SUSTAINABLE TOURISM

Setting the Scene for Sustainable Tourism and Ecotourism in East Asia

Tourism represents about 10% of the world's GDP[b] and the Asia Pacific region alone receives 308 million tourists per year.[1] The fastest growing regions for tourism globally are East Asia and the Pacific, and countries such as Vietnam have seen a 756% increase in tourists over the last ten years.[2] These growth patterns can challenge policy makers, with new tourist facilities increasingly located in developing countries with high levels of biodiversity,[3] and in coastal and natural areas that harbor threatened ecosystems.

Challenges/Issues concerning Marine Tourism

Massive influxes of tourists, often to a relatively small area, have a huge impact. They add to the pollution, waste, and water needs of the local population, putting local infrastructure and habitats under enormous pressure. In many areas, massive new tourist developments have been built—including airports, marinas, resorts, and golf courses. Overdevelopment for tourism has the same problems as other coastal developments, but often has a greater impact as the tourist developments are located at or near fragile marine ecosystems.

The damage doesn't end with the construction of tourist infrastructure. Some tourist resorts empty their sewage and other wastes directly into water surrounding coral reefs and other sensitive marine habitats. Recreational activities also have a huge impact. For example, careless boating, diving, snorkeling, and fishing have substantially damaged coral reefs in many parts of the world, through people touching reefs, stirring up sediment,

Facts and Figures

- Between 1995 and 2007, the Asia-Pacific region's share of total tourist arrivals increased from 18.7% to 25.7%. The trend continued in the next decade.

- Based on the direct, indirect and induced GDP impact, travel and tourism generated 9% of the Asia-Pacific's GDP in 2016.

- It is also projected that the travel and tourism sector would grow by 5.8% per annum over the next decade. In comparison, other sectors, such as mining and agriculture are forecast to grow 1.8% and 2.2% per annum, respectively, in real, inflation-adjusted terms.

- In 2016, travel and tourism continued to contribute a significant portion of the GDP of countries in the EAS region – from 5.1% of RO Korea's GDP to as much as 28% of Cambodia's GDP in 2016. This is greater than the GDP contribution of other sectors, such as mining.

- Coastal and marine tourism: The gross value added of marine tourism in the region is worth around $200 B (for seven countries). Marine tourism generates a significant portion of the ocean economy

- From 2013-2016, the number of cruise ships in Asia grew at a 12% compound annual rate, and this trend is likely to continue.[4]

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and dropping anchors. Marine animals such as whale sharks, seals, dugongs, dolphins, whales, and birds are also disturbed by increased numbers of boats, and by people approaching too closely. Tourism can also add to the consumption of seafood in an area, putting pressure on local fish populations and sometimes contributing to overfishing. Collection of corals, shells, and other marine souvenirs—either by individual tourists, or local people who then sell the souvenirs to tourists—also has a detrimental effect on the local environment.

Sustainable Tourism Policy at the International Level

There are several Sustainable Development Goals (SDGs) related to sustainable tourism,[d] in particular SDG 8, Target 8.9: "By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products."[5]

The **UN World Tourism Organization (UNWTO)** "promotes tourism as a driver of economic growth, inclusive development and environmental sustainability."[6] The **World Committee on Tourism Ethics (WCTE)** is the impartial body in charge of interpreting, evaluating, and applying the provisions of the **UNWTO's Global Code of Ethics for Tourism**, a 10-point voluntary "set of principles whose purpose is to guide stakeholders in tourism development,"[7] with a goal of minimizing potential negative impacts and achieving the SDGs related to poverty reduction and sustainable development.[8]

UNWTO's Global Code of Ethics for Tourism: 10 principles

1. Tourism's contribution to mutual understanding and respect between peoples and societies
2. Tourism as a vehicle for individual and collective fulfilment
3. Tourism, a factor of sustainable development
4. Tourism, a user of the cultural heritage of mankind and a contributor to its enhancement
5. Tourism, a beneficial activity for host countries and communities
6. Obligations of stakeholders in tourism development
7. Right to tourism
8. Liberty of tourist movements
9. Rights of the workers and entrepreneurs in the tourism industry
10. Implementation of the principles of the Global Code of Ethics for Tourism

Tourism Definitions (UNWTO)

Sustainable Tourism takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities.

