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Tourism for Development

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In the context of the global 2030 Agenda for Sustainable Development, the International Year of Sustainable Tourism for Development 2017 (IY2017), as declared by the UN General Assembly, marked a pivotal moment to trigger changes in policies, business practices and consumer behaviour towards a more sustainable tourism sector that can contribute to all the 17 Sustainable Development Goals (SDGs).

As one of the largest and fastest-growing socio-economic sectors of our times, tourism can stimulate economic growth, create decent jobs and business opportunities, helping millions of people to escape poverty and improve their livelihoods. Tourism is also one of the most resilient sectors to crises situations and can further act as catalyst for environmental and cultural protection and strengthen peace and reconciliation in the world.

The IY2017 provided a unique opportunity to explore and highlight tourism’s potential to help transform our world into a place of prosperity and wellbeing for all. Global celebrations in the framework of the International Year have shown that we are ready to take action and pool our efforts to make the tourism sector a bastion of sustainable development worldwide.

The initiatives and actions initiated during the International Year shall serve as a roadmap for the global tourism community to embrace sustainable practices and maximize the engagement of travel and tourism in the 2030 Agenda. In this regard, the Chengdu Declaration on Tourism and the Sustainable Development Goals, adopted by Tourism Ministers during the 22nd UNWTO General Assembly in 2017, paves the way for coordinated support for action towards the achievement of the 17 Goals.

The present report on Tourism for Development is an important step in proving a better understanding of the role tourism can play in the sustainable development agenda, to and beyond 2030. Once an initial discussion paper, it evolved into a flagship document through a global consultation. Numerous country examples, further evidence, case studies and critical comments were incorporated into the report, enriching it and making it representative of global views. We trust this publication offers a framework of tangible, wide-ranging evidence that allows all tourism stakeholders to take forward the spirit of the IY2017 and use this momentum for positive change.

Zurab Pololikashvili
Secretary-General,
World Tourism Organization (UNWTO)
Executive summary

In the wake of the International Year of Sustainable Tourism for Development (IY2017), we mark a watershed moment for making tourism a catalyst for positive change. As the United Nations General Assembly affirmed when announcing the adoption of the International Year, tourism can contribute to all three dimensions of sustainable development – economic, social and environmental – and each of the 17 Sustainable Development Goals (SDGs) (see annex 2). Not only does the sector spearhead growth, it also improves the quality of people’s lives, support environmental protection, champion diverse cultural heritage and strengthens peace in the world. To harness tourism’s impressive potential to advance sustainable development, clear evidence is needed on progress made to date – it is vital to understand what works, what doesn’t, and what needs to be done to surmount current challenges and capitalize on opportunities.

Structure, purpose and scope of the report

What is the purpose of the report?

– To increase awareness and understanding of tourism’s current and potential contribution to sustainable development.

– To empower stakeholders to build on the opportunities that tourism offers as a driver of sustainable development, and to address current challenges.

– To incite changes in policies, business practices and consumer behaviour, with a view to building a truly sustainable tourism sector worldwide.

The *Tourism for Development* report, as a key output and contribution to the observance of the IY2017, illustrates the importance and potential of sustainable tourism as an effective means for achieving sustainable development.
The report is structured around the five central pillars of the IY2017 – key elements of sustainable development to which tourism stands to make a significant, lasting contribution:

1. Sustainable economic growth
2. Social inclusiveness, employment and poverty reduction
3. Resource efficiency, environmental protection and climate change
4. Cultural values, diversity and heritage
5. Mutual understanding, peace and security

The report demonstrates – through theory and practical case studies – how tourism can contribute to these key areas of development. Each thematic section provides context on the pillar’s key concepts and how it is linked with the SDGs, identifies areas for action and offers specific recommendations for governments, businesses and individuals. A subsequent cross-cutting section looks at what is required in terms of governance, policy frameworks and instruments to spearhead sustainable tourism. The evidence presented is drawn from previous studies by UNWTO and its partners, complemented by academic research and further evidence, and case studies collected through a global consultation. A second volume of the report compiles good practices from across the globe that highlight the contribution of tourism to sustainable development.
Key takeaways

Tourism in numbers

- **10.2%** of the world’s GDP contributed by tourism
- **1.322 billion** international arrivals in 2017
- **3.3%** annual growth in international arrivals up to 2030
- **1 in 10 jobs** worldwide provided by tourism
- **30%** of exports in services globally

An economic powerhouse that represents 10% of world GDP, 30% of services exports, and 1 out of every 10 jobs in the world, tourism is the third highest world category in export earnings. As a sector that has inter-linkages with virtually all other economic sectors, tourism produces profound and wide-ranging impacts across all dimensions of sustainable development. Thus, tourism offers significant opportunities as a tool for development, including the prospects it offers for women and youth; its relative importance for developing states, rural areas and indigenous communities; its potential to incentivize the conservation of environmental resources and cultural assets; and its capacity to spur interaction and understanding. Nevertheless, challenges persist – such as tourism’s susceptibility to market influences; over-dependence on tourism; issues of overcrowding; concerns over working conditions; emissions and pollution; potential adverse effects on biodiversity, heritage and communities; and a lack of comprehensive data on tourism’s impacts on all three aspects of sustainability.

As the SDGs offer the world a new direction, sustainable tourism can and must play a significant role in delivering sustainable solutions for people, the planet, prosperity and peace. In order to maximize tourism’s positive impact and mitigate its potential stresses, policy-makers, businesses, tourists and a range of other tourism stakeholders must work together in a concerted way. Governments need to establish and enforce inclusive and integrated policy frameworks for sustainable tourism development; businesses need to demonstrate their commitment to sustainability in core business models and value chains with enhanced action; and individuals and civil society need to advocate for, and adopt, consciously sustainable practices and behaviours.

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1 World Travel & Tourism Council estimate based on economic modelling across all countries.
Pillar 1: Sustainable economic growth

Tourism contributes significantly to economic growth worldwide – as a sector, it is the third largest contributor to global GDP. Tourism arrivals are growing at a consistent rate, indicating opportunities for continued economic growth. Providing nearly 10% of global employment, tourism offers jobs for a range of individuals – from low skilled to highly skilled workers. Investing in the tourism sector can boost numerous industries within the value chain including, but not limited to: accommodation, hospitality, agriculture, aviation, entertainment and public transport.

Key priorities for action that must be considered to achieve more sustainable economic growth through tourism include the need for:

- Capitalizing on, and better managing, tourism’s rapid growth;
- Creating a more enabling business environment;
- Improving connectivity and facilitating seamless travel;
- Investing in technology and innovation;
- Measuring tourism trends and impacts; and
- Maintaining the sector’s impressive resilience, even in the face of economic downturns.

Throughout, it will be important to involve local communities, ensure a fair distribution of costs and benefits, and collaboratively define limits for tourism growth.

Pillar 2: Social inclusiveness, employment and poverty reduction

Tourism is more than just a major part of the global economy – it is specifically seen as a means of furthering inclusive growth that is about increasing opportunities for all, based on the principles of equity and leaving no one behind. As a ‘people-centred’ activity, tourism plays a role in spearheading inclusiveness particularly for under-represented groups and those most in need – including women, youth and those with special access needs. It also stands to deliver great swathes of decent employment for workers with varied skill sets. However, more needs to be done to overcome inequitable practices in tourism labour. Tourism’s value chain offers opportunities for multi-faceted growth that can contribute to poverty reduction if managed properly, with the full engagement of communities, workers and individuals.
Key priorities for action that must be considered to achieve inclusive growth through tourism include the need for:

- Pursuing greater social inclusiveness through tourism, with a focus on women’s empowerment, youth engagement, tourism opportunities for all and support for local communities;
- Strengthening ‘decent work’ across the tourism sector, including through the provision of training and capacity building to expand career prospects, implementing frameworks or regulations which ensure that all tourism-related employment provides an appropriate level of pay and working conditions; and
- Advancing an ‘inclusive growth’ approach to poverty reduction through sustainable tourism, including by directly employing the poor in tourism enterprises, by encouraging businesses and tourists to purchase services and goods produced by the poor, supporting micro-, small- and medium-sized enterprises and investments in infrastructure.

Pillar 3: Resource efficiency, environmental protection and climate change

Environmental responsibility is a fundamental requirement for sustainable development. Tourism has multi-faceted impacts on the natural environment, just as environmental considerations have a significant bearing on sustainable tourism development in the short- and long-term. As a sector that heavily depends on the world’s natural resources and diverse ecosystems, tourism has a special responsibility towards the planet, with an impetus to harness this dependency as a means of promoting conservation. However, the tourism sector currently uses vast quantities of resources, highlighting the need for an integrated, innovative approach to tourism and the environment.

Key priorities for action that must be considered to ensure that the tourism sector safeguards the planet, including the need for:

- Improving resource efficiency, particularly among tourism businesses and destinations, for instance via measures such as tax incentives and subsidies related to green materials and practices;
- Focusing on environmental protection, ecosystem preservation and biodiversity conservation, for example by carefully planning and assessing tourism development in sensitive areas; and
- Mitigating the effects of climate change, for instance through emissions trading schemes and off-setting schemes, new and improved technologies, and improvements in operational efficiency.

Throughout, small- and large-scale tourism operators can contribute to these aims by applying legislation and international standards, advancing business-to-business mutual support, and engaging with destination-level bodies and communities.
Pillar 4: Cultural values, diversity and heritage

The myriad links between tourism and culture can contribute to inclusive, sustainable development. Tourism presents notable opportunities for safeguarding the world’s rich cultural heritage – including revitalization initiatives to restore culturally significant buildings and traditions, while fostering meaningful encounters and dialogue between people of diverse cultures. In tandem, culture offers innovative means of gaining socio-economic benefits through tourism. However, cultural tourism must be managed appropriately to avoid risks of physical damage to heritage site or the misrepresentation of cultural practices.

**Key priorities for action** to augment tourism’s role in preserving and promoting culture include the need for:

- Championing cultural tourism, for instance by more closely integrating cultural and tourism policies and planning;
- Safeguarding tangible and intangible cultural heritage, for instance by closely monitoring the carrying capacity of cultural sites and destinations and; and engaging local communities, as the guardians of cultural heritage, in tourism planning and management; and
- Promoting living culture and the creative industries through tourism – which can revitalize the creative arts, historic buildings and even entire neighbourhoods – for example, by promoting promising avenues like food tourism.

Pillar 5: Mutual understanding, peace and security

The transformative power of tourism, grounded in billions of daily encounters between travellers and hosts, paves the way towards dialogue, mutual understanding and tolerance – the cornerstones of a culture of peace. A sustainable, well-managed tourism sector also contributes to the underlying building blocks of peace – i.e. the attitudes, institutions and structures upon which peaceful societies are built, alongside economic development, democratization, social justice, education and reconciliation.

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8 World Travel & Tourism Council (2016), Tourism as a Driver of Peace, WTTC, London.
Key priorities for action to enhance tourism’s contribution to mutual understanding, peace and security include the need for:

– Advancing a culture of peace and global citizenship, for example by ensuring that host-guest encounters involve significant levels of interaction, engagement in joint activities and accurate interpretation;

– Using tourism as an agent for peace and reconciliation, including by commissioning research on tourism’s current and potential role in peace; and

– Promoting safety and security through tourism, for instance by developing risk and crisis management plans and fomenting risk awareness and assessments.

Governance, policies and tools for sustainable tourism

Effective governance, policies and tools are the bedrock of sustainable tourism. As a collaborative effort, sustainable tourism development produces best results when partnerships are formed between international organizations, inter-governmental departments, tourism businesses, civil society, local communities, tourists and other stakeholders. A range of governance frameworks, policies and tools are needed that build on such partnerships to harness the vast potential of sustainable tourism for development. Equally essential is the need for timely, accurate and comprehensive data. A global System of Tourism Statistics is needed to provide a vital database of comparative knowledge – a necessary step to inform effective, evidence-based tourism planning and management.
In a resounding affirmation of tourism’s contribution to the three dimensions of sustainable development – economic, social and environmental – the United Nations General Assembly declared 2017 as the International Year of Sustainable Tourism for Development (IY2017).

With Resolution A/RES/70/193, the General Assembly underlined: “The important role of sustainable tourism as a positive instrument towards the eradication of poverty, the protection of the environment, the improvement of quality of life and the economic empowerment of women and youth.” In tandem, it recognized international tourism as “fostering better understanding among peoples everywhere, leading to a greater awareness of the rich heritage of various civilizations and bringing about a better appreciation of the inherent values of different cultures, thereby contributing to the strengthening of peace in the world”.

The World Tourism Organization (UNWTO) was mandated to facilitate the organisation and implementation of the IY2017, in collaboration with a range of key players – governments, international bodies, the private sector, academia, civil society, the media and others. It has capitalized on this unique opportunity to increase global, regional and national recognition of tourism as a development tool, mobilize all stakeholders to take action, and foster change in policies, business practices and consumer behaviour in tourism – a step towards a more sustainable tourism sector that can further the global development agenda’s 17 Sustainable Development Goals (SDGs).

Purpose and structure of this report

This Tourism for Development report, as a key output and contribution to the observance of the IY2017, illustrates the importance and potential of sustainable tourism as an effective means for achieving sustainable development. The purpose of the report is to:

- Increase awareness and understanding of tourism’s current and potential contribution to sustainable development;
- Empower stakeholders to build on the opportunities that tourism offers as a driver of sustainable development, and to address current challenges; and
- Incite changes in policies, business practices and consumer behaviour, with a view to building a truly sustainable tourism sector worldwide.

The report draws together evidence on tourism performance and impacts from previous studies by UNWTO and its partners, complemented by academic research and further evidence and practical case studies collected through a global consultation. An initial discussion paper provided a framework to stimulate debate and elicit critical comments. Governments, organizations and the society at large were invited to submit further evidence, practical case studies and comments to help expand the knowledge on tourism's role in sustainable development. The global consultation resulted in more than 160 pages of comments and 113 case studies from across the world.

In terms of the report's structure, this introductory section first defines the key terms of sustainable development and sustainable tourism, before setting out links between the two. The body of the report then considers the issues regarding tourism as a tool for development – with a particular reference to the Sustainable Development Goals – through the prism of the five pillars of the International Year:

1) Sustainable economic growth;
2) Social inclusiveness, employment and poverty reduction;
3) Resource efficiency, environmental protection and climate change;
4) Cultural values, diversity and heritage; and
5) Mutual understanding, peace and security.

These are the key areas in which tourism stands to make a significant contribution to sustainable development, as Resolution A/RES/70/193 makes clear. Each of the five sections on these themes presents an overview of current evidence, raises key issues to consider when moving forward, highlights priorities for action, and offers specific recommendations for governments, businesses and individuals. A subsequent cross-cutting section looks at what is required from governance, policy frameworks and instruments to spearhead sustainable tourism. Finally, the conclusions outline key takeaways in terms of the five key pillars and effective governance, policies and tools. A second volume of the report compiles full descriptions of the 23 case studies mentioned throughout the report that highlight the contribution of tourism to sustainable development in line with the SDGs.

Defining key concepts

*Development* is a complex concept, whose meaning remains much disputed. Since the late 1960s, it has been increasingly recognized as a multidimensional – rather than a purely economic – phenomenon. This view gained ground in the wake of the 1972 United Nations Conference on the Human Environment, coming to the fore in the 1990s with UNDP’s first *Human Development Report*. Human development is a particularly useful concept for articulating the development objectives of the 2030 Agenda and the five pillars of the IY2017 – at its core, it is “about expanding the richness of human life, rather than simply the richness of the economy in which human beings live. It is an approach that is focused on people and their opportunities and choices”.

Such an understanding of development is intimately tied to the concept of *sustainable development*. First coined in *Our Common Future* – a report by the United Nations World Commission on Environment and Development, also known as the *Brundtland Report* (1987) –, it...
refers to “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. 4

This remains one of the most recognized and widely used definitions of sustainable development, especially significant as it adds aspects of intergenerational justice to the development debate. It also implies that there are certain limitations with regard to the use of natural resources, suggesting that these must be well-managed if we are to ensure a prosperous future for successive generations. In essence, sustainable development is about the quality of life, both in the present and the future. This notion has evolved and gained momentum with the UN’s Transforming Our World: 2030 Agenda for Sustainable Development (2015) and its 17 universal, transformative and integrated SDGs.

The sustainable development agenda has a particular bearing for understandings of “sustainability” in the tourism sector. In fact, tourism had gained recognition in the global development agenda prior to the Sustainable Development Goals (see annex 1) – for instance, its importance was explicitly recognised by the World Summit on Sustainable Development (Rio+10) in 2002, and the UN Conference on Sustainable Development (Rio+20) in 2012. UNWTO defines sustainable tourism as “tourism that takes full account of its future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities”. 5 Essentially, sustainable tourism:

- Ensures viable, long-term 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;
- Makes optimal use of environmental resources that form a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity; and
- Respects 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.

The concept of sustainable tourism is not universally accepted. For instance, it has attracted a degree of criticism for its perceived ‘lack of focus’ on tourism demand. 7 A plethora of related concepts have also been put forth – “responsible tourism” and “ethical tourism” foremost among them. Despite the differences between them, all of these concepts share a concern with sustainability, equitably distributing benefits and mitigating challenges. 8 Rather than focusing on specific types of tourism, the IY2017 sought to encourage those dimensions of tourism with the greatest potential to bring about sustainable development in destinations and elsewhere. These dimensions are enshrined in the Global Code of Ethics for Tourism 9, a fundamental frame of

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8 For more information see, for instance, www.travelmatters.co.uk/ethical-tourism/ and http://responsibletourismpartnership.org/what-is-responsible-tourism/ (both: 04-05-2018).
reference for responsible and sustainable tourism, outlining core principles which set a seminal agenda for sustainable tourism development.

**Linking tourism and development**

With the adoption of the 2030 Agenda for Sustainable Development in 2015, a new paradigm concerning tourism’s role in development has emerged. The International Year of Sustainable Tourism for Development, 2017, coinciding with the roll-out of the 2030 Agenda, offered a propitious opportunity to outline the linkages between tourism and each of the 17 SDGs.

It is broadly argued that tourism has the potential to contribute – directly or indirectly – to all 17 SDGs. Tourism is explicitly mentioned in three of the global goals – SDGs 8, 12 and 14, as outlined in the box below. The International Year also shares the 2030 Agenda’s universal reach – as the Agenda’s goals and targets “involve the entire world, developed and developing countries alike”. In line with this approach, the IY2017 sought to promote awareness and the pursuit of sustainable tourism in all countries, whatever their development status.

<table>
<thead>
<tr>
<th>Specific References to Tourism in the Sustainable Development Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SDG 8</strong> – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</td>
</tr>
<tr>
<td><strong>Target 8.9:</strong> By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.</td>
</tr>
<tr>
<td><strong>SDG 12</strong> – Ensure sustainable consumption and production patterns</td>
</tr>
<tr>
<td><strong>Target 12.b:</strong> Develop and implement tools to monitor sustainable development impacts for sustainable tourism which creates jobs, promotes local culture and products.</td>
</tr>
<tr>
<td><strong>SDG 14</strong> – Conserve and sustainably use the oceans, seas and marine resources for sustainable development</td>
</tr>
<tr>
<td><strong>Target 14.7:</strong> By 2030 increase the economic benefits to SIDS and LDCs from the sustainable use of marine resources including through sustainable management of fisheries, aquaculture and tourism.</td>
</tr>
</tbody>
</table>

The argument that tourism leads to development, or vice versa, has evoked extensive debate among academics and practitioners. While tourism’s role in development has often been linked with developing nations, “it is also widely recognized that tourism plays an increasingly important role in […] industrialised countries”. At the outset of this report, it is important to consider what evidence is available about tourism’s performance as a driver of development, and about the conditions that facilitate its contribution to development.

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10 For specific information, please see annex 2 or World Tourism Organization (2015c), *Tourism and the Sustainable Development Goals*, UNWTO, Madrid.

A review of empirical studies which have sought to test the causal relationships between tourism, economic growth and development across a range of country contexts (see annex 3) reveals that:

- While many studies have found a strong correlation between tourism growth and overall economic growth, further research is needed to assess whether this growth has been tourism-led (i.e. whether tourism drives economic growth), economy-led (i.e. tourism growth is a result of wider economic growth) or a combination thereof. Overall, it appears that a combination of both factors is responsible for driving growth in most states; and
- There appears to be a less clear relationship between tourism growth and the overall level of development in many countries, including tourism's effect on poverty, social and economic equality, the distribution of benefits, quality of life, and the state of the environment. This could, however, be due to a general lack of studies which examine such a relationship.

These findings strongly suggest that tourism growth does not inherently lead to sustainable development. There is a need to plan, manage and monitor tourism growth – via effective policies, programmes and actions – in order to achieve sustainable development outcomes. It is also crucial to support the development of policies and programmes with relevant and reliable evidence. As policy experts have repeatedly argued, well-intentioned development policies do not always produce the desired effects where evidence is limited or lacking. To this end, UNWTO, with the support of the United Nations Statistics Division (UNSD), is working towards a Statistical Framework for Measuring Sustainable Tourism (MST Framework) that integrates economic, environmental and social dimensions to support the measurement and monitoring of sustainable tourism, thereby supporting evidence-based management.

As explained above, the report now turns to the question of tourism's role in development – both in terms of opportunities and challenges – as well as key issues to consider and priorities for action under each of the IY2017’s five pillars.

12 The studies were identified through a review of available academic literature, concentrating on cited papers that present empirical evidence. More details of the sources, the nature of the studies and the geographical spread are given in annex 3.

13 As evidenced by statistical correlation and causality tests applied to relevant indices. Details on the sources are included in annex 3.


15 For instance, the Tourism Master Plan of the Government of Uganda, devised with the support of UNWTO, is a strong example of proper planning leading to tourism growth and, in turn, achieving development objectives. In this case, the follow-up project “Support in Inclusive Markets” demonstrates the success of the implementation of the Master Plan, and the realisation of national goals on inclusive growth, poverty reduction and employment. For more information, see http://cooperation.unwto.org/news/2014-11-21/support-development-inclusive-markets-tourism-uganda.


17 For specific information, please see chapter 6.2.2 or visit: http://statistics.unwto.org/mst.

Chapter 1

Pillar 1: Sustainable economic growth

Links between tourism, pillar 1 and the SDGs

<table>
<thead>
<tr>
<th>Target</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.9</td>
<td>Referring to sustainable tourism’s role in creating jobs.</td>
</tr>
<tr>
<td>8.1–8.3</td>
<td>On GDP growth, productivity, entrepreneurship and small- and medium sized enterprises (SMEs).</td>
</tr>
<tr>
<td>9.1</td>
<td>On infrastructure development in trans-border situations.</td>
</tr>
<tr>
<td>9.A</td>
<td>Regarding to least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing states (SIDS).</td>
</tr>
<tr>
<td>10.A</td>
<td>On the need for special and differential treatment for developing countries, especially LDCs.</td>
</tr>
<tr>
<td>17.3</td>
<td>On support for promoting investments.</td>
</tr>
<tr>
<td>17.11</td>
<td>On increasing the exports of developing countries.</td>
</tr>
</tbody>
</table>

Abstract

As an economic force, the tourism sector plays a pivotal role in the global economy. This chapter considers tourism’s current significant contribution to economic progress worldwide, before highlighting key issues that must be considered in order to achieve more sustainable economic growth through tourism.

Chief among these issues are the need to: capitalize on tourism’s rapid growth; create a more enabling business environment; improve connectivity; advance technology and innovation; measure tourism and manage growth; and maintain the sector’s impressive resilience in a rapidly changing world. Involving local communities and ensuring a fair distribution of costs and benefits must also be a priority. Moreover, limits for tourism growth must be defined.

Key words

- Gross domestic product (GDP)
- Economic impact
- Foreign direct investment (FDI)
- Tourism value chain
- Micro-, small- and medium-sized enterprises (MSME)

Key concepts

- Tourism’s total contribution to the world’s GDP in 2016 was 10% of total global GDP, making it the third largest GDP contributor.
- Tourism arrivals are growing at a consistent rate, indicating opportunities for continual economic growth.
- Tourism provides nearly 10% of global employment and offers jobs for a range of workers – from low skilled to highly skilled workers.
- Investing in the tourism sector can boost numerous industries within the value chain including, but not limited to: accommodation, hospitality, agriculture, aviation, entertainment and public transportation.
1.1 Understanding the context: dynamics between tourism and economic growth

Tourism growth and overall economic development growth appear to be closely correlated. Countries that perform well on the World Economic Forum’s (WEF) Travel & Tourism Competitiveness Index tend to also perform well on the United Nations Development Programme’s (UNDP) Human Development Index — indicating that thriving development and a flourishing tourism sector are interlinked.\(^1\) However, whether tourism drives economic growth, or vice versa, is not clear. The sheer size and rapid expansion of the tourism sector does not automatically mean that it is a primary catalyst and driver of overall economic progress.

While tourism-led growth has been found in both developed and developing countries, it is frequently more prominently observed in developing countries, particularly in smaller countries with a specialization in tourism. For example, a thriving tourism sector is often hailed as the driver of economic growth in the Maldives, widely credited for lifting the country from least developed (LDC – least developed countries) status to medium development status.\(^2\)

In larger countries with many other active industries, it is less likely that tourism will stand out as an ultimate driver of growth. Nevertheless, even where tourism expansion appears to follow as a result of a growing economy, the sector has been shown to make a considerable contribution to larger states benefitting both their overall economies and communities.

1.1.1 Tourism’s contribution to GDP, exports and jobs

Tourism’s total contribution to the world’s GDP was estimated at USD 7.6 trillion in 2016 through direct and indirect contributions, which equates to 10.2% of current global GDP. For every USD 1 spent by visitors, it is estimated that USD 3.2 is contributed to the economy.\(^3\)

<table>
<thead>
<tr>
<th>Tourism’s direct contribution:</th>
<th>USD 2.3 trillion, representing 3.1% of total global GDP. This covers total spending on travel and tourism within a country by residents and non-residents for business and leisure purposes, as well as government spending on services directly linked to tourism.(^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism’s indirect and induced contribution:</td>
<td>USD 4.97 trillion, representing 7.1% of global GDP. Indirect contributions include spending on tourism investment (e.g., the construction of hotels), domestic purchases by sectors that deal directly with tourists (e.g., purchases of food by hotels) and certain other aspects of government spending. Tourism’s induced contribution involves spending by those who are directly or indirectly employed by the tourism sector.(^a)</td>
</tr>
</tbody>
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The proportion of indirect and induced contributions is relatively lower in LDCs than in more developed economies, owing to low, unfair wages and higher amounts of leakage impacting the economic benefits that local populations receive through tourism.\(^4\) The small economic base, small population and land scarcity of many small island developing states (SIDS) can make them prone to financial leakages as high as 56%, as well as a shortage of labour. Tourism’s contribution to GDP can be diminished by leakages of foreign exchange earnings sparked by the import of materials and equipment for construction, the import of consumer goods, and the repatriation of profits earned by foreign investors.\(^6\)

Nonetheless, for many developing countries, tourism is a significant generator of export revenues and foreign currency earnings. Tourism is also one of the few sectors to provide small island developing states and many LDCs with a strong comparative advantage in terms of access to global markets and regional integration. Between 2006 and 2011, inbound tourism expenditure accounted for over 50% of all export earnings for several SIDS.\(^7\) The valuable contribution of tourism exports in providing an injection of foreign currency earnings for wider use in the economies of such countries is highlighted in studies on the impact of export-led growth. For instance, a 2017 report by the United Nations Conference on Trade and Development in Africa shows that:

“The three most tourism-driven countries in terms of the sector’s contribution to national GDP are all SIDS: Seychelles (62%), Cabo Verde (43%), and Mauritius (27%). These relatively small economies are also among the most dependent on the export of services. […] In several SIDS, tourism is a promising foreign exchange earning activity, but also introduces tensions with regards to the local population and ecological sustainability. […] However, a creative sustainable expansion of tourism can mitigate such tensions, while achieving an environmentally friendly development, as in Sao Tome and Principe.”


