STUDY TO DEVELOP A FRAMEWORK ON SUSTAINABLE TOURISM DEVELOPMENT IN ASEAN IN THE POST COVID-19 ERA







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Economic Research Institute for ASEAN and East Asia (ERIA)¹

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LIST OF ACRONYMS

ACCSM	ASEAN Conference on Civil Service Matters
ACDM	ASEAN Committee on Disaster Management
ACSS	ASEAN Community Statistical System
ACW	ASEAN Committee on Women
ACWC	ASEAN Commission on the Promotion and Protection of the Rights of
	Women and Children
ADB	Asian Development Bank
ADM	ASEAN Digital Masterplan
AEC	ASEAN Economic Community
AECD	ASEAN Economic Community Department
AEC 2025 MTR	AEC Blueprint 2025 Mid-Term Review
AFSTD	ASEAN Framework on Sustainable Tourism Development
AIMD	ASEAN Integration Monitoring Department
AMS	ASEAN Member State/s (where appropriate)
AMFSED	Analysis and Monitoring on Finance and Socio Economic Issues Division
APEC	Asia-Pacific Economic Cooperation
APSC	ASEAN Political-Security Community
ASCC	ASEAN Socio-Cultural Community
ASCCD	ASEAN Socio-Cultural Community Department
ASCN	ASEAN Smart Cities Network
ASEC	ASEAN Secretariat
ASITAT	ASEAN Sustainable Tourism Assessment Tools
ASITDC	ASEAN Sustainable and Inclusive Tourism Development Committee
ASOEN	ASEAN Senior Officials on Environment
ATF	ASEAN Tourism Forum
ATMS	ASEAN Tourism Marketing Strategy
ATSP	ASEAN Tourism Strategic Plan
COP-AATHP	Committee (COM) under the COP to the ASEAN Agreement on
	Transboundary Haze Pollution
CSTPF	Caribbean Sustainable Tourism Policy Framework
СТО	Caribbean Tourism Organization
DMO	Destination Management Organisation

Economic Research Institute for ASEAN and East Asia
European Travel Commission
European Tourism Indicator System
European Union
Global Sustainable Tourism Council
Key performance indicators
Monitoring, Surveillance & Coordination Division
Measuring Sustainable Tourism
National Tourism Organisations
Statistical Framework for Measuring the Sustainability of Tourism
Senior Labour Officials Meeting
Senior Officials Meeting on the ASCC
Coordinating Conference on the ASCC
Senior Officials Meeting on Education
Senior Officials Meeting for Culture and Arts
Senior Officials Meeting on Health Development
Senior Officials Meeting on Rural Development and Poverty Eradication
Senior Officials Meeting Responsible for Information
Senior Officials Meeting on Sports
Senior Officials Meeting on Social Welfare and Development
Senior Officials Meeting on Youth
United Nations
United Nations Environment Programme
UN Statistics Division
United Nations World Tourism Organization
World Travel & Tourism Council

EXECUTIVE SUMMARY

- a. The vision for ASEAN tourism as articulated in the AEC Blueprint 2025 is to make the region a "quality tourism destination", which offers unique and diverse ASEAN experience and is committed to sustainable tourism development. In realising this vision, the ASEAN Tourism Strategic Plan 2016-2025 (ATSP) spelled out two strategic directions namely: (i) enhance the competitiveness of ASEAN as a single tourism destination; and (ii) ensure that ASEAN tourism is sustainable and inclusive, on which the ASEAN tourism initiatives are anchored. Sustainable and inclusive tourism is to be promoted through (i) upgrading of community and private sector participation in tourism value chain; (ii) safety, security, and protection of tourism and heritage assets; and (iii) increasing responsiveness to environment and climate change.
- b. Following the mid-term review of ATSP in 2020, an updated ATSP was released in January 2021. In particular, the updated ATSP recognised the need to encourage more programs and activities that promote sustainable and responsible tourism development in ASEAN, to balance the previous focus of past initiatives primarily on marketing and promotional efforts. Thus, to implement the strategic measure on increasing responsiveness to environmental protection and climate change, new activities proposed included the design and implementation of sustainable consumption and production and financing programs, which involved undertaking three new activities: (i) develop measures to implement sustainable consumption and production (Greening the Tourism Value Chain) practices in tourism businesses and destinations; (ii) conduct study on carrying capacities of the priority ASEAN heritage tourism products/destinations; and (iii) formulate strategy on sustainable tourism financing schemes for enterprises and destinations.
- c. Furthermore, the Phnom Penh Declaration on a More Sustainable, Inclusive and Resilient ASEAN Tourism was adopted in February 2021, which called for: (i) closer collaboration between ASEAN Member States (AMS) as well as with relevant international organisations and tourism stakeholders; (ii) the expeditious development of a Post COVID-19 Recovery Plan for ASEAN Tourism; (iii) promotion of opportunities

