Tourism
Chapter outline

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<th>Description</th>
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</thead>
<tbody>
<tr>
<td>APO</td>
<td>Asia Productivity Organisation</td>
</tr>
<tr>
<td>BAU</td>
<td>Business as Usual</td>
</tr>
<tr>
<td>CDM</td>
<td>Clean Development Mechanism</td>
</tr>
<tr>
<td>CMS</td>
<td>Convention of Migratory Species</td>
</tr>
<tr>
<td>CST</td>
<td>Certification for Sustainable Tourism</td>
</tr>
<tr>
<td>DFIs</td>
<td>Development Finance Institutions</td>
</tr>
<tr>
<td>DMO</td>
<td>Destination Management Organisation</td>
</tr>
<tr>
<td>DTIS</td>
<td>Diagnostic Trade Integration Studies</td>
</tr>
<tr>
<td>ECOWAS</td>
<td>Economic Community of West African States</td>
</tr>
<tr>
<td>EEZ</td>
<td>Exclusive Economic Zone</td>
</tr>
<tr>
<td>EIF</td>
<td>Enhanced Integrated Fund</td>
</tr>
<tr>
<td>ETS</td>
<td>Environmental Treatment Systems</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organization</td>
</tr>
<tr>
<td>FTTSA</td>
<td>Fair Trade in Tourism for South Africa</td>
</tr>
<tr>
<td>GATS</td>
<td>General Agreement on Trade in Services</td>
</tr>
<tr>
<td>GEF</td>
<td>Global Environmental Facility</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GHG</td>
<td>Greenhouse Gas</td>
</tr>
<tr>
<td>GSTC</td>
<td>Global Sustainable Tourism Council</td>
</tr>
<tr>
<td>ICAO</td>
<td>International Civil Aviation Organization</td>
</tr>
<tr>
<td>ICT</td>
<td>Costa Rica Tourist Board</td>
</tr>
<tr>
<td>ITC</td>
<td>International Trade Centre</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organization for Standardization</td>
</tr>
<tr>
<td>JI</td>
<td>Join Implementation</td>
</tr>
<tr>
<td>LDCs</td>
<td>Least Developed Countries</td>
</tr>
<tr>
<td>MPA</td>
<td>Marine Protected Area</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>PATA</td>
<td>Pacific Asia Travel Association</td>
</tr>
<tr>
<td>SFM</td>
<td>Sustainable Forest Management</td>
</tr>
<tr>
<td>SLM</td>
<td>Sustainable Land Management</td>
</tr>
<tr>
<td>SNV</td>
<td>Stichting Nederlandse Vrijwilligers [Foundation of Netherlands Volunteers]</td>
</tr>
<tr>
<td>TEEB</td>
<td>The Economics of Ecosystems and Biodiversity</td>
</tr>
<tr>
<td>TIES</td>
<td>The International Ecotourism Society</td>
</tr>
<tr>
<td>TPRG</td>
<td>Tourism Planning Research Group</td>
</tr>
<tr>
<td>UNEP</td>
<td>United Nations Environment Programme</td>
</tr>
<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
</tr>
<tr>
<td>UNWTO</td>
<td>United Nations World Tourism Organization</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
<tr>
<td>VCS</td>
<td>Voluntary Carbon Standard</td>
</tr>
<tr>
<td>WEF</td>
<td>World Economic Forum</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
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7 Tourism

7.1 Introduction

The Rio+20 Outcome Document “The Future We Want” (UN 2012) highlights the role of sustainable tourism in the transition to a green economy in the context of sustainable development and poverty eradication. Paragraphs 130 and 131 set out the political commitment to sustainable tourism:

130. We emphasize that well-designed and managed tourism can make a significant contribution to the three dimensions of sustainable development, has close linkages to other sectors and can create decent jobs and generate trade opportunities. We recognize the need to support sustainable tourism activities and relevant capacity building that promote environmental awareness, conserve and protect the environment, respect wildlife, flora, biodiversity, ecosystems and cultural diversity, and improve the welfare and livelihoods of local communities by supporting their local economies and the human and natural environment as a whole. We call for enhanced support for sustainable tourism activities and relevant capacity-building in developing countries in order to contribute to the achievement of sustainable development.

131. We encourage the promotion of investment in sustainable tourism, including ecotourism and cultural tourism, which may include creating small and medium-sized enterprises and facilitating access to finance, including through microcredit initiatives for the poor, indigenous peoples and local communities in areas with high ecotourism potential. In this regard, we underline the importance of establishing, where necessary, appropriate guidelines and regulations, in accordance with national priorities and legislation, for promoting and supporting sustainable tourism.” [emphasis added]

Tourism is considered as one of the best green options for addressing poverty, employment and economic diversification initiatives in developing countries (Honeck 2012). Sustainable tourism, in particular, has the potential to create new jobs, reduce poverty and increase export revenues.

This chapter first provides a brief overview of the current state of the tourism industry. It then identifies how the transition to a green economy presents existing and potential trade opportunities for tourism and travel-related services in developing countries. The main challenges with taking advantage of the opportunities are also analysed along with suggestions on how to address them. This chapter focuses on:

• Trends and opportunities existing across the sector: environmental and economic incentives, changing tourism destinations and countries of origin, changing consumer preferences, certification, carbon offsetting, handicraft; and
• Trends and opportunities in green tourism categories: ecotourism, agro-tourism, and coastal and marine tourism.

7.2 The transition to a green economy

7.2.1 Tourism as a key export industry

Tourism is considered as an export industry since foreign tourists who travel abroad purchase goods and services with money from their home countries. Tourism markets are governed by national regulations. The liberalisation of trade in tourism and travel-related services can also take place through the General Agreement on Trade in Services (GATS) of the World Trade Organization (WTO), at the multilateral level, as well as through regional trade agreements (RTAs) covering trade in services at the regional level. Regulatory commitments under such agreements can play a significant role in promoting tourism, including intra-regional tourism among developing countries. By reducing regulatory barriers through these agreements, countries can enhance the gains from tourism trade for firms, workers and consumers (UNCTAD 2010).
Tourism services are covered by GATS under Tourism and Travel-Related Services, which include (a) hotels and restaurants; (b) travel agencies and tour operators; (c) tour guides; and (d) other. Many services linked closely to tourism are classified under different sectors such as business, financial and recreation services. According to the WTO:

“One of the most crucial aspects of international tourism is the cross-border movement of consumers. This permits even unskilled workers in remote areas to become services exporters — for instance, by selling craft items, performing in cultural shows, or working in a tourism lodge” (WTO 2012).

International travel — whether for recreation, leisure or business — has become one of the fastest growing economic activities worldwide (see Figure 1 below). According to the World Tourism Organisation (UNWTO), in 2012, for the first time in history, the number of international tourist arrivals reached an annual figure of over one billion [UNWTO 2013a]. This is a sharp rise in international tourists from 25 million in 1950, 277 million in 1980, and 528 million in 1995 (UNWTO 2012a, UNWTO 2012b). International tourists are predicted to reach 1.8 billion by 2030 (UNWTO 2011).

In terms of both direct and indirect impacts, tourism is a major contributor to the global economy. It accounts for more than nine per cent of global GDP and almost nine per cent of jobs globally (WTTC 2012). Hence, tourism is one of the largest categories of international trade in services. International tourism ranks fourth after fuels, chemicals and automotive products in global exports. The tourism industry has a value of US$ one trillion a year and accounts for 30 per cent of the world’s exports of commercial services or six per cent of total exports (UNEP 2011a).

**Figure 1. Growth in international travel**

Furthermore, tourism linkages to the other economic sectors reviewed in this report are significantly diverse and, subject to good planning, can help accomplish green trade opportunities identified in those sectors. Tourism requires support, for example, to build and operate hotels, restaurants and other tourism-related facilities through linkages with basic infrastructure services such as energy, telecommunications and environmental services, agricultural, manufacturing and construction services. Strong linkages generate broad economic benefits at the national level, including new employment opportunities and poverty reduction at the local level (UNCTAD 2010).