International tourism is estimated to generate approximately USD 1.5 trillion in exports through receipts earned in destinations, as well as through international transport services.\(^8\) This is equivalent to around 7% of all global exports in goods and services and 30% of exports in services alone, making tourism the world’s third largest export earning category after fuels and chemicals.\(^9\) In recent years, tourism has shown more rapid growth than merchandise exports. It has played a strong part in diversifying export portfolios and in compensating for weaker export revenues in other sectors.\(^10\) Whereas many other leading export sectors are concentrated in a few countries,
Tourism exports are widely spread across a larger number of countries, including traditionally agricultural and industrial states that are just starting to embrace their tourism potential.

Regional tourism is an increasingly important sub-sector within tourism at large, given that this is where most international tourism takes place. It encourages integration and networking, while strengthening regional identity and business linkages. Developing a regional brand, taking advantage of economies of scale, and promoting public-private partnerships are some of the key pillars of a successful regional tourism strategy. 11

Domestic tourism also has a tremendous impact on global economies. In 2016, it is estimated that tourism expenditure from domestic tourism amounted to USD 3.6 trillion – equal to over two and a half times the size of international tourism receipts – and domestic tourism is growing swiftly by 6% per annum. 12 Domestic tourism tends to comprise a much bigger share in developed countries than in developing states, accounting for an average of 77% of tourism consumption in countries that are members of the Organisation for Economic Co-operation and Development (OECD). 13 In some emerging economies however, domestic tourism is incredibly significant. It accounts for over 90% of tourism spending in China, generating approximately USD 560 billion per year.

Tourism also contributes to the wider economy through the spin-off consequences of contacts made from business travel. It is estimated that trade supported by business travel was equivalent to 35% of global trade growth between 2000 and 2010. 14 This is a telling example of how tourism can bring about benefits far beyond the reported value of the sector.

In 2016, the tourism sector accounted for approximately 292 million jobs, amounting to 9.6% of global employment. Of these jobs, 109 million arose from the direct contribution of tourism spending and 183 million from indirect and induced effects 15, since “a prominent feature of tourism is its potential to create backward and forward linkages that are strong and diverse.” 16 Indirect jobs occur in a range of sectors that feed into the tourism supply chain, including agriculture, food processing, construction, retail, transport, handicrafts, various other services, and information and communication technologies (ICT).

Another attractive element of the tourism sector is the opportunities it offers for personal growth. As a sector with a diverse set of job categories within the value chain, tourism simultaneously needs low- and high-skilled workers. 17 People with little to no training can thrive in the sector, if provided with the right opportunities. Others can follow an exciting professional career-path through diverse travel and tourism employment opportunities.

14 World Travel & Tourism Council (2014), Travel and Trade Linkages, WTTC, London.
15 World Travel & Tourism Council (2017b).
1.1.2 Rapid growth of the tourism sector

In addition to tourism’s current contributions, it is important to appreciate the sector’s rapid growth rate. International tourism has grown almost continuously since 1950, as shown in table 1.1. Domestic tourism has also grown, although at a slightly lower rate than international tourism between 2010 and 2015.18

<table>
<thead>
<tr>
<th>Table 1.1 International tourism growth</th>
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<tbody>
<tr>
<td>International tourist arrivals</td>
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<tr>
<td>International tourism receipts (USD)</td>
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</table>


UNWTO’s predictions on the growth of tourism demand up to 203019 are based on a model that takes into account global and regional economic forecasts, coupled with an assessment of other issues that affect tourism, such as future transportation costs. The results suggest that global growth in international tourist arrivals will continue, albeit at a more moderate pace than in recent years. The number of international tourist arrivals worldwide is forecast to increase by an average of 3.3% per year in the 2010–2030 period, compared to an average of 3.9% per annum in the 1995–2010 period. Nevertheless, this represents an increase of some 43 million international tourist arrivals each year, on average, as opposed to an increase of 28 million each year between 1995 and 2010. Based on these calculations, international tourist arrivals are predicted to reach 1.8 billion by 2030, as the figure below illustrates.20

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18 World Travel & Tourism Council (2017a).
20 Ibid.
One notable pattern in global tourism growth is the relatively faster rate of growth of arrivals in emerging economies compared to advanced economies. UNWTO’s forecasts reveal that international arrivals in emerging economies will grow at twice the rate (+4.4% year) of arrivals in advanced economies (+2.2% a year). In absolute terms, emerging economies will add an average of 30 million arrivals per year, compared to 14 million new arrivals in advanced economies. Emerging economies will surpass 1 billion arrivals by 2030, with a 57% share of the global market.  

However, the number of international tourists arriving in emerging economies will still be modest compared to the size of their populations. Arrivals per 100 persons in a country’s population will remain far lower in emerging economies than in advanced economies.

Europe is predicted to remain the dominant region of origin for international tourists in 2030. However, the numbers of tourists from other regions will grow at a faster rate, albeit from a significantly smaller base – most notably from Asia and the Pacific, the Middle East and Africa.

Despite arrival numbers often being linked to holidaymaking, the purposes of travel can also include business and temporary or permanent migration. Different travel purposes mean different travel motivations, varying access to travel funding, and distinct travel times, which are accompanied by different consumer travelling behaviours.

Using visitor arrivals as the only indicator to determine tourism’s success can be dangerous for sustainability in the long-term. Other measures, such as tourism expenditure, must be taken
into consideration when determining the sector’s success. In fact, one of the main reasons that countries introduce tourism development is to enhance their economies with the revenues earned through tourism. For example, LDCs have experienced particularly rapid growth in tourist arrivals, averaging 11% per year between 2000 and 2014 – far higher than the global average of 3.9%.\(^\text{22}\) International arrivals to LCDs reached 29 million in 2015, enabling these countries to earn USD 21 billion via international tourism receipts.\(^\text{23}\) Earnings primarily derived from spending by visitors from advanced economies represent a significant direct transfer of wealth between these groups of countries.

### 1.2 Key areas for action

The impressive scale of tourism markets worldwide suggests there are many opportunities to capitalize on, which in turn can yield significant economic growth. In order for tourism to contribute to sustainable economic growth, a range of conditions are necessary in all countries. Alongside the inherent appeal of a destination, including its natural and cultural resources, the following conditions are some of the most important for tourism to advance economic growth:

- A strong tourism value chain;
- A favourable business environment;
- Openness and a high degree of connectivity;
- An emphasis on technology and innovation;
- A system of measurement to manage tourism growth; and
- Collective partnerships.

These key areas are discussed further below. It is important to emphasize that individual destinations must consider which markets offer the greatest potential, according to their location; resources; history; established connections; and different markets’ patterns of visitation and spending. Domestic tourism in particular can provide tremendous opportunities for spreading visitor spending geographically and across different seasons, both within countries as well as beyond.

### 1.2.1 Strengthening linkages and opportunities in the tourism value chain

The tourism value chain is a sequence of primary and support activities that are strategically fundamental for the performance of the tourism sector. Key activities of the tourism value chain encompass a range of processes linked to the tourism sector, such as policy-making and integrated planning; product development, promotion and marketing; distribution and sales; and destination operations and services.

A systematic analysis of the tourism value chain at the local destination level can be a useful tool to trace income flow in the tourism sector. Such analysis identifies which part of tourism income goes to disadvantaged groups, while also determining possible interventions to enhance tourism’s

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\(^{23}\) Ibid.
local economic impact.\textsuperscript{24} Such assessments can be supplemented by market assessments and by working with stakeholders to identify future opportunities for engagement, supported by capacity building. Combining value chain development and local economic development strategies can also enhance the functioning of the market system while supporting pro-poor development and job creation.

A number of actions can be taken to work with established tourism enterprises in order to strengthen their supply chains. This requires engaging with businesses, as well as encouraging supply audits and new sourcing. It also requires working with local suppliers to strengthen their capacity. Surveys from leading tourism firms have highlighted uncertainty about the quality and regularity of service from local suppliers as a major operational challenge.\textsuperscript{25} A successful example of local supply integration is Australia’s International Convention Centre Sydney’s Feeding Your Performance Programme\textsuperscript{26}, which innovatively pursued the aim of restaurant-quality nutritionally balanced meals by establishing collaborative relationships with local farmers and producers.

Since tourism offers potential for new enterprise formation – as it requires relatively low levels of technical skills or financial resources compared with other sectors – particular opportunities exist to establish micro-businesses in both direct and indirect parts of the tourism value chain. These areas could include handicrafts, tour guide services, catering, maintenance, food supplies, cleaning and various other activities. Priority should be given to supporting existing and newly-established micro-, small- and medium-sized enterprises (MSME) through capacity building, including training on business skills, market access, ICT skills, accessible finance, standard setting and marketing. Non-traditional tourism-related businesses – such as Uber and Airbnb – can also help to spread tourism income, while simultaneously affecting the formal economy and the local communities in which their business takes place.\textsuperscript{27} The case study of Ljubljana, Slovenia, below, illustrates how working with the local agricultural sector can be mutually beneficial for sustainable tourism growth.

\begin{table}[h]
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\begin{tabular}{|c|p{0.7\textwidth}|}
\hline
\textbf{Case study 1} & \textbf{Green Supply Chains, Ljubljana, Slovenia} \\
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Through its Green Supply Chains project, Slovenia’s capital Ljubljana has successfully linked the tourism sector with local agriculture, in order to bolster sustainable economic growth and create new opportunities for local farmers. The initiative, launched in 2015, enables tourism sector stakeholders – specifically hotels and restaurants – to easily access locally produced food and drinks in a centralized system managed by a Rural Development Cooperative.

\textbf{Note:} For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

\end{tabular}
\end{table}


\textsuperscript{26} For more information please visit: www.iccsydney.com.au.

\textsuperscript{27} This is discussed further below, in Section 1.2.4: Advancing technology and innovation.
1.2.2 Creating an enabling environment for tourism businesses

Individual tourism enterprises’ ability to contribute to economic growth depends on a stable and supportive business environment that encourages investment and facilitates competitiveness. A study by OECD, UNWTO and the World Trade Organization (WTO)\(^28\) identifies four main barriers to tourism investment in developing countries:

- A weak business environment (i.e. a lack of stability, weak regulations, etc.);
- Labour supply challenges, including the limited availability of skills;
- Difficulties in access to finance; and
- The challenges around assurance of longer-term returns.

Reforming policy, legal, institutional and regulatory conditions that govern business activities is an essential first step. By simplifying an often complex set of licenses and taxes that tourism businesses are required to obtain in a number of countries, more businesses will be encouraged to start up.\(^29\) It is also important to raise awareness of tourism among investment promotion and support services, as their understanding of the sector will be vital to promoting opportunities. Tourism needs to be effectively integrated with trade policy and benefit from agreements on creating more open markets, provided that these are in line with the principles of sustainable development. In recent years, there has been encouraging progress in this direction as more countries – particularly developing states – have undertaken General Agreement on Trade in Services (GATS) commitments in tourism, more so than in any other service sector.\(^30\) Some of these agreements have involved commitments by advanced economies to support capacity building in the tourism sector within developing countries, thereby enabling important advancements.

Attention should also be paid to how tourism interacts with human capital, including in terms of education, health, the quality of employment and professional career paths.\(^31\) Investment in human capital is especially important for growth. However, in many countries, tourism businesses face difficulties when trying to recruit workers. Skills shortages pose challenges in a range of areas – from hospitality and basic customer service in general, to tourism management. Marketing and technical fields related to tourism present a major challenge in terms of a skilled labour force.

A 2014 study by the World Travel & Tourism Council (WTTC) concluded that the tourism sector could face a shortfall of 14 million jobs and a loss of USD 610 billion in its potential contribution to GDP unless action is taken to address the ‘skills gap’ facing the sector.\(^32\) While there is a talent deficit at all skill levels, and considerable variation between countries, there is a particular need for improved skills at the high school and vocational levels. A strong example of an

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32 World Travel & Tourism Council (2015b), Global Talent Trends and Issues for the Travel and Tourism Sector, WTTC, London.
A key initiative that addresses this need is the China Hospitality Education Initiative\(^\text{33}\), initiated by the Marriott Foundation, which addresses the skills shortage by offering development programmes and teaching resources for China’s hospitality and tourism educators. In this way, it strives to enhance hospitality education and better prepare students for meaningful hospitality and tourism careers.\(^\text{34}\) Egypt offers another example of developing job creation and training modules through UN partnerships at the Dahshour World Heritage Site, as described in the case study below.

### Case study 2: Dahshour World Heritage Site for Community Development, Egypt

The Dahshour World Heritage Site for Community Development project protects the area of the Dahshour pyramids and its surrounding ecosystem, while fostering tourism-based sustainable development, cultural and ecological management, and greater opportunities for revenue generation among local communities. This joint initiative by the Egyptian Government and five UN agencies focuses on improving the livelihoods and working conditions of the local population through targeted employment-generation activities, with a special focus on women’s and youth employment, as well as the development of locally-driven MSMEs.

Note: For more information, please find the full description of the case study in *Tourism for Development – Volume II: Good Practices*.

There is wide agreement among development cooperation practitioners that knowledge – contributed through the provision of increased human and social capital – fuels the drive towards sustainable development.\(^\text{35}\) Therefore, action is needed to enhance the sector’s attractiveness as a source of decent work and meaningful careers; to strengthen employee retention; to improve work conditions and advance effective, continual skills training. The Global Travel & Tourism Partnership, for example, is an industry-supported programme working to tackle the sector’s global skills shortage. Its strategy is “to start new programs in countries that need it, help the programs become government supported and part of the established national curriculum, and then step back in a supporting role to the national and local educational systems.”\(^\text{36}\) Human capital issues are discussed further below, under Pillar 2: Social inclusiveness, employment and poverty reduction.\(^\text{37}\)

Foreign direct investment (FDI) also plays an important role in tourism. A study by the United Nations Conference on Trade and Development\(^\text{38}\) found that tourism accounted for only 1–2% of FDI from the largest investment source countries in 2007, with only 10% of tourism FDI going to

\(^{33}\) For more information please visit: www.chei.org.

\(^{34}\) For more information, please see: www.chei.org.

\(^{35}\) World Travel & Tourism Council (2015b).


\(^{37}\) These issues are also discussed in chapter 3.2 of the 2016 UNWTO-GTERC Asia Tourism Trends Report, in its discussions of investment in human capital development. For more information, please see: www.e-unwto.org/doi/pdf/10.18111/9789284418312.

developing and emerging economies. Development based on FDI has the potential to improve market awareness, economic stability, standards, skill levels and the transfer of knowledge. However, in order to reduce leakages, it is important to ensure fixed preconditions such as regulations for tourism development and functioning governance structures. FDI-funded projects must also be well grounded in recipient countries and local areas to generate maximum economic benefits for both local communities and foreign investors.

Addressing the structural challenges of the tourism sector is also essential for improving the business environment. For instance, although the large numbers of MSMEs in the sector can be a boon to local development, their dominance of the sector can provoke challenges and a level of fragmentation. Many MSMEs suffer from lack of access to markets and capital, hindering the tourism sector’s performance overall. As participants in the UNWTO’s Regional Conference on Investing in Tourism for an Inclusive Future (26 and 27 October 2016, Petra, Jordan) noted, more needs to be done to incentivize investors, financial institutions and other lenders to take on the complexities of investing in small-scale tourism ventures by reminding them of the immense dividends – both economic and social – that such investments stand to make.

Since the natural environment is the foundation of many forms of tourism, the assurance of longer-term returns in tourism investment “can be gained through the protection of ecosystems and the essential services they provide, such as water and food security, human health, and environmental disaster risk reduction. [...] A stable and well-managed environment also leads to better livelihoods for communities in destinations through agriculture, fisheries and forestry, and can provide goods (such as souvenirs) and services for visitors and tourists.”

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**Case study 3**

**Sabyinyo Community Livelihood Association, Rwanda**

Sabyinyo Community Livelihood Association (SACOLA) is a community-based tourism project that has contributed to stronger community livelihoods and the sustainable conservation of Rwanda’s Volcanoes National Park, home of the mountain gorillas. The Association’s tourism project involves the construction and operation of a high-end community lodge, a process marked by community participation and representation. The revenues generated by the lodge are used to drive socio-economic development and conservation initiatives in the area. SACOLA’s interventions serve as a model that highlights the links between environmental conservation and community benefits.

Note: For more information, please find the full description of the case study in *Tourism for Development – Volume II: Good Practices.*

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40 Ibid.
for the tourism sector.\textsuperscript{41} The priorities to which they committed are useful recommendations to highlight here, in order to foster a more enabling business environment across the tourism sector worldwide:

\begin{itemize}
  \item Advancing the decent work agenda, including issues of wage setting, social dialogue, social protection and raising awareness of career paths, particularly for women and youth;
  \item Investing in human capital and closing the skills gap by creating stronger links between the private sector, the public sector, education and training institutions, as well as between G20 countries and developing nations; and
  \item Promoting the integration of MSMEs into the global economy\textsuperscript{42}, for example by developing integrated incentive programmes to reward investors who engage with MSMEs and spearheading resilience instruments and capacity building that enable tourism-related MSMEs to weather crises.\textsuperscript{43}
\end{itemize}

1.2.3 Improving openness and connectivity

Tourism relies on people’s ability to move. Therefore, the sector heavily depends on barrier-free connections between and within countries. Tourism and air transport are strongly linked and their economic impact is mutually reinforcing: if tourism grows, the impact of air transport activity increases, and vice versa. The global air transport network tends to double in terms of flight and passenger volume once every fifteen years. Current forecasts indicate that it is poised to double again by 2030 – with a 4.6% annual growth in passenger traffic and a 4.4% annual expansion in freight traffic.\textsuperscript{44} This will provide tourism an opportunity to increase its economic impact.

If aviation were a country, its GDP would be equivalent to that of the United Kingdom, at USD 2.8 trillion. Similarly, the total number of jobs supported directly and indirectly by aviation equals the size of United Kingdom’s total population of around 65 million people. These numbers include jobs related to tourism, as air transport is a major enabler of global tourism to regions that are otherwise inaccessible.\textsuperscript{45}

In 2015, 54% of all international tourism arrivals were by air. Yet, a lack of transportation infrastructure has been identified as the greatest of all challenges for tourism development in LDCs.\textsuperscript{46} In the case of SIDS, where air and sea connectivity provides a vital lifeline, the issue is not only availability, but also reliability and affordability. Other barriers to investment in SIDS include the availability of affordable financing, especially for local investors, and the lack of incentives and favourable policies to encourage investment.

\textsuperscript{41} Underlined in the T20 Declaration (25 October 2011, Paris) and reflected in subsequent meetings and declarations.
\textsuperscript{43} World Tourism Organization (2017b).
\textsuperscript{44} International Civil Aviation Organization (2013), Global Air Transport Outlook to 2030 and Trends to 2040, ICAO, Montreal.
\textsuperscript{45} Ibid.
\textsuperscript{46} Enhanced Integrated Framework and World Tourism Organization (2015), Tourism in the Aid for Trade Agenda, UNWTO, Madrid.
On-going investment in transport is a fundamental requirement for tourism growth, in tandem with seeking to improve year-round load factors, increase efficiency and reduce carbon footprints. For instance, ‘electrifying’ public transport is a promising way to reduce noise, air pollution and energy consumption while developing new ways to travel. Improving connectivity and transportation infrastructure for tourism purposes also assists trade, cargo and a range of other economic sectors. This improves options for local people, leading to more positive economic effects, such as an increase in GDP, exports and job creation.

Case study 4 Global Himalayan Expedition, India

The Global Himalayan Expedition (GHE) is a social impact initiative in the Indian Himalayas that leverages tourism and technology to provide clean energy, digital education, connectivity, access and livelihood creation to remote mountain communities. To date, the GHE has conducted 37 expeditions which have provided 53 villages with access to electricity, established 26 village homestays run by women, impacted 20,000 people’s lives and eliminated 175 tonnes of CO₂ production. Providing access to energy by setting up solar micro-grids is a means of initiating further sustainable development in this remote region.

The International Civil Aviation Organization (ICAO) is currently implementing various connectivity initiatives. For instance, ICAO is developing international agreements to liberalize air transport, enhance facilitation, improve consumer protection and foster fair competition. It is also promoting concepts such as smart travel and seamless connections, highlighting the growing importance of ‘intermodal connectivity’, involving efforts to connect various modes of travel with one another (e.g., taking the train to the airport for a departing flight, and then a taxi from the arrival airport to one’s hotel). These initiatives need to be explored further in order to make it easier and more efficient to connect diverse modes of transport.

Increased openness and connectivity can have problematic consequences unless managed appropriately. The tourism sector’s dependence on modes of transport which contribute to pollution, particularly air and road transport, calls for the development and implementation of sustainable transport strategies. In addition to negative environmental impacts, the planning and construction of transportation may precipitate human displacement and evictions.

Beyond the availability of connectivity, barrier-free travel also means simplifying visa policies. While there has been notable progress on removing visa requirements, as well as on making visas easier

47 Gothenburg’s Electricity Initiative is an example which brings together the tourism industry, researchers and society to develop solutions for next-generation sustainable public transport. For more information, please see: www.electricitygoteborg.se/en.

48 For more information, please see: www.icao.int/Meetings/ICAN2016/Documents/Air%20Connectivity%20and%20Competition_ICAN.pdf.

49 Ibid.
to obtain, up to 58% of the world’s population still require a traditional visa before travelling.\(^{50}\) New technologies offer a promising means of speeding up visa processes, for instance through electronic visas (‘e-visas’) available in countries including India, Indonesia, Turkey, Viet Nam and many others.

### 1.2.4 Advancing technology and innovation

Change and innovation has driven the continuous evolution of the tourism landscape in recent decades. Advances in technology and the emergence of digital platforms have revolutionized business models and consumer behaviour, from electronic flight ticketing to booking accommodation online. Against this backdrop, new technologies and innovation have become key ingredients for successful, sustainable tourism development.

The rapid evolution of information and communications technology (ICT) has given rise to a range of new opportunities in the tourism sector as a result of digital platforms, mobile technology, smartphones, user-generated content, reviews and feedback, integration with social media, the incorporation of Global Positioning Services (GPS), and the use of ‘big data’ and artificial intelligence.\(^{51}\) Today, ICT provides a host of tourism stakeholders with the basis for direct market access, global distribution and networking. Its already immense importance is set to grow exponentially. For example, despite considerable variations across country contexts, 42% of travellers used smart phones to plan and book their trips, while 67% used them to find their way around in 2015.\(^{52}\) According to the Boston Consulting Group, 95% of travellers currently use digital resources to organize a trip. Deutsche Bank estimates that mobile hotel bookings will triple worldwide by the end of the decade.\(^{53}\) Nevertheless, fewer than 3% of tour guides have an online presence.\(^{54}\) Since digital connectivity is essential for empowering MSMEs to market their products and services in a global economy, there is an urgent need to further improve ICT-related infrastructure, particularly in developing countries and rural areas.

The rise of global digital platforms has provided private individuals and commercial suppliers with new opportunities to offer services and products in the spheres of tourism information, accommodation, transport, food and other tourism activities — often referred to as sharing economy or collaborative economy. UNWTO uses the concept of new platform tourism services to define business models in which products or services are offered to visitors through digital platforms. This phenomenon is clearly shaping tourism today — the consumer peer-to-peer rental market is already worth an estimated USD 26 billion, with Airbnb offering over 600,000

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listings across 160 countries. As it continues to shape the sector, it is vital to note that the sector needs to find creative solutions to safeguard consumer rights and quality standards while ensuring fair competition for all businesses. In tandem, destinations and companies must adjust their policies and strategies to these changes in the market in order to remain competitive.

New technological solutions contribute effectively to evidence-based decision-making, the anticipation of future scenarios and the corresponding prioritization of measures – all elements that are essential for the responsible management of tourism and its impacts. ‘Smart destinations’ are a boon to sustainable development and contribute to advances in the tourism sector, as well as in societies at large. The regular and timely measurement of tourism, the intelligent promotion of tourism sites and digital accessibility form part of smart solutions for destinations. In Spain, the smart destinations project capitalizes on smart tourism technologies in order to boost competitiveness and innovation. This is achieved through positioning the country as a world-class tourist destination by facilitating tourists’ interaction with their surroundings while simultaneously improving the quality of life of local citizens. Advanced technologies can also help to improve the resource efficiency of tourism enterprises, mitigate climate change and decouple economic growth from resource use and environmental degradation. These issues are further discussed under Pillar 3: Resource efficiency, environmental protection and climate change.

1.2.5 Measuring tourism and managing growth

A common and robust set of data is critical for governments and stakeholders to design, implement and monitor effective sustainable tourism policies. Indeed, evidence-based decision-making requires the development of a rigorous, statistical approach to the measurement of sustainable tourism.

Important achievements have been made in tourism measurement over the past decades. Of particular note are two UN statistical standards adopted in 2008: (i) the International Recommendations on Tourism Statistics and (ii) the Tourism Satellite Account: Recommended Methodological Framework. Together, these statistical frameworks enable countries to produce data that is credible and comparable – across countries, over time and in concert with other standards-based data. These frameworks help to integrate and organize data for the purposes of deriving indicators, such as tourism’s contribution to GDP.

The need for more and improved data is recognized across all stakeholder groups, cutting across the global, national and sub-national (including local) levels. In addition national governments’ interest in such data, and alongside its relevance in international agendas, sustainable tourism data is especially important at the sub-national level. For example, UNWTO’s International Network
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of Sustainable Tourism Observatories (INSTO) draws together Observatories that are dedicated to better understanding, monitoring and advising on policies for the sustainable development of tourism at the destination level. In order to support measurement initiatives worldwide, and building on this past work, UNWTO, with the support of the United Nations Statistics Division (UNSD), launched the Measuring Sustainable Tourism (MST) project to develop an international statistical framework for measuring tourism’s role in sustainable development (see chapter 6 on Governance).

The resulting Statistical Framework for Measuring Sustainable Tourism (MST Framework) aims to extend current statistical frameworks beyond their economic focus, to incorporate environmental, social and cultural dimensions and relevant spatial levels: global, national and sub-national. The MST Framework is a critical next step in supporting universal, cross-sectoral, sustainable tourism policies and practices that work from an integrated, coherent and robust information base. It is also a response to the demand for high quality indicators that monitor progress towards the SDGs. Specifically, it will provide:

- A common language for discussing sustainable tourism within the sector, and with other key stakeholders and policy-makers outside of tourism, for instance in sectors such as infrastructure, the environment, social affairs, finance and transport;
- The capacity to compare the tourism sector’s performance and the impacts of different policies on a consistent basis with other sectors and across destinations and nations;
- The basis for improving coordination in data collection and organization (including identification of data sources and data gaps), as well as for improving institutional arrangements for the governance and management of statistics on sustainable tourism; and
- A single, coherent and complete picture of the state of sustainable tourism and its trends, in all its dimensions and across all spatial scales.