especially for MSMEs, vulnerable groups, and other affected communities; and (iv) enhanced capacity building. In September 2021, ASEAN Tourism Ministers endorsed the *Post-COVID-19 Recovery Plan for ASEAN Tourism*, which proposed the following five pillars that were each developed into implementation action plans under the foreseen reopening, recovery, and resilience phases over 2021-2025: (i) support tourism businesses with recovery and adaptation to the requirements; (ii) enable safe and seamless restoration of intra-ASEAN and international travels; (iii) ensure that recovery is underpinned by principles of sustainability and inclusivity; (iv) reinvent tourism services to drive competitiveness; and (v) prepare for long-term resilience and crisis preparedness.

- d. The pandemic also induced ASEAN to revisit and rethink its tourism strategy as it prepared for recovery and long-term resilience of the region. The re-emphasis of the updated ATSP on sustainable tourism development is a timely reminder that the development of tourism per se is not the end-goal. Rather, efforts should concentrate on the transformation of tourism through a broad consideration of the linkages between tourism and sustainable development in ASEAN. Sustainability is also seen as critical to the recovery, and long-term resilience and viability of the sector. This Study is thus being undertaken to help develop an operational framework on sustainable tourism development in ASEAN, in the context of COVID-19 as well as the need to effectively deal with environmental issues and climate change, and socio-cultural issues related to tourism in the region.
- e. To address the specific objectives of the Study, it consists of four major Parts:

Part 1 reviews the tourism and sustainable tourism policy, and the impact of and risks and challenges posed by COVID-19 on sustainable tourism in the 10 AMS;

Part 2 presents a summary of the key findings from Part 1; briefly reviews trends in ASEAN tourism and initiatives on tourism and sustainable tourism, especially those undertaken in the context of the pandemic; and briefly surveys the work of other sectors in the ASEAN Community that have direct relevance and implications on sustainable tourism development in the region;

Part 3 aims to provide ASEAN National Tourism Organisations (NTOs) and policy makers with a better understanding of sustainable tourism approaches, including key principles, criteria, implementation schemes, and practical solutions to help enhance

the sustainability of tourism destinations in AMS by presenting a comprehensive review of the findings and recommendations of relevant international organisations, including the UN World Tourism Organization (UNWTO) and World Travel & Tourism Council (WTTC), and the experience of other regional groupings; and identifies how they may be applied/adapted to the ASEAN; and finally

Part 4 consolidates the key findings of Parts 1-3 to propose an operational framework for sustainable tourism development in ASEAN, taking into account multi-stakeholder as well as national and regional perspectives/ dimensions.

