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TOURISM AND SUSTAINABLE DEVELOPMENT

SUSTAINABLE TOURISM: A LOCAL AUTHORITY PERSPECTIVE

Background Paper # 3

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Sustainable Tourism: A Local Authority Perspective

prepared by
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A.   Introduction

1.   A primary challenge of local governance, both today and in decades ahead, is to steer increasingly external, global forces on local development so that development achieves the shared vision of the local population. In cities, towns and villages throughout the world, the primary responsibility for this steering process rests with the institution of local government and its diverse local authorities.

2.   As providers of social services, builders of economic infrastructure, regulators of economic activity, and managers of the natural environment, local authorities have many direct instruments at their disposal to influence development. Yet in addition to their direct roles in the development process, perhaps the most important role that local authorities can play in a global economy is that of facilitator among the diverse interests seeking to influence the direction of local development. Only with such a facilitator can a community of diverse interests define a shared vision and act consistent with this vision.

3.   The role of local authorities as facilitators in the development process is reinforced through municipal international cooperation (MIC). With globalisation, the governance challenges facing local authorities in different parts of the world have increased in their similarities, transcending the national political and economic systems upon which different communities rely. These shared challenges of governance have instigated thousands of local authorities to establish municipal international cooperation projects and to join international local government organisations (LGOs) to advocate for local self-governance and control over the development process.

4.   Even prior to the UN Conference on Environment and Development, but particularly since the adoption of Agenda 21, many local authorities and their LGOs have focused on the unique challenges of governance for sustainable development. At the local level, sustainable development is achieved by steering local development activities to simultaneously achieve three objectives:

- increased local social welfare;

- greater, and more equitably distributed, local economic wealth; and

- enhanced integrity of local ecosystems.

5.   Thousands of local authorities, in partnership with their communities and supported by MIC activities, have instigated Local Agenda 21 processes to create a shared vision for local development that is consistent with the sustainable development concept. In response to these visions, local authorities have been adapting their practices and activities to steer local development

along the sustainable development path. Local Agenda 21 processes, in conjunction with decentralisation policies originating at the national level, are transforming local governance and reorienting the process of local development in communities throughout the world.

6.   Tourism is one of the many external forces influencing the direction and options for local development. The question of whether tourism can be sustainable—that is, whether it can contribute to local sustainable development—is rightfully addressed in the context of the Local Agenda 21 process.

7.   A truly legitimate and practical discussion on sustainable tourism must take place in and with the communities that are being influenced by tourist industry development. It must create accountability of the tourism industry to locally-defined development visions. This paper provides an general call for the tourism industry, through both its local and transnational agents, to join and support the Local Agenda 21 processes in communities where tourism is a fundamental development force.

8.   The true proof of "sustainable tourism" will be the sustainable development of local communities that serve as tourist destinations. It is time for the sustainable tourism debate to focus on this challenge. Local authorities worldwide welcome the leadership of the UN Commission on Sustainable Development, and the interest of the tourism industry, to reduce tourism's negative impacts and to increase the positive contribution of tourism business and consumption activity to local sustainable development.

B.   Industry Initiatives for Sustainable Tourism

Problems

9.   Tourism is a recognised global industry—one of the largest industries in the world. Like any global industry, tourist business activities can have considerable impact on local development trends. The local impacts of the tourism industry are diverse and are often unique to the tourism sector.

10.   Tourist activities, as traditionally defined by the tourism industry, fundamentally involve the transportation and hosting of the tourism consumer in a local community, i.e., "tourist destination," where the tourist product is consumed. No other global industry structures itself in such a way that the consumer is brought to the product, rather than the product being delivered to the consumer in his or her own community. This structural difference produces unique social impacts upon the local tourist community, including the interruption of local customs and lifestyles, the spread of infectious diseases, changes in local demographics, and changes in local housing and labor markets.

11.   The primary product of tourism is not something produced by the industry. The product is often the heritage, wealth, and expected legacy of the community that serves as the tourist destination. The business activity of the tourism industry is to promote the "salable" or appealing

aspects of the community, transport non-residents into the community, manage the hospitality for and guide the activities of these visitors, and provide them with goods and services to purchase during their stay. If these business activities degrade the community's heritage and wealth, then the community suffers more directly than the consumer, who can return to his or her own community without responsibility for or awareness of the impacts of his tourist activities.

