related incentives might show that the largest beneficiaries have been consultants from donor countries.

68. There is tension developing between the intergovernmental entities and the NGO sector on certification and related accreditation programmes, with the former being hesitant about formalisation of international standards at this time, and the latter seeking accelerated introduction under their leadership. Compared to the sustainability need, there has also been little real traction on certification, with less than 5,000 companies worldwide falling under these regimes. Too much time has been spent on analysis and even competition between initiatives. Too little time has been spent on collaboration. There is no funding behind the voluntary initiatives and ecolabels. Moreover, in the one place where the need is greatest – Africa – there is really no system in place at all.

69. The UNWTO has been encouraging certification programmes and voluntary initiatives (including its Tour Operators Initiative with UNEP and UNESCO) for some years. It has developed locally focused indicators, it has a leadership programme on sexual exploitation of women and children, and above all it has a comprehensive Global Code for Ethical Tourism which incorporates sustainability components, and is now being written into national legislations. UNWTO also has in place the ST-EP initiative which is seeking to formally link sustainable tourism with elimination of poverty, and put in place substantial funding and thousands of on-the-ground projects in the world's poorest countries.

IV FINAL CONSIDERATIONS

70. This general overview suggests that while strategies and mechanisms have spread throughout the tourism sector to respond to the triple bottom line sustainability goal, there is now a need for increased impetus.

71. While the larger Commonwealth countries have been leaders in these developments and many smaller states have been strongly involved, the poorer states will require substantial financial help, technology and capacity building to maintain high standards as tourist flows increase. There are significant global environment funding mechanisms in place, yet there is limited initiative for application to the tourism sector.

72. There is neither a central database of sustainable tourism development nor any incentive framework for an accelerated coherent development of the sector generally or the Commonwealth specifically. In relation to the former, there have been suggestions that the Commonwealth Tourism Centre, recently established in Malaysia might play a role in the creation of a Commonwealth database. In relation to the latter, it is noteworthy that there has been little if any formal interaction between tourism ministers and environment ministers within inter-governmental settings. Such meetings could help to advance thinking in this respect and could be particularly effective if convened with UNWTO, UNEP, ICAO and relevant NGO's such as ICLEI.



Djerba Declaration on Tourism and Climate Change

The participants gathered at the First International Conference on Climate Change and Tourism, held in Djerba, Tunisia, from 9 to 11 April 2003, convened by the World Tourism Organization, upon an invitation of the Government of Tunisia,

Having listened to the presentations by the representatives of the:

- Tunisian Government
- Intergovernmental Oceanographic Commission (IOC) – UNESCO
- Intergovernmental Panel on Climate Change (IPCC)
- United Nations Convention to Combat Desertification (UNCCD)
- United Nations Environment Programme (UNEP)
- United Nations Framework Convention on Climate Change (UNFCCC)
- World Meteorological Organization (WMO)
- World Tourism Organization (WTO)

and by representatives from the private and public sectors, as well as the points of view of a number of national governments, tourism companies, academic institutions, NGOs and experts;

Acknowledging that the objectives of this Conference are fully in line with the concerns, pursuits and activities of the United Nations system in the field of climate change, and more generally, in that of sustainable development;

Recognizing the key role of the Kyoto Protocol as a first step in the control of greenhouse gas emissions;

Taking into consideration that in convening this Conference WTO did not intend a purely science-based debate, neither to cover all the well-known social and environmental implications that climate change can have on societies, but rather to put emphasis on the relationships between climate change and tourism, given the economic importance that this sector of activity is having on many countries, especially small island and developing states, and with a view to raising awareness of these relationships and strengthening cooperation between the different actors involved;

Having carefully considered the complex relationships between tourism and climate change, and particularly the impacts that the latter are producing upon different types of tourism destinations, while not ignoring that some transport used for tourist movements and other components of the tourism industry, contribute in return to climate change;

Aware of the importance of water resources in the tourism industry and of its links with climate change;

Recognizing the existing and potentially worsening impact of climate change, combined with other anthropogenic factors on tourism development in sensitive ecosystems, such as the drylands, coastal and mountain areas as well as islands, and

Taking into consideration that the right to travel and the right to leisure are recognized by the international community, that tourism is now fully integrated in the consumption patterns of many countries, and that WTO forecasts indicate that it will continue to grow in the foreseeable future,

Agree the following:

1. *To urge* all governments concerned with the contribution of tourism to sustainable development, to subscribe to all relevant intergovernmental and multilateral agreements, especially the Kyoto Protocol, and other conventions and similar declarations concerning climate change and related resolutions that prevent the impacts of this phenomenon from spreading further or accelerating;

2. *To encourage* international organizations to further the study and research of the reciprocal implications between tourism and climate change, including in the case of cultural and archaeological sites, in cooperation with public authorities, academic institutions, NGOs, and local people; in particular, *to encourage* the Intergovernmental Panel on Climate Change to pay special attention to tourism in cooperation with WTO and to include tourism specifically in its Fourth Assessment Report;

3. *To call upon* UN, international, financial and bilateral agencies to support the governments of developing, and in particular of least developed countries, for which tourism represents a key economic sector, in their efforts to address and to adapt to the adverse effects of climate change and to formulate appropriate action plans;

4. *To request* international organizations, governments, NGOs and academic institutions to support local governments and destination management organizations in implementing adaptation and mitigation measures that respond to the specific climate change impacts at local destinations;

5. *To encourage* the tourism industry, including transport companies, hoteliers, tour operators, travel agents and tourist guides, to adjust their activities, using more energy efficient and cleaner technologies and logistics, in order to minimize as much as possible their contribution to climate change;

6. *To call upon* governments, bilateral and multilateral institutions to conceive and implement sustainable management policies for water resources, and for the conservation of wetlands and other freshwater ecosystems;

7. *To call upon* governments to encourage the use of renewable energy sources in tourism and transport companies and activities, by facilitating technical assistance and using fiscal and other incentives;

8. *To encourage* consumer associations, tourism companies and the media to raise consumers' awareness at destinations and in generating markets, in order to change consumption behaviour and make more climate friendly tourism choices;

9. *To invite* public, private and non-governmental stakeholders and other institutions to inform WTO about the results of any research study relevant to climate change and tourism, in order for WTO to act as a clearing house and to create a database on the subject and disseminate know-how internationally; and

10. *To consider* this Declaration as a framework for international, regional and governmental agencies for the monitoring of their activities and of the above mentioned action plans in this field.

The participants expressed their thanks to the Tunisian Government and people for the warm hospitality and excellent facilities provided to host this Conference in the island of Djerba.

Djerba, Tunisia, 11 April 2003