- f. Overall, tourism has played a critical role in overall socio-economic development across the region; hence, the devasting impact of COVID-19 on the region's economies with the collapse of their tourism sectors. Sustainable tourism has been incorporated in several AMS' tourism policy frameworks since the 1990s, particularly in the context of ecotourism. The broader definition of the term, i.e., as encompassing economic, environmental, and socio-cultural sustainability, began to be incorporated more fully in the more developed AMS from the mid-2000s, and more so in the last five to six years. The COVID-19 pandemic induced AMS, even those with long established frameworks, to begin or still more strongly highlight sustainable tourism development as critical to the recovery of their tourism sectors and economies. But even before the pandemic, several major challenges were already evident in the region, including: (i) stagnant growth; (ii) overreliance on foreign tourists coming from a few number of countries and heading to a few destinations; (iii) inadequate infrastructure; (iv) major share of low-wage and informal employment; (v) lower tourism revenues as average tourist spending fell below regional targets; (vi) environmental degradation; (vii) inadequate maintenance of sites and attractions; or (vii) disruption of local life.
- g. UNWTO, in partnership with the United Nations Environment Programme (UNEP), came up with a comprehensive policy guidebook in 2005 to serve as a blueprint in the formulation and implementation of national sustainable tourism policies. UNWTO undertook refinements of the 2005 framework over the years to streamline the approach. Specific recommendations were then proposed for the sector's recovery and long-term resilience in the context of the COVID-19 pandemic. Other regional groupings also developed their frameworks, which drew on the UNWTO framework. Finally, international organisations such as the World Travel & Tourism

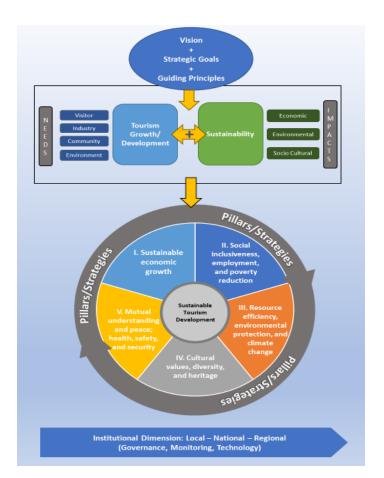
Council (WTTC), World Bank, and Asian Development Bank also came up with their own guidelines and recommendations for a more sustainable and resilient tourism sector. Given that tourism is a complex sector composed of multiple stakeholders, sub-sectors, and levels, two key common approaches espoused by the various frameworks are: (i) sustainable tourism development has to involve all relevant stakeholders in both the public and private sectors, and other key stakeholders; and (ii) sustainable tourism has to be properly and adequately measured to ensure progress towards the desired goals. These were also highlighted in the AMS review in Part 1.

h. **Finally, to account the results from Parts 1-3, a proposed overall multi-sectoral** ASEAN framework on sustainable tourism development is outlined in Part 4.

i. The proposed long-term vision is:

"An ASEAN region that is recognised as a quality sustainable tourism destination, which promotes the economic prosperity, welfare, and engagement of the local community; protects and develops its natural environment and culture; and provides a high-quality experience to responsible and sustainable-minded visitors/tourists."

j. The following schematic diagramme encapsulates the outline of the proposed multi-sectoral framework. That is, making tourism development more sustainable means accounting the economic, environmental, and socio-cultural sustainability impacts by assigning clear responsibilities, even as the needs of the key dimensions of tourism, i.e., the visitors, the industry, the local communities, and the environment (VICE) are incorporated in the planning, development, and operation, of tourism. The proposed five central pillars of sustainable tourism development have been identified as the key elements of sustainable development to which tourism could make a significant and lasting contribution. The institutional pillar incorporates the requirements, particularly in terms of governance and monitoring, that cuts across all the dimensions, elements, pillars and levels, with technology playing a key enabling role.



- k. The proposed pillars hew very closely to the structure of the ASEAN Community, which would facilitate identifying the areas and sectors where modalities for cooperation, coordination, and/or collaboration may be established to promote and pursue common goals and initiatives.
- I. Sustainable tourism development is necessarily a long-term process, which requires comprehensive and adequate planning and implementation. This Study hopes to contribute to facilitating the process by providing an initial framework, which can be further developed into a master plan and detailed implementation plan to suits the needs of ASEAN.