12.   Tourism activities can, in particular, degrade the social and natural wealth of a community. The intrusion of large numbers of uninformed foreigners into local social systems can undermine pre-existing social relationships and values. This is particularly a problem where tourism business is centered in traditional social systems, such as isolated communities or indigenous peoples.

13.   Tourism in natural areas, euphemistically called "eco-tourism," can be a major source of degradation of local ecological, economic and social systems. The intrusion of large numbers of foreigners with high-consumption and high-waste habits into natural areas, or into towns with inadequate waste management infrastructure, can produce changes to those natural areas at a rate that is far greater than imposed by local residents. These tourism-related changes are particularly deleterious when local residents rely on those natural areas for their sustenance. Resulting economic losses can encourage socially deleterious economic activities such as prostitution, crime, and migrant and child labour.

Solutions

14.   Solutions to adverse tourism impacts are to be found in the shared interest of local communities, tourism businesses, and tourism consumers to maintain the natural wealth and social heritage of the tourist destination. In the first instance, therefore, an institutional mechanism must be established, relative to each destination, to articulate and develop this sense of shared interest. To secure the legitimacy of these mechanisms, the participation of all interested local groups or interests must be guaranteed. Dialogue must take place in an open and transparent way.

15.   Experience demonstrates that if dialogue among interested parties is to have a real impact on development, it must generate accountability among these parties with regards to future investments, practices and policies. Consensus or decisions arising from dialogue must be reflected in institutional action. Only through such accountability can interests maintain a commitment to continued dialogue and a common agenda for local tourism development.

16.   Experience demonstrates that this accountability should be reciprocal between individual or private interests and societal or public interests. Without such reciprocal accountability, local communities are typically forced to choose, in conflict, between private and public benefits, even if ample "win-win" development choices exist. On the one hand, accountability requires that property owners are provided with opportunity to retain the economic value of their property, either through sale or income generating activity.On the other hand, private market relationships, including property ownership, do not provide sufficient basis for social accountability related to "public goods," including ecological integrity and social heritage. Private property titles do not recognise the concepts of ecological integrity or social heritage. Excessive reliance upon private property ownership as a guide in development has in fact contributed to the deterioration of public goods.

17.   Within such a framework of accountability, numerous instruments are available to guide local tourist development on a sustainable path. These instruments include:

- heritage preservation requirements for site developments and building designs;

- programs to exchange land and development rights from non-suitable to suitable development areas;

- private heritage and green space stewardship programs;

- tax benefits accruing to property owners exercising sustainable development practices;

- tourism taxes and development fees to support construction and maintenance of required infrastructure.

18.   However, without true commitment to the sustainable tourism agenda, these instruments are not themselves sufficient to prevent the steady erosion, by legally sanctioned private actions, of local natural wealth and social heritage. Therefore, support from the international, national, provincial and local levels of industry and government, is essential to the success of this agenda.

Agents and Partnerships for Change

19.   Fortunately, in more than 2,000 communities in 64 countries Local Agenda 21 partnership forums already exist to serve as a mechanism for sustainable tourism dialogue. Where these forums are weak or have not yet addressed tourism issues, the tourist industry, local government organisations (LGOs) and concerned NGOs can serve as a catalyst for dialogue. A particular opportunity exists in those countries where Local Agenda 21 national campaigns (in more than 20 countries) or where National Councils for Sustainable Development (NCSDs-in about 70 countries) have been established. NCSDs can play a key role in providing country-level support to local review of the sustainable tourism agenda. Through their international facilitating body, the Earth Council, a comprehensive effort between industry, NGOs, LGOs and NCSDs can be established.

20.   Of additional interest at the local level is the potential role of local tourism offices or Convention and Visitor Bureaus (CVBs) that have been created through public-private partnerships to promote local tourist attractions. Where motivated to support sustainable tourism development, the CVBs could serve as facilitators of working groups, within the context of Local Agenda 21 activities, on sustainable tourism development. Where CVBs or their related international body(ies) have made no express commitment to sustainable development, local authorities, as primary funders of CVBs, are in an excellent position to mobilise their awareness and support.