Ecotourism's 5 characteristics
1. All nature-based forms of tourism in which the main motivation of the tourists is the observation and appreciation of nature as well as the traditional cultures prevailing in natural areas;
2. Educational features;
3. Small-sized tour operators;
4. Locally-owned business; Revenue generated should support "the maintenance of nature areas which are used as ecotourism attractions"

The UNWTO advises that governments use "market instruments" to encourage sustainable tourism, and provides examples of using taxes to both encourage sustainable tourism and discourage unsustainable tourism, and emphasizes that these taxes should ensure that developments stay within limits or that tourist destinations are taxed on their outputs (similar to approaches taken with wastes and effluent discharge).[9] This reflects the "polluter pays" principle. Examples in this brief will also feature other market-based instruments like economic policies unrelated to taxes, such as awards, and user fees, such as entrance fees to MPAs.

The **United Nations Educational, Scientific, and Cultural Organization (UNESCO)** has published a UNESCO World Heritage Sustainable Tourism Toolkit to aid policy makers and managers of World Heritage tourism destinations.[10] Its section on governance[11] states that "without good management it is virtually impossible" to have economically and ecologically sustainable sites. To that end, "the world's most effective tourism destinations have DMPs (Destination Management Plans) along with some form of organizational authority that has the power and ability to prevent damaging activities to the site.

International efforts to improve coastal management and safeguard coastal marine resources are reflected in several instruments, including **Agenda 21**,[12] the **Convention on Biological Diversity**[13] and the **United Nations Convention on the Law of the Sea (UNCLOS)**. Guidelines for ICM have been developed by

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the World Bank, the Organization for Economic Co-operation and Development (OECD), the United Nations Environment Program (UNEP), the World Conservation Union[14] and PEMSEA (for the East Asian Seas region).

Sustainable Tourism Policy at the Regional Level

In June 2017, the **Asia-Pacific Economic Cooperation (APEC)** issued a high level statement "Promoting Sustainable Tourism for an Inclusive and Interconnected Asia-Pacific."[15] This comes on the heels of its August 2016 report from the APEC Policy Support Unit, which provided evidence that "tourism contributes to poverty reduction as every 1% increase in tourist arrivals is associated with a 0.12% reduction in the number of poor people in the region."[16] The report recommended policymaking at three levels: destination, economy and international; the last level encompasses regional cooperation on responsible codes of conduct for travel providers and best practices.

EU's 2014 Marine Spatial Planning Directive (MSPD) "created the world's first legal requirement for countries to create transparent planning-at-sea systems and to cooperate with their neighbors to make that happen."[17] EU countries must adopt this directive into national legislation and fully implement marine spatial planning by March 2021. A supplemental leaflet explains how the MSPD can drive the sustainable growth of Europe's blue economy. For example, the leaflet suggests using MSP to create synergies by "offering tourists the chance to visit an offshore wind farm"[d] and "to protect natural landscapes whilst creating new opportunities for tourism such as surfing reserves."[18]

The 17th COP for the Convention on Migratory Species, November 2017 in Manila, emphasized the importance for countries of the region to scale up ICM. ICM was identified as a process-oriented, holistic, science and ecosystem-based management system and driver for mobilizing NBSAPS, strengthening public and private sector commitments and investments in biodiversity conservation, and contributing to, among others, sustaining natural marine resource-based livelihoods and eco-businesses including tourism.

PEMSEA is the leading organization in East Asia that applies ICM to address "the governance of human activities affecting the sustainable use of goods and services generated by coastal and marine ecosystems."[19] ICM coverage surpassed 20% of the region's coastline in 2017, with PEMSEA Partner Countries targeting 25% coverage by 2021. This approach "overcomes the limitations of conventional sectoral management," where the decisions of one sector would be siloed from others, and instead acknowledges that collective activities affect the overall ecosystem, society and economy, and that efforts in one sector should not be duplicated or negated by those of another.