INTRODUCTION

- 1. The vision for ASEAN tourism as articulated in the AEC Blueprint 2025 is to make the region a "quality tourism destination", which offers unique and diverse ASEAN experience and is committed to sustainable tourism development. In realising this vision, the ASEAN Tourism Strategic Plan 2016-2025 (ATSP) spelled out two strategic directions namely: (i) enhance the competitiveness of ASEAN as a single tourism destination; and (ii) ensure that ASEAN tourism is sustainable and inclusive, on which the ASEAN tourism initiatives are anchored. Sustainable and inclusive tourism is to be promoted through (i) upgrading of community and private sector participation in tourism value chain; (ii) safety, security, and protection of tourism and heritage assets; and (iii) increasing responsiveness to environment and climate change.
- 2. The AEC Blueprint 2025 Mid-Term Review (AEC 2025 MTR) (ASEC 2021) noted that the key accomplishments related to sustainable and inclusive ASEAN tourism included the development and implementation of the strategy on participation of local communities and private sectors in tourism development; and the ASEAN Gender and Development in Tourism as part of the overall program for inclusive and participatory development. On ensuring safety and security, and protection of key destinations in ASEAN, ASEAN completed the study on working with official bodies and organisations in support of the protection and management of heritage sites and organised the Impact Assessment on Existing ASEAN World Heritage Sites and ASEAN Heritage Parks in 2019. On increasing the responsiveness to environmental protection and climate change, ASEAN (i) adopted the ASEAN Sustainable Tourism Assessment Tools (ASITAT) during the 21st Meeting of the ASEAN Tourism Ministers (M-ATM) in 2018; and (ii) completed the manual of guidelines to improve responsiveness to environmental issues and climate change. The updated guidelines incorporated aspects relating to environment and climate change mitigation, adaptation, and resilience.
- 3. In terms of challenges, the AEC 2025 MTR noted that tourism is a sector that is interdependent with other sectors, which meant that tourism development must be a

coordinated effort across different sectors. However, **coordination issues remain to be a concern in the tourism secto**r, which has been magnified by COVID-19 that required a strong collective and pro-active response across various government agencies and departments. Thus, key recommendations included a whole-ofgovernment approach for effective coordination between the tourism sector and the other relevant sectors, and collective effort to prepare for a sustainable and resilient tourism sector.

- 4. The pandemic also required ASEAN to revisit and rethink its tourism strategy as it prepared for recovery and long-term resilience of the region. This Study is thus being undertaken to help develop an operational framework on sustainable tourism development in ASEAN, in the context of COVID-19 as well as the need to effectively deal with environmental issues and climate change, and socio-cultural issues related to tourism in the region.
- 5. As set out in the Terms of Reference for the Study, the specific objectives of the Study include:
 - Analyse the impact of COVID-19 on sustainable tourism in 10 ASEAN Member States, including risks and challenges brought by the pandemic in addressing key sustainability issues at the country level;
 - ii. Provide ASEAN NTOs and policy makers with a better understanding of sustainable tourism approach, including key principles, criteria, implementation schemes, and practical solutions that will enhance the sustainability of tourism destinations in ASEAN Member States; and
 - iii. Identify best practices on tourism sustainability, including key indicators and other measures to aid the implementation of sustainable tourism both at the country and regional levels.

6. To address the specific objectives, the Study consists of four (4) major components:

Part 1 individually focuses on the 10 ASEAN Members States (AMS) to: (i) present a brief background on the state of the tourism sector; (ii) review the state of sustainable tourism, including challenges, opportunities, and existing policies, programmes and

institutional arrangements; and (iii) analyse the impact of COVID-19 on sustainable tourism, including risks and challenges brought by the pandemic in addressing key sustainability issues.

Part 2 consolidates the country level assessments and analyses presented in Part 1 to identify key aspects, approaches, and issues in the region; reviews trends in ASEAN tourism and initiatives on tourism and sustainable tourism, especially those undertaken in the context of the pandemic; and briefly surveys the work of other sectors in the ASEAN Community that have direct relevance and implications on sustainable tourism development in the region.

Part 3 presents the latest key definitions, concepts, principles, best practises, approaches, and implementation and monitoring frameworks including key performance indicators (KPIs) on sustainable tourism as developed and applied by other regional groupings and relevant organisations and examines how they may be applied/adapted to the ASEAN context.

Part 4 consolidates the key findings of Parts 1-3 to develop an operational framework for developing a sustainable tourism agenda in ASEAN, considering multi-stakeholder as well as national and regional perspectives/dimensions.