Tourism is a promising source of income for developing countries because it provides an effective transfer of income from developed to developing economies. According to the UNWTO, in recent years, developing country destinations have grown faster than destinations in developed countries. This trend is set to continue. Between 2010 and 2030, arrivals in countries with emerging economies are expected to increase at
Trends, Challenges and Opportunities

double the rate (4.4 per cent annually), compared to those of developed economies (2.2 per cent annually). So far, the market share of the overall tourism industry in developing countries has increased from 30 per cent in 1980 to 47 per cent in 2011. It is expected to reach 57 per cent by 2030, equivalent to over one billion international tourist arrivals [UNWTO 2012b]. Furthermore, tourism in developing countries includes intraregional South–South tourism which represents an important channel for the future growth and development of developing countries’ tourism sectors [UNCTAD 2010].

In many developing countries, tourism is an important source of foreign exchange and foreign investment. Cambodia, for example, derives 18 per cent of its Gross Domestic Product (GDP) from travel and tourism, with the sector employing 14 per cent of the country’s labour force [WEF 2011]. In Malaysia, using a value-chain analysis, the Tourism Planning Research Group (TPRG) has found that economic benefits received by local people account, on average, for 34 per cent of total income generated by tourism. This relatively high income share, particularly in restaurants, may reflect various public and private initiatives to employ or involve locals in tourism business operations [TPRG 2009].

Tourism has been identified as a priority sector for development in 90 per cent of Least Developed Countries (LDCs) according to studies conducted by the Enhanced Integrated Framework (EIF) [EIF 2012]. The studies have found that tourism is becoming a significant industry for many LDCs with a direct link to poverty eradication [Francis 2012]. Notably, tourism has enabled developing countries such as Botswana, Cape Verde and Maldives to transition out of the LDC category [Orga 2010].

7.2.2 Adverse impacts of tourism

As analysed in the GER [UNEP 2011a], despite the many potential positive impacts associated with tourism, the sector is also a significant contributor to environmental pollution and degradation [UNEP 2012a]. Pressure on the environment stemming from tourism includes:

- Rising greenhouse gas (GHG) emissions – including significant emissions from transportation (e.g. aviation and road transport) and accommodation (e.g. from air-conditioning and heating systems);
- Water consumption – increased pressure on already diminished water resources; in some regions, tourism can compete with other sectors for water such as agriculture and the subsistence needs of local populations;
- Waste management – considerable impacts of waste and local wastewater; for example, it is commonplace for hotels to discharge untreated sewage directly into the sea;
- Detrimental effects on biodiversity – including the erosion of coral reefs, coastal wetlands, forests, arid and semi-arid ecosystems and mountainous areas [UNWTO 2010a];
- Increased conflicts with local communities – arising from failure to incorporate biodiversity concerns into destination planning, investment and benefit sharing; and
- Threats to cultural integrity – arising from unplanned (no prior consent or participation) and unmanaged tourism.

At the same time, it is important to note that the tourism sector is also a victim of environmental pollution and degradation from other industries [UNEP 2012a].

7.2.3 Sustainable tourism

Some of the negative effects described above may be reduced greatly by greening tourism [UNEP 2008]. Because of the size and reach of the sector, this is a critical element of transitioning to a green economy. Even small changes towards greening, such as the more efficient use of energy and water and better waste management, can have significant positive impacts.

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1. A Malaysian study, for example, estimated that tourists generate double the solid waste per capita compared with local residents [Shamsiriy et al. 2011].
Box 1. UN definition of sustainable tourism

Expressed simply, sustainable tourism can be defined as:
“Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities”.

Conceptual definition:

“Sustainable tourism should:
1. Make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity.
2. Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance.
3. Ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation.

Sustainable tourism development requires the informed participation of all relevant stakeholders, as well as strong political leadership to ensure wide participation and consensus building.

Sustainable tourism should also maintain a high level of tourist satisfaction and ensure a meaningful experience to the tourists, raising their awareness about sustainability issues and promoting sustainable tourism practices amongst them”.

Source: UNEP and UNWTO 2005

Sustainable tourism comprises policies, practices and programmes that take into account both the expectations of tourists regarding responsible natural resource management and the needs of communities that support or are affected by tourism projects and environmental scarcities (ILO 2012). It addresses sustainability issues on both the demand side and the supply side of the sector, as illustrated in Figure 2.

Figure 2. Facets of sustainable tourism
Importantly, sustainable tourism is not simply one type of tourism. Rather, it represents a range of sustainability principles that can be applied across the whole tourism sector (UNEP and UNWTO 2005). These principles include:

- Increasing use of renewable energy;
- Consuming less water;
- Minimising waste;
- Using biodegradable products for guests;
- Conserving biodiversity, cultural heritage and traditional values;
- Supporting intercultural understanding and tolerance;
- Generating local income;
- Integrating local communities with a view to improving livelihoods and reducing poverty; and
- Enabling tourism businesses to make long term investments.

Sustainable tourism practices generally impose less adverse environmental impacts, when compared to traditional tourism practices. Since sustainable tourism provides for effective resource management, income can be generated while simultaneously minimising negative externalities to an area’s environmental and cultural integrity. At the same time, sustainable tourism can become an important source of export growth in developing countries.

**Box 2. Impact of green investment in tourism**

Modelling undertaken in the GER 2011 showed the effects by 2050 of investing 0.2 per cent of total GDP in greening the tourism sector (investing in energy and water efficiency, emissions mitigation and solid waste management). Under such a green investment scenario, the sustainable tourism sector is projected to grow steadily in the coming decades. This growth could exceed projections for the Business-As-Usual (BAU) approach by seven per cent in terms of the sector GDP, while saving significant amounts of resources. The green investment scenario is projected to undercut the corresponding BAU scenario by 18 per cent for water consumption, 44 per cent for both energy supply and demand, and 52 per cent for CO₂ emissions. These projected reductions in usage would result in significant avoided costs that could be reinvested in socially and environmentally responsible local initiatives, such as improving local transportation and increasing staff training.

Source: UNEP 2011a

As highlighted in Box 2, there is a positive correlation between green investment in tourism and expenditure on local development. In particular, the move towards more sustainable tourism can enhance job creation. For example, it is estimated that sustainable tourism in Nicaragua, a country that prominently focuses on its culture and natural environment, has an employment multiplier of two. For every job in the tourism sector, additional local employment is created with higher wages than the national averages (Rainforest Alliance 2009).

Longterm prospects for sustainable growth in the tourism sector, however, depend on building adequate infrastructure and supply chains, and enhancing policies and institutions to ensure that tourism activities are carried out sustainably, and meet economic, social and environmental objectives (UNCTAD 2010). An example of a tourism destination that has taken such steps is Evason Phuket resort in Phuket, Thailand (see Box 3).
Box 3. Sustainable tourism in Phuket, Thailand

Evason Phuket resort has introduced sustainability criteria and is certified by ‘Green Leaf’, one of the eco-labels for green hotels and resorts. The table below demonstrates how environment friendly upgrades to older tourism infrastructure can improve energy efficiency and reduce water use, wastes and costs. The installation of resource efficient and energy saving equipment in the resort makes both economic and environmental sense. The investment has brought about significant savings, as illustrated below:

<table>
<thead>
<tr>
<th>Item</th>
<th>Investment (US$)</th>
<th>Annual savings (US$)</th>
<th>Payback</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy monitoring system</td>
<td>11,000</td>
<td>About 10%</td>
<td>N/A</td>
</tr>
<tr>
<td>Quantum heat recovery</td>
<td>9,000</td>
<td>7,500</td>
<td>1.2 years</td>
</tr>
<tr>
<td>Centralized mini chillers</td>
<td>130,000</td>
<td>44,000</td>
<td>1.8 years</td>
</tr>
<tr>
<td>Energy efficient light bulbs</td>
<td>8,500</td>
<td>17,000</td>
<td>6 months</td>
</tr>
<tr>
<td>Biomass absorption chillers</td>
<td>11,5000</td>
<td>41,000</td>
<td>2.8 years</td>
</tr>
<tr>
<td>LPG boilers for laundry</td>
<td>27,000</td>
<td>17,000</td>
<td>1.6 years</td>
</tr>
<tr>
<td>Rainwater reservoir</td>
<td>36,000</td>
<td>330,000</td>
<td>1 month</td>
</tr>
</tbody>
</table>

Source: WWF et al. 2010

Further, the tourism sector is already leading the way in some of the most innovative sustainable energy initiatives. Energy efficient upgrades to aircraft, the shift to renewable fuel for aviation and cruise liners, new energy technology solutions and energy efficiency measures in hotels are placing tourism at the forefront of such transformation (UNWTO 2012c).