In the field of environmental sustainability, the MST Framework bridges the UN standards of the Tourism Satellite Account (TSA) with the System of Environmental Economic Accounting (SEEA), thereby addressing some vital policy questions, including:

- The environmental impacts of tourism, in terms of emissions, solid waste, wastewater, the disruption of ecosystems and biodiversity;
- The dependency of tourism on the environment, in terms of water and energy requirements, and healthy, good quality ecosystems (beaches, reefs, forests, etc.);
- The expenditure on environmental protection and environmental taxes; and
- Certain socio-economic impacts and dependencies of tourism, such as employment.

Forecasts of rapid growth heighten the collective need to ensure that growth and sustainability go hand-in-hand in the tourism sector. Managing the growing number of visitors to many popular destinations, including cities, is crucial both for hosts and visitors, whether international or domestic. Problems associated with tourist ‘overcrowding’ can vary by destination, but overall the most important issues in this regard are: alienated local residents, a degraded tourist experience, overloaded infrastructure, damage to nature, and threats to culture and heritage. Good tourism management practices and stringent, long-term planning are key to the sustainable development of tourism. The sector needs regulations and clear guidelines, that strike a balance between increasing economic growth while carefully managing the rapid expansion of the tourism

sector – that is, regulations that ensure sustainable tourism management and actions that support sustainable growth, such as:

– The diversification of visitor activities, both in terms of their type and location;
– Effective and integrated mechanisms and policies to manage visitors at sites;
– Policies to reduce seasonality;
– Incentives for the private sector to invest in new areas and new products; and
– Incentives and policies to reduce energy and water consumption and address other community needs, shortcomings and deficits.

1.2.6 Maintaining tourism resilience

Tourism has proved to be an exceptionally resilient sector. In 2009, international tourist arrivals fell by 4% due to the global financial crisis, precipitating a 6% decline in tourism receipts.61 In some countries, this was mitigated by an increase in domestic tourism, reflecting general resilience in the demand for holidays. Especially noteworthy is the fact that tourism was far less affected than other economic sectors during this period. Moreover, it recovered quickly, with international arrivals rising by 7% between 2009 and 2010.62 In fact, 2017 was the eighth consecutive year of sustained growth following the onslaught of the 2009 financial crisis. A comparable sequence of uninterrupted solid growth in tourism has not been recorded since the 1960s. International arrivals grew by a remarkable 7% in 2017, well above the sustained and consistent trend of 4% or higher growth since 2010, representing the strongest results in seven years and a firm recovery in those destinations that suffered previous decreases.63 Overall, the recession had a greater effect on tourism in advanced economies than in emerging economies, with low-income countries as a group experiencing no decline in 2009.64

In general, as these recent trends suggest, tourism tends to recover more quickly than other sectors65 and has been considered a catalyst for stimulating recovery in other parts of the economy. However, this conclusion is based on macro-level data and can mask local differences. When natural disasters, health scares and security concerns emerge, destinations often suffer sharp, rapid declines in tourism arrivals and receipts. Despite their ability to bounce back swiftly, downturns in tourism can have severe and sometimes long-lasting effects. This is especially pronounced where there is a localized downturn since it is often the lowest paid and most vulnerable segments – of both the tourism sector and the population at large – that are hardest hit.66

62 Ibid.
Some useful measures to ensure greater tourism resilience include:

- Integrated sustainable development plans combining economic, social and cultural elements with climate change adaptation approaches. In particular, these plans should focus on preserving relevant ecosystem services, promoting green infrastructure, reducing dependence on fossil fuels and creating synergies with local communities.

- Market diversification as an essential measure to ensure less vulnerable domestic markets. This involves paying greater attention to other sectors in the interest of more balanced, sustainable and risk-reduced economic development.

- Risk and crisis management plans addressing risk awareness and assessments, early warning systems based on business monitoring, improved security, social insurance provision, emergency response and recovery plans, and effective communication and public relations.

- Crisis communications, which limit detrimental impacts by addressing the information needs’ of stakeholders in an efficient, timely and responsive manner. UNWTO has worked extensively on this issue, producing a Toolbox for Crisis Communications in Tourism to guide key players in communicating effectively during times of crisis.67

- Efforts to promote cultural continuity, which ensure that the knowledge and skills of communities are passed on from one generation to the next. This is vital as the rehabilitation of cultural sites often depends more on the strength of intangible heritage, rather than solely the strength of tangible heritage.68

1.3 Recommendations

Sustainable tourism requires the well-focused input and actions of all stakeholders. For sustainable economic growth to flourish, stakeholders are encouraged to embrace these recommendations:

**Governments**

- Ensure that regulatory environments facilitate foreign direct investment and support MSMEs;
- Include travel facilitation as a pillar in international, regional and bilateral agreements;
- Enhance the reach, sustainability and quality of transport by investing in airports, roads and other transport infrastructure and promoting sustainable modes of transport;
- Capitalize on new technological solutions for tourism development and smart destinations;
- Collect credible and comprehensive data on sustainable tourism to guide effective evidence-based policies and management while advocating for the development of the Statistical Framework for Measuring Sustainable Tourism;
- Foster market diversification to ensure that economic development is not devastated by a decline of tourism revenue, while developing integrated sustainable development plans that combine economic, social and cultural aspects with climate change adaptation approaches; and
- Develop effective risk and crisis management plans – running the gamut from risk assessment to recovery, and underscored by effective crisis communications.


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Businesses
- Initiate international accreditation for tourism-related job skills;
- Strengthen linkages in the tourism value chain through local procurement;
- Provide specialized financing vehicles and new tourism loan products specific to the sector’s particularities;\(^6^9\)
- Invest in technological solutions and collect big data for evidence-based decisions analysis; and
- Invest in domestic tourism to mitigate the effects of a downturn in international arrivals.

Individuals and civil society
- Advocate for tourism development to be a part of local, regional and national plans, highlighting its contribution to economic growth, employment opportunities and GDP;
- Encourage local businesses to market to the travelling public;
- Buy locally-made handicrafts and products;
- Respect the livelihoods of local vendors and artisans by paying a fair price; and
- Hire local guides with in-depth knowledge of the destination.

\(^6^9\) World Tourism Organization (2017d).
## Chapter 2

**Pillar 2: Social inclusiveness, employment and poverty reduction**

### Links between tourism, pillar 2 and the SDGs

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<thead>
<tr>
<th>Target</th>
<th>Description</th>
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<tbody>
<tr>
<td>1.4</td>
<td>in terms of ensuring rights to economic resources for the poor and vulnerable.</td>
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<tr>
<td>SDG 3</td>
<td>is tied to enabling all individuals to benefit from tourism as a ‘life-enhancing’ activity.</td>
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<tr>
<td>Targets 4.3 – 4.5</td>
<td>on access to vocational education and skills training, which is essential for developing skills within the tourism workforce.</td>
</tr>
<tr>
<td>SDG 5 and SDG 10, 8.8</td>
<td>which provide an important set of targets for the social inclusiveness of sustainable tourism development.</td>
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<tr>
<td>8.9</td>
<td>specifically refers to job creation through sustainable tourism.</td>
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### Abstract

Tourism is more than just a major part of the global economy – it is specifically seen as a means of furthering inclusive growth. Thus, while IY2017’s Pillar 1 is about achieving sustainable economic growth through tourism, Pillar 2 is concerned with the nature of that growth and the benefits that arise from it. It focuses on engagement and distribution issues, based on the principles of equity. Fundamentally, it is about increasing opportunities for all. This section discusses tourism’s current, and potential, role in spearheading inclusiveness and delivering decent employment, particularly to those most in need, while reducing the scourge of poverty worldwide.

### Key words:

- Tourism employment
- Decent work
- Gender equality and women’s empowerment
- Youth empowerment
- Community development
- Social inclusiveness
- Poverty reduction
Key concepts:

- Tourism is a ‘people-centred’ activity – at its core, it lends itself to fostering social inclusiveness.
- Tourism is a labour-intensive sector that generates jobs for people with a wide range of skill sets – from low skilled to highly skilled workers.
- The tourism value chain offers opportunities for multi-faceted growth and can contribute to poverty reduction.
- Tourism offers opportunities for under-represented groups, including women and youth, although more needs to be done to overcome its susceptibility to inequitable practices.
- Initiatives for poverty reduction through tourism development need to be mindful of the potential exploitation of communities and individuals.

2.1 Understanding the context: Tourism’s role in social inclusiveness, employment and poverty reduction

Tourism is a people-centred activity. It is a major source of employment, estimated to provide one in ten jobs worldwide.\(^1\) The sector is also notable for employing higher proportions of women and young people than are represented in the global workforce as a whole.\(^2\) Overall, it offers accessible and flexible opportunities for inclusive participation, alongside socio-economic benefits for a wide range of individuals, including the disadvantaged and the vulnerable.\(^3\)

Tourism is particularly well-placed to support economic activity at the local level. In many developing countries, a thriving tourism sector is tied to the appeal of rich natural and cultural assets. As a result, tourism has been proven to benefit local communities, particularly in rural areas, by offering new ways of augmenting or diversifying their incomes. In this spirit, the Declaration of the T20 Ministers’ Meeting (2012) explicitly “recognizes the role of travel and tourism as a vehicle for job creation, economic growth and development [while committing to] travel facilitation as a conduit for job creation, decent work, poverty alleviation and global growth.”\(^4\)

2.2 Key areas for action

Increasing opportunities for all requires tourism to go beyond economic growth and focus instead on sustainable, inclusive growth. Growth is ‘sustainable’ when it balances current needs with the needs of future generations; it is ‘inclusive’ when it takes place in the sectors in which the poor work, occurs in places where the poor live (e.g., underdeveloped areas), uses the means of production that the poor possess (e.g., unskilled labour) and reduces the prices of items that the poor consume.\(^5\) Only by pursuing social inclusiveness and creating decent jobs will the sector fully

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1 World Travel & Tourism Council (2017a).
achieve its potential for poverty alleviation. These key topics are discussed further below, with a special emphasis on how tourism can benefit vulnerable groups and take an inclusive growth approach to poverty reduction.

2.3 Pursuing greater social inclusiveness through tourism

Social inclusiveness, also known as ‘social inclusion’, is about creating more integrated societies “where all individuals, regardless of their race, sex, language or religion, can fully exercise their rights and responsibilities on an equal basis with others and contribute to society.” In other words, social inclusiveness is the process of bringing together “all social groups and individuals into the political, social, cultural and economic structures of a society so that they can participate in the decision-making process and improve their access to opportunities.”

Vulnerable groups and persons are at the heart of social inclusiveness. While cultural and other minorities may be the most vulnerable in some countries, gender discrimination is one of the most prevalent forms of social exclusion globally. A society for all is “desirable from an ethical and practical point of view as there are high social, political and economic costs of inequality and exclusion. Social exclusion is linked to increased poverty, reduced growth, higher incidence of crime, social upheaval and threats to public safety.”

Tourism promotes social inclusiveness in many ways. In particular, the sector can benefit women, youth, the elderly and people with physical, sensory and other disabilities. More broadly, tourism can also benefit local communities that have traditionally been ignored in profit-distribution and decision-making processes.

2.3.1 Empowering women

Women are well represented in formal tourism employment. Average female participation is 55.5% at the global level, and up to 70% at the regional level. However, these rates vary significantly across regions – for instance, the proportion of women employed in the tourism sector is substantially lower in Asia (35%) than in the European Union (58% in 2014), which has a higher percentage of women employed in core tourism activities than the global average. Globally, the tourism sector is marked by a significant degree of women’s political participation, reflected in the high share of female tourism ministers around the world.

Tourism also presents significant opportunities for women to run their own businesses, as women

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7 Ibid.
8 Ibid.
are twice as likely to be employers in tourism as in other sectors.\textsuperscript{11} In fact, 36% of employers in hotels and restaurants are women, and home-grown entrepreneurship among women in tourism is generally high in areas such as handicrafts, food products and tour guiding.\textsuperscript{12} “Tourism, perhaps more than other sectors, demonstrates how gender is an identity category that intersects with other ascribed identities […]. Women who have different ethnic, racial, and nationality backgrounds can have divergent tourism work and entrepreneurship opportunities.”\textsuperscript{13}

Tourism can also help poor women break the poverty cycle through formal and informal employment, entrepreneurship, training and community betterment, as demonstrated in the case study below.

### Case study 5  Supporting Women Entrepreneurs in Mopti, Mali

The ST-EP project, Supporting Women Entrepreneurs in Mopti, demonstrates how rural women can benefit by becoming integrated into the tourism value chain as entrepreneurs in handicrafts, farming and the supply of produce. Targeting community groups and vulnerable women in the region’s leading tourism destinations, the project structured, organized and reinforced several women’s associations and cooperatives. It has enabled rural women – among the poorest segments of Mali’s population – to increase their incomes.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

Yet, not all women are benefitting equally from tourism development. In some cases, lack of education and resources may prevent the poorest women from benefitting from tourism development. While in some regions tourism helps empower women, in other regions, tourism negatively affects the lives of women and perpetuates existing economic and gender inequalities.\textsuperscript{14}

In addition, women’s wages in tourism are typically 10% to 15% lower than those of their male counterparts and women are less likely than men to progress to higher technical and managerial positions with higher income. Unpaid work by women is prevalent, especially in family tourism businesses, which can make women vulnerable to exploitation.\textsuperscript{15} Moreover, there is an overall lack of support for maternity, breastfeeding and childcare in the sector. This poses additional challenges in terms of reconciling work and family responsibilities, thereby negatively affecting women tourism employees and their children.

\textsuperscript{11} United Nations Entity for Gender Equality and the Empowerment of Women and World Tourism Organization (2011).
\textsuperscript{12} Ibid.
\textsuperscript{14} United Nations Entity for Gender Equality and the Empowerment of Women and World Tourism Organization (2011).
\textsuperscript{15} Ibid.
Inflexible practices and public policies create gender-related constraints and impact the gender composition of the tourism workforce, limiting tourism workers’ ability to benefit from improved opportunities. Pricing pressures from global tour operators can encourage the casualization of labour, which impacts men and women differently. Women suffer disproportionately due to the insecure nature of casual work.\textsuperscript{16} Local contexts can also affect hiring decisions, as certain roles tend to be viewed as men’s or women’s work and may even discourage female employment entirely. Furthermore, social norms may limit women’s access to land tenure and/or loans.\textsuperscript{17} The International Labour Organization (ILO) has identified other issues that pose additional challenges for women in the tourism sector, including:\textsuperscript{18}

- A highly variable demand cycle, which makes shift patterns unpredictable;
- In destinations affected by seasonality, high levels of time commitment during some parts of the year and little or no work during the off-season;
- Often large distances between businesses and residential areas, particularly in poorer communities, which imposes both travel and time challenges; and
- The fact that hotel and restaurant kitchen positions are traditionally held by men in many countries, hindering women’s access and opportunity.

There is an urgent need for a multi-stakeholder arrangement to ensure that women, as a traditionally marginalized group, can take full advantage of the opportunities available in tourism. Enhancing opportunities for women requires positive and purposeful action by tourism businesses, supported by governments, trade bodies, civil society and the voluntary sector. Priority should be given to integrating gender concerns into tourism policies and interventions, including the development of a gender-responsive legal framework for business development, as well as to establishing mechanisms with the full participation of women to prevent and address all forms of discrimination within the sector.

The UN Women–Global Compact Women’s Empowerment Principles articulate the business case for corporate action to promote gender equality. Launched on International Women’s Day in March 2010, the WEP principles cover key topics such as establishing high-level corporate leadership for gender equality, supporting human rights and non-discrimination, and promoting gender equality through community initiatives and advocacy.\textsuperscript{19}

\begin{flushright}
\textsuperscript{17} Ibid.
\end{flushright}
2.3.2 Empowering youth

Youth employment is significant in the tourism sector – much of the tourism workforce is under the age of 35, and approximately half of all tourism workers are 25 years old or younger.\(^{20}\) The Artisans d’Angkor Handicrafts Programme\(^ {21}\) in Cambodia is one of many examples of tourism offering promising opportunities to young workers. In this case, the initiative trains young persons between the ages of 18 and 25 years in handicraft skills, while connecting the workshop to the country’s burgeoning tourism sector through daily tourist visits, thus enabling the young artisans to directly sell their handicrafts to visitors.\(^ {22}\) The case study below demonstrates how the Youth Career Initiative globally provides youth with employment opportunities in collaboration with eleven international hotel groups.

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<th>Youth Career Initiative</th>
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The Youth Career Initiative (YCI) is a leading independent employability programme in the hotel industry that helps disadvantaged young people access skills and training, equipping them with the tools to thrive in the tourism sector. YCI centres on a six-month programme that offers students – including survivors of human trafficking – hands-on vocation training in collaboration with eleven international hotel groups (including Marriott and IHG), in 16 countries across the world. YCI has supported over 4,300 young people to develop vital life and work skills which free them from cycles of poverty.

Note: For more information, please find the full description of the case study in *Tourism for Development – Volume II: Good Practices*.

Young workers\(^ {23}\), however, are at particular risk of being exposed to hazardous labour arrangements and exploitative practices, such as poor wages, dangerous working conditions, sexual harassment, prostitution, slavery and human trafficking\(^ {24}\). Around the world, 13–19 million people under 18 years are estimated to work in an occupation tied to tourism, representing 10–15% of the tourism workforce.\(^ {25}\) Critical attention must be paid to child labour in the tourism sector; while direct employment of young people in the formal sector and larger businesses that would be considered child labour is not prevalent, this especially needs more attention by all stakeholders in the value and supply chains of the sector, for instance, children might be employed in the agriculture sector that supplies hotels\(^ {26}\).

\(^{21}\) For more information please visit: www.artisansdangkor.com.
\(^{22}\) World Tourism Organization (2012d), Tourism and Intangible Cultural Heritage, UNWTO, Madrid.
\(^{23}\) The UN defines young people as ages 15 to 24. This in particular facilitates bridging appropriate work for young people as compared to thresholds and types of work categorized as child labour.
Overt abuse and sexual exploitation through tourism also affects scores of children and youths. Despite 20 years of dedicated campaigning since the First World Congress on the Commercial Sexual Exploitation of Children in 1996, the unregulated development of new trends such as peer-to-peer services, volunotourism and mass expansion of the latest ICTs has fed into the proliferation of sexual exploitation of children in travel and tourism.\(^\text{27}\) No country is immune to this crime, found in both the world’s most developed and least developed countries.\(^\text{26}\) Another concerning issue is so-called ‘orphanage tourism’, a particular form of volunotourism, where children are sometimes deliberately separated from their families and placed in orphanages to attract fee-paying volunteer tourists who are generally well-intentioned, but do not realize the harm they can cause to children.\(^\text{29}\)

Progress has been made in some parts of the world supported by the work of ECPAT\(^\text{30}\) and The Code\(^\text{31}\), particularly in South-East Asia, with tighter laws and police crackdowns on illegal human trafficking. Alongside pioneering child rights champions like ECPAT, Friends International is an organization that has been at the forefront for promoting children’s rights with their global ChildSafe movement, which works to ensure that children are protected through positive and supportive business practices.\(^\text{32}\) The UNWTO’s World Tourism Network on Child Protection aims to promote understanding of such endeavours, engaging in awareness raising, advocacy and the promotion of capacity building and effective international coordination mechanisms to prevent all forms of child and youth exploitation in the tourism sector.\(^\text{33}\)

### 2.3.3 Providing tourism experiences for all

Inclusivity – affecting destination economies and recipient communities – should also be applied as a principle to tourists. In 2005, the UNWTO included ‘visitor fulfilment’ as one of its twelve aims of sustainable tourism, stating that “the great recreational and educational benefits brought by tourism should be made as widely available as possible without discrimination.”\(^\text{34}\) The Global Code of Ethics for Tourism also promotes tourism as a vehicle for individual and collective fulfilment. Its Article 7 specifically affirms the “right to tourism”, including the provision of paid holiday periods as an entitlement of all workers.\(^\text{35}\)


\(^{30}\) ECPAT is a global network of organisations and individuals working together to end child prostitution, child pornography, and the trafficking of children, especially girls for sexual purposes. Since the early 1990s, ECPAT has been working with the tourism industry to raise the awareness of hotel workers, tour operators, and governments on how to prevent the sexual exploitation of children by using a globally recognised code of conduct.

\(^{31}\) The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (www.thecode.org) was designed by ECPAT Sweden in 1998, and operates with the support of UNICEF and UNWTO as advisory partners.

\(^{32}\) For more information, please see: http://thinkchildsafe.org and http://bettercarenetwork.org/bcn-in-action/better-volunteering-better-care.

\(^{33}\) For more information, please see: http://ethics.unwto.org/content/protection-children-tourism.


\(^{35}\) World Tourism Organization (2001).
As a universal requirement, it is necessary to provide a high level of access and quality experiences for people with physical, sensory and other disabilities, as well as for their caretakers and family members. Accessibility, therefore, must be an intrinsic part of any responsible and sustainable tourism policy and strategy. Barrier-free access is important not only for people with specific disabilities, but also for families with very young children, pregnant women, people with temporary disabilities and the elderly. In fact, fostering accessibility stands to improve the quality of all destinations – for both tourists and locals alike.

Access issues affect a large market of potential travellers, which is associated with significant economic value. According to the World Health Organization (WHO), there are 1 billion people in the world with some form of disability. This means that one of every seven persons face impediments to travel – effectively leaving their potential as tourists largely untapped. Within the European Union alone, travel by persons with disabilities and senior citizens with access needs totalled 783 million trips in 2012, yielding a gross value added contribution to the European economy of EUR 150 billion (roughly equivalent to USD 187 billion). Tourists who are part of the accessible travel market also tend to travel more frequently during the low season, usually accompanied or in groups; make more return visits; and, in some parts of the world, spend more than average on trips. Facilitating travel for people with disabilities is therefore not only a human rights imperative, but also an exceptional business opportunity.

As life expectancy around the world increases, senior citizens are becoming a large beneficiary group of accessible tourism. In particular, they may require special meals (e.g., due to dietary preferences), specific kinds of infrastructure (e.g., hotel rooms with showers instead of bathtubs), specific kinds of locations (e.g., accommodation in the vicinity of health facilities), and transport adapted to their access and mobility requirements. With many countries implementing initiatives to promote what is known as ‘active ageing’, this important segment of the population is increasingly benefitting from schemes and subsidies to engage in tourism.

Clearly, tourism works best when it benefits all. To champion universal accessibility in tourism, three key recommendations are worth highlighting:

1. Collaborating with disability groups, alongside the application of relevant regulations, standards and codes of good practice on tourism accessibility;
2. Encouraging actions to specifically include workforce training, the use of appropriate design, the development of necessary physical infrastructure and the provision of dedicated information for visitors with special needs; and

40 For good practices on accessible tourism, please see: World Tourism Organization (2016j).
3. Providing travel opportunities for people who are economically disadvantaged or experience other forms of social exclusion. In some countries this has involved joint initiatives by governments, tourism business and NGOs to develop social tourism programmes.\textsuperscript{41}

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\textbf{Case study 7} & \textbf{ILUNION Hotels, Spain} \\
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ILUNION’s Hotels has developed a business model of universal accessibility that benefits customers with disabilities and specific access requirements, as well as its employees and suppliers. 27.8\% of ILUNION’s workforce comprises workers employees with some form of disability. In some hotels, classified as Special Employment Centres, over 70\% of employees are persons with disabilities. ILUNION’s pioneering accessibility policies have significant potential to change attitudes, break down social barriers and make the accommodation sector more inclusive. \\
Note: For more information, please find the full description of the case study in \textit{Tourism for Development – Volume II: Good Practices}. \\
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2.3.4 Supporting local communities

As a form of economic activity that is experienced or consumed on site, tourism provides particular opportunities for delivering inclusive local benefits while concurrently providing visitors with a richer experience. This can be true in both emerging and advanced economies, as well as in rural and urban areas.

While local communities can benefit directly from employment and business opportunities that the sector offers, they can also obtain valuable indirect and collateral benefits from tourism through, \textit{inter alia}:

\begin{itemize}
\item Investment in essential infrastructure stimulated by tourism development, and sometimes funded by it, including new roads and water supplies;
\item Support for education, health care and other services within local communities, either as a result of sponsorship by tourism businesses, partnerships with the government or through visitor contributions; and
\item The use of local taxes and charges related to tourism as a means of funding social services and other support mechanisms in local communities. For example, the funds that national parks gain through concessions or admission income can benefit local communities, as long as substantial portion of these funds are locally reinvested and do not all go towards general treasury budgets.
\end{itemize}

The merits of community-based tourism have been subject to criticism, including claims that tourism does not always deliver sufficient income and other benefits to locals, or that it fails to meet their expectations. To harness tourism’s benefits for local communities, policies need to concertedly ensure that local communities and stakeholders are fully consulted and actively

\textsuperscript{41} McCabe, S. and Minnaert, L. (2011), \textit{Social Tourism in Europe}, Channel View, Bristol.
engaged in local tourism planning and development. To this end, they must be provided with the necessary skills to benefit from the socio-economic opportunities that tourism development offers. The fair and equitable participation of all groups within local communities – especially excluded and marginalized groups – is equally important. When tourism is poorly planned and managed, communities can feel threatened. Tourism growth may engender negative impacts for locals, for instance by precipitating competition for resources – such as land and water – damaging local well-being and livelihoods, or fomenting exploitation, and environmental and cultural degradation. However, experiences vary in different contexts and, overall, even small levels of income can make a significant difference to poverty reduction and wellbeing in small communities.

Case study 8  
Las Terrazas Complex, Cuba

The pioneering eco-village of Las Terrazas in the UNESCO biosphere reserve of the Sierra del Rosario – the first tourism-based sustainable development project in Cuba – demonstrates how an independent community, with the government’s support, can maintain its economy in the long-term through sustainable tourism. The Complex has created 256 new jobs and managed to consolidate a balance between the community and the environment. Sustained income growth has raised the community’s standard of living and purchasing power, while spearheading the conservation of the area’s environmental and cultural heritage assets.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

Case study 9  
Kumarakom Responsible Tourism Initiative, Kerala, India

The Responsible Tourism project, initiated by the Government of Kerala, demonstrates how communities and the tourism sector can work together towards sustainable tourism development in a destination. The initiative has spurred local procurement by hotels, thus improving linkages and reducing leakages. Some 2,500 community members have benefitted financially from the project across the tourism value chain. Creating micro-enterprises and community development projects has been fundamental in providing benefits for the community while protecting local culture and the environment.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

2.4 Strengthening decent work

As a labour-intensive sector, tourism provides many and varied job opportunities for workers of all ages and skill sets. It offers particular opportunities for individuals to enter the labour market for the first time – from young adults to older individuals. In this way, the sector opens up new avenues by which people can gain work experience and confidence, affording scores of workers the chance to build careers in tourism or to transfer their new-found skills elsewhere as opportunities arise.