21.   Internationally, alliances between LGOs and various tourism industry trade associations, trade unions and consumer organisations can support awareness raising and local demonstration projects that may serve as models for other local communities on a country or regional basis.

C.   Influencing Consumer Behavior to Promote Sustainable Tourism.

Problems

22.   Tourism-related consumption has three stages of impact. First, prior to departure, tourists purchase travel-related clothing and equipment, which may be produced under conditions that undermine the social and ecological sustainability of the producing communities. Second, when tourists travel long distances to tourist destinations, they create considerable atmospheric pollution and other impacts on the global environment. Third, upon arrival at the tourist destination, tourists often continue their accustomed habits of consumption, even though these destinations may not have the infrastructure required to manage those consumption patterns. This paper will focus on the second and third stages of impact.

23.   In addition to high altitude emissions from long distance air travel, air travel produces considerable negative local environmental impacts, including ground level emissions of VOCs and particulates, disposal of fuel, hazardous chemicals and solid waste, noise pollution, and wildlife and habitat disruption. Marine dumping of wastes from cruise ships is an increasing concern. However, with nearly 600 million international travelers in 1997, surprisingly little public information is available on the environmental and social impacts of long distance travel. For instance, individual travelers receive far greater information about the impacts of their local automobile use than of their air or cruise ship transportation. Motor vehicle pollution is typically more highly regulated than aircraft and ship pollution.

24.   Following arrival at tourist destinations, the tourism industry typically strives to host tourists according to the standards and amenities of their country of origin. These hospitality standards mimic—and encourage—the high consumption lifestyles of developed countries. For instance, luxury hotel rooms, with high levels of energy and water consumption, are given the highest rankings or "stars" in international hotel rankings. These "luxury" consumption standards, using current technologies, are themselves globally unsustainable (i.e., in an equitable world).

25.   The most immediate observable impacts of introducing these high consumption practices into lower consumption communities are:

- degradation of local water and soil quality, with direct impacts on local health and economies, as a result of the lack of adequate water, drainage, waste water, and waste management infrastructure to manage the higher volumes of waste produced by higher levels of consumption;

- reduced access by local residents to land, housing and marine resources through, among other things, reallocation of these community resources to foreign tourist residents and inflation of local prices;

- destruction of traditional sources of income.

Solutions

26.   The most direct way to reduce the adverse impacts of tourism-related travel is to increase opportunities for people to engage in appealing tourism activities in their own cities, regions or countries. In various cities of the world, this local tourism concept is known as "green tourism." Green tourism—in contrast to "eco-tourism," which relies on travel to distant locations—seeks to provide recreational attractions and hospitality facilities to local people within their local regions, thereby reducing tourism-related travel. While green tourism has the positive economic effect of stimulating local economic activity, it reduces the flow of foreign currency to developing nations— and any resulting economic benefits that may accrue to developing towns and cities from these revenue flows. However, short of definitive actions by the tourism industry and host countries/communities to reduce the negative environmental impacts of foreign travel and the negative social impacts of foreign tourist enclaves in developing nations, green tourism advocates will continue to build support among tourism consumers.

27.   Solutions to tourism-related pollution in the travel and tourism industry are technologically available. Overcoming economic barriers to their implementation may require government regulation, the development of economic instruments, and industry self-regulation.

28.   The industry has every opportunity to institute voluntary initiatives and self-regulation to address green tourism advocates and those calling for government regulation. The growing effort among international hotel chains, for instance, to offer guests the option of reusing their bedroom towels and linens demonstrates the ability of the industry to respond in one area of impact. However, more comprehensive efforts are required to tangibly resolve accelerating environmental and social impacts. In this regard, the establishment of formal environmental management systems (EMSs) in each business establishment provides a way for tourism businesses to identify their adverse social and environmental impacts and to institute a programme for continuous reductions of those impacts. EMS registration programmes such as ISO 14001 and European EMAS regimes offer extensive guidance to tourism businesses, and deserve the active support of international tourism industry associations.