Tourism can help stakeholders and beneficiaries recognise and measure the value of ecosystem services to their economic activities, removing its economic invisibility. This is analysed in detail in the report on The Economics of Ecosystems and Biodiversity (TEEB) in National and International Policy Making (TEEB 2011).

7.3 Trends and opportunities existing across the industry

7.3.1 Changing tourism destinations and countries of origin

Recent trends and forecasts point to a spreading of tourism to new destinations. These are largely in developing countries where there is potential to support development goals. There are also increasing numbers of tourists from emerging economies and larger developing countries. For example, in the first half of 2012, 38 million Chinese took international trips, 18 per cent more than in the same period the previous year. In 2011, Chinese tourists spent US$ 73 billion while travelling abroad, third only to German and American tourists (The Economist 2012a).

Figure 3 illustrates the growth between 1990 and 2010 in international tourism receipts in developing countries ranging between 184 per cent in high-income countries and 800 per cent in LDCs.
The World Economic Forum’s (WEF) Travel and Tourism Competitiveness Report found that the majority of LDCs are in the top half of the WEF’s ranking for natural resources, with Tanzania 2nd out of 139 economies, Zambia 15th and Uganda 29th. The report measures the factors and policies that make it attractive to develop the tourism sector in different countries. It suggests that there is a strong case for allocating resources to build competitiveness in tourism based on natural resource assets of developing countries (WEF 2011).

In this regard, ecotourism, which focuses on nature-based activities, is the fastest growing sector of tourism. It provides considerable economic benefits and is a vital source of income for many countries. Additionally, many developing countries have a competitive advantage in ecotourism over developed countries. They have unique and natural environments, cultures and opportunities for adventure holidays (see section 7.4).

7.3.2 Changing consumer patterns

Changing consumer patterns are providing promising export opportunities for sustainable tourism. As people become more environmentally and socially conscious, they are looking for a responsible alternative to traditional travel options. Thus, tourist choices have become increasingly influenced by sustainability considerations. For example, a 2010 survey undertaken by VISA and the Pacific Asia Travel Association (PATA) found that Chinese have a preference for environmentally friendly tourism and cultural immersion programs (VISA 2010). Furthermore, in a 2012 poll undertaken by Blue and Green Tomorrow, 47 per cent of respondents answered that they would consider the ethical or environmental footprint of their main holiday in 2013 (Blue and Green 2012), as set out in Figure 4.

**Figure 3. International tourism receipts in developing countries (billion US$)**

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
<th>Growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>262</td>
<td>475</td>
<td>928</td>
<td>254 %</td>
</tr>
<tr>
<td>High income countries</td>
<td>207</td>
<td>336</td>
<td>588</td>
<td>184 %</td>
</tr>
<tr>
<td>Developing countries</td>
<td>55</td>
<td>139</td>
<td>340</td>
<td>518 %</td>
</tr>
<tr>
<td>LDCs</td>
<td>1.1</td>
<td>2.9</td>
<td>9.9</td>
<td>800 %</td>
</tr>
</tbody>
</table>

Source: UNWTO 2010b

**Figure 4. Consumer demand for sustainable tourism**

Will you consider the ethical or environmental footprint of your main holiday in 2013?

- Yes: 47%
- No: 23%
- Partially: 28%
- Don’t know: 2%

Source: Blue and Green 2012
Research indicates that consumers are willing to spend more on their holidays if they can be assured that workers in the sector are guaranteed ethical labour conditions (ILO 2010). Also, in a Trip Advisor survey, 34 per cent of travellers indicated that they are willing to pay more to stay in environmentally friendly hotels (Pollock 2009). According to research by the Foundation of Netherlands Volunteers in 2008, 58.5 million American travellers would pay more to use travel companies that strive to protect and preserve the environment.

There is clear and rising demand for more sustainable tourism globally. When travelling, consumers will also purchase fair and locally sourced products when the option to do so is well advertised, easy and affordable (TUI Travel 2012). At the same time, the information revolution has allowed for increased scrutiny of corporate environmental and social performance. Environmentally and socially concerned travellers are able to look for evidence of sustainable policies and practices and to use sustainability certification schemes to critically assess their choice of tourism purchases (APO 2009).

Progressive companies that seek to capitalise on the changing consumer trends towards increasing environmental and social responsibility in tourism are likely to be recognised as leaders by investors, meet growing customer demand and enjoy the related potential comparative advantages, thereby securing destinations for future exports.

7.3.3 Sustainability certification

Certification has a central role to play in promoting environmental and social performance and satisfying consumer demand for responsible travel. Certification schemes may be applied to tourism enterprises such as hotels, resorts, marinas, travel agencies, tour operators, and transportation services. They may also be used to certify the environmental soundness of tourist destinations and natural resources at these destinations (Sasidharan et al. 2002).

Various standards of the International Organization for Standardization (ISO) have been used in the tourism sector to improve the overall quality of service. These include ISO 9000 for quality management and ISO 14000 for environmental management. Other voluntary standards have also emerged. For example, Green Globe certification builds on the ISO standards and is used to verify sustainability performance of travel and tourism businesses and their supply chain partners. Another scheme is the Blue Flag label, which is awarded on the basis of the environmental performance of beaches and marinas. It has been awarded to 3,850 beaches and marinas in 46 countries across Europe, South Africa, Morocco, Tunisia, New Zealand, Brazil, Canada and the Caribbean (Blue Flag 2012). The growth of the number of blue flags between 1987 and 2010 is shown in Figure 5.

Figure 5. Blue Flag certifications

The Blue Flag is a certification assigned towards sustainable development of beaches and marinas through strict criteria dealing with Water Quality, Environmental Education and Information, Environmental Management, and Safety and Other Services.

Source: UNEP 2012b
In 2012, the Global Sustainable Tourism Council published its list of recognised sustainability standards for the industry (GSTC 2012a). The list includes:

- Bundesministerium für Land und Forstwirtschaft, Umwelt und Wasserwirtschaft (BMLFUW)’s Austrian Ecolabel for Tourism (Österreichisches Umweltzeichen);
- Costa Rica Tourist Board (ICT)’s Certification for Sustainable Tourism (CST);
- EarthCheck;
- Ecotourism Australia’s Advanced EcoCertification;
- Ecotourism Ireland’s Ecotourism Ireland Label;
- European Ecotourism Knowledge Network’s European Ecotourism Labelling Standard (EETLS);
- Fair Trade in Tourism for South Africa (FTTSA);
- Instituto de Turismo Responsable’s Biosphere Hotels;
- Japan Ecolodge Association’s Environmentally Sustainable Accommodations Standard;
- Rainforest Alliance’s Standard for Tourism Operations; and
- Sustainable Travel International’s Sustainable Tourism Eco-Certification Program (STEP).

Certification informs tourists of the environmental and social impacts of tourism-related activities. It also motivates consumers to act in favour of environmentally benign and socially positive tourism enterprises through their purchasing choices (UNEP 1998). Securing an appropriate sustainability certification can also help a tourism enterprise attract a higher number of visitors and move up-market to higher-paying customers, while protecting the natural environment that the industry depends on. Moreover, it encourages sustainable development of the industry.