PART 1 SUSTAINABLE TOURISM DEVELOPMENT IN ASEAN MEMBER STATES

7. The key findings of ASEAN Member State (AMS) papers submitted to date are presented here, including an overview of the state of the tourism sector and tourism policies; the impact of COVID-19 on tourism; and the agenda/framework on sustainable tourism development in AMS.

A. Brunei Darussalam²

A.1. Tourism and Tourism Policy in Brunei Darussalam

- 8. **Brunei Darussalam recognises tourism as a potential industry for diversifying** economic activity away from overdependence on oil and gas revenues, reinforced in the context of post-pandemic recovery and growth. Tourism is identified as an important sector in contributing to the diversification of Brunei Darussalam's economy towards achieving the Brunei Vision 2035 or Wawasan Brunei 2035. The Ministry of Primary Resources and Tourism, through the Tourism Development Department, is the government agency responsible to develop the tourism industry in the country. The tourism industry has been identified to have high potential in contributing towards the growth and diversification of the economy.
- 9. The current Tourism Development Department Strategic Plan 2020–2022 focuses on strengthening the attractiveness and diversity of tourism products; improving the quality of services and upgrading the standard of tourism facilities; expanding local and international marketing and promotion; developing activity-based tourism products and domestic tourism through local culinary food activities; and promoting meetings, incentives, conventions, and exhibitions (MICE). It also has some specific targets such as doubling the number of visitor arrivals by air.
- 10. **The World Travel and Tourism Council's estimates of travel and tourism sector's** economic contribution in Brunei Darussalam show a lower share of national GDP

² This section is extracted from Clough (2022), and incorporates comments received from the tourism officials of Brunei Darussalam (in red).

than global average. Brunei Darussalam also attracts relatively fewer international visitors than its ASEAN neighbours, with domestic tourists accounting for more than half the tourism spending even before COVID-19 struck. Travel data from 2012 to 2019 show that visitors to Brunei Darussalam stay an average of 2 to 2.5 days, while holidays visitors stay longer at 4.5 days on average. While tourism and hospitality in Brunei Darussalam has been growing at 3.1 percent per year prior to the pandemic, tourism sector's spending are observed to be lower than 2008 levels since 2012.

- 11. **In 2020, Brunei Darussalam recorded around 75 percent reduction in** international visitor arrivals from the previous year. Visitors arriving by ship dropped by 90 percent, while those arriving by air dropped by 81 percent. Holiday arrivals travelling by air dropped by 81 percent. Overland arrivals, which comprise the majority share of visitor arrivals, dropped by 75 percent. Visitors from ASEAN were found to have the largest reduction with 135,000 fewer arrivals or about 81 percent decrease.
- 12. Tourism spending dropped among domestic tourists and international tourists in 2020. These were observed to have been one of the lowest percentage reductions in spending in the Asia-Pacific region. This can be attributed to Brunei Darussalam's early relaxation of restrictions following its success in containing the first wave of COVID infections and cautious re-opening of the tourism sectors. However, recovery stalled in August 2021 following another outbreak of the highly contagious COVID-19 Delta variant. In the third quarter of 2020, tourism spending fell by -75 percent over the previous quarter, and by -95 percent compared to the same period in 2021.
- Brunei Darussalam experienced 40.5 percent loss of tourism sector jobs in 2020. The high reliance on foreign workers in Brunei, which was around 41 percent on average between 2015-2020, will have adverse impacts on remittances sent to their countries of origin, including other ASEAN member states.
- 14. **Brunei Darussalam quelled the initial spread of COVID-19, allowing tourism** businesses to reopen by mid-2020 subject to health standards being met. To keep business afloat, deferral on loan repayments were offered to industries in tourism, hospitality, events management and food and beverages. Government also introduced a stimulus package of BND 450 million to support the financial sector and micro, small and medium enterprises (MSMEs) in the private sector, to cushion local

businesses and wellbeing in the community.