Direct employment within tourism enterprises has several strengths as a mechanism for inclusive development and poverty reduction. It provides a large number of people with job security, regular pay and makes provisions for social security. As a labour-focused service sector, tourism’s employee-visitor interface is critical in terms of providing non-economic benefits on both sides, such as intercultural understanding, depending on the nature of the employment contract offered.

Nevertheless, tourism’s ability to bolster decent work is a complex issue. Compared to other sectors, higher levels of job turnover and greater proportions of part-time, seasonal and temporary jobs often characterize tourism employment in advanced and emerging economies. These and other non-standard forms of employment (NSFE) can benefit employers and workers, so long as workers are able to balance work and personal responsibilities, while accommodating the needs of enterprises.

The extent to which NSFE are problematic for poverty reduction is debatable, as it may be argued that such employment enables workers to diversify and supplement their incomes or pursue further education. More problematically, in some cases tourism jobs can be low paid, with limited training and career prospects, weak labour rights and poor employment conditions, including long working days and limited paid leave. Such circumstances do not meet ILO’s definition of decent work and can contribute to modern day slavery and human trafficking, which can take the form of sexual exploitation of adults and children; or staff being victims of forced or bonded labour; and the use of products and services produced via unethical labour practices. Therefore, the creation of more jobs does not always mean decent jobs – in order to foster truly sustainable tourism, 

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43 ILO defines decent work as opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families; better prospects for personal development and social integration; freedom for people to express their concerns, organize and participate in the decisions that affect their lives; and equality of opportunity and treatment for all women, men and people of other gender identities.


45 Non-standard forms of employment is an umbrella term for different employment arrangements that deviate from standard employment, such as temporary employment, part-time and on-call work, temporary agency work and other multi-party employment relationships, as well as disguised employment and dependent self-employment.


49 Released in 2017, the ILO Guidelines on Decent Work and Socially Responsible Tourism aim to address these and other labour-related challenges and opportunities for the sustainable development of the tourism sector. Their appendix provides complementary information on existing international labour standards, declarations and other documents that should be taken into account when designing and implementing interventions related to the tourism sector.
all stakeholders must make a concerted efforts to ensure that growing employment opportunities uphold the standards of decent work.

From an industry perspective, tourism businesses often face challenges in terms of human capital, related to the availability of skilled and unskilled labour, which can be a major barrier to growth. Moreover, the widespread use of ICTs and higher demand for niches such as wellness and medical tourism create a need for multi-tasking and multi-skilling, involving areas beyond housekeeping and food services. As ILO explains:

“Hotels linked to hospitals or spas will respectively need people with knowledge in medical and wellness services. In terms of ICT, there are increasing expectations across all areas in the industry for all employees to be ICT functional in addition to their core responsibilities. Ultimately, they are expected to be able to adapt and adopt new technologies in every aspect of their work.”

International Labour Organization (2010)

Knowledge of foreign languages is a skill that is increasingly in demand, as it allows workers to interact with tourists from multiple places of origin. Other tourism training needs include customer service, teamwork, organization and management at the workplace, marketing, understanding diverse cultural heritage and problem solving.

Some multinational companies may initially favour the employment of expatriates in management positions rather than building the capacity of locals to fill these roles. Labour migration, when properly governed, can help to fill labour shortages, rejuvenate the labour force and enhance labour market efficiency – for instance, migrant workers may bring new skills and knowledge to destination countries that can make companies more competitive, helping economies to grow and societies to thrive. In some cases, originating countries also may benefit from temporary migration through the learning experiences offered by migrant work and the remittances sent to their countries of origin. Nevertheless, communities receive greater benefits from tourism when employers choose to hire a local workforce, as far as possible. For instance, until recently Botswana’s country’s camps and lodges were run by foreigners, who often had more experience in international hospitality and guest needs. Desert & Delta Safaris implemented a skills development programme to train local people to manage their camps. Thanks to the Citizen Management Training Programme, today a large proportion of Desert & Delta Safaris management staff is citizens of Botswana.

Recommendations on more inclusive, sustainable tourism employment have particular relevant in two key areas:

- Governments, trade bodies, labour bodies and individual tourism businesses should cooperate to provide and implement necessary frameworks or regulations, while promoting good practices, to ensure that all tourism-related employment provides an appropriate level of pay and conditions, meeting international human rights standards and ILO requirements.

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51 Postma, A. and Wielenga, B. (2015), Ethical Issues of All Inclusive Tourism, European Tourism Futures Institute, Leeuwarden.

52 For more information, please see: http://desertdelta.com.
Training and capacity building should be offered to all employees. Vocational training in tourism should be strengthened so that individuals can continually acquire and apply their new knowledge and skills. Training programmes should be informed by assessments of needs and skills gaps, for which teaching and training bodies need to work closely with stakeholders in the tourism sector. Strategies for providing such programmes should envisage multiple vectors of delivery, ranging from schools, technical institutions and universities, to online, self-study and on-the-job settings.

2.5 Alleviating poverty

The role which tourism can play in alleviating poverty is noteworthy. Like development, poverty is a multidimensional phenomenon. The concept of multidimensional poverty, put forth by UNDP and the Oxford Poverty & Human Development Initiative (OPHI), is useful for understanding its complexity. Essentially, poverty is about more than just limited income. Instead, it encompasses several factors of deprivation – including poor health, a lack of education, inadequate living standards, disempowerment and the poor quality of work. While income poverty is often gauged with reference to a global ‘poverty line’ – USD 1.9 per day – poverty is also about the relative position of social groups’ vis-à-vis the distribution of wealth and their broader quality of life, including the availability of opportunities for change and access to life-support systems.

The relations between tourism and poverty are multiple and dynamic. It can be argued that tourism is well-placed to contribute to poverty reduction because it is consumed at the point of intervention, i.e. on site. Even low-skilled workers in rural areas can become tourism exporters. As an industry where entry barriers are low, tourism creates opportunities for small-scale entrepreneurs and allows less advantaged social groups to establish new activities or formalize existing micro-ventures. Tourism is considered to provide opportunities for the poor and other disadvantaged groups for the following reasons:

- It is a growing sector with proven links to economic development;
- It is a sector in which developing countries may have a comparative advantage given their abundance of natural and cultural assets;
- It can foster economic activity in regions where few alternative opportunities exist, notably in rural areas where 70% of the developing world’s extremely poor people live;
- It is labour-intensive as a sector;
- It is a diverse sector which can support other economic activities, both by providing jobs that can complement other livelihood options and by creating demand through the tourism supply chain;

It provides a wide range of opportunities for work – both unskilled and skilled – that are well suited to people with a range of education levels, as well as to vulnerable or marginalized groups, including women and youth; it can provide opportunities for minority communities and support their culture; it creates opportunities for small- and micro-enterprises as start-up costs and entry requirements are often low; the infrastructure provided by and for tourism – such as roads, water supplies and sanitation – can greatly benefit impoverished communities; and it provides a unique opportunity for new kinds of social and economic contact by enabling the market to come to the product. 59

Nevertheless, it is important to recognize that although tourism creates jobs and contributes significantly to economic growth, it is not necessarily a formula for poverty reduction. Focusing on tourism’s power to generate wealth for the people most in need remains an immense task. Without adequate policies and an explicit focus on sustainability, tourism can have adverse impacts on social structures, traditions and local livelihoods. For instance, as mentioned above, it may spark increased competition for resources and precipitate social changes leading to, inter alia, increased crime and related problems such as sexual exploitation. 60

Displacement, evictions and gentrification are other challenges associated with the tourism sector. Increasing tourist arrivals may fuel a boom in the construction sector and push up real estate and rent prices. 61 Moreover, there is a growing need to re-define regulatory frameworks in response to the rise of the sharing economy. Many such businesses help enhance sustainability and should be promoted – however, some may entail the potential for conflict or the risk of infringing on human rights and state laws, particularly with regard to decent work standards and tax evasion. 62

2.5.1 Focusing on an inclusive growth approach to poverty reduction

While the strong correlation between tourism and economic growth cannot be assumed to automatically translate into welfare gains, poverty alleviation or sustainable development on the ground, effective policies and action can promote inclusive growth through tourism – as organizations such as the World Bank, the European Union and UNDP, among others, have long recognized. 63 Put simply, inclusive growth means economic growth that creates opportunities for all segments of the population. It is growth that fairly distributes the dividends of increased prosperity – both in monetary and non-monetary terms – across society. 64 This approach places a particular emphasis on creating productive employment opportunities and entrepreneurship, for example, in destinations.

62 Ibid.
UNWTO applies the inclusive growth approach for poverty reduction through tourism in seven ways, utilizing the ST-EP initiative:

- Direct employment of the poor by tourism enterprises;
- The supply of goods and services to tourism enterprises by the poor, or by enterprises which employ the poor;
- Direct sales of goods and services to visitors by the poor through the informal economy;
- Micro-, small-, and medium-sized enterprises, community-based enterprises, or joint ventures by the poor;
- The redistribution of the proceeds from tourism-related taxes or charges;
- Voluntary giving and support by tourists or tourism enterprises; and
- Investment in infrastructure, stimulated by tourism, which benefits the poor directly or indirectly.

Such a holistic approach is crucial for tourism planning in destinations, with inclusiveness and poverty reduction guiding all aspects of sustainable tourism development. A landmark ST-EP project in Tanzania, the Cultural Tourism Programme, offers a strong example of an initiative that has played a role in reducing poverty by enhancing and diversifying the country’s cultural tourism offer, while increasing visitor spending for the benefit of rural communities. Through the establishment of 32 cultural tourism enterprises across the country and capacity building programmes specifically geared towards disadvantaged segments of society, over 3,000 people have generated a direct income through these tourism enterprises. Moreover, each of these enterprises re-invests part of its earnings into infrastructure and community development – from improving primary schools or health centres to renovating irrigation systems.

In order to address poverty through tourism, it is also important to recall that a national tourism development strategy inevitably involves issues that extend far beyond the sector, encompassing a range of cross-sectorial linkages. For example, agriculture is a key sector with strong backward linkages with tourism, as hotels and restaurants need a steady and large supply of foods and beverages. About one third of all tourism expenditure is spent on food items. Local sourcing can be a catalyst of sustainable development because it translates into improved livelihoods and ensures that destinations benefit from the multiplier effect of the tourism supply chain.

Integrating local suppliers within global tourism networks and establishing links with other economic sectors will benefit everyone. This wider perspective is essential if tourism development is to have a positive effect on inclusion and poverty reduction.

65 The UNWTO Sustainable Tourism – Eliminating Poverty (ST-EP) initiative focuses on enhancing sustainable tourism via activities that alleviate poverty, deliver development and create jobs for people living on less than USD 1 a day. UNWTO views the ST-EP programme as an effective tool for making a tangible contribution to the SDGs.
69 International Labour Organization (2013c).
Case study 10  

Club Med and Agrisud contributing to local development in Senegal, Brazil, Morocco and Indonesia

The local development project spearheaded by Club Med and the NGO Agrisud supports local producers who are in precarious situations and live in the vicinity of Club Med resorts in Senegal, Brazil, Morocco and Indonesia. The project has trained 350 very small enterprise (VSE) vegetable and produce suppliers in agro-ecology, while organizing these suppliers into commercial cooperatives. The partnership has benefited some 2,400 people – both local producers and their families – and enabled Club Med resorts to be supplied with fresh, locally sourced, high quality products.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

2.6 Recommendations

Tourism provides a promising path towards social inclusiveness, decent employment and poverty reduction. In order to harness the sector’s powerful potential, it is vital that we acknowledge the risks and focus on improvement methods. To spearhead greater inclusion, employment and poverty reduction, stakeholders are encouraged to embrace this non-exhaustive list of recommendations:

Governments
- Introduce and enforce legislation that guarantees fair and decent working conditions, including living wages, for all, including by ratifying the ILO Convention on Working Conditions in Hotels, Restaurants and similar Establishments of 1991 (document 172);
- Provide education and life-long learning opportunities that enhance personal and professional skills, enable career development, and raise cultural awareness and intercultural understanding – particularly for women and youth;
- Implement gender equality, community empowerment, and human rights-based approaches to tourism policy and development;
- Establish a gender-responsive legal framework for business development and dispute resolution; and
- Identify what constitutes child labour and devise corrective actions to respond to child labour violations, including by enacting legislation to eradicate the sexual exploitation of children in travel and tourism.

Businesses
- Commit to the UNWTO Global Code of Ethics for Tourism;
- Make child protection awareness part of any corporate social responsibility (CSR) plan and help raise awareness among travellers, with tips on reporting procedures;
- Enable good workplace management-labour relations, which will positively impact service quality and staff retention;
- Analyse, monitor and ensure gender equality for opportunities and wages;
- Establish policies that support family-friendly practices including maternity leave for parents and caregivers, and flexibility for childcare; and
- Provide employees with paid time off to gain additional vocational skills.
Individuals and civil society

- Engage with local communities and stakeholders in tourism planning and development to ensure that tourism reflects local citizens’ needs and aspirations;
- Advocate for sustainable tourism development, paying particular attention to local traditional social structures and dynamics;
- Choose tourism operators with community projects in place;
- Partner with local schools and technical education initiatives to protect young workers;
- Respect human rights and protect children from exploitation;
- Be alert and communicate legal and social infractions; and
- Research thoroughly before engaging in voluntourism.
Chapter 3

Pillar 3: Resource efficiency, environmental protection and climate change

Links between tourism, pillar 3 and the SDGs

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<tr>
<td>6</td>
<td>7</td>
<td>SDG 6 and SDG 7 set key targets for increasing the efficient use of resources, the use of renewable energy sources and equitable access to water.</td>
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<td>8</td>
<td>Target 8.4 stresses resource efficiency in consumption and production in accordance with the 10YFP.</td>
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<td>11</td>
<td>SDG 11 includes elements on the planning and management of urban areas, including providing green spaces and safeguarding natural heritage.</td>
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<td>12</td>
<td>Target 12.B on monitoring the sustainable development impacts of sustainable tourism. Target 12.1 on the implementation of the 10YFP, which includes a Sustainable Tourism Programme. Target 12.3 and Target 12.6 on food waste and sustainability reporting by companies.</td>
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<td>13</td>
<td>SDG 13 underlines the urgent need to integrate climate change mitigation and adaptation into planning and management.</td>
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<td>14</td>
<td>SDG 14 and SDG 15 have targets on reducing pollution, ensuring protection and promoting the sustainable use of ecosystems. Target 14.7 explicitly refers to the economic benefits which can arise from these resources and ecosystems through sustainable tourism management.</td>
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Abstract

Environmental responsibility is a fundamental requirement for sustainable development. Not only is environmental sustainability embedded across Agenda 2030, it is the specific concern of six SDGs. Tourism has multi-faceted impacts on the natural environment, just as environmental considerations have a significant bearing on sustainable tourism development in the short- and long-term. As a sector that heavily depends on
the natural environment, tourism has a special responsibility towards the planet, with an impetus to harness this dependency as a means of promoting conservation. This section discusses tourism’s relationship with resource efficiency, environmental protection, biodiversity conservation and climate change, with a view to better understanding how tourism can mitigate negative environmental impacts and contribute to protecting our planet’s invaluable natural resources.

**Keywords:**
- Climate change
- Energy and greenhouse gas (GHG) emissions
- Natural resource dependency
- Natural resource management
- Waste management

**Key concepts:**
- While tourism depends on the world’s natural resources and diverse ecosystems, it also uses vast quantities of resources.
- An integrated approach to tourism and the environment is needed. Many innovations are being fostered by travel and tourism in diverse locations.
- Small and large tourism operators can contribute to resource efficiency, environmental protection and efforts to mitigate climate change by utilizing a variety of approaches and tools, such as applying legislation and international standards, advancing business-to-business mutual support, and engaging with destination-level bodies and communities.

### 3.1 Understanding the context: Tourism and the environment

The relationship between tourism and the natural environment is complex. On the one hand, tourism depends on the world’s natural resources, its diverse ecosystems and its rich biodiversity. A quality environment is the natural capital of tourism destinations, with income from tourism providing financial returns from investment in that capital. On the other hand, tourism uses vast quantities of resources and is a generator of emissions and pollution, both of which drive climate change. It is estimated that tourism accounts for 5% of global carbon dioxide (CO₂) emissions – it may contribute even more to global warming if all greenhouse gas (GHG) emissions are counted.¹

Comparative studies have identified travel and tourism as a sector that often performs poorly in terms of greenhouse gas emissions² (measured as a contribution to GDP per contribution to GHG emissions)³. Transport linked to tourism, notably – but not exclusively – aviation, accounts for around 80% of these emissions. Accommodation accounts for the remaining 20% of GHG emissions, as a substantial energy consumer with its heavy use of heating, cooling, lighting, cooking, cleaning pools and, in tropical or arid destinations, the desalination of seawater. Energy use in tourist accommodation can be exorbitant, ranging from 35–40 megajoules (MJ) per guest, per night in certain hostels, to over 1,500 MJ in more luxurious hotels.⁴

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³ The level of greenhouse gas (GHG) emissions per GDP is a metric of emissions’ intensity, which measures the ratio of greenhouse gas emissions produced per US dollar of gross domestic product (GDP).
In addition to energy, tourism’s consumption of natural resources is another concern. While the sector accounts for a small share of global water use, tourism can place great strain on freshwater resources in areas where water scarcity exists – both in developing economies, such as Bali, Indonesia\textsuperscript{5}, and in industrialized states, such as Spain.\textsuperscript{6} Levels of water use vary considerably between types of facility – from 100 to 2,000 litres per guest, per night.\textsuperscript{7} These are often far higher than the quantities of water used by local populations. Water tends to be undervalued relative to its true environmental cost. Water costs are increasing while expectations for more sustainable water use by the tourism sector are growing.\textsuperscript{8}

Waste management is another key issue, with an estimated average of 1–2 kg of solid waste generated per tourist, per day.\textsuperscript{9} The tourism sector serves an estimated 73 billion tourist meals each year worldwide.\textsuperscript{10} The United Nations Food and Agriculture Organization (FAO) estimates that one-third of all food produced is lost or wasted along the food supply chain,\textsuperscript{11} particularly at the end of the supply chain, in hotels and restaurants. This has substantial implications for tourism’s ability to advance sustainable production and consumption patterns, the aim of SDG 12.

Fortunately, tourism is leading the way through some of world’s most innovative approaches towards a ‘green’ tourism sector. Energy efficient upgrades to aircrafts, the shift to renewable fuels for aviation and cruise liners, energy technology solutions in hotels, and countless other initiatives are placing tourism at the forefront of the clean energy transformation.\textsuperscript{12} The greening and de-carbonizing of tourism is crucial for building a more sustainable and competitive sector. This requires vision, innovation, sound planning, good management and monitoring by all key players.

### 3.2 Key areas for action

An integrated approach to tourism and the environment is needed, with grounded strategies for decoupling tourism-related economic growth from environmental degradation and excessive resource use. The 2011 *Green Economy Report*\textsuperscript{13} describes economic reasons for greening the tourism sector. For example, it points to the savings businesses can make from more efficient resource management and by sourcing local supplies, materials and services, which in turn


can also benefit local employment. In order to bolster tourism’s contribution to environmental sustainability, attention is needed in several key areas of action:

- Efficient resource use;
- Biodiversity and environmental protection;
- Climate change mitigation and adaptation; and
- Understanding how various environmental issues are related to tourism.

These issues are discussed in greater detail below. In terms of the last point regarding the need for greater understanding, systematic data collection, disclosure and sharing is essential, as is the integration of sustainable tourism in university curricula. Sustainability in tourism is a relatively new concept. While there are examples of good practices, standards and voluntary eco-labels, these are not yet sufficiently disseminated and replicated in terms of most efforts to design and operate tourism products, facilities and destinations. There are gaps in the monitoring and evaluation of the economic benefits derived from environmental sustainability, and there is a need for external auditing to control the effective implementation of the many voluntary schemes that have proliferated across the tourism sector. In this context, UNWTO and the UN Statistics Division are working towards a Statistical Framework for Measuring Sustainable Tourism (MST) in a more integrated way – economic, environmental and social. This involves UNWTO and others building on the substantial existing body of research and testing sustainable tourism indicators.\(^\text{14}\)

### 3.2.1 Using resources more efficiently

Ensuring that resources are used more efficiently across the global tourism sector is a demanding but necessary task that stands to yield immense benefits for the planet, people and overall prosperity. It requires carefully balancing a range of concerns. For example, with regard to land resources for new tourism developments, existing buildings and brownfield sites may be preferable for environmental reasons. However, this can also have an impact on property prices, the availability of housing and other needs of local residents. Such issues will have to be acknowledged and reconciled by strategies that promote efficient resource use.

While the production and consumption of energy in tourism is linked to climate change, it also raises issues of cost efficiency and equitable supply. As mentioned above, tourism facilities often use a great deal of energy for heating, cooling, cooking, and occasionally for more specific requirements such as desalination. Although there are many good examples of successful initiatives to retrofit existing structures – e.g., to improve building insulation, replace equipment, strengthen operations and promote renewable energy – there remains a need for more consistent, holistic approaches in many countries, especially among small businesses.

\(^\text{14}\) For more information, please see: http://statistics.unwto.org/mst.
Case study 11  Nearly Zero Energy Hotels (neZEH)

The Nearly Zero Energy Hotels project, funded by the European Commission, assists hotel businesses to save energy, reduce their carbon footprint and build a more competitive and sustainable hospitality sector. Hotel energy renovation projects implemented in seven EU countries demonstrate reductions in energy consumption of up to 70%. They inspire global replications towards a more sustainable, energy efficient tourism industry. The online neZEH e-toolkit supports energy consumption self-assessment, while helping hotels find solutions so that they can become Nearly Zero Energy buildings.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

The EarthCheck Research Institute has reported that large disparities are likely to result from the extensive use of water by accommodation providers – for example in landscaping, pools and other water features within tourism establishments – when compared with very constrained domestic water use by locals. Such imbalances raise serious concerns about water equity and the ethics surrounding water access.\(^\text{15}\)

Disproportionate water use by tourism-related businesses underlines the need for strict impact assessments, careful planning and effective water use management by tourism developments, particularly in areas of water scarcity. Strong examples exist of considerable water savings made by individual businesses, but there remains a need to share and replicate good practices.

This is also true for eliminating food waste and safeguarding food supplies, which has implications for zero hunger (SDG 2) and responsible production and consumption (SDG 12). The cruise industry is known to generate tonnes of food waste and of glass, tin and burnable waste in its high volume operations.\(^\text{16}\) More action is needed to improve levels of awareness, evidence and knowledge about the issue, while identifying and sharing solutions. Tourism can play an important role in this drive, as a possible agent of change that can promote transformation in food management and consumption patterns. For instance, ResQ Club provides a solution for unnecessary waste of quality food through a food rescuing service in form of an application that allows users to buy quality surplus food from restaurants and other food service-providing venues at a discount rate.\(^\text{17}\)

The large-scale use and disposal of materials and consumable goods in the tourism sector could be tackled by universally applying the reduce, reuse and recycle approach, also known as principles from the circular economy, coupled with the provision of effective recycling services and green disposal in destinations. Effective waste management requires all tourism facilities to ensure the effective treatment and disposal of liquid waste, the recycling of grey water, and efforts to prevent water pollution through improved individual and communal treatment processes. A case study from the United Arab Emirates demonstrates that – through the commitment of

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\(^\text{17}\) For more information, please see: www.resq-club.com/en.
all hotels in the Ras Al Khaimah Emirate to a recycling and waste management programme – 500 tonnes of recyclables and 300 tonnes of glass have been diverted from landfills and re-introduced in the recycling industry.  

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Box 3.1  Scaling-up efficient resource use through the One Planet – Sustainable Tourism Programme

An opportunity to scale up action towards more efficient resource use throughout the tourism sector is provided by the One Planet – Sustainable Tourism Programme. Since February 2018, the 10-Year Framework of Programmes on Sustainable Consumption and Production (10YFP) has been rebranded as One Planet network. The 10YFP Sustainable Tourism Programme continues to operate as a collaborative platform, the One Planet – Sustainable Tourism Programme, to bring together existing initiatives and partnerships and facilitate new projects and activities to accelerate the shift to sustainable consumption and production (SCP) in tourism. It promotes a life-cycle approach for continuous improvement, focusing on four areas of work that address the integration of SCP in tourism policies. The One Planet network promotes collaboration among stakeholders – including the application of monitoring frameworks; the application of guidelines, tools and technical solutions to mainstream SCP for destinations, enterprises and tourists; and moves to enhance investment and financing. The initiative involves over 100 stakeholders, led by UNWTO in collaboration with the One Planet Secretariat at UN Environment Programme. The Governments of France, Morocco and the Republic of Korea serve as co-leads.

Note: For more information, please visit: http://sdt.unwto.org/about-10yfp-stp.

While many businesses are highly efficient in resource management, efficiency should become more universal in the tourism sector, especially among small businesses. This will require the application of a range of approaches and tools, selected according to what is most appropriate in different circumstances. For instance, to improve hotels’ energy consumption management, the International Tourism Partnership (ITP) has developed methodologies and calculation tools that enable hotels to measure and report carbon emissions and water use in a consistent manner.  

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To make tourism businesses more resource efficient, priorities for action include:

- Applying and enforcing appropriate legislation, licensing and international standards related to resource use;
- Requiring and encouraging higher levels of company disclosure and reporting;
- Economic instruments, including tax incentives and subsidies related to green materials and practices;
- Information and guidance, supported by readily accessible and well-promoted training and capacity building;
- Working through existing business associations, and establishing new networks, to advance business-to-business influence and mutual support;
- Support and engagement from destination-level bodies that are connected to promotion and marketing; and
- Defining and establishing a widely adopted, integrated and standards-based form of measurement – one which links tourism to the environment – would support these efforts.

18 For more information, please see: www.facebook.com/RAKWasteManagement.
Promoting *green jobs* in tourism is another vital component of a more environmentally sustainable and resource efficient sector. As defined by ILO:\(^{20}\)

“Green jobs are decent jobs that contribute to preserve or restore the environment, by they in traditional sectors such as manufacturing and construction, or in new, emerging green sectors such as renewable energy and energy efficiency.”

International Labour Organization (2016)

Green jobs across the tourism sector would contribute significantly to all three of the core dimensions of sustainability – economic, social and environmental. UN Environment and UNWTO have highlighted the fact that jobs which ‘green tourism’ can help to support local economies and reduce poverty, while also improving environmental outcomes.\(^{21}\)

Although significant strides are being made the world over – most notably the *Strategic Plan for Sustainable Tourism and Green Jobs* in Indonesia\(^{22}\) – a 2017 study\(^{23}\) found that there is still a need to educate investors who are not willing to embrace sustainable infrastructure. Their reticence is often prompted by fears that such investments would cost investors extra money and reduce their returns. Therefore, much remains to be done to make green jobs a core component of the tourism sector. Demand for infrastructure must be considered against a background of strong regulation, robust guidelines, awareness and learning programmes for local people, alongside the need to embrace overarching efforts to increase FDI within a proactive model of conservation and sustainability.

Increasing tourists’ awareness, and encouraging them to change their behaviour with respect to resource use, is another important means of bolstering sustainability. Tourists who are not sensitive to sustainability issues are not likely to choose a sustainable product. However, as a sector of human activity based on seeking new experiences and environments, tourism has a unique opportunity to act as an agent for change that makes existing lifestyles and behaviours more sustainable across the board. Through travel, visitors can learn about new ways of living, while observing these *in action*. For example, seeing a new public recycling programme successfully working in a destination could encourage tourists to advocate for similar initiatives in their hometowns.