Many of the opportunities and benefits applicable to sustainability certifications, also apply to ecotourism labels. The key difference is that ecotourism certification emphasises the ecological sustainability of businesses and products. Green Globe 21’s ecotourism certifications, Europe’s PAN Parks, Australia’s Eco Certification Program, Eco-Rating in Kenya and SmartVoyager in the Galapagos are examples of ecotourism certification schemes currently in use.

In addition to environmental certification schemes, there are also fair trade certification schemes for the tourism sector. Since 2003, for example, the Fair Trade in Tourism South Africa (FTTSA) has operated a national certification programme centred on fair trade principles and methodologies. This system monitors, assesses and certifies the full tourism value chain. The FTTSA certifies holiday packages based on a standard that ensures fair pricing, pre-payment, transparency and commitment to sustainable trade (Seif 2012).

While some developing countries are becoming increasingly interested in the adoption of sustainability and fair trade certification for tourism, there is also concern about the costs of acquiring these certificates. This is particularly the case for small-scale tourism enterprises in developing countries, many of which may be ill-equipped to conform to the standards and criteria circumscribed by international certification schemes originating in developed countries (Sasidharan et al. 2002).
Box 4. Asian examples of sustainable tourism initiatives

In Asia, there are several examples of hotels moving towards more sustainable tourism. Many new hotel companies are using environmentally friendly innovations, engagement and reporting initiatives to differentiate themselves from other resorts.

Various hotel companies are also committing to become carbon neutral. Nevertheless, carbon management as an approach to measuring and reporting on carbon emissions, vary widely. As a consequence, the International Tourism Partnership (ITP) and the World Travel & Tourism Council (WTTC), in collaboration with 23 global hospitality companies, launched a methodology to calculate and communicate the carbon footprint of hotel stays and meetings, in a consistent and transparent way.2

Opportunities and challenges: The opportunities for sustainability in the hospitality sector are enormous. Sustainable design can lead to product differentiation as well as creating brand loyalty. Conservation practices can reduce costs, lower risk and often secure a license to operate.

Hotels have also started to use the Leadership in Energy and Environmental Design (LEED) certification programme. The programme provides independent, third party verification that a building is designed and built using strategies aimed at “achieving high performance in key areas of human and environmental health: sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality” [USGBC 2012]. The ITC Windsor’s five star hotel in Bengaluru, India was the first hotel in the country to achieve LEED Platinum ranking.3 Another ITC property, the Maurya in New Delhi, was the world’s first LEED Platinum hotel in the Existing Building category, a recognition made by the US Green Building Council. The ITC Maurya installed the world’s first on-site Paraboloid Solar Concentrator (with 320m² reflective area) in the hospitality industry. According to Scott (2011), the Maurya “uses solar power to heat its water, has a building management system to control its heating, ventilation and air conditioning systems, lighting and water management. It consumes 33 per cent less water and 23 per cent less energy than LEED benchmarks. Almost all of its solid waste is either reused, recycled or converted into manure by an organic waste converter and it recycles water to use in the gardens”.4

There are, however, numerous challenges for moving towards a green economy. Although many accommodations aim to conserve resources, better information and communication strategies need to be implemented. For example, signs asking guests to hang up their towels to conserve water have been found not to alter behaviour unless they are accompanied by a specific explanation of why they are doing it and what other measures the accommodation is doing to be environmentally friendly.

Another challenge is the intensity of resource use. Many conservation initiatives take place after the construction has been ultimated, therefore many brands that showcase conservation may have hotels with hundreds of rooms that are energy- and water-intensive. For example, a three star hotel uses the equivalent of approximately 350 litres per guest each night, the same amount as a rural village uses for 100 homes. A luxury five star hotel may use the equivalent of 1800 litres of water per guest per night.5

Education and design/building in urban areas is another key challenge. Urban resorts find more obstacles for disseminating information regarding sustainable practices to their guests and therefore tend to focus on other aspects for guests rather than their green credentials. As they are not located in natural parks or by pristine beaches, the guest is not as influenced by their natural surroundings. In addition, transparency needs to improve. Some hotels claim that they are environmentally friendly but there is limited information to illustrate what sustainable practices they have implemented or planned.

Ways forward: Governments and the private sector can promote and encourage more sustainable tourism in a number of ways. First, there is a need for universal guidelines for design and resource management. Although there are a number of sites and guidelines that outline sustainable design

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5. Information in this section is based on interviews with hotels as well as a review of major hotel chain’s CSR policies.
principles and practices, there is no universal code and often certification schemes are used as management tools to reduce costs rather than as a way for consumers to make informed green choices.

Second, there is a need for policies to incentivise hotels and other tourism businesses to become more sustainable. Comprehensive tourism development strategies need to be developed in partnership with community and industry stakeholders (including major foreign tour operators or industry associations, where appropriate). Incentives could help leverage sustainability initiatives in resorts to develop niche travel products that help local communities preserve their cultural and environmental heritage, whilst at the same time potentially increasing market share and profit margins. In this context, certification can create additional advantages.

Third, the tourism industry needs to be an active participant in the greening of their supply chain to reduce energy, water and waste and thus secure the future viability of the natural resources upon which they are based. The tourism industry should report on their initiatives to help assess overall corporate responsibility and transparency.

Finally, governments must ensure sustainable tourism measures are seen as a core value in wider development plans and policies rather than solely focusing on economic benefits.

Source: Case study prepared by Rachel Dodds, Owner/Director, Sustaining Tourism: Associate Professor, Ryerson University; UNEP 2011a.

7.3.4 Carbon offsets

The tourism sector is now actively engaged in the market for carbon offsets. Tourists who are willing to compensate their travel emissions can calculate these with the help of online calculators or through offset offerings of their travel service provider. As most offset projects are in developing countries, carbon offsetting in the tourism sector is an opportunity for developing countries to increase their revenue streams.

Evidence suggests, however, that particularly hypermobile travellers, who account for the major share of distances travelled and emissions caused, are not ready to support voluntary carbon offsets (Becken 2007; Gossling 2009). It is also often argued that carbon offsetting potentially diverts from addressing the structural and technological changes needed to achieve long-term GHG reductions (UNEP 2009).

Even though carbon offsetting is not a panacea, it is providing one element of a transition to a greener economy that is particularly attractive to the tourist sector. Further, there is now a variety of carbon standards and certification schemes to enable tourism enterprises and their customers to address carbon alongside other social and environmental issues. These include for example:

- Clean Development Mechanism (CDM);
- Climate, Community and Biodiversity Alliance (CCBA);
- Green e-Climate;
- Gold Standard;
- Social Carbon; and
- Verified Carbon Standard (VCS).

See, for example, greenhoteler.com, sustainabletourism.net, Rainforest Alliance, Coral Reef Alliance, TUI, The ITP Sustainable Hotel Siting and Design Guidelines as well as guidelines for coastal development and marine protected areas.
Box 5. The CDM applied to hotels

The ITC Sonar Hotel in Kolkata, India, is the first resort hotel in the world to be registered as a CDM project by the United Nations Framework Convention on Climate Change (UNFCCC) for its energy improvement activities.

The resort uses 15 appropriate fixtures, such as solar power for heating the spa and variable frequency drive for the main kitchen exhaust fan. The project results in energy saving of 6.32 GWh per year and an emission reduction of 1,962 tonnes CO₂. The resort has received 1,996 carbon credits per year from 2000 to 2010.

Source: UNESCAP 2010

7.3.5 Handicrafts

Handicraft production and sales to tourists, a key sub-chain in the tourism sector, account for one of the main sources of revenue for pro-poor income in developing economies (ITC 2009). Poor people in developing economies often lack resources, skills and employment, keeping them below the poverty line. This is primarily a factor of limited access to education, and a reliance on subsistence farming or poorly paid occasional jobs in urban centres. Handicraft production, however, is based on traditional skills and has low investment requirements. Thus, producing and selling handicrafts to tourists offer an opportunity for the poor to increase their income. Box 6 provides an example of the benefits of handicraft production in Ethiopia.