29.   Ultimately, the solution to adverse environmental impacts arising from local tourist consumption is the establishment of waste reduction programs and appropriate waste management systems and infrastructure, particularly in developing country destinations. Again a choice exists between voluntary and regulatory measures. National governments and tourism businesses, which receive disproportional economic benefits from tourism, share an interest in maintaining tourism-related hard currency inflows, and should either directly provide such infrastructure or ensure that funds are made available to local authorities for this purpose. Without such support, powers should be provided to local authorities to increase local revenues from tourism, through local airport taxes, hotel and service taxes, and development fees, to finance infrastructure construction and maintenance. Only through such economic instruments can the public costs of tourism activity be "internalised" in the local tourist economy.

30.   Local revenue measures need to be carefully coordinated across municipal jurisdictions on a regional basis to ensure coordinated infrastructure development. Without a coordinated regional infrastructure development approach, pollution from communities without infrastructure can undo

the environmental benefits of infrastructure investments in neighboring communities. Where statutory regional planning bodies do not exist to provide coordination, Local Agenda 21 forums may provide a flexible mechanism for multi-jurisdictional coordination.

31.   Tourist businesses can make a significant voluntary contribution to resolving the social costs of tourism by:

- providing local resident employment and training opportunities, including in traditional trades and crafts;

- establishing purchasing guidelines that favor local goods and services procurement;

- making donations and investments in local recreational facilities, parks, cultural facilities and security operations (which also serve to improve local tourist amenities as well);

- establishing local profit-sharing arrangements.

32.   Failing necessary voluntary measures, local governments can institute economic incentives and regulatory measures to reward best practices and prevent severe social impacts that need to be resolved at public expense. Ultimately, in the face of private establishments that demonstrate no long-term commitment to maintaining the preconditions for tourism—which include public safety, environmental quality, infrastructure maintenance, and economic justice—local authorities need to use all powers available to protect the cultural and environmental wealth that make an attractive tourist destination.

Agents and Partnerships for Change

33.   A partnership approach to addressing negative impacts of tourism consumption requires, above all, assumption of responsibility and voluntary action by the tourism industry. For example, within the framework of a voluntary EMS approach, partnerships can be established between local governments, airport authorities, regional air quality agencies, airlines, trade unions, NGOs and resident associations to develop an action programme to reduce local airport pollution. Following the model of the "Responsible Care" programme in the chemical industry, these partnerships could be supported by international travel and tourism organisations and related industry associations. Measures to reduce high altitude pollution by aircraft require similar initiatives by the industry and government at the national and international levels.

34.   Of critical importance is the creation of mechanisms to inform and involve tourism consumers in making educated choices about their activities as tourists in distant tourist destinations. Ideally, these efforts would ensure that tourism consumers, as with industry, begin to recognise and understand tourist destinations as living communities that deserve their support and respect. Communications from tourism consumers to tourism industry and to local authorities about their desire to reduce the adverse impacts of their tourism activities can be essential to mobilising changes in industry and government practices. International consumer advocacy organisations and trade unions can play an important role in informing consumers about tourism development

activities that violate basic principles of sustainable development. Provision of such information to LGOs can facilitate local authority responsiveness to identified problems.

35.   Other actions to reduce the adverse local impacts of tourism consumption at local tourist destinations can be developed within the context of the Local Agenda 21 activities outlined in sections B and D.

D.   Promoting Broad-based Sustainable Development through Tourism while Safeguarding the Integrity of Local Cultures and Protection the Environment

Problems

36.   Many of the technologies and measures required for sustainable development in the tourism sector are clear. Resources exist within the tourism industry-which annually generates hundreds of billions of dollars-to apply these technologies and to make development within the sector more equitable. However, as the experiences of hundreds of local authorities demonstrate, through their engagement in broad-based sustainable development planning through Local Agenda 21, the appropriate application of technologies and resources requires effective and truly accountable development partnerships. If industry and government are to protect and sustain the social, cultural and environmental wealth that attracts tourists, they must build more ambitious and committed partnerships to plan, manage and invest in this wealth.