While people’s behaviour with respect to consumption patterns does not necessarily change when travelling, it is important to continue efforts in resource management. Thus, *key priorities for action* include:

- Providing incentives to encourage businesses to set science-based targets and take more consistent, holistic and wide-ranging approaches to energy efficiency and resource...

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consumption, e.g., by publicly recognizing companies that go beyond the call of duty to become more resource efficient in their operations;

- Embracing new, innovative energy-efficient technologies;
- Undertaking water impact assessments to inform the careful planning and management of water resources, in order to reduce strains on local environments and communities;
- Prioritizing waste management to prevent pollution from tourism development, including the treatment and appropriate disposal of liquid and solid waste;
- Introducing a standards-based form of measurement of tourism’s impacts on the environment, so as to incentivize and guide tourism businesses’ resource efficiency measures; and
- Engaging with managers, employees and tourists to raise awareness of efficient resource use and environmental protection.

### 3.2.2 Conserving biodiversity and protecting the natural environment

The deterioration of natural environments and the loss of biodiversity are serious global concerns with wide-ranging, and often unpredictable, consequences. Globally, natural landscapes and ecosystems are under threat. This is a critical issue, as they are the source of our most prized natural resources, intimately influence climatic conditions, provide indispensable habitats for flora and fauna, and are a source of livelihoods for millions of people, as well as being a cornerstone of the tourism sector.

Land-clearing and landscape modifications that occur during the construction phase of accommodation facilities, airports and other tourism-related infrastructure can cause environmental damage, habitat loss and degradation, and indirect pressures on ecological resources.\(^{24}\) In the case of cruise tourism, current regulations do not fully acknowledge scientific developments about the lasting impacts of pollutants on marine and coastal environments, or the climate change-related impacts of ocean dumping. Moreover, they do not reflect the increasing number of cruise passengers, which have risen nearly 50-fold in the past five decades – from 500,000 in 1970 to 1.5 million in 1980, 4 million in 1990 and 24 million in 2016.\(^{25}\) Souvenir production is another tourism-related activity that can have a negative impact on biodiversity, as it can involve materials such as minerals and ivory being removed from the natural environment.\(^{26}\)

However, when pursued in an environmentally sustainable manner, tourism can help to ensure that local natural resources are not exploited, while offering an excellent opportunity to support conservation. Tourism can demonstrate the value of natural heritage and deliver economic benefits as a result, as well as providing more direct support. The Mayakoba project in Mexico is a reference point of sustainable tourism development underscored by ecosystem conservation.


Case study 12  Mayakoba Tourism Development, Mexico

The Mayakoba Tourism Development initiative encompasses an expansive resort area in Mexico’s Riviera Maya. The complex’s tourism infrastructure is designed and implemented following an innovative, low-density model, seeking to have the lowest possible impact on local mangrove and dune ecosystems. The high-level coastal tourism development of Mayakoba has achieved a demonstrable increase in biodiversity through the preservation and strengthening of terrestrial ecosystems and the creation of aquatic habitats.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

The SDGs emphasize the need to promote the sustainable use and management of ecosystems, in which tourism can play a significant part. For example, ecotourism can be an alternative economic activity for fishing communities, thereby helping to preserve marine, coastal and inland water biodiversity. Preservation efforts through tourism development are well-illustrated by the case study on Chumbe Island Coral Park in Tanzania.

Case study 13  Chumbe Island Coral Park, Tanzania

Chumbe Island Coral Park (CHICOP) is a successful self-sustaining marine park and forest reserve in Zanzibar, Tanzania, off the coast of East Africa. This privately managed marine protected area (MPA) is a model for sustainable environmental conservation funded by ecotourism. Ecotourism activities cover all operational expenses of the park’s management, while supporting research and environmental education programmes for local people. CHICOP’s model of park management and ecotourism is a leading example for biodiversity conservation and coral and fish stock replenishment in marine protected areas.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

Sustainable tourism can also be a driver of wildlife conservation and protection measures. The Olderkesi Community Wildlife Conservation Trust in Kenya is a strong example of how tourism can provide the economic means necessary for the protection of endangered species of wildlife in local ecosystems.
### Case study 14  Olderkesi Community Wildlife Conservation Trust, Kenya

The Olderkesi Community Wildlife Conservation Trust (OCWCT) illustrates the power of collaboration between the tourism sector and communities to preserve biodiversity, conserve wildlife and support human development in Kenya’s Maasai Mara region. The project demonstrates that conservation-based tourism that directly benefits local Maasai communities is a competitive economic activity which can be complemented by other compatible land use activities. One of its most important results is its creation of a sense of togetherness among locals that promotes peaceful coexistence, particularly between wildlife and humans.

**Note:** For more information, please find the full description of the case study in *Tourism for Development – Volume II: Good Practices.*

Destinations require a combination of careful protection and creative initiatives in order to promote the sustainable use and management of ecosystems, from the development and construction stages to guest education. This is in line with the approach advocated by the Convention on Biological Diversity, through its *Guidelines on Biodiversity and Tourism Development* and a more recent practical manual on their application\(^{27}\), as well as the Aichi Biodiversity Targets. It is also reflected in initiatives under the Ramsar Convention,\(^{28}\) which recognize the considerable value of wetlands for tourism and the economic value that tourism can bring to wetland management. Other relevant biodiversity-related conventions include:

- The Convention on the Conservation of Migratory Species of Wild Animals (CMS), particularly CMS Resolution XII/29 and the manual on Wildlife Watching and Tourism;
- The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which regulates trade in threatened animal and plant species, their products and derivatives; and
- UNESCO’s World Heritage Convention and the Man and Biosphere Programme’s Sustainable Tourism Programme.

In pursuing this balanced approach, **priorities for action** include:

- Ensuring that tourism is subject to careful planning and development controls in sensitive areas, including coastal areas. This should embrace zoning for different types of tourism development – including total exclusion – as well as requirements for impact assessments, the promotion of appropriate design with high quality environmental standards, and addressing a lack of regulatory enforcement\(^{29}\);
- Setting and implementing good practice guidelines for tourism operations – including on all forms of access, activities and excursions – in sensitive marine and terrestrial ecosystems;

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\(^{29}\) As an evolution of the two urban development paradigms typically employed by policy-makers – i.e. the Brown Agenda and the Green Agenda – the Inter-American Development Bank is promoting an approach called the Blue Urban Agenda to reduce vulnerability in coastal zones. For more information, please see: https://publications.iadb.org/handle/11319/8264.
Pillar 3: Resource efficiency, environmental protection and climate change

- Developing and implementing improved measurement of the environmental impacts of tourism activity and the dependency of tourism on natural capital. To this end, it would be useful to apply, wherever possible, internationally agreed standards and classifications;
- Paying particular attention to the significant potential offered by national parks and other protected areas as locations for high quality sustainable tourism. Partnerships between park authorities, local tourism businesses and local communities should be encouraged;
- Using the tourism argument more effectively as a compelling case for conservation. For example, the recent work supported by UNWTO on the collection and dissemination of data on the value of wildlife watching in Africa, undertaken to promote anti-poaching policies;
- Securing strong links between government ministries and other bodies responsible for tourism and natural resource management;
- Seeking ways of raising more direct support for conservation from tourism businesses and tourists; and
- Involving travellers and local communities in conservation activities.

3.2.3 Mitigating and adapting to climate change

Tourism has an important role to play in mitigating the effects of climate change. The 2015 Paris Agreement, adopted by parties of the UN Framework Convention on Climate Change (UNFCCC), will require concerted action to reduce greenhouse gas emissions across all sectors, including tourism, in line with the UNFCCC’s primary aim of “holding the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial level.”

The tourism sector has explicitly committed to reducing its impact on climate change. In 2007, UNWTO and other agencies identified climate change as the greatest challenge to tourism’s sustainability in the 21st century. As such, they committed the sector to a rapid response. In 2009, the WTTC set aspirational targets for the sector, endorsed by UNWTO, comprising a 25% reduction in total CO₂ emissions by 2020 and a 50% reduction by 2035. While these targets are in line with the levels of reduction required by the Paris Agreement, they have not yet been reinforced. Nonetheless, a landmark agreement to mitigate emissions was reached in 2016, when delegates at a meeting of the International Civil Aviation Organization (ICAO) agreed upon a global market-based measure (GMBM) to reduce carbon dioxide emissions from international aviation.

The WTTC claims that the next 20 years will be characterized by the tourism sector fully integrating climate change and related issues into business strategies. In particular, addressing transport emissions will be fundamental for achieving the 2030 Agenda for Sustainable Development.

A number of initiatives have already been taken by the tourism sector, governments and environmental bodies to encourage reduced emissions. However, these approaches, like the sector itself, are fragmented. There is a strong case for a more wide-ranging, coordinated sector-wide response involving agreement on systematic monitoring, targets and routes for achieving these goals. This may become inevitable in the light of the enhanced transparency framework entailed within the Paris Agreement, with more rigid requirements for industry and business reporting.

Innovative initiatives are being pioneered in a number of destinations, such as Montenegro, where the Carbon Neutral Tourism Project adopts a comprehensive approach to minimizing GHG emissions from Montenegro’s tourism sector. It does so by promoting the adoption of low-carbon policies and regulation, establishing sustainable financing mechanisms, and supporting the design and implementation of flagship investment in low-carbon tourism infrastructure. Mexico has taken the initiative to monitor climate change’s effect on its tourism sector, as demonstrated by the case study below on Mexico’s Climate Change Vulnerability Studies.

### Case study 15  Climate Change Vulnerability Studies, Mexico

Mexico’s Climate Change Vulnerability studies consist of assessments that gauge vulnerability to climate change in 20 of the country’s leading tourism destinations. As climate gains pace, wide-ranging shifts in climate variability are anticipated, including increases in extreme weather events and associated likely impacts on economic activities like tourism. To address these challenges, adaptation programmes for 20 priority tourism destinations have been developed, as well as vulnerability and risk maps with geographic information and the analysis of Early Warning Systems for each destination. The adaptation programmes guide decision-making regarding the most effective measures to strengthen these destinations and to improve the safety and security of local populations.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

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35 World Travel & Tourism Council (2015b).
36 World Tourism Organization (2017g).
37 World Tourism Organization (2017d).
A number of approaches can be used to reduce emissions and net contributions to climate change – approaches that present particular opportunities for certain sub-sectors, such as aviation. These approaches include, among others:

- Emissions trading schemes;
- Using new and improved technologies;
- Improvements in operational efficiency; and
- Using offsetting schemes.

The *Green Economy Report* contains a model showcasing emissions reductions while retaining levels of growth in tourism receipts. Its key elements may be considered useful priorities for action to mitigate the effects of climate change through tourism. Specifically:

- Decreasing the average length of journeys;
- Reducing trip frequency;
- Increasing the length of stay; and
- Encouraging shifts in modes of transport.

These have implications for market prioritization by destinations, including greater emphasis on near-region and domestic markets. Clearly, the potential impact of such an approach on the overall functioning of the global tourism economy, specific sub-sectors within it, and different types of recipient destinations, would need to be considered very carefully. As *Transforming Tourism: Tourism in the 2030 Agenda* notes, “There is scientific agreement that only a combination of technological and operational improvements, together with much needed behaviour change, could reduce tourism emissions sufficiently.”

Whatever the outcome of mitigation, climate change will have increasingly serious consequences for tourism destinations in many parts of the world, especially in coastal areas. Damage from rising sea levels, desertification, extreme weather conditions, water shortages and more specific impacts on aspects of the visitor experience – such as from coral bleaching – is already occurring. As climate change gains pace, these impacts will become more pronounced. In all scenarios, climate change may reduce the Pacific region’s tourism revenue by 27% to 34%. In line with the *Paris Agreement*, priorities for action in order to adapt to climate change include:

- Climate risk management through adaptation, based on a strengthened and coordinated approach across areas and sectors;
- Improving awareness of the threats and opportunities of climate change, so as to enhance the measurement and monitoring of environmental changes as they relate to tourism; and
- Using this strengthened understanding to build practical adaptation measures into future tourism strategies and physical master plans – with implications for product development, operations, activities and markets –, as well as to publicize and share good practices.

For example, myclimate offers carbon offsetting programmes and tools for climate protection. For more information, please see: [www.myclimate.org](http://www.myclimate.org).


Case study 16  Enhancing the climate resilience of tourism-reliant communities, Samoa

The project illustrates the benefits of mainstreaming climate risks into tourism-related policy processes and adaptation actions at the national and local levels – moves that bolster the resilience of local communities, the tourism sector and the overall economy. The project has supported the formulation of integrated, climate-sensitive Management Plans in five Tourism Development Areas, involving 20 villages in Samoa. Local tourism operators have applied technical guidelines for climate resilient actions, gained financing for these actions, and been introduced to risk reduction activities. Over 80% of the target communities have adopted climate resilient livelihoods by taking long-term measures to address climate change risks.

Note:  For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

3.3  Recommendations

Holistically, an international standard of measurement and reporting sustainable contributions and environmental impacts is the best way to track progress and hold nations, businesses and individuals to account for their actions. In an ideal situation, travellers will be able to incorporate this knowledge in their travel decisions – including on trip price, distance and length of stay, environmental impact, social impact, carbon footprint and the tourism-related attractiveness of a destination. Governments, businesses and individuals are encouraged to take the following steps, among others, to enhance resource efficiency, environmental protection and mitigate climate change in relation to the tourism sector:

Governments
   – Establish and enforce policies on:
     – Net carbon zero programmes for all tourism resorts, tours, cruise liners and destinations, with goals to utilize 100% renewable energy;
     – Fresh water resource protection initiatives, including the use of rainwater collection systems, policies to not deplete aquifers, the use of water conservation devices in all tourism facilities, and programmes that promote the use of reclaimed water for irrigation and other needs, where applicable;
     – The protection of forests, coastal habitats and open spaces. In the case of some tourism projects, development should be limited to no more than 10% of the land area;
     – Sustainable transport strategies to lower the carbon intensity of transport; and
     – Education for the community and tourists to guard against the loss of biodiversity.
   – Eliminate trade barriers for environmental goods and services in order to provide better access to these goods and services, and enable issues such as energy efficiency, water supply and waste management to be better handled;
   – Partner with ICAO and agree to the global market-based measure plan to reduce carbon emissions in international aviation through the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA);44

44 For more information, please see: www.youtube.com/watch?v=OUhLxMhc8w&feature=youtu.be.
- Ensure responsible resource management, which addresses the negative impacts of over-tourism and respects environmental and cultural carrying capacities;
- Abolish subsidies with detrimental effects on the climate, as these can lead to market distortions that encourage harmful tourism practices at the expense of more sustainable travel options; and
- Foster investment in infrastructure and technology that helps to improve resource efficiency, mitigate climate change and decouple economic growth from resource use and environmental degradation.

**Businesses**
- Be an industry leader and put plans into practice to reduce the net consumption of resources, such as water and energy, as well as net greenhouse gas emissions and volumes of waste;
- Measure and monitor the business’ carbon footprint and establish continuous, long-term management of sustainability performance according to stringent reduction targets; 
- Educate employees on how they can protect the environment and the business through ongoing resource management practices;
- Use organic cleaning materials without toxic chemicals; and
- Set examples of responsible behaviour and sustainable production patterns so as to introduce these to travellers and encourage them to demand and follow such patterns when they return home.

**Individuals and civil society**
- Ignite a chain reaction for sustainable development by requesting sustainably sourced and produced tourism products and services at the destination, thereby encouraging tourism businesses to meet this demand;
- Increase the length of stay to maximize the carbon footprint of air travel;
- Form sustainable eating habits and diets, both at home and when travelling, to help the tourism sector address the issue of food waste;
- Adopt and embrace the 4 Rs: refuse, reduce, reuse and recycle; and
- Mitigate individual environmental impacts by reducing water and energy consumption and by being a guardian of natural resources, respecting forests, wetlands, wildlife and their natural habitats.

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Chapter 4

Pillar 4: Cultural values, diversity and heritage

Links between tourism, pillar 4 and the SDGs

Target 11.4 calls for strengthened efforts to protect and safeguard the world’s cultural and natural heritage.

SDG 8 and SDG 12 explicitly mention culture in relation to tourism, referring to the need to promote and monitor “sustainable tourism that creates jobs and promotes local culture and products” (Target 12.b).

Abstract

The global wealth of cultural heritage – both tangible and intangible – is one of the principal motivations for travel. Tourism is based on cultural interaction, which prompts dialogue and can lead to mutual understanding. The myriad links between tourism and culture can contribute to inclusive, sustainable development. Tourism presents notable opportunities for safeguarding the world’s rich cultural heritage, while culture offers innovative means of gaining socio-economic benefits through tourism. This section reflects on tourism’s current role in preserving and promoting culture, and considers how to augment this contribution – including through championing cultural tourism; safeguarding tangible heritage; and supporting intangible, living culture and the creative industries.

Keywords:

– Cultural tourism
– Cultural preservation
– World Heritage Sites
– Contemporary culture
– Creative industries

Key concepts:

– Culture is a leading driver of tourism, but it must be managed appropriately to avoid risks of physical destruction, misrepresentation or compromised integrity.
– Tourism can support revitalization initiatives to restore culturally significant buildings and traditions.
– The carrying capacity of cultural sites and destinations needs to be monitored to ensure that they are safeguarded.
– The growing popularity of food tourism offers travellers valuable opportunities to experience culture through local cuisine, which can lead to cultural appreciation and economic benefits across the value chain.
– The creative industries showcase contemporary culture and play an important role in revitalizing the creative arts, historic buildings and entire neighbourhoods.

1 World Tourism Organization (2012e).
4.1 Understanding the context: Tourism and culture

4.1.1 Defining culture and its relation to sustainable development

To best discuss the relationship between tourism and culture, as well as its wider implications for the sustainable development agenda, it is useful to begin by defining key concepts in this field.

- Cultural heritage is defined by UNESCO as “the legacy of physical artefacts and intangible attributes of a group or society that are inherited from past generations, maintained in the present and bestowed for the benefit of future generations.” This heritage encompasses:
  - Tangible cultural heritage – physical representations of culture, including non-moveable, moveable and underwater sites, buildings, monuments, landscapes, works of art and other objects that are considered worthy of preservation for the future. These include objects significant to the archaeology, architecture, science or technology of a specific culture; and
  - Intangible cultural heritage – practices, expressions, knowledge and skills, that are transmitted through generations and constantly recreated, providing humanity with a sense of identity and continuity, alongside associated objects and cultural spaces.

- Manifestations of intangible heritage include handicrafts and the visual arts; social practices, rituals and festive events; music and the performing arts; oral traditions and expressions, knowledge and practices; gastronomy and culinary practices.

- Contemporary culture and the creative industries are defined as creative expressions, processes and outputs through music, theatre, the visual arts, design, fashion, architecture and other creative activities.

Like tourism, culture has been repeatedly highlighted as a key contributor to sustainable development. In 2013, the UN Resolution on Culture and Sustainable Development (68/233) acknowledged the contribution of culture to inclusive economic development. In the same year, the Hangzhou Declaration on Placing Culture at the Heart of Sustainable Development Policies reaffirmed that culture should be considered a fundamental enabler of sustainability. It lauded culture as a wellspring of meaning, energy, creativity and innovation, as well as a resource to address development challenges and find appropriate solutions. In 2014, the Florence Declaration on Culture, Creativity and Sustainable Development called upon governments, civil society and the private sector to take action through global partnerships to promote creative environments, processes and products. In addressing sustainable development, building on a destination’s culture has proven to have a positive economic, social and environmental effect.

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3 Ibid.


5 O’Connor, J. (2010), The cultural and creative industries: A literature review (2nd ed.), Creativity Culture and Education, Newcastle upon Tyne.
4.1.2 The dynamics between culture and tourism

Cultural diversity has become a major catalyst for tourism, as travellers increasingly seek out new cultural experiences. Culture and heritage allow the tourism sector to create distinctive destinations and strengthen visitor experiences. It is estimated that 40% of international arrivals are cultural tourists, i.e. travellers who participate in a cultural visit or activity as part of their stay. Tourists for whom a specific, predetermined cultural activity or experience is the primary motivation for their trip form a smaller percentage of arrivals, yet they still represent a major economic force. The same survey suggests that cultural tourism arrivals are growing steadily compared to overall international arrivals.

Tourism generates substantial economic returns from investments made to safeguard cultural heritage, which can, in turn, be used to support conservation, local employment and prosperity. A 2011 UNWTO study found that tourism offers a powerful incentive for preserving and enhancing intangible cultural heritage, since the revenue it generates can be channelled back into initiatives to aid its long-term survival. In fact, potential tourism growth is often one of the main reasons that countries nominate their cultural and natural sites as part of the UNESCO World Heritage list. The end benefit is not merely economic – intercultural dialogue lies at the heart of cultural tourism, entailing wider experiential and educational benefits for both visitors and communities.

However, unless it is well managed, tourism may threaten cultural integrity through physical pressure, damage to sites and the inappropriate commodification of cultural values. It can also lead to a lack of ownership by local communities towards their heritage; or alternatively, to protests and anger against what locals see as an invasion by tourists changing the rhythm of their daily lives and lived experience. Together with global media, the tourism sector can impact local communities’ values and sense of identity. Yet, sustainable tourism is well-placed to further the culture sector’s pivotal role in sustainable development. This is specifically addressed by the Siem Reap Declaration on Tourism and Culture – Building a New Partnership Model (2015) and Muscat Declaration on Tourism and Culture – Fostering Sustainable Development (2017), which set out a range of priorities and opportunities for action in the broad field of cultural tourism.

4.2 Key areas for action

To bolster the relationship between tourism and the world’s cultural values, heritage and diversity – with a view to generating more inclusive, sustainable development – action is required on the following key areas:
- Championing ‘cultural tourism’ as a tool for sustainable development;
- Safeguarding and promoting cultural heritage – both tangible and intangible; and
- Gaining value from contemporary culture and the creative industries.

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4.2.1 Championing cultural tourism as a tool for sustainable development

Cultural tourism is a type of tourism activity in which the visitor’s essential motivation is to learn, discover, experience and consume the tangible and intangible cultural attractions and products in a tourism destination. Its importance is increasingly reflected in the sheer size of this sub-sector, as well as its rapid growth. Tourists’ burgeoning interest in cultural experiences is reflected in the content and marketing of tourism products. In addition to its size and growth, cultural tourism has other advantages, including:

- Its potential to increase visitors’ length of stay in destinations;¹¹
- Its ability to attract ‘higher-spending’ visitors – for instance, one study found that cultural tourists spend over 80% more on average per day than the average international tourist;¹²
- The opportunities it offers to diversify a destination’s tourism offer, to bring tourism to new locations, and to expand the tourist season – for example through the timing of events;
- Its potential for generating resources for conservation and encouraging local communities to value their heritage and support its management;
- Its capacity to nurture a sense of pride and cultural identity, within communities and among destinations, thereby helping to keep local traditions and events alive;
- Its role in restoring neglected or dilapidated historic buildings, bringing them back into productive use as hotels, restaurants, museums and visitor centres, etc.; and
- Its hand in increasing the use of local facilities and services, thus aiding their viability, particularly in smaller towns and villages.

Case study 17 Sundarbans Impact Zone, Bangladesh

The Cultural Ecotourism Project in the Sundarbans Impact Zone is an example of a sustainable ecotourism initiative that enhances respect for local culture, ecology, local communities and their well-being in Bangladesh’s Sundarbans mangrove forest region. The initiative established cultural ecotourism sites in villages neighbouring the forest, developing a cultural ecotourism model which is unique in the country. These ecotourism sites have benefitted the area economically, through the creation of livelihood opportunities; culturally, by safeguarding and championing local cultural heritage; environmentally, by reducing community dependence on forest resources, thus conserving natural resources and ecosystems; and socially, by improving lives and fostering cohesion among communities.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

⁹ This definition by UNWTO was adopted by the 22nd UNWTO General Assembly in 2017.
At the international level, UNWTO and UNESCO have led the way in creating a partnership to champion cultural tourism worldwide. Their collaboration has hinged on information sharing, capacity building, joint communications and a range of actions, most notably through the UNESCO World Heritage Sustainable Tourism Programme. While culture and heritage are often regarded as being unquantifiable and relative, tourism can provide a means to testify to the importance of culture.

Outside of major cities and World Heritage sites, the role of cultural tourism is less often understood, remaining under-resourced and under-valued. In this context, cultural routes such as the Silk Road initiative serve as a tool to develop and link less well-known sites, while easing the burden on heavily visited sites by spreading visitation.

In order to further strengthen the synergies between tourism and culture in the context of sustainable development, priorities for action include:

- More closely integrating cultural and tourism policies and planning at all levels – within communities, provinces, countries, regions and globally;
- Further quantification and case studies on sustainable development outcomes from cultural tourism, including through enhanced collaboration with academic institutions, civil society and the media;
- Creating and expanding collaborative structures, networks and programmes which link tourism and culture at the local, national, regional and international levels;
- Increasing knowledge-sharing and data exchange between the cultural and tourism sectors at the local, national, regional and international levels; and
- Strengthening private sector engagement – as well as engagement by conservation bodies, academia, civil society and local communities – in policy formation and implementation with respect to tourism and culture.

### 4.2.2 Safeguarding and promoting cultural heritage

Tangible and intangible cultural heritage assets can be subject to a wide range of threats, including from tourism. As explained in a 2009 UNESCO report, 13

“In the process of standardizing, modifying and commodifying cultural assets for use in cultural tourism there is a serious risk of loss of authenticity. The problem is that too often the ‘packaging and presentation’ of heritage is carried out by the tourism industry for the benefit of its members and not by those responsible for the safeguarding of cultural heritage. As a result, both the physical fabric of a heritage property and its intangible aspects are trivialized and compromised.”


Alongside the issue of a loss of authenticity, growing numbers of tourists have contributed to exceeding carrying capacity at many cultural heritage sites. This results in site deterioration, inadequate

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tourism interpretation, and unsatisfied visitors and local communities.\textsuperscript{14} This is the case of historic destinations such as Barcelona, Spain, and Venice, Italy, both of which are currently grappling with the consequences of immense tourism growth, particularly in the form of cruise tourism.\textsuperscript{15}

Therefore, it is essential to preserve authenticity and integrity in the way cultural heritage assets are managed, presented and promoted. Strategies for safeguarding and promoting cultural heritage ought to be complementary. At the same time, many destinations regard improved products and marketing as a priority so as to gain greater benefits from cultural tourism.\textsuperscript{16} Sensitive marketing and promotion is important for attracting interest in culture and heritage; managing visitor numbers; raising awareness and support for conservation; and, thereby, securing sustainable development outcomes. Furthermore, the main beneficiaries of cultural tourism attractions and experiences should be, in equal measure, host communities and the travellers.

Engaging and empowering host communities – including minorities and indigenous people – is also essential. Their rights, aspirations and concerns about the management and use of their cultural heritage must be understood, respected and reflected from the very beginning of any tourism venture, particularly those concerning children and other vulnerable groups. The \textit{Larrakia Declaration on the Development of Indigenous Tourism} (2012) includes important principles on appropriate interpretation, the extent and nature of participation in tourism, intellectual property rights and equitable partnerships, among other key concerns.