Box 6. Handicraft in Ethiopia

Tourism-related handicraft sales in Ethiopia are estimated to be as high as US$ 12.7 million per year. Of these expenditures, 55 per cent or US$ 6.9 million are considered to be pro-poor income, i.e. income that goes to poor craftsmen, traders or raw material suppliers.

In 2007, Ethiopia attracted 250,000 foreign tourists. The average tourist spent about US$ 50 on handicrafts during a typical stay in Ethiopia, of which more than US$ 25 was pro-poor income.

Source: ITC 2009

Handicraft production plays an important role for job creation in the informal sector. Subsistence farmers can gain additional income from handicraft production. In Vietnam, for example, craftspeople generate income that is on average 60 per cent higher than the average income for the rural population. Production of handicrafts is also often a viable alternative for the urban poor (Ngo 2005).

In countries attracting large numbers of international visitors, the tourism sector offers many opportunities for the poor to sell handicrafts, as tourists spend substantial amounts of money on such products as souvenirs. Strengthening the handicraft sector will ensure that tourists have the option to buy locally made handicrafts instead of imported or factory-made products. Handicraft production can also help diversify the tourism product of a region to include home-stays, cultural experiences and facilitate the promotion of responsible tourism principles.

Handicraft production is a labour-intensive industry and, as such, can support a number of part-time and full-time employees, both skilled and unskilled. Supporting and mediating partnerships between tourism enterprises and handicraft producers is a valuable role for development partners. Employment creation in rural areas can help to reduce migration into cities. There are, however, also challenges related to making full use of the opportunities provided by the tourism sector, as illustrated in Box 7.
Box 7. Challenges for handicraft producers

Supply-related challenges
- Limited and/or only traditional product range due to lack of innovation and new designs;
- Poor product quality due to low skills or lack of knowledge about tourist expectations;
- Difficulty in competing with imported products in terms of price;
- Lack of raw materials and other inputs when needed;
- Lack of capital to invest in machinery needed to improve product quality; and
- Dispersed and disorganised, leading to a slow, irregular and insecure supply.

Market-related challenges
- Inadequate market outlets that are attractive for tourists;
- Lack of local awareness of the supply potential in other parts of the country;
- Differential price increases by middlemen and intermediary traders;
- Mistrust between traders and craft producers preventing better cooperation;
- Poorly developed market linkages with retail shops in main tourist locations;
- Low integration into the holiday packages of tour operators and hotel resorts; and
- Customer demand for useful gift items rather than traditional souvenirs.

Source: ITC 2009

7.4 Trends and opportunities in specific sub-sectors

This section highlights some promising tourism sub-sectors for greening the economy through trade: ecotourism, marine and coastal tourism and agro-tourism.

7.4.1 Ecotourism

Ecotourism, as defined in Box 8, can be a very important source of green growth for many developing countries with significant natural endowments. It can also create many export opportunities in remote locations. Ecotourism is often built on community-led tourism activities and operations that preserve natural ecosystems, while generating employment for the unskilled workforce in rural communities. These activities do not normally require vast capital outlays and investment. Thus, ecotourism is an ideal industry for the fostering of economic growth in developing countries with natural resource abundance and capital scarcity (Viljoen 2011).

On 21 December 2012, the UN General Assembly adopted a resolution entitled “Promotion of ecotourism for poverty eradication and environment protection”. This calls on UN members to adopt policies that promote ecotourism, highlighting its “positive impact on income generation, job creation and education, and thus on the fight against poverty and hunger”. The resolution further recognises that “ecotourism creates significant opportunities for the conservation, protection and sustainable use of biodiversity and of natural areas by encouraging local and indigenous communities in host countries and tourists alike to preserve and respect the natural and cultural heritage” (UNWTO 2013b).
Box 8. Ecotourism as defined by the UNWTO

Ecotourism is used to define forms of tourism which have the following characteristics:

1. All nature-based forms of tourism in which the main motivation of the tourists is the observation and appreciation of nature as well as the traditional cultures prevailing in natural areas.

2. It contains educational and interpretation features.

3. It is generally, but not exclusively, organised by specialised tour operators for small groups. Service provider partners at the destinations tend to be small, locally owned businesses.

4. It minimises negative impacts upon the natural and socio-cultural environment.

5. It supports the maintenance of natural areas which are used as ecotourism attractions by:
   - Generating economic benefits for host communities, organisations and authorities managing natural areas with conservation purposes;
   - Providing alternative employment and income opportunities for local communities; and
   - Increasing awareness towards the conservation of natural and cultural assets, both among locals and tourists.

Source: UNWTO 2002

As awareness of the fragility of the world’s most diverse cultures and pristine environments continues to increase, the market for ecotourism is growing. The promotion of socially and environmentally sound tourism, especially in areas of significant natural beauty, offers many opportunities to become more competitive in this fast growing global market.

In Dominica, for example, overnight tourists renting small, nature-based lodges spend 18 times more than cruise passengers visiting the island (IES 2011). In Costa Rica, it is estimated that up to 53 per cent of income from tourism may be attributable to ecotourism and related activities (ICT 2009, as cited in Bien 2010). Costa Rica is often viewed as an example of how a developing country can strategically develop its ecotourism offerings, deliver real green growth and reap the benefits of increased tourism revenues.

Maintaining protected areas that are visited by tourists may also bring long-term economic benefits to national economies. Some countries have been able to build up a lucrative nature-based ecotourism industry, generating foreign earnings and local employment. Protected areas in Costa Rica, for example, received more than one million visitors each year in the five years up to 2006, generating entrance-fee revenues of over US$ 5 million in 2005, and directly employing approximately 500 people. Protected areas in Mexico recorded 14 million visitors per year and created 25,000 jobs (Robalino et al. 2010).

Thus, tourism is an excellent vehicle to transfer income from developed countries to developing countries. Ecotourism is especially effective in this transfer since travellers often venture into remote and economically disadvantaged regions. Since tourism is a relatively barrier-free service export, it can be a more effective means of transferring income from the developed world relative to other forms of foreign investment such as export-processing zones in which profits may be largely repatriated (Scope ACP 2011).

The benefits of ecotourism flowing to local businesses are also dramatically higher than those from mass tourism. Standard all-inclusive package tours typically deliver just 20 per cent of revenue to local companies, while airlines, hotels and large tour companies capture the rest. In contrast, ecotourism operations that are based and hire locally can return as much as 95 per cent of in-country expenses to the local economy (UNEP 2011b).

The ecotourism industry also has opportunities for the collection of conservation fees and donations for visits to protected areas. Most ecotourists have above-average income and are willing to pay entrance fees that will enhance conservation and are shared with local communities. This revenue can be used by protected area authorities and local communities for conservation measures and sustainable practices (Scope ACP
In Kenya, a new transparent ticketing and payment system has been implemented for Maasai village tours. Instead of being exploited by driver guides, a fair share of this income is now retained by the villagers. Maasai communities receive 100 per cent of fees from lodge-generated business and 75 per cent of business generated through the Kenya Association of Tour Operators (KATO). In total, revenue has increased by 800 per cent (The Travel Foundation 2007).

However, tourism revenue from protected areas does not always accrue satisfactorily to local communities, despite national legislation requiring the practice. For example, the authors Tumusiime and Vedeld (2012) of a case study on Uganda’s Bwindi Impenetrable National Park, a major tourist attraction for gorilla watchers, conclude that:

“The mechanism [tourism revenue sharing] has yet to deliver adequately…In particular, it has proved challenging to ensure that the local people’s share meets their expectations, and that it reaches the most deserving communities, and/or individuals within a community. It is necessary to set aside sufficient revenues for the local people, and craft legitimate and competent institutions that adequately involve local people in the decision-making process on both the structure and the process of distribution and utilisation of the tourism sharing revenues”.