One innovative policy approach to promote tourism is to create well-managed marine protected areas (MPAs) or no-take zones, where fishing, aquaculture, and other exploitative activities are forbidden. Tourism-related economic benefits associated with well-managed MPAs overwhelmingly outweigh the costs associated with managing the MPA itself,[20, 21] and divers are willing to pay more money if there is greater marine biodiversity.[22] The Australian government has noted: "Well-managed marine protected areas with core 'no-take' reserves are often major tourist attractions [for] visitors to view abundant marine life..."[23] However, the key is that the MPA be well-managed.

Tips on Effective Management of MPAs and Sustainable Tourism[24]

A case study on Vietnam's Nha Trang Bay MPA found that tourism in the MPA harmed the environment and local people. Coral reefs were damaged by the very boats transporting eco-tourists to see them, and from untreated sewage discharge from tourist facilities. There were also socio-economic impacts of villager displacement and MPA user fees not supporting the management of the MPA itself, thereby eroding the primary tourist draw.

The authors of the case study proffered three suggestions for policy makers in designing or rehabilitating MPA-based ecotourism:

1. Tourists should pay for use of MPA to support biodiversity conservation and management; this funding should not be diverted towards other unrelated government programs.
2. Managers should determine tourist carrying capacity and "the optimum number of visitors for any particular activity within an area ... before damage occurs and the visitors' enjoyment is substantially decreased."
3. Governments should train locals in hospitality to make them stronger candidates for hire and enable them to earn income from tourism. This training should "enable them to think of the MPA as their property and to recognize that they have an important stake in its conservation."

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[d]   Two sites in the Philippines—one in Guimaras and one in Pagudpud, Ilocos Norte—have already turned coastal wind farms into tourist attractions.

Ecotourism

UNWTO and the German government jointly studied innovative catalysts that a national or municipal government could consider to boost the sustainability of their tourism sector. The seven top catalysts as noted from survey respondents were: "Interconnectedness of actors, communication, replicability and stickiness of the core message, value structure, lead actors' characteristics, participatory approach, and assistance from key stakeholders." Across all initiatives surveyed, "sustainability was an integrated and fundamental part of daily operations that was not seen as an end goal but rather as a continuous process undergoing constant improvements," and that growing "a sustainable corporate culture took at least a few years in all cases."[32] Many of the takeaways of the study reinforce the same principles that are advocated in ICM projects.

Another three policy-related tactics highlighted in the study pertains to public participation, innovation and messaging—elements that have also been present in East Asian ICM projects. In reference to these three tactics, the study noted that "creating spaces and opportunities for transparent dialogues with different actors" (i.e., public participation) allowed everyone to feel a greater degree of buy-in on the project, which led to better performance from employees.[33] In addition to greater levels of engagement and effort on the part of stakeholders and their employees, when lead actors were trusted to execute and were

allowed "flexibility and room to maneuver," they generated more *innovative* ideas and solutions because there was an understanding that "failure was permitted" as a stepping stone. Finally, because of the direct engagement with core stakeholders, the lead actors of the project were able to *better tailor their messaging* to each stakeholder group.

Cruise ship tourism

The UNWTO provides a number of suggestions for public officials to consider when crafting policy on cruise ship tourism. First, tourism ministries are advised to "link sustainable development and heritage preservation to corresponding cruise tourism initiatives in national planning."[34] Similar to the advice from UNESCO's toolkit, a "best practice in planning is to incorporate local representation in destination assessments, including indigenous communities and other stakeholders" in the process.[35] To have a more inclusive coastal economy, policy makers should provide local tourist operators with an opportunity to market their services to passengers.

Site assessments are also necessary for government officials to better negotiate with multinational cruise companies on port fees, waste services and onshore power, among others.[e] Policy makers should also pass and enforce laws that protect cultural heritage sites, and incorporate environmental management systems (EMS) criteria that cruise ships must meet. Transit authorities also need to be consulted on managing large influxes of disembarking passengers, the resources required and the cost.

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[e] Onshore power supply provides ships with the option to dock and tap into the local electrical grid, instead of idling their pollution-generating engines to power loading/unloading and other dockside maintenance activities

[f] For example: "At the Komodo National Park in Indonesia…independent travelers contribute about $100 to the local economy, whereas…those who arrive via a cruise ship have a local impact of only three cents." (https://www.forbes.com/2008/03/10/travel-eco-asia-forbeslife-cx_rr_0310travel.html).