15. The Tourism Development Department led the development of an internal recovery plan to revive the tourism industry. This covered such key issues as ensuring safety, cleanliness, and hygiene; enabling sustainable, resilient, and inclusive tourism; domestic tourism; customer service training; digitalisation; and investment opportunities. Several government agencies and private sector partners were also involved in implementing the plan. The Brunei Tourism Board also led various domestic tourism activities such as the Brunei December Festival and Brunei Mid-Year Conferences and Events (Brunei MYCE), to encourage domestic tourism activities and to mitigate the impacts of COVID-19 to the tourism industry.

A.2. Sustainable Tourism in Brunei Darussalam

- 16. While sustainable development is central to Brunei Darussalam's socioeconomic development, sustainable tourism in the country still in its early stages, focusing on increasing awareness of the benefits of implementing sustainable tourism among tourism industry stakeholders. There are yet no statistics or indicators on the extent of sustainable tourism in the country.
- 17. The Tourism Development Department produced the Brunei Darussalam Tourism Masterplan 2011 – 2015 with the objective to realise the tourism potential and to differentiate itself as a unique tourism destination within the region.
- 18. To the extent that Brunei Darussalam is seeking to develop tourism as a means of diversifying its economy and earning foreign revenue, it needs to attract international tourisms and to consider what are its distinctive attractions in the global marketplace that will draw visitors to Brunei Darussalam. With visitors attracted to Brunei Darussalam for its natural scenery of beaches and forests, and its cultural heritage of Islamic art and architecture, tourism can provide work and incomes for people spread widely across the country.
- 19. **To attract more visitors, it may be necessary to demonstrate not only the** opportunities of visiting Brunei Darussalam's wild places, but also to demonstrate

that it is taking steps towards sustainability. That includes not only reducing the dominance of oil and gas in its economic production and exports, but also doing so in the country's supporting infrastructure, such as by use of renewable energy sources to replace fossil fuelled electricity generation. Keeping sufficient movement of people to keep tourism viable while reducing the carbon emissions used in doing so is also a substantial challenge for building back better from the COVID-19 upheaval.

B. Cambodia³

B.1. Tourism and Tourism Policy in Cambodia

- 20. Visitors to Cambodia are presented with the fascinating remnants of the great Khmer empire, some reminiscences of the French rule, as well as reminders of the turmoil of the 1970s and 1980s that destroyed the country's vital institutions and social fabric. With the restoration of peace in the early 1990s, substantial development assistance from various international sources facilitated the rebuilding of its economy and civil society.
- 21. **Cambodia is primarily a cultural tourism destination focused on a few key** attractions, the most prominent of which is the famous temple complex of Angkor Wat, a relic of the great Khmer empire situated in the Angkor Archaeological Park in the province of Siem Reap. Beyond Angkor Wat, tourists commonly visit Phnom Penh, Cambodia's capital city, famous for its royal palace and pagodas, markets, and genocide museums; and the seaside town of Sihanoukville with its beach-resorts and burgeoning casino industry.
- 22. **The prioritisation of cultural tourism for Cambodia tourism development is** explicitly stated in the Cambodian Tourism Development Strategic Plan 2012–2020. On the other hand, it was recognised that "ecotourism, a vision for sustainable development, needs to be improved and developed as a new tourist destination, responsibly contributing to mitigating against climate change and toward building up green economic development" (Ministry of Tourism 2012: p. i–ii).

³ This section is extracted from Pascua (2022).