Specifically, in the case of Bwindi, revenue sharing is from a percentage of park entrance fees (US$ 30 in 2010), and not from gorilla tracking permits (US$ 500 in 2010), as originally proposed, but later changed. The real issue, according to the authors, appears to be the implementation of effective tourism revenue sharing schemes (Tumusiime and Vedeld 2012).

Thus, all aspects of ecotourism activities need to be monitored and evaluated. From an environmental point of view, tourism in certain areas may not be truly sustainable. Failure to limit tourist numbers at popular sites can damage fragile ecosystems and habitats. Experienced mountaineers have warned against overcrowding and massive amounts of garbage at base camps near Mount Everest in Nepal, where some 200 climbers attempt to reach the summit in a single weekend.7

In some cases, ecotourism may contribute to the displacement of communities and generate greater pollution and waste, thus undermining rights and livelihoods of the local people and environment (Gumbo 2010). Attention to the real impacts on the ground is of utmost importance.

Africa is the market leader in wildlife-base ecotourism and accounts for about half of all wildlife tourism trips worldwide with Botswana, Kenya, South Africa and Tanzania receiving the most visitors in the continent. In the African Great Lakes region, revenue from tourism based on gorilla viewing and other activities brings in about US$ 20 million annually (Gumbo 2010). Tourism exports in Africa generate significant incentives for governments and local communities to conserve their rich environment as a basis for sustainable development in the tourism sector (UNEP 2011b).

India and Lebanon have also developed ecotourism as a key sub-sector of their tourist industries, as illustrated in Boxes 9 and 10.

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Box 9. Ecotourism in India

India is known for its large ecosystems including the Himalayas and the Western Ghats. India has 661 protected areas with 100 national parks, 514 wildlife sanctuaries, 43 conservation reserves and four community reserves in different geographic zones, extending to nearly five per cent of the geographical area of the country (MoEF 2011).

Capitalising on these resources, ecotourism operations in India have substantially increased community participation, involvement of indigenous groups, forest dwelling communities and women, local level resource sharing with locally designed frameworks, and the use of indigenous technologies. The income generated is used to ensure quality tourism services as well as to improve the living standards of destination communities.

Based on Ecotourism Policy and Guidelines developed by the Indian Ministry of Tourism in 1998, the Ministry of Environment and Forest in June 2011, called on state governments to frame ecotourism policies to facilitate tourism programmes in protected areas of the country. In addition, the Indian Government’s National 12th Five Year Plan (2012-17) targets to increase the net benefit of tourism activities for the poor, emphasising also that the revenue generated from tourism operations should be utilised for protected area management (India Tourism 2011).

Opportunities and challenges: Trade opportunities and relevant employment options under ecotourism are broadly classified into two categories: ecotourism services and ecotourism enterprises. Ecotourism services include guiding and interpretation, sightseeing, destination cleaning forest protection and anti-poaching services. Ecotourism enterprises include honey processing, paper bag production, bamboo handicraft production, organic farming, indigenous medicine production and sales outlets (eco-shops).

Government action at both the national and local levels has enhanced ecotourism operations to ecologically sensitive areas where attention has been given to conservation and development with the support of the local community. For instance, in 2007 at the Kumarakom bird sanctuary in Kerala, hotels established linkages to local communities for the supply of seven types of local products. By 2010, the number of items had increased to 45 including some agro-based industrial products like coconut oil, souvenirs and handicrafts. The economic linkages encouraged partnerships between the community and the industry, thereby helping the community to develop a sustainable market with fair prices for the local produce and increased production.

The Parambikulam Tiger Reserve, another example, is the second largest tiger reserve in Kerala, India. Its activities include the elephant song trail, forest tramway trekking and eco-meditation. In order to ensure participative management of ecotourism resources, ecotourism programmes are operationalised through specific economic development committees. Of the committee members, 88 per cent belong to indigenous communities. Destination sustainability is maintained through community management of resources. Emphasis is given to livelihood improvements, conservation of natural and cultural resources and reducing the dependency on forest-based, unsustainable resource consumption. These activities have helped to substantially increase the average number of visitors and revenue.

Though numerous opportunities exist, the sector is not without challenges. These include energy consumption for tourism services, usage of water, waste management issues, and loss of biodiversity as a result of outside interference and cultural erosion. Additionally, there are a number of destination specific issues that hamper the sustainable use of resources. Service quality sectors like green production, ecological benchmarking, environmental management systems and voluntary standards like Green Leaf, Blue Flag, Green Globe would, with the required investments and labour, help generate income and trade opportunities in the local communities.

Ways forward: Adherence to sustainability standards in the operations of ecotourism in India can be initiated in protected areas, rural and village settings, forest areas and conservation areas of the country. Various innovative forms of ecotourism activities like rural ecotourism, farm and wetland tourism, mangrove tourism, coastal tourism, plantation tourism, horticulture activities, minor forest produce tourism, wilderness camps, eco-parks, caves exploration, bamboo raft cruise, and water based activities like regulated angling can be promoted. In this context, the Global Environment Facility (GEF) has supported India’s eco-development programme, where ecotourism has been identified as a means of livelihood for tribal and forest dwelling communities.

Source: Case study prepared by A. Vinodan, Nodal Officer, Indian Institute of Tourism and Travel Management, Andhra Pradesh, and James Manalel, Professor, School of Management Studies Cochin University of Science and Technology, Kerala, India.
Box 10. Ecotourism in Lebanon

Lebanon is a small mountainous country of 10,450 km² that benefits from a moderate Mediterranean climate and high mountains with scenic views, significant snow cover in the winter, and an interior plateau with dry weather and several streams and rivers. The country further possesses a rich cultural heritage with historic cities, villages and five UNESCO World Heritage Sites.

Several projects geared towards a green economy have been established in Lebanon. These projects contribute to the improvement of well-being, reduction of social inequalities, and mitigation of environmental risks, as well as more efficient use of natural resources. Green project examples include biosphere reserves, improved waste management, bio agriculture, and ecotourism.

After the 1975-1990 civil wars, several young entrepreneurs returned to the country with creative concepts to be adopted in the Lebanese tourism industry, which would advance environmental protection, conservation, adaptation and sustainable tourism practices, restoration techniques and knowledge economy in the sector.

The first projects launched in nature conservation and ecotourism have been the Forest of Cedars in the Shouf region and the North-South Lebanon Mountain Trail. Both projects are private initiatives that have progressively received donors’ contributions and now include cooperation with local communities and inhabitants, development and marketing of local products, small coaching inns and homestays. Being in remote and sparsely populated regions, these projects are bringing back to life large parts of the country’s mountainous regions. Both projects demonstrate the potential for ecotourism to preserve important environmental sites, ecosystems and local cultural traditions while also contributing to expanding the economy by creating new green quality jobs as well as direct and indirect income, especially in the remote and local communities of Lebanon.

Increasingly, more traditional housing is being used for ecotourism and new biosphere reserves created that include local development actions in their management. The Jabal Moussa Biosphere reserve and Ouadi Qadisha World Heritage site are the best examples of this new trend. These initiatives that contribute to the greening of the tourism sector are benefitting from the environmentally conscious young generation and from the continued increase of expatriate seasonal holiday tourists eager to discover Lebanon’s nature.

Within the green tourism sector, the initiatives have so far often resulted from the activities of private sector entrepreneurs who invest, innovate, and are important drivers of the tourism industry in Lebanon. Today the awareness of the opportunities in Lebanon’s green tourism sector is increasing. The Ministry of Environment has launched several decrees on water strategies and impact assessments, which also support the development of the eco-tourism sector (UNWTO 2011).

Further governmental support of ecotourism projects would stimulate Lebanon’s tourism sector, such as protection laws for small-scale green economy projects and micro-credit facilities that are adapted to such enterprises.

