

SUSTAINABLE TOURISM STEWARDSHIP COUNCIL

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What is the Sustainable Tourism Stewardship Council?

The Sustainable Tourism Stewardship Council is a proposed global accreditation body for sustainable tourism and ecotourism certifiers. If this body is found feasible, it will set international standards for certification of tourism industry organisations that want to claim being sustainable or practicing ecotourism.

The current project will investigate the viability of such body by consulting a wide range of stakeholders. This consultation will inform the project deliverables: market demand, organization and implementation, and the subsequent financial sustainability of the body.

Stakeholder Consultation

The STSC team has conducted consultation workshops and discussions at six events between September and November 2001. The workshop consultation will be completed early 2002 at trade conferences in Germany and the USA, and IYE consultation events in India, Peru, Thailand, Kenya and Sweden. Besides workshops, e-mail and postal consultation will reach over 1000 organisations and professionals involved in certification or sustainable tourism.

The pilot workshop took place at **Ecotour Amazonia** (27 Sept, Brazil), where 35 people were consulted on the current situation regarding ecotourism certification in the Amazon Basin countries, and how the proposals for an international accreditation body could help in the efforts to certify operations in those countries. Brazilian and Venezuelan proposals for certification were discussed and the STSC consultants are in contact with representatives from these projects.

A second pilot workshop took place at the **VII Seminário Nacional Conselho Nacional da Reserva da Biosfera da Mata Atlântica** (20 Oct, Brazil), where 35 individuals representing a wide range of stakeholder groups currently engaged in ecotourism activities in Brazil's Atlantic forest attended the presentation of the Brazilian initiative to develop a certification program for ecotourism, and participated actively in a consultation workshop for the development of an international accreditation body that could support such initiative.

STSC has consulted at two events in Australia, the **Ecotourism Association Australia AGM** (25 Oct,) and the **Australian Tourism Research Institute (ATRI)** annual conference (31 Oct), where 40 people from the public and private sectors, policy makers and industry operators participated. Australian participants already have extensive experience with certification and were keen to highlight that any accreditation body must have rigorous criteria that are at least equal to, or exceed the criteria of high quality certification programmes. There was consensus that to be successful, an accreditation body must be transparent, and should not involve high costs to the end users (both the tourist and the business). In addition to criteria and willingness to pay, participants were questioned about possible organisational structure and whether or not there is a demand for such a body in the southern hemisphere.

Equity for a Small Planet is the title for the **30th anniversary workshop of the International Institute for Environment and Development** (12 Nov, UK), where STSC consultants discussed the feasibility of tourism accreditation in the light of the forestry experience and the proposals for accreditation in mining. The session focused mainly on whether certification and accreditation benefits developing countries and how small producers can be influenced. Issues on critical mass of production to achieve reasonable economies of scale, and how this might create barriers to trade for small companies, were discussed. Examples on how forestry and social standards have changed production patterns in developing countries and in rural areas of developed ones are taken into account in writing the STSC proposals.

The **World Travel Market** (15 Nov, UK) is one of the largest tourism trade fairs in the world, and the location of two STSC workshops attracting 34 people from varied backgrounds and origins. It was generally agreed that consumer demand will not be a lever for change, and these are unlikely to want to pay a price premium. Methods to generate demand, and whether this will increase prices were discussed, with creative proposals put forward. It was suggested that the demand for accredited products needs to be the result of pressures from supply chain management and financial institutions. Also valuable ideas were proposed on organisational blueprints.

The **Central America IYE** (International Year of Ecotourism) preparatory conference (29 Nov, Belize) brought together a large number of ecotourism experts from the region, 22 of which participated in the STSC consultation workshop. This one day event put the STSC in the context of regional priorities and events, such as the expansion of the Costa Rican Certificate for Sustainable Tourism across Central American countries with the support of the System of Integration of Central America (SICA). Valuable information was collected on the role that the tourism industry would expect an accreditation body to perform.