Through a combination of planning, light persuasion, follow-through and public-private partnerships, the **Cambodian** government radically reformed Occheauteal Beach's management to align with the blue economy. Under the ICM program, PEMSEA and the Ministry of Tourism addressed the underwhelming levels of tourism (because of a polluted beach front), low earnings for business owners, coastal erosion and effluent discharge. The results: tourism quadrupled in just a few years after relocating commercial stall owners a little farther from the shore and with a demonstration of good faith on the part of the government by installing beachfront infrastructure for tourists. Environmental impacts were reduced, and stall owners made twice as much money, spurring shopkeepers from a nearby beach to copy these efforts. Meaningful but light government-led ICM at the local level, with stakeholder participation and a coastal use zoning plan, can have knock-on effects and spur neighboring communities to readily accept changes that bolster the blue economy.

Lessons learned from the Management of Occheauteal Beach

1. Limited information should not restrain progressive action
2. Zoning is a balance between technical and political. Here, an information, education and communication (IEC) campaign was a key prerequisite.
3. Locals' appreciation of environmental importance comes after people see concrete economic benefits. Here, the stall owners went from initially resistant to eager once they began to earn more money.
4. Public-private partnership is the key…in the absence of government funds.

Case study on reversing coral reef destruction and pollution in Denpasar Municipality, Bali, Indonesia[38]

This ICM project involved collaboration among provincial government departments, the private sector, international NGOs, **UNDP, Global Environment Facility, IMO** and PEMSEA. The program sought to counter beach erosion and promote sustainable tourism development. By the late 1990s, the eroded beach in the Denpasar region of Bali, **Indonesia** had become heavily polluted from untreated sewage. Coral reefs—one of the biggest draws for tourists—were dying and covered in harmful green algae because of the excess nutrients in the water.

Two programs addressed the issues of wastewater management and coral restoration. An ICM program created public awareness on the wastewater issue, and a subsequent survey gauged the public's willingness to pay for wastewater management. A sewage treatment system was then constructed with a loan from Japan. Possibly the most innovative element of this project was the National Program on Coral Reef Destruction Mitigation (2004), which found synergy between industries. It incorporated coral transplantation along with the creation of new diving sites—tourists actually paid to transplant the coral themselves (purchased from nearby communities' coral nurseries), and this concept generated more income for all communities involved. As also noted in the governance section in UNESCO's toolkit, there is still an enforcement angle that is a prerequisite for true results. Here, officials identified "strong and consistent law enforcement" as a way to control pollution in coastal waters, to ensure that the coral rehabilitation project would not be in vain.

RECOMMENDATIONS

- **Formulating specific criteria** that make up sustainability, informed by existing third-party certification standards, to promote businesses that truly represent these values.

- Scaling up **ICM programs** with a particular focus on **conservation of coastal and marine resources, sustainable tourism and ecotourism and sustainable development of coastal communities**.

- Developing and implementing **policy instruments** such as MSP, coastal use plans, regulations on waste management and habitat protection, and **market-based instruments** to encourage and support sustainable tourism operations and practices (e.g., taxes and tax incentives, user fees, awards and certification).

- Undertaking **deliberative, inclusive planning** (e.g, ICM Code) before embarking on any tourist-related development, and embed a **long-term vision of sustainability** among local governments, coastal communities, and local businesses. This includes factoring in all impacts of the proposed tourism venture (e.g., cruise ship tourism) before deciding on whether this is something that fits into a sustainable model for the community, and ensuring the proper anchoring of boats, ferries and cruise ships.

- Investing in, operating and sustaining **solid waste and wastewater management systems** that protect and maintain healthy and resilient coastal and marine resources, the natural capital upon which the tourism industry is based, in partnership with the tourism industry and local businesses benefiting from tourism.

- **Effectively managing MPAs** to protect and conserve the very natural resource that draws tourism in the first place, and ensuring capable and adequate human resources, facilities and funding mechanisms are in place to sustain operations.

- Incorporating MSP and land- and sea-based zoning schemes and standards into national and local government legislation, planning and licensing processes to prevent uncontrolled shoreline development and resource-use conflicts and avoid degradation and destruction of coastal ecosystems (e.g., Cambodian case study), and ensure **public accessibility**.

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