Source: Dr Georges S. Zouain of GAIA-Heritage

Competition to attract customers that are increasingly interested in ecotourism destinations is encouraging neighbouring countries to create regional partnerships. These regional partnerships work together in areas such as the promotion of several economies and “coordinated marketing drives” (UNWTO 2006). Likewise, private tourist companies often market geographic regions of continents, such as ecotourism in East Africa or in Central Africa, as a way of encouraging tourists to visit ecotourism destinations in more than one country in a region.

Rising demand for wildlife-based ecotourism has also led to increased private-sector involvement in the management of protected areas in countries such as Kenya, Namibia and South Africa (FAO 2005a). In South Africa for example, the hectares of private protected areas exceed those that are publicly owned (Katila and Puustjärvi 2003). Several private reserves are now providing packages that cater to the different needs of customers, and many owners are forming partnerships to manage large conservation areas jointly (FAO 2005b). This provides further evidence of emerging opportunities for exporting ecotourism services.
The rise in wildlife photography and in bird-watching activities in Africa and elsewhere is a significant example illustrating the growing ecotourism industry. According to the Convention on the Conservation of Migratory Species of Wild Animals (CMS):

“Bird [watching] plays a significant and growing part in the tourism industry, and creates direct and indirect economic benefits for many countries and communities, also amongst developing countries. Wildlife watching appeals to a wide range of people, and opportunities to participate in wildlife watching are and should increasingly be a factor in tourists’ holiday choices today” (UNEP 2012c).

Box 11. Technical support to ecotourism development in forests

In recent years, the FAO has provided technical assistance to a number of countries, including Egypt, Hungary, Laos, the Philippines and Tunisia, to develop ecotourism as a sustainable forest use. With support from the Global Environment Facility (GEF), FAO recently began implementing an US$ 18 million programme in collaboration with Pacific islands (Fiji, Niue, Samoa and Vanuatu) aimed at developing ecotourism as a major component of sustainable forest management.

Source: UNEP 2011b

7.4.2 Marine and coastal tourism

Coastal and maritime tourism can also provide a trade opportunity for developing countries to conserve and protect ecosystems and species. Instead of overexploiting marine resources, marine and coastal areas can be used for sustainable tourism and recreation. If carefully designed, activities such as surfing, wind surfing and sea kayaking can be developed into sustainable tourist attractions (Ghosh 2011).

Marine Protected Areas (MPAs) are another way that marine regions can develop a sustainable tourism industry by catering for activities such as recreational fishing, whale watching and scuba diving. MPAs serve to conserve resources and consequently benefit surrounding areas through protecting species migration and enhanced recruitment. MPAs have grown in popularity amongst tourists in recent years (Aas et al. 2008; Hoyt 2001; Hollingsworth and Pitcher 2002).

Recreational fishing, in particular, is a popular tourist activity. It includes angling, gathering, trapping, spearing, bow fishing and netting aquatic organisms (FAO 2008). Tourist recreational fishing occurs in approximately 118 maritime countries. In 2003, nearly 60 million recreational anglers around the world generated a total of about US$ 40 billion in expenditure, supporting over 950,000 jobs (Cisneros-Montemayor and Sumaila 2010).

Despite the attractiveness of recreational fishing as a vehicle for sustainable economic development, in vulnerable ecosystems it can pose ecological risks. Unless recreational fishing is practiced responsibly, it can lead to a decline in fish stocks and habitat degradation. Promoting a sustainable model for recreational fishing is in the interests of natural resource managers, environmentalists, tourism promotion agencies, and local communities who depend on the fish stock for their livelihood (Pinsky et al. 2005).

Snorkelling and scuba diving provides additional export opportunities for many developing countries. Scuba diving as a leisure activity has increased significantly over the last 30 years, as evidenced by the rapid increase in the number of certified divers (PADI 2012). However, concerns have been raised over the impact of dive tourism on marine biodiversity (Hasler and Ott 2008; Uyarra et al. 2009). For example, large-scale diving activity in the Red Sea has had a direct negative impact on corals including increased sedimentation and broken and damaged corals (Hampton and Haddock-Fraser 2010). For the diving industry to be sustainable, there is a need for diving restrictions, sustainable dive plans at the site level, and increased education for both diving guides and recreational divers.

Whale watching is also developing into a significant industry in many countries. It is estimated that 13 million people went whale watching globally in 2008. Whale watching generated US$ 2.1 billion per
annum in tourism revenue worldwide and employed around 13,000 workers (Cisneros-Montemayor and Sumaila 2010). Other estimates have put this as high as 18,000 (Pew 2010). Significant further economic benefits can be expected from an expansion of the whale watching industry (Kaschner et al. 2006). The economic benefits of, as yet, unexploited whale watching opportunities “could bring the value of whale watching to US$ 2.5 billion globally, with 19,000 jobs employed by the global industry”. In particular, Asia could potentially gain an extra US$ 46.7 million and Africa US$ 15.6 million through direct (i.e. ticket sales) and indirect (i.e. accommodation, additional food and lodging) economic benefits (Scarpaci and Parsons 2011).

Several recent studies, however, have shown that whale watching activities can impact cetaceans, in particular causing a reduction in biologically important activities such as feeding (Scarpaci and Parsons 2011). Thus, it should be ensured that whale watching is sustainable by, in particular, avoiding too much interference with the whales. For example, this could include having time breaks between visits and keeping a safe distance, in order to avoid stressing the cetaceans.

Further, Box 12 sets out the tourism opportunities provided by shark-related activities.

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**Box 12. Shark tourism and shark sanctuaries growth**

Revenue from tourism opportunities generated by the presence of shark species is rising in a number of countries. For example, in 2010 in the Pacific Island state of Fiji alone, shark-related diving contributed US$ 42.2 million to the country’s economy, while shark-diving operations produced US$ 4 million for Fijians through salaries and local levies. Similarly, in Palau, 8 per cent of the country’s GDP, approximately US$ 18 million annually, is derived from shark tourism. According to the Pew Environment Group, “Studies conducted on the economic value of sharks in Palau’s waters indicate that a single reef shark contributes approximately US$ 179,000 to the country’s economy every year, compared to a one-time value of US$ 108 if caught and sold on the market”.

In addition to Palau, the Bahamas, the Cook Islands, French Polynesia, Honduras, the Maldives and the Marshall Islands have also declared their entire Exclusive Economic Zones as shark sanctuaries. No commercial shark fishing is permitted, providing vital protection for the vulnerable species, some of which are endangered with extinction. In December 2012, the Cook Islands declared a 1.9 millions km² sanctuary, contiguous with neighbouring French Polynesia, creating an area of 6.7 millions km².

*Source: Pew Environment Group (2012) and www.pewenvironment.org*

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A particularly promising market for marine and coastal tourism is in Small Island Developing States (UNWTO 2012d). Apart from marine and coastal tourism, there are tourism opportunities for other ecosystems and locations, including mountain tourism (UNEP 2007) and wetlands tourism (UNWTO and Ramsar 2012). Thus, if designed properly, sustainable activities for tourists to benefit from marine resources instead of treating them solely as a food source can create significant economic and development gains.

### 7.4.3 Agro-tourism

Agro-tourism shares similarities to ecotourism but with a primary appeal towards cultural and traditionally managed landscapes (Kasparek n.d.; Maruti 2009). Agro-tourism may include taking part in growing, harvesting and processing locally grown food crops on farms. In many cases, farmers provide a home-stay opportunity and education on farm life. This contributes to farm income, increases the awareness and understanding of farming methods, and provides farmers with a way to market their farm products (Scope ACP 2011).

An example of agro-tourism is in the Chang Klang district in southern Thailand. In this district, farmlands are promoted as agro-tourism destinations and operate a wide range of tourism activities such as farm visiting and the demonstration of product processing (Na Songkhla and Somboonsuke 2012).
One niche agro-tourism market is enotourism or wine tourism. This experience is based upon the tasting, consumption or purchase of wine, often at or near the source of production. For example, in Chile, there is a growing market for enotourism. Hotels and restaurants are now common sites in vineyards (MercoPress 2007). It is also well established in the Western Cape of South Africa and attracts many international tourists.