### Case study 18

**Art, Culture and Tourism Centres, Lanzarote, Spain**

Lanzarote’s network of Art, Culture and Tourism Centres (CACTS) encompasses nine tourism attractions integrated with the surrounding natural environment. The Centres raise awareness and promote sustainability through artistic interventions, in line with a vision of art and nature co-existing in perfect harmony. CACTS generate direct profits for Lanzarote’s society, preserve natural and cultural heritage, and raise awareness among locals on issues related to nature, the environment and sustainability.

Note: For more information, please find the full description of the case study in \textit{Tourism for Development – Volume II: Good Practices}.

Formal recognition of cultural heritage sites and assets at the national or international levels, coupled with adequate protection strategies, are core requirements for preservation. Successful examples of the recovery of cultural heritage for tourism purposes are evident in a range of destinations. In Spain, for example, the revitalization of the \textit{Caminito del Rey} trail as a tourist


resource and the transformation of historical building and monuments into hotels of the Paradores chain have strengthened the conservation and management of Spain’s cultural and historical heritage.\(^\text{17}\) To ensure that heritage protection is taken into account from the outset of tourism planning, an initial assessment is required of a site’s carrying capacity and its tourism potential. These characteristics must be determined through close collaboration between tourism and cultural authorities. A wide range of knowledge is available on visitor management at cultural heritage sites, which is becoming steadily more sophisticated through the use of ICTs.

Various studies highlight priorities for actions, with a view towards ensuring that tourism management at cultural heritage sites supports protection and sustainable development.\(^\text{18}\) These include:

- Preparing and implementing effective management plans for heritage sites and adjacent areas. This is especially important for highly popular and iconic sites that are under severe and increasing pressure from the visiting public. Improved distribution of demand over space and time, including the promotion of alternative opportunities, is to be encouraged. It may be necessary to place limits on site visitation numbers, in line with periodic capacity assessments. This is vital not only for the sites themselves, but also for the well-being of local communities and the overall quality of the visitor experience. Successful initiatives on controlled access include Spain’s Altamira Cave in Cantabria and the Alhambra in Granada\(^\text{19}\);
- Ensuring the availability of financial and human resources to meet the requirements of heritage site designation, while effectively implementing management plans;
- Strengthening the links between heritage sites, local communities and tourism businesses in the area. For instance, training locals to act as rangers and guides; improving the quality and availability of goods and services for purchase; reflecting intangible heritage values, as appropriate; and improving local awareness and knowledge of the site\(^\text{20}\), including via the provision of information and physical linkages. It is important to ensure that local communities receive socio-economic benefits from the tourism operation;
- Improving interpretation, based on the range of good practice guides and material which are currently available\(^\text{21}\);
- Dedicating a greater proportion of the resources generated by tourism towards site conservation and management. This can be achieved, for example, through the use of admission fees, voluntary donations by visitors and support from tourism businesses; and
- Linking sites and associated intangible heritage through the creation and promotion of cultural heritage routes. These may run within or between different countries and can be connected as themed trails.

\(^{17}\) For more information please see: www.caminodelrey.info and www.parador.es.


\(^{19}\) For more information, please see: www.mecd.gob.es/mnaltamira/home.html?jsessionid=6BC779B5D3EBB9D9C2B45197814B5D4A2 and www.alhambra-patronato.es/index.php/Compra-de-Entradas.

\(^{20}\) One strong example is the Petra National Trust’s Education Outreach and Awareness Programme, which raises awareness among children and youth about the cultural and natural values of the Petra Archaeological Park. For more information, please see: www.petranationaltrust.org.

Box 4.1  
Linking tourism, culture and sustainable development via the Silk Road initiative

The UNWTO Silk Road Programme is a strong example of both preserving and promoting cultural heritage through tourism. Developed jointly by UNWTO and UNESCO, the collaborative initiative is designed to enhance sustainable tourism development along the route of the historic Silk Road. With its diverse cultural heritage and its wealth of natural tourism attractions spanning 12,000 km, the Silk Road offers visitors the opportunity to experience a unique network of destinations, replete with a range of distinct cultural assets. The initiative aims to maximize the benefits of tourism development for local communities along the route, while stimulating investment and promoting the conservation of the Road’s natural and cultural heritage. Crucially, it promotes greater cooperation between Silk Road countries and regions, creating new business opportunities while working towards a more seamless Silk Road travel experience.


4.2.3  Gaining value from contemporary culture and the creative industries

New opportunities for sustainable development based on cultural tourism are increasingly focusing on intangible cultural heritage and creative activities. These offer especially flexible opportunities in many destinations, reflecting supply side considerations and new market trends. For instance, as creative industries and intangible heritage are based on people and their creative skills, they are often more flexible and less expensive to develop than built heritage resources, particularly in areas without significant tangible heritage sites. Contemporary culture also appeals to many different market segments, including youth and those without a concerted interest in traditional cultural tourism.

The creative industries have grown at a faster pace than the global economy as a whole, with trade in creative goods increasing by 8.6% per annum between 2003 and 2012. Tourism can augment this performance locally by exposing destinations to new or expanded markets. In tandem, creative cultural activities can enrich tourism, enhancing its appeal to a wider range of visitors of all ages. Recently, significant attention has been paid to the role of contemporary culture in urban regeneration and renewal linked to tourism. This includes the role of the arts in reviving run-down former industrial areas, making them vibrant sites both to visit, to live in, and in which to set-up new enterprises.

Creativity can be manifested in end products – such as music, cinema, gastronomy or art installations – but it can also be applied to all parts of the tourism value chain and services for visitors. Several destinations are spearheading innovative approaches by inviting tourists

25 This was a particular theme in the UNWTO/UNESCO World Conference on Tourism and Culture in 2015, and formed part of the resulting Siem Reap Declaration.
to participate in co-creating their own cultural experiences with their hosts.\(^{26}\) For example, the Creative France programme offers visitors the chance to take part in workshops run by locals on handicrafts, gastronomy, fashion, perfume-making and cosmetics.\(^{27}\) Destinations are seeking to reflect contemporary culture and demonstrate greater creativity both in the products they present, and in the processes they use to market these products, most notably via digital technology.\(^{28}\)

A number of priorities for action can be identified\(^{29}\) for strengthening sustainable development outcomes through such approaches to cultural tourism, including:

- Engaging local communities – as the guardians of intangible cultural heritage – in the planning and management of cultural tourism;\(^{30}\)
- Encouraging tourism businesses to make appropriate use of intangible heritage, such as traditional music or language;
- Supporting content development in creative visitor experiences;
- Strengthening the link between creative activities (e.g., contemporary arts) and a destination’s identity, making these activities more place-specific and possibly linking back to the destination’s intangible cultural heritage;
- Building knowledge and capacity within local communities and tourism businesses, including their awareness of local cultural activities; and
- Strengthening networks and clusters of products and suppliers.

Food tourism presents a particularly strong, wide-reaching opportunity for reflecting intangible cultural heritage alongside contemporary creativity. This is the impetus behind the UNWTO’s Gastronomy Network, a collaborative stakeholder platform that seeks to position gastronomy as a key element in sustainable tourism development.\(^{31}\) Food tourism also has exceptional economic significance, with food estimated to account for approximately one-third of total tourism spending, while fuelling other sectors of the local economy, such as agriculture.\(^{32}\) The Corazón de Guanajuato (Heart of Guanajuato) project in Mexico is a telling example of how the tourism sector can benefit the livelihoods of local artisans and producers, while preserving Guanajuato’s traditional gastronomy, through the creation of a market for local production.\(^{33}\)

Notable priorities through which to promote food tourism, strengthen the gastronomic aspect of the visitor experience, and secure greater benefits for the tourism value chain, include:

- Developing diversified products (e.g., speciality restaurants, visits to food producers, food trails, etc.);
- Promoting iconic local products, reflected in the destination brand;


\(^{30}\) For more information, please see: World Tourism Organization (2012d), Tourism and Intangible Cultural Heritage, UNWTO, Madrid.


\(^{33}\) For more information, please see: www.guanajuato.mx/gtomx.
– Improving the availability and accessibility of supplies from local farmers and producers; and
– Improving training in culinary skills.

4.3 Recommendations

Tourism is a major vehicle for sharing cultural values, celebrating diversity and experiencing the world’s diverse cultural heritage. These aspects are interconnected in every destination and community. Thus, it will take interconnected action by all stakeholders to promote cultural values, diversity and heritage through tourism. To this end, stakeholders are encouraged to implement the following recommendations.

Governments
– Create and expand collaborative networks and programmes which link tourism and culture at the local, national, regional and international levels;
– Encourage inter-ministerial and cross-ministerial approaches, and improve partnerships between tourism and culture stakeholders within governments at the national and local levels;
– Enable regular dialogue and exchange between government authorities, civil society and local communities in order to guarantee their access to land and resources;
– Control the growth rate of visitors to treasured cultural monuments and attractions in order to cultivate respect for local culture, history and heritage;
– Create incentives (e.g., tax credits, discounts in construction permit fees, etc.) for businesses to restore neglected or dilapidated historic buildings and bring them back into productive use as hotels, restaurants, museums, visitor centres, etc.; and
– Partner with private enterprises to enhance cultural preservation efforts.

Businesses
– Consult and engage stakeholders along the entire supply chain, including the community, providers and tourists;
– Measure the rate of tourism revenue that is channelled back into investment for cultural conservation; and
– Partner with public ministries to enhance cultural preservation efforts.

Individuals and civil society
– Get involved with the development plan of one’s own local community;
– Inquire about governmental and sector tourism plans and provide feedback to make these more responsive to real needs on the ground; and
– Purchase locally-produced handicrafts, patronize locally-owned restaurants and hire local guides when travelling.
Chapter 5

Pillar 5: Mutual understanding, peace and security

Abstract

There is a natural link between tourism and peace. On the one hand, the very existence of tourism depends on peace and security. On the other, the transformative power of tourism – grounded in billions of encounters that occur every day – paves the way towards dialogue, mutual understanding and tolerance, the cornerstones of a culture of peace. Beyond this, a sustainable, well-managed tourism sector contributes to the building blocks of peace – the attitudes, institutions and structures upon which peaceful societies are built, alongside economic development, democratization, social justice, education and reconciliation. This section explores the current and potential relationship between tourism and peace, highlighting the key issues of a ‘culture of peace’ and global citizenship; peace and reconciliation; and safety and security.

Keywords:
- Intercultural understanding
- Global citizenship
- Culture of peace
- Reconciliation and resilience
- Post-conflict partnership
- Safety and security

Key concepts:
- While tourism alone cannot bring about peace, the sector can contribute to peace and reconciliation efforts, provided that tourism development is embedded in on-going peace efforts.
- Tourism provides an opportunity to connect with different cultures, which in turn can encourage mutual understanding between hosts and travellers, and lend itself to fostering peace.
- Ensuring the safety and security of both visitors and locals is essential for peaceful societies in general, and for a thriving, sustainable tourism sector in particular.

SDG 16 specifically calls for the promotion of peace, including targets concerned with individual freedoms, participatory decision-making and the strengthening of relevant institutions.

Links between tourism, pillar 5 and the SDGs

References:

2 World Tourism Organization (2016g).
3 World Travel & Tourism Council (2016).
5.1 Understanding the context: tourism and peace

Interest in the intricate relationship between tourism and peace is on the rise among academics and international organizations. With the *Manila Declaration on World Tourism* (1980), peace was explicitly recognized as a necessary pre-condition for tourism. Now, tourism’s potential to *promote* peace is increasingly attracting attention. It has been the subject of notable recent publications and prominent international gatherings and debates, from the 1967 *UN International Year of Tourism – Passport for Peace* to the 2016 *UNWTO Conference on Tourism: A Catalyst for Development, Peace and Reconciliation*. While these discussions represent an important step forward, more knowledge is required to truly appreciate and advance the links between tourism and peace.

Recent research reveals promising evidence of these links. Clearly, tourism alone cannot bring about peace. However, tourism’s transformative power to change attitudes and build cultural understanding – both central elements of lasting peace – has been repeatedly underlined. Its role in advancing peace has also been linked to its contribution to economic growth, poverty alleviation, cultural preservation and environmental conservation. A 2016 study on the correlation between tourism development and levels of peace in a country, based upon specially prepared indexes, found that:

- “A sustainable and open tourism sector brings about higher levels of positive peace: namely the attitudes and structures that create and sustain peaceful societies”;
- The state of tourism is a good predictor of peace. “Countries that have more open and sustainable tourism sectors are more likely to enjoy higher levels of positive peace in the future”;
- Countries with less violence and lower levels of conflict are more likely to have sustainable tourism sectors;
- In countries that are generally not afflicted by conflict, tourism is resilient to short-term violence and even terrorist attacks targeted at tourists, although tourism is highly affected in countries suffering from protracted conflicts; and
- As a sector, tourism can recover quickly after conflicts cease.

These findings suggest a strong, positive correlation between tourism and peace. If this correlation is adequately harnessed, it stands to benefit communities, nations and tourism stakeholders across the world. However, if citizens are excluded from planning decisions in favour of solely prioritizing the interests of large- and medium-sized companies, tourism can instead lead to discord.

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4 World Tourism Organization (1980).
6 World Tourism Organization (2016g).
7 World Travel & Tourism Council (2016).
8 Ibid.
5.2 Key areas for action

In order to strengthen tourism’s ability to contribute to mutual understanding, peace and security, the following key areas require particular attention:

– Fostering a culture of peace and global citizenship through tourism;
– Harnessing tourism as an agent for peace and reconciliation; and
– Promoting safety and security across the tourism sector.

5.2.1 Creating a culture of peace and global citizenship

The concept of a culture of peace, as defined by UNESCO, refers to “a set of values, attitudes, modes of behaviour and ways of life that reject violence and prevent conflicts by tackling their root causes.” It is also linked to solving problems through dialogue and negotiation among individuals, groups and nations.9 In essence, creating a culture of peace is necessary for improving the chances of long-term harmonious co-existence between peoples and cultures.

Arguably, tourism can contribute to building a culture of peace, particularly through interaction between hosts and guests, which lies at the heart of the tourism and peace discussion. Nevertheless, these encounters cannot automatically be said to lead to better cultural understanding or greater tolerance – both of which are essential for peaceful societies. Fostering understanding and, by extension, peace, requires stakeholders to actively pursue peace-sensitive tourism, defined as sustainable, responsible, ethical and inclusive tourism that takes into account local conditions and involves local communities in all decision-making processes.10 In order to make tourism peace-sensitive, it is necessary to pursue a number of priorities for action:

– Making certain that experiences of other cultures, including host-guest encounters – which may be spontaneous or pre-arranged – involve significant levels of interaction, engagement in joint activities and accurate interpretation;
– Arranging visits to sites related to conflict or peace. Examples include battlefield sites, war cemeteries and memorials. These visits may be by individuals or groups with a special concern about war and peace, or by those with a passing interest. The quality and sensitivity of interpretation at such sites is critical;
– Facilitating cross-border tourism experiences, for instance, thematic historical routes11 of organized events and exchanges. The latter could potentially be located in areas that have recently experienced conflict;
– Promoting religious, spiritual and faith-based tourism. The significant volume of visits made each year to religious and spiritual sites12, for example, to attend festivals and engage in pilgrimages, can provide opportunities for inter-faith dialogue and understanding. Several

recent conferences and declarations have outlined a policy framework for addressing the social and cultural impacts of religious tourism, including its implications for peace\textsuperscript{13};

- Supporting exchange visits by groups of all kinds. These can be especially valuable in generating deeper levels of understanding between people. Youth exchange programmes can also influence attitudes at an early age and engender a life-long commitment to peace;
- Pursuing responsible volunteer tourism or ‘voluntourism’ programmes. When managed responsibly, these create benefits for both volunteers and host communities through the exchange of skills, cultural traditions, dialogue and points of view. Measures should be put in place to guard against possible negative implications of volunteering, particularly when dealing with vulnerable children and wildlife;
- Integrating training and information on tourism to form part of school curricula. Implementing tourism education provides a foundational opportunity for strengthening peace\textsuperscript{14}; and
- Engaging host communities and tourists in the process of building mutual understanding. The travel experience can mutually strengthen self-esteem and cultural identity of both travellers and hosts, which is of vital importance to a culture of peace.\textsuperscript{15}

If tourism encounters provide memorable and meaningful experiences, preferably with an educational component, tourism can help to develop a sense of ‘global citizenship’.\textsuperscript{16} This involves individuals reflecting on how they relate to others and embracing diversity – particularly in cultural contexts – which, in turn, promotes exchange and the reaffirmation of global values.

**Global citizens** are individuals characterized by a sense of belonging to the global community. While the term allows for different interpretations, global citizens are considered to be individuals who take responsibility for, and think critically about, global issues. They recognize the existence of universal values and have a distinct respect for cultural pluralism. Tourism, as a driver of cross cultural-exchange, is the ideal platform for applying these principles. Initiatives such as the Peace Boat offer a neutral space that enables people to engage in dialogue and mutual cooperation across borders – working together to promote peace, conflict resolution and disaster resilience, among other issues.\textsuperscript{17}

Global citizens are willing to share their own identity and culture, while seeking out first-hand knowledge about the culture and identity of the destinations and communities they encounter – i.e. the other – through personal encounters. By exploring their own world – and the world of the other – through tourism, global citizens are able to analyse issues in a local context and extrapolate these to the global level. This promotes experiential learning, personal enrichment, cultural reciprocity and an understanding of global issues that ostensibly favours peaceful co-existence. Thus, global citizens are among the main actors who enable dialogue between cultures, making human rights the common ground for advancing understanding between different cultures and societies. Since the concept of global citizenship is based on rights, responsibilities and

\textsuperscript{13} Including conferences supported by UNWTO in Cordoba, Eliche and Santiago de Compostella, Spain; Ninh Binh, Viet Nam; Bethlehem, Palestine; Maghdouche, Lebanon; and Utrecht, The Netherlands.

\textsuperscript{14} World Tourism Organization (1980).

\textsuperscript{15} Tourism as a force for peace, human rights and mutual understanding is also a fundamental axis of the UNWTO Global Code of Ethics for Tourism, with Article 1 of the Code addressing “the understanding and promotion of the ethical values common to humanity, with an attitude of tolerance and respect for the diversity of religious, philosophical and moral beliefs.”


\textsuperscript{17} For more information, please see: http://peaceboat.org.
actions, it can help to create reciprocal linkages for seeking solutions to global challenges. This is particularly true in terms of social justice issues – making global citizens’ key allies in supporting peaceful destinations. Hostelling International USA’s case study is a strong example of how to encourage cultural exchange through educational programmes grounded in travel and tourism.

### Case study 19  Hostelling International, United States of America

Hostelling International (HI) promotes intercultural understanding and global citizenship through strategically designed experiential learning programmes for travellers and community members. HI USA’s New York Hostel offered programmes to 30,000 individuals over one year, which played a key role in promoting socially responsible tourism that enhances interaction and understanding among people of diverse backgrounds. Community-led discussions, events and service opportunities – involving both tourists and community members – strengthened cultural competence and created engaging tourism experiences.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

To strengthen tourism’s role in driving a culture of peace and global citizenship, further priorities for action include:

- Ensuring that all stakeholders involved in peace-sensitive tourism are aware of its potential;
- Designing and developing frameworks that proactively enable tourism’s peace-building role;
- Developing long-term partnerships between stakeholders, based on clearly articulated common ideals and goals; and
- Encouraging educational institutions – particularly those which educate tourism professionals – to promote the values upon which global citizenship is grounded, including the universality of human rights and respect for diversity and social justice.

### 5.2.2 Using tourism development as an agent for peace and reconciliation

Tourism development can be especially relevant in post-conflict situations, playing a role in rebuilding the economy, assisting in reconciliation and helping to secure long-lasting peace. Given that tourism tends to recover quickly after crises and often does not require new investment, it has considerable potential to reinvigorate economic activity. In 2017, the strong resilience of tourism was reflected in the rapid recovery of international arrival numbers in countries such as Egypt, Tunisia and Palestine – all of which had suffered declines in visitor numbers in previous years.


Nonetheless, tourism’s role in post-conflict contexts should be managed responsibly. For instance, rapid, poorly managed development may fuel still latent conflicts. Governments may be tempted to promote tourism before initiating a process of reconciliation and recovery. Ecological and social standards may be ignored, and the rights of local people violated.

Post-crisis management strategies can assist destinations to recover expeditiously after a conflict, underscored by sustainable tourism development, and the sensitive marketing or promotion of the destination. Furthermore, the processes involved in sustainable tourism development – especially stakeholder dialogue and community engagement – can help rebuild relationships of trust between conflict-affected parties. In tandem, it can spark job creation and thereby strengthen self-esteem and self-determination. The restored former division between East and West Germany is an example of reconciliation that attracts tourists. The restored Green Belt has become one of the most popular nature-focused cycling routes in Germany.

While tourism alone cannot bring about peace, the sector can contribute to peace and reconciliation efforts if tourism development is embedded in on-going peace efforts.

Case study 20

**El Carlos Ecotourism and Archaeological Centre, Colombia**

The El Carlos Ecotourism and Archaeological Center – managed by a Cooperative formed of ex-guerrillas, ex-paramilitary and displaced people – is an important example of a local initiative which strengthens tourism and peace. The Centre has enhanced local incomes by involving communities across the tourism value chain. It has also has given young people the opportunity to remain in their place of origin and benefit from legal economic activities and sustainable livelihoods, rather than turning to illegal pursuits. The project has restored community confidence, revitalized support networks, empowered the community to work together towards a common goal, and built the foundations for peace.

Note: For more information, please find the full description of the case study in *Tourism for Development – Volume II: Good Practices.*

To further strengthen the role of tourism in post-conflict settings, additional *priorities for action* include:

- Partnering with academia to create a broader evidence base for tourism’s current and potential role in peace and reconciliation. This requires research, case studies, creating models and clearly distilling and disseminating lessons learned, as well as elaborating guidelines for peace-sensitive tourism in post-conflict settings;
- Continuing to encourage dialogue among international organizations and other entities on tourism’s role in peace. A particular focus should be placed on those institutions involved in cultural relations, as well as those more directly active in peace and reconciliation;

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Pillar 5: Mutual understanding, peace and security

– Raising awareness of the relationship between tourism and peace among the private sector and civil society, identifying their specific roles and seeking engagement and support from both sectors; and
– Ensuring that local and national governments are fully aware of tourism’s potential as an agent for peace, and well-versed on how this can be put into practice.

5.2.3 Promoting safety and security

Ensuring safety and security – for visitors and locals alike – is essential for peaceful societies and a thriving, sustainable tourism sector. The need to provide safety for tourists can also play a part in maintaining generally more secure destinations and minimizing local violence that could escalate into wider conflict. Countries can gain a great deal by working together on security issues, which would also be beneficial for overall regional peace.

While further research is required on these issues, useful models are being developed. For instance, a joint UNWTO/UNODC initiative – launched in 2015 to develop a Tourism and Security Plan for Central America – offers a model that may be replicated in other regions to address how security impacts the tourism sector and how to enable advancements towards safe, secure and seamless travel. The creation of a High Level Task Force on Tourism and Security, approved by the UNWTO Executive Council in 2016, is also worth highlighting. Similarly noteworthy are ICAO’s Traveller Identification Programme (ICAO TRIP), INTERPOL’s Stolen and Lost Travel Documents Database (SLTD), and other initiatives that allow for the cross-checking of passenger data and the greater efficiency of security and border controls.

While tourists’ personal security is important for tourism development, these security strategies can, sometimes, undermine the principles and goals of sustainable tourism development. For example, the personal security of tourists may be prioritized as being more important than that of local citizens, or efforts to secure space for tourists – in the form of enclaves or routes – may violate citizens’ human right to freedom of movement within their own countries. Moreover, laws may be manipulated to facilitate exploitative activities such as prostitution.

In terms of addressing security issues across the tourism sector, priorities for action highlighted by UNWTO’s High-Level Meeting on Tourism and Security in 2016 are worth highlighting, as they benefit both visitors and local communities. These include:

– Fully integrating tourism in international and national security systems;
– Ensuring a global response to security concerns, including via collective support for countries affected by insecurity;

Risk and crisis management plans addressing risk awareness and assessments, early warning systems based on business monitoring, improved security, the provision of social insurance, emergency response and recovery plans, and effective communication and public relations;

Coordination between the public and private sectors, as well as other actors, in terms of planning, communications and response;

Clear, accurate communication, including media engagement; and

Issuing accurate, timely and regularly updated travel advisories.  

5.3 Recommendations

Tourism will not solve the world’s conflicts, but it can foster mutual understanding, humanize struggles and sow the seeds of peaceful co-existence. All stakeholders can play an active role in generating peaceful environments that attract tourists, boost economies, increase jobs, encourage cultural exchange and foster security for locals and visitors alike. In this regard, stakeholders are encouraged to embrace the following recommendations:

Governments

- Enact peace-sensitive tourism policies, which will better enable tourism to contribute to strengthening peace, while ensuring that conflicts within the tourism sector are settled in a peaceful manner;
- Ensure that tour-guides, guide books and interpretations of former conflict sites are objective in their interpretation of historical and cultural stories, as well as with regards to any other ethical issues;
- Pursue ‘smart travel practices’, including data sharing between government agencies to allow for the cross-checking of passenger data and thereby improving the efficiency of security and border controls; and
- Introduce measures that enable seamless, safe and secure domestic and international travel, such as the ICAO Traveller Identification Programme (ICAO TRIP) and INTERPOL’s Stolen and Lost Travel Documents Database (SLTD). This will maximize a holistic approach towards identification management along borders, ensure travellers’ safety, and promote the resilience of tourism development.

Businesses

- Establish and encourage educational cultural exchange programmes within the organization;
- Support efforts to promote local policing, thereby improving security for visitors and host communities alike;
- Prepare thorough, transparent communications and engage in transparent planning to respond to crises in a collaborative manner, hand in hand with stakeholders from other sectors; and
- Elaborate manuals and tips for the private sector in terms of business behaviour in post-conflict settings that contributes to confidence-building and peace-building measures.

Individuals and civil society

– Participate in exchange programmes in different countries;

– Support youth exchange programmes that foster an understanding of cultural differences and open-mindedness towards differences; and

– Seek out first-hand knowledge about the culture and identity of the destinations and communities that you visit.
Chapter 6

Governance, policies and tools for sustainable tourism

Abstract

Effective governance, policies and tools are the bedrock of sustainable tourism. These are essential for harnessing tourism’s contribution to sustainable development in terms of each of the five Pillars of the IY2017, this section builds on the previous chapters in order to address convergent issues that affect tourism’s contribution to development. It considers the governance, policy frameworks and instruments that need to be in place at various levels in order to plan, guide, support and coordinate sustainable tourism development across the globe.

Key words:
– International cooperation
– System of Tourism Statistics (STS)
– Tourism Satellite Accounts (TSA)
– National tourism policies
– International Network of Sustainable Tourism Observatories (INSTO)

Key concepts:
– Sustainable tourism development is a collaborative effort – one which produces best results when partnerships are formed between international organizations, inter-governmental departments, local stewardship, tourism-related businesses and NGOs.
– A global System of Tourism Statistics provides a vital database of comparative knowledge to inform effective, evidence-based tourism planning and management.
– Policies are needed that reflect the importance of sustainable tourism development as a phenomenon which benefits destinations, enables local businesses to flourish, preserves cultural heritage and improves lives.