- 23. Undeniably, the growth-driven government strategy has been effective as Cambodia, in 20 years' time, became one of the fastest growing tourism destinations in Southeast Asia. Tourism also became the second most important economic sector, after the garments sector, with international tourist arrivals ballooning from almost 300,000 in 1998 to around 2.5 million in 2010 and more than 6.6 million in 2019. In 2019, it contributed more than 12 percent of GDP, generating more than USD 4.9 billion in revenue, and creating 630,000 direct jobs. Tourists spent about \$1.2 billion in Siem Reap alone, contributing to the creation of 248,000 jobs. Majority of international visitors are from Asian countries, with the Chinese topping the list of arrivals. The role of tourism as a source of vital foreign exchange and GDP growth is especially important in the context of Cambodia. But this growth scenario also left the sector exposed to fluctuations in international tourist arrivals, as demonstrated by the dramatic collapse of the industry and loss of local livelihoods that were extremely dependent on tourism caused by the COVID-19 pandemic. Thus, the recovery of tourism is vital to Cambodia's economic recovery.
- 24. In pre-COVID-19 Cambodia, however, tourism showed signs of stagnation in terms of value captured per tourist – from USD 585 in 2005 to USD 655 in 2016. While low-end businesses mushroomed, stays remained short with limited repeat visits, and destinations suffered from overcrowding and degradation. Revenue leakage to overseas agents and investors was also guite high, estimated at around 40 percent in 2017, which is one of the highest in Asia. To overcome these problems, the Cambodian government sought more foreign investments and new markets. In particular, Cambodia's participation in China's Belt and Road Initiative (BRI) led to investment in tourist facilities, infrastructure and connectivity development, and cross-border trade and tourism. The Cambodian government also launched a strategic marketing plan in 2016 to woo more Chinese tourists through the China Ready initiative. To capitalise on the rapid growth in Chinese inbound tourism, Cambodia established the China Ready Center (CRC) to cater to soaring numbers of Chinese tourists, as well as to improve the skills of local tourist operators working with Chinese clients (World Bank Group 2017). Simply put, Chinese investments in tourism development brought profound change to coastal resorts, cultural heritage sites, and urban landscapes.

B.2. Sustainable Tourism in Cambodia

- 25. Tourism grew rapidly in Siem Reap, with the number of international tourist arrivals growing from 1.3 million in 2010 to 2.5 million in 2018, although the number declined to 2.2 million in 2019. The local tourism industry was devastated by the COVID-19 pandemic, with Siem Reap receiving around 400,000 international tourists in 2020 and just 6,167 in the first nine months of 2021. In terms of market share, about 41 percent of international tourists chose Siem Reap as their destination between 2015 and 2018. By 2020, the market share had dropped to 30 percent.
- 26. For the government, the crisis represented an opportunity to reboot the sector and create the conditions for a more sustainable tourism development in Cambodia. In October 2021, the government launched the Siem Reap Tourism Development Master Plan 2021-2035, which aimed to turn Siem Reap city and the surrounding area into a quality destination focusing on higher spending tourists, while minimising the negative impact of large numbers of visitors on the world-famous Angkor Wat temple complex.
- 27. The Master Plan deems Siem Reap province as the heart of Cambodia's tourism, where cultural tourism, natural tourism, ecotourism, and other types of tourism are envisioned to thrive so that visiting Angkor Wat temple is no longer the primary reason for visiting the province. The government wants to develop the city and the province, while protecting Angkor Wat by taking two basic approaches: (i) the sustainable management of tangible and intangible heritage assets with outstanding value; and (ii) responsible and inclusive development, taking local socio-economic benefits into consideration. The Master Plan has three complementary strategic objectives: (i) high quality tourism; (ii) smart tourism; and (iii) tourism that balances the development and conservation of cultural and natural resources. The Master Plan then prescribed seven key strategic areas for the province's tourism development: (i) development of major tourist sites; (ii) development of new tourism products; (iii) promotion of tourism; (iv) strengthen the quality and sustainability of tourism development; (v) environmental management; (vi) development of infrastructure and connectivity; and (vii) reinforce governance for supporting tourism development based on a participatory approach.

- 28. Infrastructure development is already under way with a USD150 million budget to build 38 roads and plans to renovate nine kilometres of the Siem Reap River in the city to make it more attractive. Construction of a new international airport is also under way, which would be able to accommodate more than 20 million passengers every year once the final phase has been completed, compared with the 5 million passenger capacity currently existing. The government estimates that under the Master Plan and other initiatives to attract "alternative" and "high quality" tourists, Siem Reap could receive around 10.9 million domestic and 7.5 million international tourists by 2035.
- 29. Even before the Master Plan was launched, the government already pledged to advance ecotourism as part of its "green" economic development plan. The national policy on ecotourism had been approved by the Council of Ministers. Under this policy, the Ministry of Environment initiated 22 ecotourism communities covering an area of 35,003 ha in 12 protected areas to spur local economic development by providing employment and boost local incomes. Meanwhile the Ministry of Tourism announced that 56 sites with eco-tourism potential will be developed, most of which will be financed by Chinese investors.