7.5 Enabling conditions

This section outlines policy options that governments may use to harness the trade opportunities discussed in this chapter. In line with the voluntary nature of green economy policies, and the recognition that national circumstances are to be assessed on a case-by-case basis, the mix of policy tools for harnessing sustainable trade opportunities in the tourism sector, and the timeframes for their implementation, vary from one country to another. Moreover, a country’s transition strategy may be defined in relation to government decisions at the most senior level, or gradually, from initiatives at lower levels by ministries and local government authorities, as well as in response to initiatives by the private sector.8

7.5.1 Public investment and spending

• **Create fiscal incentives for making the transport sector more sustainable.** Such incentives could, for example include reforming fuel prices and taxes across transport sectors, clearly incorporating the environmental and social external costs (e.g. potential for global human health problems caused by pollution). Such fiscal incentives should also support new and more fuel-efficient transport equipment.

• **Make air transport to tourist destinations more sustainable.** Improving sustainability of air transport includes, for example, accelerated development and deployment of low carbon emitting fuels in the aviation sector. However, the use of sustainable fuels must not impact global agriculture or lead to rain forest depletion, and should be evaluated on a life-cycle emissions impact basis.9 Investments in vehicles to tow aircraft will reduce the use of an aircraft’s main engines when they are on the ground (The Economist 2012b). In addition, investing in improving air travel infrastructure efficiencies, including airspace and air-traffic management could yield significant benefits (WEF 2009).

• **Invest in sustainable small and medium size tourism companies.** One example is microcredit financing for local communities in areas with high ecotourism potential. In this respect, it is important to establish, where necessary, appropriate guidelines and regulations in accordance with national priorities and legislation for promoting and supporting sustainable tourism.

• **Invest in accelerating green hotel refurbishment and green construction.** Supporting energy efficient heating, cooling, lighting and building systems can make a substantial impact in the tourism operations. Water-saving equipment and techniques should be introduced, such as low-flow showerheads, and low-flow toilets. Where irrigation is a major factor for water use in tropical resort hotels, design of gardens should be re-considered, turning to less extensive areas in need of irrigation and to more drought-resistant plants. In addition, hotels should ensure waste is treated. Guests should be encouraged to reuse towels and informed that linen will not be changed daily. Educational programmes for staff and information for tourists can also contribute to reduced energy and water use (UNWTO and UNEP 2012).

7.5.2 Identification of market-based instruments

• **Identify and evaluate opportunities for sustainable tourism development.** The success of tourism destinations is best evaluated not only in terms of arrivals or international tourism receipts, but also in terms of broader economic, social and environmental impacts. Valuation exercises can

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9. The use of biofuels is discussed in the Renewable Energy chapter of this report.
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Help identify opportunities for sustainable tourism development in areas where demand readily exists. Tools such as business surveys and the Tourism Satellite Accounts can support policy design and business strategy. Particular attention should also be paid to the Global Sustainable Tourism Criteria for Hotels and Tour Operators that was released in March 2012 (GSTC 2012b).

- **Emphasise sustainability in tourism promotion and marketing initiatives.** Marketing campaigns that motivate companies and operators to advertise their sustainability credentials through the Internet and foreign tourism offices can build a competitive edge over less sustainable tourism options. For example, linking sustainability practices or protected areas and cultural sites more closely to tourism marketing campaigns will help position sustainable or nature-based eco-tourism favourably (UNEP 2005).

7.5.3 International frameworks

- **Support the harmonisation of national standards.** Promoting harmonisation and adopting internationally recognised standards and criteria for the tourism sector at a global level would provide for a better understanding of the practical aspects of sustainable tourism. It would also enable the monitoring of sustainability aspects of tourism operations and management. Generating consensus on global and regional sustainability standards and metrics for measuring and reporting for example carbon emissions in the tourism sector, and establishing green benchmarks for tourism destinations and travel products, would also enable travellers to make carbon-conscious choices.

- **Strengthen networks and share lessons learned on sustainable tourism.** Fostering a stronger network in the global ecotourism community could allow developing countries to share success stories and best practices, thus triggering future cooperation between developing countries. Examples are the International Ecotourism Society and the UNWTO’s Global Observatory.

- **Establish guidelines on carbon offsetting options for tourists.** There is a need for clear criteria and guidelines that will allow the comparison and evaluation of the effectiveness of various carbon offsetting services. These guidelines could be further linked to a set of global principles for sustainable tourism (UNWTO et al. 2008).

- **Improve trade policy for sustainable tourism.** Developing countries may be able to attract further investment in the sustainable tourism sector through multilateral and regional trade agreements. The Economic Community of West African States (ECOWAS), for instance, includes a provision requiring members to coordinate the “marketing of quality tourism into and within the community joint promotion of products portraying natural and socio-cultural values of the region” (Saner et al. 2011).

7.5.4 Enhancing dialogue and capacity building

- **Foster partnerships between tourism enterprises and local artisans selling handicrafts.** Synergies can be developed with opening up market access for local artisans and handicraft suppliers in locations where tourists will visit, including among others, at local markets, commercial centres in local villages, speciality shops in towns and cities, as well as shops in hotels, museums and airports (ITC 2009).

- **Promote the Global Sustainable Tourism Criteria.** These are consensus-based international minimum criteria that a tourism business and destination, respectively, should adhere to in order to approach sustainability. The criteria were developed as part of a broad initiative managed by The Partnership for Global Sustainable Tourism Criteria, a coalition of over 40 organisations, working together to foster increased understanding of sustainable tourism practices and the adoption of universal sustainable tourism principles.

- **Enhance cooperation between international development institutions and the tourism industry.** Ensuring that international development institutions, such as multilateral and bilateral cooperation agencies and development finance institutions can engage, educate and work with the tourism industry, is an essential step to integrate sustainability into policies and management practices.

This chapter has illustrated the trends, challenges and opportunities at the intersection of increased numbers of tourists, both from developed and developing countries, the consequent environmental challenges and
the transition to a green economy. As highlighted in the Rio+20 Outcome Document, well-designed and managed tourism can make a significant contribution to sustainable development. This chapter has illustrated several opportunities for sustainability, such as increased demand for tourists to stay in certified resorts. This chapter also highlights how the non-consumptive usage of forests, coastal and marine environments and farms for recreational and tourism services provides opportunities for sustainable development.

However, in order for developing countries to be able to fully participate in these opportunities, many challenges need to be overcome. Meeting standards in export markets remains problematic for producers and economic operators in developing countries. The cost and know-how needed for achieving compliance with certification requirements can act as a barrier for greener trade. In addition, sustainable tourism depends heavily upon capital investments and R&D (particularly for green hotel refurbishment and sustainable transport options for tourists), which in turn depend on the availability of human and financial resources. It is important to foster partnerships at all levels of the tourism chain and focus and establish clear priorities at the national, regional and international levels.
7.6 Further resources

7.6.1 Websites for additional information

Green Economy Report’s chapter on Tourism:

UNEP and tourism:
http://www.unep.fr/scp/tourism/

UN World Tourism Organisation:
http://www2.unwto.org/

UNWTO Sustainable Tourism Indicators:
http://sdt.unwto.org/en/content/indicators-sustainability-tourism-destinations

UNWTO Global Tourism Observatories:

ITC and Tourism:
www.intracen.org/tourism

AITO and Sustainable Tourism:
http://www.aito.co.uk/corporate_Responsible-Tourism.asp

The Global Environmental Facility:
http://www.thegef.org/gef/home

European Network for Sustainable Tourism Development:
http://www.ecotrans.org/

Private voluntary standards:
www.standardsmap.org

Tourism Concern — action for ethical tourism:
http://www.tourismconcern.org.uk/why-fair-trade.html

Fair Trade in Tourism South Africa NPC (FTTSA):
http://www.fafrica.org.za/

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