Links between tourism, governance, policies and tools for sustainable tourism and the SDGs

SDG 17 covers the means of implementation for sustainable development, including separate sections on finance, technology, capacity building, trade and systemic issues. The latter include policy and institutional coherence, multi-stakeholder partnerships, data, monitoring and accountability - topics that are relevant to effectively implementing sustainable development through tourism.
6.1 Effective governance for sustainable tourism

6.1.1 International level

Coordination and guidance at the international level is provided by UNWTO, as the UN agency responsible for promoting responsible, sustainable and universally accessible tourism. Furthering effective governance at the global level will involve:

– International partnerships: UNWTO plans to continue to strengthen its partnerships with other UN agencies and international bodies, using the context provided by the IY2017. This collaboration will be maintained beyond 2017 as on-going relationships to advance tourism’s role in achieving the SDGs and the broader 2030 Agenda. These partnerships can be built through the UN Steering Committee on Tourism for Development1, which will be revitalized and further developed.

– Liaisons between multi-national bodies: Close liaisons should be maintained with the World Bank Group and other multinational and bilateral bodies that provide financial and technical assistance for sustainable development. Every opportunity should be taken to increase awareness of the opportunities tourism offers as a development tool, particularly by highlighting the value of their vital support for the tourism sector.

– Private sector and civil society engagement: The critical importance of engaging the private sector in promoting sustainable tourism for development is to be reflected by strengthening UNWTO’s partnership approach with the WTTC and other bodies which represent the private sector. Close liaisons can also be pursued with relevant international civil society bodies and NGOs, notably in the environmental, social and cultural fields.

6.1.2 National level

Strong governance frameworks at the national level are among the most important requirements for sustainable tourism. At this level, a number of elements are essential for advancing tourism’s role in sustainable development, such as:

– National-level recognition of sustainable tourism for development: The opportunities presented by sustainable tourism as a development tool are best recognized by national governments at the very highest level, for instance the office of the President, Prime Minister, or equivalent Head of Government. Its importance can also be reflected in each of the key ministries whose activities have a bearing on tourism, especially ministries of the economy, trade, transport, the environment and culture.

– Inter-ministerial liaison groups on tourism: Ensuring that tourism is taken into account in all relevant government ministries can be considerably assisted by the formation of an inter-ministerial liaison group – or a related process – specifically on tourism. Many such groups have already been put in place in a number of countries, enabling policy strengthening and smooth implementation.

– National multi-stakeholder bodies on tourism: Such bodies are best established at the national level, featuring strong representation of the private sector, as well as input from relevant civil society organizations. These bodies can be engaged in formulating and implementing national tourism policies, strategies, action plans or programmes, and

1 As of 2016, the Committee is comprised of UNWTO, ILO, ITC, UNCTAD, UN Environment, UNIDO, UNESCO and the WTO.
measurement initiatives, as well as providing an essential space for liaising with different stakeholder interest groups.

- Adequate budgetary resources: Governments need to provide sufficient human and financial resources to the aforementioned bodies and delivery agencies, in order to ensure effectiveness.

This emphasis on inter-institutional collaboration is reflected in the development of Tourism Satellite Accounts (TSAs) and related tourism statistics. The UN-UNWTO recommendations highlight the “importance of institutional arrangements in developing a System of Tourism Statistics.”\(^2\) UNWTO recommends establishing an ‘inter-institutional platform’, comprising representatives from all bodies involved in the collection, production and/or use of statistics related to tourism, including National Tourism Administrations, National Statistical Offices, central banks and others.

The successful System of Tourism Statistics (STS) is based on a culture of collaboration among stakeholders who pool their financial, human and technical resources to create and share a common data set. All institutions associated with tourism statistics, either as information providers or users, are called upon to participate. Advantages of institutional cooperation include:

- Projects taking on the status of a ‘state or national initiative’;
- Stakeholders understanding their fundamental role within the statistical process, making them more willing to provide information on time and in the exact format required;
- Facilitating awareness and access to necessary funding from within or outside the country;
- Providing results characterized by legitimacy and credibility;
- Furthering maximum efficiency in compiling and disseminating tourism statistics; and
- A higher probability that efforts to improve the national STS will be sustainable.

6.1.3  Regional and local levels

Much of the necessary action to plan, promote, and manage sustainable tourism development must occur at the regional\(^3\) and local destination levels. Local destinations include towns, cities, rural, coastal or other areas with a coherent brand identity and a significant cluster of tourism products and services within a functioning tourism value chain. Bohol province in the Philippines is one example of local tourism stakeholders working together to successfully strengthen the governance of sustainable tourism development, as discussed in the case study below.


\(^3\) ‘Regional’ here is taken to denote regions within a country – e.g., provinces, etc. – rather than wider geographic regions encompassing several countries.
Regional and local governments play a key role in providing leadership on a wide range of functions essential for successful tourism development promotion, and impact management. Spearheading effective governance at the local level involves:

- Effective coordination: As with national governments, regional and local governments must ensure effective coordination between their functions, as well as providing the necessary structures to ensure such coordination. Site management planning, for example, can bring together diverse stakeholders in common, neutral, flexible platforms that facilitate exchange.

- Multi-stakeholder governance and management structures: These bodies, involving tourism businesses and other stakeholder interest groups, have an essential role to play at the destination level. This role is increasingly played by Destination Management Organizations (DMOs). One major challenge is to ensure that such bodies have support from all relevant stakeholders and address planning, development and management issues – including the sustainability of destinations – rather than solely focusing on marketing. On-going local government engagement and support of DMOs is essential.

- Financial and human resources: A common challenge, especially in developing countries, is a lack of funding, sufficient human resources and skills to adequately deliver effective, sustainable destination management. This can be addressed by pursuing a range of public and private funding options and providing capacity building and training opportunities, particularly for vulnerable groups.

- Community engagement: Some aspects of governance and sustainable tourism management need to occur ‘on the ground’ – i.e. within destinations themselves – in order to engage local communities in the planning and management of sustainable tourism. Local community participation and consultation processes are especially essential. For instance, with indigenous communities, ‘free, prior and informed consent’ (FPIC) mechanisms should be employed. FPIC's aim is to establish bottom-up participation and consultation with indigenous populations prior to developments in their areas – a principle is enshrined within ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples. It is important to ensure that all destinations are empowered to freely decide on whether, to what extent, and in what form tourism takes place. FPIC must be mainstreamed beyond indigenous communities.
6.1.4 Vertical coordination

Bottom-up and top-down coordination – i.e. vertical coordination – across the international, national and local levels is another core component of effective governance in sustainable tourism. Key elements to consider include:

- Aligning international assistance with national priorities: Coordination between international and national-level governance – based on aligning international assistance for sustainable tourism with national government policies and priorities – is most productive in the context of negotiation between the parties involved, within the framework of wider country programmes to support sustainable development.

- Effective coordination across all levels: Within individual countries, it is extremely important to ensure effective coordination between the national, regional and local destination levels. While tourism is ‘seen and felt’ at the destination level, and tourism management ultimately occurs at this level, broader policy direction and resource allocations are often determined at the national level. Moreover, policy implementation tends to be the role of local regional authorities.

- Data harmonization: The combination of efforts at different levels offers a strong impetus for the harmonization of data at the national, regional and destination levels, in order to facilitate policy coherence.

- Vertical policies and support systems: While sustainable tourism requires an approach that is based on needs, priorities and opportunities identified locally, it should also be supported through national policies and top-down support systems, which create a framework for integrating action at the local and national levels. Structures for networking between local destination bodies and national agencies should be created and supported. For example, through representation from each lower level within councils at the next highest level.

6.2 Policies, plans and tools to support sustainable tourism development

Global development priorities highlight the need for policy frameworks and tools to monitor and manage sustainable tourism. In 2015, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development called for the elaboration and implementation of “tools to maintain sustainable development as well as to monitor sustainable development impacts for different economic activities, including for sustainable tourism”. SDG 12, on sustainable consumption and production, also specifically refers to the need to “develop and implement tools to monitor sustainable development impacts for sustainable tourism.”

Vital tools needed to support sustainable tourism development include:

- Inclusive, context-specific and evidence-based policies and plans;

- Timely and accurate data collection, analysis and monitoring;

- Effective tools to influence tourism development, investment and operations; and

- Sufficient funding.

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4 UNESCO World Heritage stakeholder partnerships are a tried and tested multi-stakeholder model, representing an equitable approach to coordination and site management. These offer opportunities for transnational exchange and the sharing of good practices.
Case study 22  Sustainable Destinations Alliance for the Americas

The Sustainable Destinations Alliance for the Americas (SDAA) brings together eleven destinations in the Caribbean and Central America to collaboratively address the challenges of climate vulnerability, environmental degradation and reliance on tourism. The SDAA has increased understandings of holistic sustainability issues among local stakeholders and equipped destinations with a list of “action projects”. This helps them develop good practices and become truly sustainable destinations. The project demonstrates how sustainable tourism management can be effectively scaled-up at the transnational level to improve lives and protect the environment.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

6.2.1 Policies and plans

Policies and plans can be formed independently by governments or collectively with neighbouring countries. The case study of the Sustainable Destinations Alliance for the Americas highlights how countries can combine efforts and promote good practices. In terms of policy frameworks within individual countries, the following elements are essential:

- Integrating tourism into national policies and plans: In parallel with the coordination of national governance, it is important that opportunities for sustainable tourism are specifically recognized and addressed within different areas of national policy. For example, within high-level policies and plans, especially those related to the economy, trade and sustainable development as a whole. It is also important to integrate tourism into policies and plans for topics that have a particular impact on sustainable tourism, including the environment, natural resources, transport, culture and national security.

- Linking tourism promotion with national policy frameworks: Tourism development and promotion should be driven by clearly articulated national tourism policies, strategies and action plans, based on thorough consultation and agreement. These policies should embrace the principles of sustainability and inclusivity, involve a careful assessment of assets and markets, be informed by data on tourism performance and impacts, and set priorities for action over a specified period.

- Management plans at the national or local levels: In some countries, it is appropriate to establish national tourism master plans that reflect national policies and strategic directions, while providing a more spatially specific plan for development. However, establishing a series of locally determined destination management plans is increasingly seen as a more sustainable and inclusive approach. It may be helpful to produce national level guidelines for local destination management plans. These plans and guidelines must be aligned with the requirements of various multilateral agreements concerning issues such as the protection of the natural environment, the conservation of cultural heritage and decent work, among others.

- Aligning local plans with national policies: Local destination management plans should reflect national policy. The process of preparing these local-level plans should adhere to the same standards as a country’s overall national tourism policy. However, the former should be locally determined and based on a comprehensive and realistic assessment of local aspirations, needs and opportunities. Particular attention should be paid to considering
Governance, policies and tools for sustainable tourism

resource capacity, for example, with respect to land, water, energy and the handling of waste. Destination management plans may subsequently be reflected in spatial land use plans, marketing plans and other thematic action plans. They should be the key documents for directing and guiding future tourism development.

6.2.2 Data collection, analysis and monitoring

The lack of consistent, comparable data on the social, environmental and economic impact of tourism is a challenge for evidence-based policy-making. In order to strengthen the measurement and analysis of tourism’s impact and sustainability at the national level, UNWTO has been pursuing actions to:

- Facilitate international statistical standards for measuring tourism: The two extant internationally agreed standards are the International Recommendations for Tourism Statistics 2008 (IRTS 2008) and the Tourism Satellite Account: Recommended Methodological Framework 2008 (TSA RMF 2008). These guide the production of tourism statistics and economic data related to tourism in individual countries. As such, they provide a common language for the consistent measurement and understanding of tourism for both developing and developed states.

- Support countries to develop their System of Tourism Statistics (STS): STS are an important basis for collating information on tourism’s impact in economic, environmental and social terms. UNWTO’s Compendium of Tourism Statistics provides a basic set of tourism data and indicators for the purposes of international comparability. Coverage varies greatly among countries and remains a challenge in many developing countries. Areas that require renewed efforts include domestic tourism, tourism industries and employment.

- Support countries to prepare Tourism Satellite Accounts (TSAs): TSAs are important as they provide credible measures of tourism’s economic contribution, as well as a dataset that can be used as input in macroeconomic analysis. In this way, they enable us to glean information on tourism’s indirect and induced economic effects.

- Advance towards a Statistical Framework for Measuring Sustainable Tourism (MST): In collaboration with the UN Statistics Division, UNWTO will launch an MST Framework to support the integrated measurement of sustainable tourism at the global, national and sub-national levels. This statistical standard for tourism extends current statistical frameworks beyond an economic focus, in order to incorporate environmental, social and cultural dimensions. A common language and organizational structure can help collate data that is currently available, while identifying what additional data is required. A statistical framework for sustainable tourism represents the rational evolution of current statistical standards on tourism statistics – the TSA and the IRTS – representing a means of complementing these standards. The starting point involves bridging economic and environmental dimensions of sustainable tourism by linking two UN standards, namely the TSA and the System of Environmental Economic Accounting (SEEA), which looks at a range of environmental information in relation to tourism flows – including water, energy, emissions and waste.


7 For more information, please see: http://statistics.unwto.org/mst.
Other significant priorities on collecting, analysing and monitoring data include:

- Measuring and monitoring tourism’s sustainability: It is important to keep abreast of tourism performance and impacts in tandem with measures of sustainability, both at the local and national levels. To this end, UNWTO is seeking to expand the International Network of Sustainable Tourism Observatories (INSTO). Launched in 2004, INSTO supports continuous improvement and resilience in the tourism sector by measuring and monitoring activity. In this way, it aims to foster evidence-based tourism management. Various projects have identified tourism sustainability indicators for businesses and destinations, which may be applied nationally or locally. They provide a much-needed basis for monitoring management processes and outcomes over time, in addition to changes in economic, social and environmental conditions and performance.

- Continual, participatory data collection: Monitoring and measuring tourism’s performance and impacts must be kept up-to-date and allow for collecting potential case studies at the grassroots level. Only in this way can we ensure that timely evidence of change is collected, and thereby enable speedy action – including corrective action, if necessary. Gathering data in destinations should be a participatory process, supported by all local stakeholders.

- Using existing statistical frameworks: Data from existing statistical frameworks and infrastructure is extremely valuable for negotiating the challenging data collection process. For instance, this involves gathering statistics, evidence and data in cost-effective ways, while simultaneously satisfying the basic condition of data that is ‘fit for use’ – i.e. data that balances quality criteria as varied as relevance, accuracy, reliability, timeliness, accessibility, coherence, and impartiality. Standardized surveys of businesses, tourists and residents have proven to be especially useful. There are also increasing opportunities in terms of using other data sources. These include administrative sources and new or big data sources, such as applications based on geographic information systems (GIS) or the analysis of consumer feedback obtained through social media. Such approaches could be considered as viable sources to feed into statistical production, either in their own right or to complement ‘traditional’ data gathering.

- Formulating needs-based, coordinated indicators: The use of indicators and monitoring should, first and foremost, be nested in the context of user needs and priorities. However, in general, further coordination and shared learning is required on data gathering and monitoring for sustainable tourism. This can lead to greater consistency in the indicators and processes used, thus facilitating global comparability. In Spain, for instance, an indicators method has been designed for municipalities to measure the sustainability of local tourism destinations.

- Using data to inform tourism management: Tourism businesses and destinations can better employ data and analysis to inform policy and effective management decisions. This is facilitated through, for example, the use of performance dashboards and/or the creation of a searchable knowledge network. There may be a need for further guidance and training in this regard.

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8 Since 2004, a total of 22 UNWTO Observatories have been established – nine in China, one in Greece, one in Mexico, one in Brazil, five in Indonesia, one in Croatia, two in the United States of America, one in New Zealand and one in Portugal.


10 For more information, please see: www.minetad.gob.es/turismo/desarrollo-sostenibilidad/Paginas/desarrollo-sostenibilidad.aspx.
6.2.3 Tools to influence tourism development, investment and operations

Case study 23 Dubai Sustainable Tourism initiative, United Arab Emirates

The Dubai Sustainable Tourism (DST), a public-private partnership featuring the involvement of the civil society, contributes to Dubai's broader clean energy and sustainable development targets by embedding the principles of sustainability into all aspects of the tourism sector. DST provides an implementation roadmap with practical sustainability initiatives. It has introduced several greenhouse gas reduction programmes, campaigns, new policies and standards. The initiative also conducts capacity building in the hospitality sector and gives awards to recognize companies within the tourism sector that have demonstrated good practices. The savings achieved through the reduction of electricity and water consumption across the tourism sector have helped to create more ‘green’ jobs, develop hotels and expand Dubai’s sustainable tourism offer and services.

Note: For more information, please find the full description of the case study in Tourism for Development – Volume II: Good Practices.

As outlined above, the Dubai Sustainable Tourism Initiative demonstrates how some of the tools have contributed to a more sustainable destination; but a wide range of tools can be used to influence tourism development and operations so as to achieve more sustainable outcomes,11 including:

- Ensuring compliance with regulations: It is imperative that regulations are in place to ensure compliance with environmental and social legislation and broader regulations around sustainable development. A key principle is to make certain that all regulations, as well as related compliance assessments and inspections, are purposeful and clear. Crucially, they must also be fairly and consistently applied.

- Public-private partnerships (PPPs) as tools for development: PPPs bring together stakeholders with different objective, skills and resources in formal or informal voluntary partnerships – involving both governments and businesses. In many cases, PPPs also include NGOs or other types of associations. Together, these partners work to improve the attractiveness of a destination, its productivity, associated market efficiency and overall tourism management. Public-private collaboration plays a key role in advancing tourism's contribution to inclusive development, particularly in emerging destinations where the sector can make a significant positive impact in local communities.11

- Land-use planning: Such planning, alongside associated development controls and requirements for impact assessments, is arguably the most important form of regulatory control for sustainable tourism development. As well as being used to prevent intrusive development from damaging cultural and natural resources, integrated planning processes should stimulate and guide appropriate investment. They can do so by identifying suitable locations for new development and encouraging high-quality, sustainable design and construction that maximizes the well-being of communities and visitors.

- Key economic tools: Economic tools include the provision of discretionary financial assistance, tax incentives and other forms of commercial advantage, such as promotional

coverage, for certain forms of development and operations. Further research-based evidence and examples are required about the influence of such economic tools, in terms of stimulating more sustainable tourism development.

- **Voluntary standards and certification schemes:** Voluntary tools include sustainability standards with schemes to certify the compliance of tourism businesses – and, more recently, of destinations – with these standards. For instance, the Global Sustainable Tourism Council\(^\text{12}\) has established a set of Global Sustainable Tourism Criteria, which are being used to guide the sector generally, while strengthening consistency in the standards and processes used by sustainability certification schemes. Many examples of certification schemes exist at the country-level. Noteworthy examples include, for instance, the Green Scheme by Slovenia Tourism\(^\text{13}\), Argentina’s Sustainable Hotel Certification Programme\(^\text{14}\) and Egypt’s Green Star Hotel Programme.\(^\text{15}\) Certification schemes have proved successful in influencing sustainability performance among participants. However, overall levels of engagement remain low. Initiatives to strengthen awareness of current standards and certification options should be pursued, in order to strengthen cohesion and increase participation in such schemes. Similarly, although voluntary reporting by tourism businesses on their sustainability performance and actions is on the rise, it remains lower in the tourism sector than in many other sectors.\(^\text{16}\) Levels of reporting by enterprises, and the visibility of such reporting, should be strengthened. In the end, both statutory and voluntary mechanisms are needed, as they complement each other and bolster comprehensiveness.

- **Codes of practice:** Simple codes of good practice have been used successfully to influence the behaviour of tourism operators and visitors. These offer an important means of reducing any negative impacts of certain tourism activities, such as of activities like wildlife watching.

- **Marketing and social media:** In general, visitor awareness of sustainability issues can be influenced through marketing messages, information and personal interactions during their travels. For instance, the German National Tourist Board (GNTB) developed a website adapted to mobile devices that provides an overview of sustainable tourism products and services in Germany, thus increasing their visibility.\(^\text{17}\) Social media presents a potent vehicle for spreading messages, not only via individual posts but also through the work of bloggers, who supplement the work of more traditional travel media. However, it must be acknowledged that there is a wide gap between awareness and behavioural change. Concerted efforts are needed to truly change behaviours, backed by consumer research and the application of incentives.

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\(^\text{12}\) The Global Sustainable Tourism Council was set-up in 2010 with the support of UNWTO, a number of UN agencies, tourism trade bodies and leading private sector companies. For more information, please see: www.gstcouncil.org.

\(^\text{13}\) For more information, please see: www.slovenia.info/en/business/green-scheme-of-slovenian-tourism.

\(^\text{14}\) For more information, please see: www.hotelesmasverdes.com.ar.

\(^\text{15}\) For more information, please see: www.greenstarhotel.org.

\(^\text{16}\) World Travel & Tourism Council (2015a).

\(^\text{17}\) For more information, please see: www.germany.travel/sustainability.
6.2.4 Funding sustainable tourism for development

In terms of the design and delivery of official development assistance, a relatively low proportion of funding is directed towards tourism, compared to other sectors (see annex 4). The amount of assistance provided to individual tourism projects is also relatively low. Many national and international funding schemes do not benefit local destinations that are not empowered to access these higher-level opportunities. To enhance the funding accorded to sustainable tourism, the following priorities should be pursued:

– Raising awareness of sustainable tourism among investors and donors: Governments, development agencies, financial institutions and private investors should be made aware of the myriad benefits – including sizable financial returns – of sustainable tourism. Specifically, they should be encouraged to pay more attention to supporting tourism development as a route to regeneration and job creation. Specific action can be taken to raise awareness among donors. Opportunities include:
  – Raising awareness through communication and events;
  – Achieving greater coordination between agencies, with opportunities to work together on larger projects; and
  – Assembling more evidence of the impact which financial support has on sustainable tourism, including its role in strengthening trade relations and the benefits felt reciprocally in donor countries.

– Focusing on SDG-related projects: Funding for sustainable tourism development, whether from public or private sources, should be directed at projects that are positioned to deliver results which contribute to achieving the SDGs. These could be multi-faceted programmes, individual strategic projects, or tailored funding schemes. Examples include:
  – Preparing national tourism strategies to achieve sustainable development and supporting their implementation over time;
  – Undertaking strategic infrastructure projects;
  – Funding innovative sustainable tourism projects that are scalable and trend-setting;
  – Delivering alternative funding options suited to the needs of micro-, small- and medium-sized enterprises (MSMEs). In addition to more traditional credit and micro-credit schemes, these could include funding models tailored to local circumstances, public-private partnerships, joint ventures, social enterprises, community interest companies and crowd funding schemes; and
  – Funding the development and implementation of statistical frameworks. This would enable stakeholders to better understand and monitor sustainable tourism, facilitating more effective policies and management.

20 Greece’s Green Tourism initiative and Alternative Tourism initiative are strong examples of this. They have facilitated over 400 investment projects for tourism MSMEs, enabling these enterprises to adopt more sustainable practices and develop alternative forms of tourism to enrich the country’s overall tourism product. For more information, please see: www.mintour.gov.gr/el/investments.
6.3  Recommendations

Governance evolves as sustainable tourism unfolds, with continuous planning and engagement enabling increasingly effective governance. Inclusion and on-going dialogue between all stakeholders are key to successful governance in the tourism sector.

**Governments**
- Ensure that local communities, and the country as a whole, actively benefit from tourism;
- Participate in a standardized System of Tourism Statistics (STS) and share data with other destinations;
- Implement a comprehensive monitoring plan regarding tourism's contribution towards achieving the 2030 Agenda. This will inform efforts to strengthen tourism's positive effects and reduce potential negative impacts. The findings of these monitoring plans should be reported to UNWTO;
- Introduce binding regulations on corporate accountability and reporting, replete with robust enforcement mechanisms in line with the UN Guiding Principles on Business and Human Rights;
- Abolish subsidies that result in detrimental effects on the climate or lead to market distortions which encourage harmful tourism practices at the expense of more sustainable options; and
- Ensure responsible resource management, which addresses the negative impacts of mass tourism and respects environmental and cultural carrying capacities.

** Businesses**
- Align management processes with all 17 SDGs and the UN Guiding Principles on Business and Human Rights. This should involve the development of due diligence processes and the setting of key performance indicators. Such indicators should be regularly monitored. It is also important to establish public reporting, which allows for independent evaluation;
- Commit to a transparent, fair and accountable supply chain, including a clear and visible pricing policy;
- Develop and implement plans to reduce the net consumption of resources, such as water and energy, as well as net greenhouse gas emissions and volumes of waste;
- Procure and hire locally, as far as possible, in order to help integrate and strengthen local markets;
- Enable regular dialogue and exchange with civil society and local communities; and
- Get involved with UNWTO’s Affiliate Members Programme, in order to spearhead collaboration and knowledge sharing on good practices in sustainable tourism governance.

**Individuals and civil society**
- Get involved with local and national organizations involved in tourism planning, business, destination management and monitoring processes; and
- Demand to know more about local, regional, and national tourism plans and calls to action for sustainability.
Conclusions

This report has explored tourism’s contribution to sustainable development, underlining where we stand today and what the priorities for action are in key areas to ensure progress towards truly inclusive, sustainable tourism. This concluding section highlights key takeaways related to the five pillars of the IY2017, as well as a number of cross-cutting points drawn from the analysis above.

Key takeaways

Tourism offers significant opportunities as a tool for sustainable development. Harnessing these opportunities in each of the five areas highlighted by the IY2017 will require concerted, coordinated efforts by stakeholders at all levels to overcome remaining challenges and harness tourism’s full potential as a catalyst for positive change.

In terms of the five pillars of the International Year, the following key takeaways are worth highlighting:

Pillar 1: Sustainable economic growth

As an economic force, the tourism sector plays a pivotal role in the global economy. Capitalizing on tourism’s strong economic potential will hinge on cultivating an enabling favourable business environment, characterized by stability and supportive policies. This will require efforts to address the existing constraints of a weak business environment, especially in developing countries – including labour and skills shortages; limited access to finance; and low levels of investment including foreign direct investment (FDI). Reforming the policy, legal, institutional and regulatory conditions that govern business activity is an important first step. This must go hand in hand with raising awareness of tourism among investors and support services, incentivizing them to invest in MSMEs, and integrating tourism within trade policy and agreements. Investing in human capital is equally essential, in order to bridge the sector’s significant skills gap. It is also imperative to strengthen connectivity, particularly transport links, visa regimes and internet accessibility. Innovation and new technologies can be useful allies on the path towards a more inclusive, sustainable tourism sector. Involving local communities and ensuring a fair distribution of costs and benefits must be a priority. Measuring tourism trends and impacts and collaboratively defining limits for tourism growth is equally important. Risk and crisis management will also have to be effectively applied to support the sector’s resilience to shocks of all kinds.
Pillar 2: Social inclusiveness, employment and poverty reduction

Tourism is more than just a major part of the global economy – it is specifically seen as a means of furthering inclusive growth that is about increasing opportunities for all, based on the principles of equity and leaving no one behind. To harness tourism’s potential for inclusivity, employment and poverty eradication, a holistic, “inclusive growth” approach should be pursued – via effective policies, planning and action – to ensure that the dividends of prosperity generated by tourism are fairly distributed across societies. This will ultimately depend upon fostering “decent work” and entrepreneurship opportunities, which would redress the sector’s skills gaps while ensuring fair, productive employment. It is imperative to focus on women and youth, taking up the substantial prospects the sector offers for their employment and empowerment. Similarly, local communities must be at the heart of the drive towards sustainability, securing benefits through direct employment and business opportunities throughout the tourism value chain, as well as through indirect and collateral means such as investment in local infrastructure. Universal accessibility is equally key to securing inclusivity and providing barrier-free access that benefits both visitors and locals alike.