37.   In this respect, the primary barrier to sustainable development through tourism is an over reliance on market mechanisms to guide tourism development and consumption decisions. The market-which treats cultural and environmental wealth as free, "public goods" and which responds to degradation of this wealth as a "free rider"-provides instruments to guide development, but is insensitive to many requirements of sustainable tourism. Furthermore, in a global market such as tourism, the problem of "leakage", whereby the economic benefits of local tourism activity flow out of the local community and country back to a foreign corporate headquarters, is another indication of the inadequacy of simple market-driven approaches.

38.   Sustainable tourism development requires a partnership among the stakeholders of the local tourist destination. This partnership must use both market and non-market instruments to implement a shared sustainable development vision. Without such a partnership, advocacy for sustainable development becomes a conflictive struggle between an industry which seeks to respond only to market forces and a public sector which, when accountable, acts to protect public goods and wealth for future generations.

39.   Therefore, the key problem at this stage of the "sustainable tourism" debate is the creation of tangible, working local partnerships. These local partnerships must be encouraged and supported by national governments and industry, and not undermined by "higher level" agreements. To succeed, local residents and their local authorities need to more fully recognise the significant adverse impacts of tourism development and must be informed about opportunities for reduced-impact tourism development. Tourism businesses need to recognise and support the social

conditions (e.g., security, public health) and the cultural and environmental wealth that make a community an attractive tourist destination.

Solutions

40.   The UN Commission on Sustainable Development has repeatedly recognised Local Agenda 21 planning as an effective partnership mechanism for implementing Agenda 21 in cities and local communities. Experience with Local Agenda 21 activities in hundreds of communities since 1990 has highlighted a number of principles for effective sustainable development planning. These principles can also provide the basis for effective partnerships for sustainable tourism planning and development in local tourist destinations. These partnerships can be established either within or independent from existing Local Agenda 21 activities.

41.   The principles for Local Agenda 21 planning are as follows:

- Participation and Transparency, that involves local residents, representing all major groups of society, in Local Agenda 21 planning and makes information aboutsustainable development easily available to the general public.

- Partnerships that build collective responsibility for planning, decision making,problem solving, project implementation and evaluation.

- Accountability that holds all partners answerable for their actions.

- Systemic Approach that addresses the underlying causes of social, economic and ecological problems in an integrated way, focusing on the entire systems that are affected, rather than only problem symptoms.

- Ecological Limits, that are defined by Earth's carrying capacity and that serve as the limits for development.

- Equity and Justice, that are secured locally through the provision of equal opportunities and human rights, and globally through development cooperation partnerships between developed and developing nations.

- Concern for the Future, that requires long-term planning and action that addresses both immediate needs and long-term trends.

42.   These principles can be applied, in working partnerships, to evaluate and improve efforts to address sensitive tourism development issues, such as:

- inequitable distribution of tourism revenues and "leakage" of revenues to foreign shores;

- displacement of pre-existing local settlements by tourism developments;

- equal access to local coastal and recreational resources and controversies over uses and long-term protection of those areas;

- concerns related to lack of foreign tourist sensitivity to cultural traditions and sites.

Agents and Partnerships for Change

43.   The primary partnerships for sustainable tourism development will be local partnerships, addressing the unique development goals and needs of each community. Where Local Agenda 21 activities are underway, a Sustainable Tourism Working Group could be established within the existing Local Agenda 21 planning structures to facilitate planning and action.

44.   Notwithstanding the primacy of local partnerships, the transnational nature of tourism requires transnational partnerships to support sustainable tourism planning activities at the local and national levels. The Local Agenda 21 process has established a new mechanism for such transnational partnership, called "Local Agenda 21 Charters." Initiated by the Netherlands Ministry of Foreign Affairs, in cooperation with the International Union of Local Authorities, the International Council for Local Environmental Initiatives, and Towns & Development, the Local Agenda 21 Charters process provides a mechanism for local communities to factor issues of global responsibility within their Local Agenda 21 activities. Two local authorities, typically on a North-South and East-West basis, establish a "Charter" agreement that specifies areas of mutual support to jointly address relevant issues of global equity and sustainability. Presently, 20 local authorities have established the first Local Agenda 21 Charters.