STSC: A proposed global accreditation body for sustainable tourism and ecotourism certifiers

Market Demand

Generally demand will not be generated by consumers; these do not prioritise environmental, and even less social issues in their purchasing patterns, and neither certification bodies nor a possible accreditation body will have the promotional budget to make a difference. Demand will have to be created via supply chain management and financial methods, ranging from incentives in the early stages, to requirements to trade once accreditation is more established. Tour operators play a key role in supply chain management that has not been exploited in certification, and could be the most effective target market. Methods to use financial mechanisms to create demand range from promoting ethical investment funds such as Terra Capita proposed in Ecotour Amazonia, to asking responsible investment managers to sign up to the STSC, and put pressure through shareholders for accreditation.

The ethics of accreditation will have to be considered; many small companies will not have the economies of scale to consider certification due to costs; if accreditation increases the need to be certified, this has to be done with capacity building and other incentives, which are perceived as a responsibility of governments. Businesses will need to see how eco-savings, increased business or added value can offset extra costs. It will be easier to convince large companies than small ones, and the latter are likely to only be able to enter through the accreditation of whole chains of supply.

Organization and implementation

An organisational structure in line with the financing model, and recommendations on operating procedures and international accreditation standards is a key component of the STSC project. One of the major problems with tourism certification programmes to date has been the fact they have often been established with the assistance of grant money. Participation/membership fees have, on the whole, been low and often subsidised by the certification body themselves in a bid to increase the number of businesses involved. This is not a financially viable solution as once grant money dries up, there is a serious lack of resources to continue service provision. Thus it is vital that the organisational structure of the STSC does not represent a financial burden.

In addition, following a review of various certification programmes around the world, there are diverse criteria used to certify tourism operations. Criteria often consider key regional issues. There is a need to ensure this is also carried into the STSC, so regional issues can be catered for on the broader level. There is considerable inconsistency regarding first, second or third party verification. The consultation to date has revealed that third party verification by certification bodies is imperative for transparency, and that this should be a fundamental requirement of the STSC.

There are key international agencies that play an active role in the promotion and development of sustainable tourism. If accreditation is to be successful, transparency in operation must be ensured. The role of such international agencies will be explored as part of the organisation and implementation strategy.

There are several developments that need to be considered, mainly in Central America and Europe. In a ministerial meeting in Fall 2001, the ministers from all Central American countries agreed to work towards setting up national structures for tourism certification with a common format but allowing for national differences. The model to be used is the Costa Rican Certificate for Sustainable Tourism (CST). The CST had already been recognised in the past by the World Tourism Organisation as a possible model to be transferred. In Europe, the VISIT project brings together ecolabels aiming for common standards under one umbrella but managed independently.

Financial Sustainability

When setting up a new organization there are many obstacles that have to be dealt with in order to make all the ends come together. But even bearing everything else in mind there is often one challenge that by far identifies itself as being the most difficult problem to tackle: financial sustainability. The key to creating a financial sustainable organization lies in building the organization on top of a solid budget. In order to make sure that a future global accreditation body is built on a financially solid foundation a financial feasibility study is being conducted. The study will lead to the preparation of a financial feasibility plan that will include: funding sources, pricing strategies, start-up and operating costs. The financial feasibility plan will be based on the data collected through stakeholder participation (consultation workshops, interviews and answer to questionnaires) and through benchmarking studies of other accreditation bodies.

The financial sustainability plan will also be considering sources of revenue and expenditure. Revenues are generated through membership fees, funding from international agencies, in kind provision of secretariat by international organization, financial support from private foundations, funding from the national environmental agencies in the countries where the tourists originate from, provisions from the national tourism boards in the tourism countries, grants, verification and capacity building. Expenditures will mainly come from general running costs, costs related to control visits by verifiers, costs from documenting the benefits of sustainable tourism and marketing.