Pillar 3: Resource efficiency, environmental protection and climate change

Environmental responsibility is a fundamental requirement for sustainable development. In line with the 2015 Paris Agreement, the tourism sector requires more rigorous efforts to monitor, report, and reduce resource consumption and emissions via strategies for decoupling tourism growth from environmental degradation and excessive resource use. Resource efficiency can be facilitated by impact assessments; careful planning; water and energy management; and replicating good practices in areas like retro-fitting. A “reduce, reuse and recycle” approach is needed to address excessive resource use and food waste. Improved waste management and treatment are equally necessary. In addition to engaging tourists to evoke environmentally-friendly behavioural change, biodiversity conservation must be balanced with creative opportunities for the sustainable use and management of ecosystems. The sector must also adhere to internationally agreed targets to mitigate climate change, while pursuing innovative strategic means of reducing its carbon footprint.

Pillar 4: Cultural values, diversity and heritage

Tourism presents notable opportunities for safeguarding the world’s rich cultural heritage, while culture offers innovative means of gaining socio-economic benefits through tourism. Positioning “cultural tourism” as a tool for sustainable development requires greater integration between cultural and tourism policies at all levels, facilitated by collaborative structures, networks and programmes. Strategies for safeguarding and promoting cultural heritage ought to be complementary, both to preserve the integrity of cultural assets and to secure support for conservation. Community engagement is necessary to ensure that their concerns are reflected across all aspects of tourism planning and management. Formal recognition of heritage sites and assets at the national or international levels, coupled with adequate protection strategies, such as assessments of carrying capacity, are vital for conservation. Given the rapid growth of the creative industries, the time is ripe to link contemporary culture and creative cultural activities to tourism in order to enrich tourism offer, facilitate urban regeneration, encourage host-guest interaction, and promote local creativity.
Pillar 5: Mutual understanding, peace and security

The transformative power of tourism, being a people-centred activity, can be harnessed as a force for peace. Memorable, educational experiences can help create and sustain conditions for a “culture of peace” through “peace-sensitive tourism” – marked by meaningful visitor-host interaction, cross-cultural encounters and sensitive interpretation at sites associated with peace and conflict. Tourism development in itself can be an agent for peace, by improving local prosperity, strengthening cultural and territorial identity and self-esteem, and providing an incentive for dialogue and reconciliation in post-conflict settings. In tandem, it is necessary to maintaining safety and security across the sector – through collaboration between and within countries; integrating tourism into international and national security systems; and ensuring timely, accurate, updated travel advisories.

Governance, policies and tools for sustainable tourism

To harness tourism’s contribution to sustainable development in terms of each of the five pillars, effective governance, policies and tools need to be in place in order to plan, guide, support and coordinate sustainable tourism development – at the international, national, and local destination levels. Pursuing sustainable tourism for development also involves a number of cross-cutting components:

- Effective coordination structures between public, private and civil society players at the international, national and local destination levels;
- The integration of tourism in sustainable development policies, and vice versa, at all levels, coupled with the implementation of sustainable tourism strategies or destination management plans;
- Improved measurement and monitoring of tourism performance, impact and sustainability, using tools and mechanisms developed by UNWTO and others; and
- Further development and application of policy and management tools, including appropriate regulations, standard setting, certification, capacity-building and adequate funding.
Annexes

Annex 1: Recognition of the role of tourism for development

Annex 2: How tourism can contribute to the Sustainable Development Goals

Annex 3: Research studies on the relationship between tourism and development

Annex 4: Tourism and development assistance
Annex 1
Recognition of the role of tourism for development

A1.1 United Nations resolutions and international programmes

Since 2012, four major UN Resolutions, have accorded specific, strong recognition to tourism’s role in contributing to job creation, income generation, education, poverty reduction and the three dimensions of sustainable development, by building on its linkages with other sectors. These resolutions are:

- Resolution 66/288, the outcome document of the UN Conference on Sustainable Development, or Rio+20, entitled The Future We Want (27 July 2012). This provided a roadmap for the coming decade, laying the foundation for the 2030 Development Agenda.
- Resolution 69/233 on the Promotion of sustainable tourism, including ecotourism, for poverty eradication and environment protection (19 December 2014).
- Resolution 70/1 on Transforming Our World: The 2030 Agenda for Sustainable Development (25 September 2015). The main text refers to promoting sustainable tourism (Article 33), which is also referred to explicitly in three of the 17 Sustainable Development Goals – SDGs 8, 12 and 14. UNWTO has outlined how tourism relates to each of the SDGs.¹
- Resolution 70/193, which designated 2017 as the International Year of Sustainable Tourism for Development.

Specific References to Tourism in the Sustainable Development Goals

SDG 8 – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

**Target 8.9:** By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.

SDG 12 – Ensure sustainable consumption and production patterns

**Target 12.b:** Develop and implement tools to monitor sustainable development impacts for sustainable tourism which creates jobs, promotes local culture and products.

SDG 14 – Conserve and sustainably use the oceans, seas and marine resources for sustainable development

**Target 14.7:** By 2030 increase the economic benefits to SIDS and LDCs from the sustainable use of marine resources including through sustainable management of fisheries, aquaculture and tourism.

¹ For more information, please see: World Tourism Organization (2015c).
Tourism’s role has also been identified in other UN resolutions on particular sustainable development contexts and programmes:

- The Vienna Declaration and Programme of Action for Landlocked Developing Countries for 2014-2024 (Resolution 69/137, 12 December 2014).

Additional UN Resolutions also provide important background and recognition of sustainable tourism. Of particular note are Resolutions in 2001, 2005, 2010, and 2015\(^2\) endorsing and encouraging the dissemination and adoption of the UNWTO Global Code of Ethics for Tourism, which enshrines many of the principles and approaches that are central to sustainable tourism. The resolutions establishing and stemming from the International Year of Ecotourism 2002\(^3\) also help to contextualize the advancement of sustainable tourism.

Tourism has been recognized and integrated in a variety of UN policies and programmes in associated fields, where it can help to form a bridge to sustainable development, including:

- The One Planet network, formerly the 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP), coordinated by UN Environment, with a Sustainable Tourism Programme (STP) led by the UNWTO and co-led by the Governments of France, Morocco, and the Republic of Korea, forming one of five thematic programmes.
- The UNESCO World Heritage and Sustainable Tourism Programme, which involves an integrated approach to tourism planning and heritage management, in order to safeguard natural and cultural assets while facilitating sustainable tourism development.
- The work of the Secretariat of the Convention on Biological Diversity (linked to UN Environment) to promote good practices on sustainable tourism development in sensitive natural areas.
- Actions in the field of trade, investment and employment, wherein a number of UN agencies and other organizations – including UNCTAD, the International Trade Centre (ITC), ILO and WTO – have been working individually and jointly with UNWTO to integrate tourism into their development activities.
- The creation of a Statistical Framework for Measuring Sustainable Tourism (MST), a joint undertaking by UNWTO and the United Nations Statistics Division, endorsed by the UN Statistical Commission (UNSC). This seeks to develop standards-based, integrated measurement of tourism in its various dimensions (economic, environmental, and social) and at the relevant spatial levels (global, national, and sub-national).

In order to stimulate interest in tourism among international bodies and improve coordination, UNWTO facilitates the Steering Committee on Tourism for Development, which brings together the ILO, ITC, UNCTAD, UNEP, UNIDO, UNESCO and the WTO. Since 2010, Ministers of Tourism of G20 countries have met regularly, and held talks with other bodies, to identify priorities for strengthening tourism’s contribution to sustainable development.

\(^2\) UN Resolutions 56/212, 60/190, 65/148, and 70/200, respectively.
\(^3\) UN Resolution 53/200.
A1.2 National level recognition and response

A recent study by OECD\(^4\) reveals that many industrialized countries have positive policies on tourism development in place, supported by tourism strategies and action plans. The extent to which tourism is recognized at a higher level as an economic force, within overall economic and development policies, varies across countries. Nonetheless, an encouraging trend is emerging, involving the establishment of inter-departmental liaison structures for tourism within governments. The level of financial support for tourism has generally declined in recent years, arguably reflecting the strained overall economic situation. This underscores the need to continue to raise awareness of the sector’s contribution to employment, prosperity and well-being.

In many developing countries, tourism is identified within national policies as an important – current and potential – contributor to sustainable development. However, this may not be reflected in action. Although tourism strategies and master plans are prevalent, some are outdated, while others are weakly implemented, hampered by insufficient skills, or are limited by insufficient financial resources to enable delivery.

The references made to tourism in formal studies and development frameworks agreed with international agencies are a key indicator of the fact that tourism is recognized as a development tool in developing countries. Previous studies have shown variations in this trend (80% of former Poverty Reduction Strategy Papers referred to tourism as of 2010\(^5\); 40% of UNDAF reports referred to tourism as of 2012). More recently, research\(^6\) by UNWTO and the Enhanced Integrated Framework (EIF) on Diagnostic Trade Integration Studies (DTIS) in 2015 found that 45 out of 47 Least Developed Countries (LCDs) identify tourism as a principle sector for development. In general, while there may be references to tourism in relevant reports and studies, there is considerable variation in terms of the level of detail provided and knowledge demonstrated.


Annex 2

How tourism can contribute to the Sustainable Development Goals

SDG 1 – End poverty in all its forms everywhere
Tourism provides income through job creation at local and community levels. It can be linked with national poverty reduction strategies and entrepreneurship. Low skills requirement and local recruitment can empower less favoured groups, particularly youth and women.

SDG 2 – End hunger, achieve food security and nutrition, promote sustainable agriculture
Tourism can spur sustainable agricultural by promoting the production and supplies to hotels, and sales of local products to tourists. Agro-tourism can generate additional income while enhancing the value of the tourism experience.

SDG 3 – Ensure healthy lives and promote well-being for all at all ages
Tax income generated from tourism can be reinvested in health care and services, improving maternal health, reduce child mortality and preventing diseases. Visitors fees collected in protected areas can as well contribute to health services.

SDG 4 – Ensure inclusive and equitable quality education and promote lifelong learning for all
Tourism has the potential to promote inclusiveness. A skilful workforce is crucial for tourism to prosper. The tourism sector provides opportunities for direct and indirect jobs for youth, women, and those with special needs, who should benefit through educational means.

SDG 5 – Achieve gender equality and empower all women and girls
Tourism can empower women, particularly through the provision of direct jobs and income-generation from MMEs in tourism and hospitality related enterprises. Tourism can be a tool for women to become fully engaged and lead in every aspect of society.

SDG 6 – Ensure availability and sustainable management of water and sanitation for all
Tourism investment requirement for providing utilities can play a critical role in achieving water access and security, as well as hygiene and sanitation for all. The efficient use of water in tourism, pollution control and technology efficiency can be key to safeguarding our most precious resource.

SDG 7 – Ensure access to affordable, reliable, sustainable and modern energy for all
As a sector, which is energy intensive, tourism can accelerate the shift towards increased renewable energy shares in the global energy mix. By promoting investments in clean energy sources, tourism can help to reduce green house gases, mitigate climate change and contribute to access of energy for all.

SDG 8 – Promote sustained, inclusive and sustainable economic growth, employment and decent work for all
Tourism, as services trade, is one of the top four export earners globally, currently providing one in ten jobs worldwide. Decent work opportunities in tourism, particularly for youth and women, and policies that favour better diversification through tourism value chains can enhance tourism positive socio-economic impacts.
Annex 2: Overview of Sustainable Development Goals

**SDG 9 – Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**

Tourism development relies on good public and private infrastructure. The sector can influence public policy for infrastructure upgrade and retrofit, making them more sustainable, innovative and resource-efficient and moving towards low carbon growth, thus attracting tourists and other sources of foreign investment.

**SDG 10 – Reduce inequality within and among countries**

Tourism can be a powerful tool for reducing inequalities if it engages local populations and all key stakeholders in its development. Tourism can contribute to urban renewal and rural development by giving people the opportunity to prosper in their place of origin. Tourism is an effective means for economic integration and diversification.

**SDG 11 – Make cities and human settlements inclusive, safe, resilient and sustainable**

Tourism can advance urban infrastructure and accessibility, promote regeneration and preserve cultural and natural heritage, assets on which tourism depends. Investment in green infrastructure (more efficient transport, reduced air pollution) should result in smarter and greener cities for, not only residents but also tourists.

**SDG 12 – Ensure sustainable consumption and production patterns**

The tourism sector needs to adopt sustainable consumption and production (SCP) modes, accelerating the shift towards sustainability. Tools to monitor sustainable development impacts for tourism including for energy, water, waste, biodiversity and job creation will result in enhanced economic, social and environmental outcomes.

**SDG 13 – Take urgent action to combat climate change and its impacts**

Tourism contributes to and is affected by climate change. Tourism stakeholders should play a leading role in the global response to climate change. By reducing its carbon footprint, in the transport and accommodation sector, tourism can benefit from low carbon growth and help tackle one of the most pressing challenges of our time.

**SDG 14 – Conserve and sustainably use the oceans, seas and marine resources for sustainable development**

Coastal and maritime tourism rely on healthy marine ecosystems. Tourism development must be a part of Integrated Coastal Zone Management in order to help conserve and preserve fragile marine ecosystems and serve as a vehicle to promote a blue economy, contributing to the sustainable use of marine resources.

**SDG 15 – Protect, restore and promote sustainable use of terrestrial ecosystems and halt biodiversity loss**

Rich biodiversity and natural heritage are often the main reasons why tourists visit a destination. Tourism can play a major role if sustainably managed in fragile zones, not only in conserving and preserving biodiversity, but also in generating revenue as an alternative livelihood to local communities.

**SDG 16 – Promote peaceful and inclusive societies, provide access to justice for all and build inclusive institutions**

As tourism revolves around billions of encounters between people of diverse cultural backgrounds, the sector can foster multicultural and inter-faith tolerance and understanding, laying the foundation for more peaceful societies. Tourism, which benefits and engages local communities, can also consolidate peace in post-conflict societies.

**SDG 17 – Strengthen the means of implementation and revitalize the global partnership for sustainable development**

Due to its cross-sectoral nature, tourism has the ability to strengthen private/public partnerships and engage multiple stakeholders – international, national, regional and local – to work together to achieve the SDGs and other common goals. Public policy and innovative financing are at the core for achieving the 2030 Agenda.
Annex 3

Research studies on the relationship between tourism and development

A considerable body of literature has investigated the nature of the relationship between the extent and growth of tourism in a country, on the one hand, and its overall economic growth and level of development, on the other. Many theoretical and empirical studies have involved the use of statistical tests on panel data from different sets of countries, including time series data. These have sometimes involved statistical analysis to identify the level of correlation between different measures and indicators. Other studies have gone further, employing more sophisticated methodology and modelling to identify causality – i.e. the amount and direction of influence between various economic and social factors in different countries, including levels of tourism.

A3.1 Relating economic growth to tourism growth

A number of studies have concentrated on economic performance and the extent to which this correlates with, or may indeed be partly driven by, tourism. While some studies have suggested that countries with a strong tourism base do not necessarily grow at a higher rate than other countries, a large number of studies have identified a strong correlation between levels of tourism – in terms of the number of arrivals and visits – and economic growth, mainly measured through GDP. Examples include studies by Chang and Lee, Proença and Soukiazis, Dritsakis, Brau, Lanza and Pigliaru and Aslan.

Causality tests have found that the direction of influence varies. In a number of countries, it has been demonstrated that tourism has been a driver of economic growth, leading to what is known as the “tourism-led growth (TLG) hypothesis”. Examples include Mauritius, Greece, four

Mediterranean countries\textsuperscript{9}, four Pacific Island countries\textsuperscript{10}, Nicaragua\textsuperscript{11}, Taiwan Province of China\textsuperscript{12}, and Kenya\textsuperscript{13}. Other studies have demonstrated a causal relationship that lies in the other direction, with tourism expanding in the wake of a generally growing economy – known as the “economic-driven tourism growth hypothesis”. Examples include the Republic of Korea\textsuperscript{14}, Tanzania\textsuperscript{15} and Croatia\textsuperscript{16}.

Studies have also found situations where the relationship is bi-directional between tourism and economic growth, for example in Turkey\textsuperscript{17} and 19 island economies\textsuperscript{18}, with a degree of bi-directionalism also reported in a number of the studies cited above.

The characteristics of countries that may affect the strength and the direction of the relationship between tourism and economic growth are not clear from this body of research. However, several factors may be at play, such as:

- **Level of development**: For example, a much cited work by Lee and Chang (2008) found a greater impact of tourism on GDP in non-OECD countries, especially states in sub-Saharan Africa. The relationship was bi-directional in these countries. However, they also found unidirectional tourism-led growth in OECD countries, albeit at weaker levels. These findings led the authors to conclude that “all governments should commit to helping their tourism sector expand as much as possible” based on long-term policies;

- **Size of the economy**: It has been observed from past studies that tourism growth can have a greater effect on overall economic growth in smaller economies\textsuperscript{19}, especially small developing countries\textsuperscript{20}. Tourism’s significant impact on the economies of small island developing states (SIDS) is also apparent from the literature; and

- **Relative level of tourism in the economy**: A positive correlation has been found between tourism specialization and growth, with small states growing at a faster rate only when they are highly specialized in tourism.\textsuperscript{21}

In considering the processes behind the relationship between tourism and growth, several studies have looked at the role of tourism as an export sector and a source of foreign currency earnings. This can, in turn, be used to finance imports and growth more generally in the economy, following the model of export-led growth. This was found to be an important factor behind tourism-led and bi-directional growth, notably in studies focusing on Spain and Italy.\textsuperscript{22}

A number of studies underline the positive correlation between tourism’s relative contribution to exports and economic growth. An International Monetary Fund Working Paper based on a cross-country study concluded that an increase in one standard deviation in the share of tourism in exports leads to a 0.5 percentage point additional annual growth.\textsuperscript{23}

### A3.2 Relating tourism to development outcomes

While most studies have shown a positive and often strong, causal relationship between tourism and economic growth, this does not necessarily translate into equivalent results in terms of development in a wider sense. A number of studies, referred to below, have directly measured the relationship between tourism and indicators of a local population’s well-being, such as the human development index (HDI) and levels of relative poverty (e.g., GDP or income per capita). Results have been mixed.

An initial seminal study of the effect of tourism expansion on welfare concluded that, while tourism is a major export earner, an increase in tourism can reduce welfare if the flow of repatriated earnings is sufficiently large.\textsuperscript{24} A more recent theoretical study which investigated whether inbound tourism benefits developing countries also concluded that tourism can incur economic costs that sometimes lead to a deterioration of national welfare and result in wage distortion, depending on levels of relative labour intensity in different sectors.\textsuperscript{25} This outcome was demonstrated in the case of Thailand, where the tourism boom was found to have increased levels of inequality, partly because tourism is not an especially labour intensive sector in Thailand, particularly when compared to agriculture.\textsuperscript{26}

In Brazil, a study of the economic and distributional impacts of tourism, considering the relationship with poverty at the household level, found that the effects on all income groups were positive.\textsuperscript{27}


\textsuperscript{25} Nowak, J. and Sahli, M. (2007).


However, the lowest income groups benefitted least, leading to the conclusion that policies were needed to redistribute greater shares of revenue to the poor. By contrast, in Nicaragua a considerable causal link between tourism growth and poverty reduction was identified, leading the authors to remark on the “economic muscle of tourism to seriously tackle poverty at scale”. More recently, a panel data study\textsuperscript{29} in five Central American countries found that tourism growth had a greater impact on poverty reduction than other sectors in three of the countries, underlining the opportunities it presents for combating poverty. A study\textsuperscript{30} in Indonesia revealed more mixed results, with a rise in tourism leading to a reduction in poverty, but also precipitating an increase in income inequality in rural and urban regions.

Studies that have attempted to relate tourism growth to a country’s score on the Human Development Index have tended to find only a weak relationship. Even in small island developing states (SIDS), where tourism often accounts for significant proportions of GDP, the correlation to HDI was quite small. Moreover, it was partly attributed to high levels of economic leakage and imports within the sector, supporting a general conclusion that tourism had not fully delivered on its expectations and potential as a development tool.\textsuperscript{31} A study of 46 countries with medium or low HDI scores found no correlation between tourism levels and HDI scores for the most important elements of the Index,\textsuperscript{32} leading the authors to conclude that it was essential for countries to address welfare and distribution issues – such as health, infrastructure, training and the control of resources – alongside policies to promote tourism growth.

**A3.3 Conclusion**

The studies analysed provide an objective set of evidence on the relationship between tourism and economic development, based on empirical data from a range of countries. On balance, the evidence confirms that there is a positive relationship between levels of tourism and economic growth in many countries, which is an encouraging result that can be built upon. However, the studies also reveal a less clear relationship between tourism and levels of development, with some evidence of limited or negative effects on equality and welfare alongside other evidence of positive impacts on poverty reduction. This underlines the need for policies and actions that focus on the inclusiveness and sustainability of tourism-related development.


Despite the economic significance and growth potential of tourism, as well as its frequent recognition in development policies and priorities, the level of official development assistance (ODA) aimed at the sector remains disproportionally low. The Table below reveals an upward trend of ODA by donor countries allocated to the tourism sector over the last 15 years. In addition to bilateral ODA, multilateral organizations spent an average of USD 143 million per year between 2012 and 2016 on financing tourism in developing countries, compared to USD 15 million between 2002 and 2006.

Levels of bilateral assistance have also fluctuated over time and between providers. For example, the Netherlands Development Organisation (SNV) has stopped prioritizing the tourism sector. Over the last 15 years the Government of Japan stood out as the main provider of ODA for tourism.

Policies on the inclusion of tourism as a priority sector by multilateral donors have also fluctuated. Following a period of withdrawal from tourism in the 1980s, the World Bank Group has rebuilt its portfolio of assistance to the sector. It currently supports a wide range of regional and country strategies, programmes and individual tourism projects, in line with its twin goals of ending extreme poverty and boosting shared prosperity.
Despite these apparently low figures, some programmes have increased the share of funding they direct at tourism. For example, the Enhanced Integrated Framework (EIF), a multi-donor Aid for Trade (AfT) programme aimed at least developed countries (LDCs). While Tier 1 EIF funding is used to finance “Diagnostic Trade Integration Studies”, Tier 2 funding is used to support priorities identified in such studies, including – but not limited to – tourism. According to their end of year statistics in 2015, tourism accounted for 9% of EIF’s Tier 2 portfolio – a 50% increase compared to 2013. UNWTO works closely with EIF to promote the inclusion of tourism in trade strategies.

While the information presented in this annex relates to the position of tourism within the broader picture of development assistance, sustainable tourism may be supported in different ways as part of programmes, which are not primarily focused on tourism. An example is the inclusion of tourism initiatives within integrated rural development and conservation projects.
List of acronyms and abbreviations

10YFP 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns
AFT Aid for Trade
CITES Convention on International Trade in Endangered Species of Wild Fauna and Flora
CMS Convention on the Conservation of Migratory Species of Wild Animals
CO₂ carbon dioxide
CORSIA Carbon Offsetting and Reduction Scheme for International Aviation
CSR corporate social responsibility
DMO destination management/marketing organizations
DTI Diagnostic Trade Integration Studies
EIF Enhanced Integrated Framework
FAO United Nations Food and Agriculture Organization
FDI foreign direct investment
FPIC free, prior and informed consent
GATS General Agreement on Trade in Services
GDP gross domestic product
GHG greenhouse gas
GIS geographic information systems
GMBM Global market-based measure
GNTB German National Tourist Board
GPS Global Positioning Services
GSTC Global Sustainable Tourism Council
HDI human development index
ICAO International Civil Aviation Organization
ICOMOS International Council on Monuments and Sites
ICT information and communication technologies
ILO International Labour Organization
INSTO International Network of Sustainable Tourism Observatories
IRTS International Recommendations for Tourism Statistics
ITC International Trade Centre
ITP International Tourism Partnership
IY2017 International Year of Sustainable Tourism for Development
LDC least developed countries
LLDCs landlocked developing countries
MPI multidimensional poverty index
MSME micro-, small- and medium-sized enterprises
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>MST</td>
<td>Measuring Sustainable Tourism</td>
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<tr>
<td>neZEH</td>
<td>Nearly Zero Energy Hotels</td>
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<td>NSFE</td>
<td>non-standard forms of employment</td>
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<td>ODA</td>
<td>official development assistance</td>
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<tr>
<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
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<td>OPHI</td>
<td>Oxford Poverty &amp; Human Development Initiative</td>
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<td>PPPs</td>
<td>public-private partnerships</td>
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<td>SAMOA</td>
<td>SIDS Accelerated Modalities of Action</td>
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<td>SCP</td>
<td>sustainable consumption and production</td>
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<td>SDGs</td>
<td>Sustainable Development Goals</td>
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<td>SEEA</td>
<td>System of Environmental Economic Accounting</td>
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<td>SIDS</td>
<td>small island developing states</td>
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<td>SLTD</td>
<td>Stolen and Lost Travel Documents Database</td>
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<tr>
<td>SMEs</td>
<td>small- and medium-sized enterprises</td>
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<tr>
<td>SNV</td>
<td>Netherlands Development Organisation</td>
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<td>ST-EP</td>
<td>Sustainable Tourism – Eliminating Poverty</td>
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<tr>
<td>STP</td>
<td>Sustainable Tourism Programme</td>
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<td>STS</td>
<td>System of Tourism Statistics</td>
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<td>TLG</td>
<td>tourism-led growth</td>
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<td>TSA</td>
<td>Tourism Satellite Account</td>
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<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNEP</td>
<td>United Nations Environment Programme</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
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<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
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<tr>
<td>UNSD</td>
<td>United Nations Statistics Division</td>
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<tr>
<td>UNWTO</td>
<td>World Tourism Organization</td>
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<tr>
<td>VSE</td>
<td>very small enterprise</td>
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<td>WEF</td>
<td>World Economic Forum</td>
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<td>WHO</td>
<td>World Health Organization</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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<tr>
<td>WTTC</td>
<td>World Travel &amp; Tourism Council</td>
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How can tourism effectively contribute to the 2030 Agenda for Sustainable Development?
This flagship report addresses the changes needed in policies, business practices and consumer behaviour. Showcased along 23 case studies from around the world, this two-volume report examines the role of tourism in each of the five pillars of the International Year of Sustainable Tourism for Development, 2017:
1. Sustainable economic growth;
2. Social inclusiveness, employment and poverty reduction;
3. Resource efficiency, environmental protection and climate change;
4. Cultural values, diversity and heritage; and
5. Mutual understanding, peace and security.

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