45.   Ultimately, tourism consumers must be rallied to the sustainable tourism agenda, thereby shaping both the market and public policy. Tourism consumers in existing Local Agenda 21 communities may find the Local Agenda 21 Charters mechanism useful in supporting sustainable development in popular tourist destinations. Existing "twinning" or "sister city" relationships with cities that are located in tourist regions can provide the basis for a possible Local Agenda 21 Charters relationship.

E.   Coastal Impacts of Tourism

Problems

46.   Economic development activities in any sensitive natural area pose a particular challenge for sustainable development. Coastal areas host the most productive marine ecosystems and serve as spawning grounds for the oceans. The degradation of coastal areas in many countries, with the resulting impacts upon coastal settlements and fisheries, justifies strict local controls on further coastal development.

47.   Coastal zones are dynamic in nature, responding to daily tidal changes as well as long term events such as sea level rising. This dynamic quality offers a defense from extreme weather events.

Rigid infrastructure from coastal development can inhibit the ability of coastal ecosystems to respond to changes.

48.   Since coastal areas are the most highly populated regions on Earth, their protection requires unique attention and the effective management of numerous competing interests.

49.   In many coastal areas, tourism development is destroying or marginalising dwindling habitats for marine animals and spawning fish, as well as the livelihoods of traditional fishing families and villages. Unregulated water sport activities and machinery are adding to this toll. Lack of effective waste water treatment for tourist facilities is making a significant contribution to coastal water pollution. Excessive private tourist development is denying equitable human access to beaches and coastal waters, cutting off local populations from their coastal heritage. Inappropriate development in high risk storm areas is costing families, local economies and governments billions of dollars annually.

Solutions

50.   As a first measure towards the sustainable management of coastal areas, governments at all levels, working in partnership with private foundations and investors, should establish designated coastal areas where development will be forever restricted. Protection of these areas should be stringently enforced. In areas where coastal development can be socially and environmentally justified, tourism development should be designed as a form of low-impact economic activity relative to other development alternatives.

51.   The reputation and viability of the sustainable tourism concept depends upon the definition and implementation of clear management objectives for each coastal area. These objectives should clearly designate ecologically and socially/culturally sensitive areas as well as high risk areas. Appropriate tourism uses should be designated for each area according to levels of sensitivity and risk. Education programs should be established to inform tourists about these management objectives.

52.   The aims of any sustainable tourism development in coastal areas should be to:

- recognise the economic value of existing coastal ecosystems, towns and heritage sites by providing opportunity for local revenue-generation through managed tourist use of these areas;

- design tourism developments, in cooperation with local stakeholders, to suit the unique ecological and social characteristics of each coastal site;

- use tourism investment to develop and upgrade the watershed, solid waste and waste water management systems for coastal cities and towns;

- ensure equitable access to coastal areas by all people, with a specific emphasis on using tourism development as a means to upgrade and manage traditional social uses, for example, through the designation of special natural/cultural heritage sites.

53.   In addition sound planning and management to achieve the above aims, the following opportunities for low-impact tourism development could be considered:

- application of low-impact building and transportation designs, materials and technologies;

- control of waste production through recycling and efficiency measures;

- co-investment by the tourism industry, government and local residents to upgrade existing settlements and urban infrastructure, including drainage and sewerage infrastructure.

Agents and Partnerships for Change

54.   The planning and management of coastal development typically requires the cooperation of local stakeholders-including property owners, residents, local business groups, and local authorities-and government agencies at the national and sub-national levels. In general, some institutional mechanism will need to be established to facilitate cooperation and consensus-building among these actors. As coastal areas typically extend beyond the jurisdictions of individual local authorities, regional coastal management agencies are often established through inter-municipal cooperation or sub-national action to provide effective multi-jurisdictional coordination. Alternatively, private foundations or regional/national NGOs have frequently been used as a mechanism for coastal area planning.

55.   Under ideal circumstances, tourism industry representatives, including property owners, will be directly involved in coastal planning and management schemes. In such cases, the tourism industry, in particular transnational businesses, needs to make a good faith commitment not to circumvent local/regional planning and management discussions by directly lobbying national government for special permissions and considerations.

56.   Ultimately, actions to reduce the adverse impacts of tourism on coastal areas will reflect the principles of Local Agenda 21 planning outlined earlier (see paragraph 41).