C. Indonesia⁴

C.1. Tourism and Tourism Policy in Indonesia

- 30. Before the onset of the COVID-19 pandemic, Indonesia's tourism was on a steady rise with foreign tourist arrivals reaching a monthly record high of more than 1.5 million in 2019. This number dwindled to 125,000 in April 2020. On the other hand, domestic tourist trips also dipped, but to a lesser extent. Annual domestic trips in Indonesia lowered to about 500 million in 2020 from about 700 million in 2019.
- 31. The decrease in both international and domestic tourist traffic has inevitably impacted the country's tourism economy. Despite tourism's contribution to Indonesia's GDP going in an upward trajectory since 2017, reaching up to USD 64.7 billion or 5.9 percent of the country's output in 2019, this dropped to 3.2 percent in 2020. Domestic tourists' average expenditure decreased from IDR 2.21 million in 2019 to

⁴ This section is extracted from Rosida, Putrawan, and Diswandi (2022).

1.55 million in 2020. Hotel occupancy rates reportedly dipped, resulting to an upwards of 2,000 hotels and 600 restaurants shutting down during the pandemic. According to Indonesian Travel Industries Association, 90 percent of its 7,000 travel industries also shut down. Overall, economic losses were estimated at approximately IDR 85 to 100 trillion or USD 7.1 billion revenue from hotel and restaurant industries. Around 3 million tourism workers also lost their jobs during the first year of the pandemic alone.

- 32. Indonesia's Ministry of Tourism and Creative Economy formulated a Strategic Plan which articulates emergency response, short-term, and long-term recovery measures to mitigate the negative impacts of COVID-19 to the tourism sector. As stipulated in this Strategic Plan, the Ministry, in cooperation with the Ministry for Economic Affairs, approved an additional budget allocation of IDR 298.5 billion to provide special incentives for tourism industries. These incentives include ticket discounts to encourage domestic travel, and tax subsidies for local hotel and restaurant establishments, among others. A Special Allocation Fund was also drawn from this budget to reinvigorate the tourism sector through events promotion especially on music and sports tourism activities. In April 2020, the Government issued a Ministerial Regulation of Finance identifying tourism as part of 18 businesses sectors which can utilise income tax incentives.
- 33. The Strategic Plan also provided non-fiscal measures and programs to support the tourism sector towards recovery and bounce back. These include, among others: awarding Cleanliness, Health, Safety, and Environmentally Friendly (CHSE) Certification to qualified tourism products, businesses, and destinations; encouraging and awarding tourist villages (i.e., areas with special natural, cultural, social, and/or built attraction attractions) to add variety and dynamism to the country's tourist destinations; encouraging domestic tourism and inbound travel through digital marketing and promotional activities initiated by the Ministry of Tourism and Creative Economy such as #DilndonesiaAja (Travel in Indonesia), #InDOnesiaCARE, and campaigns to patronise local Indonesian products through #BeliKreatifLokal and #AdadiWarung; integrating digital technologies on all aspects of tourism activities including provisions for online information campaigns, cashless payment, and virtual tours; implementing capacity building activities for tourism and creative economy industries; improving tourism destinations through infrastructure repairs

and upgrading; and further integrating sustainable tourism principles, including through application of zero waste management models, and the implementation of sustainable tourism certification on tourist destinations.

- C.2. Sustainable Tourism in Indonesia
- 34. Sustainable tourism development is well institutionalised, both at the national and local/regional levels in Indonesia. The Minister of Tourism Regulation Number 14 of 2016 concerning Guidelines for Sustainable Tourism Destinations contains the government policies on sustainable tourism. This ministerial regulation was borne out of a 2007 Workshop on Indicators of Sustainable Development for Tourism Destinations was held in Lombok. This momentous Workshop also served as precursor for the development of a national program for destination management (National Policy for Sustainable Tourism), as well as the formulation of key performance indicators for tourism destinations (National Sustainable Tourism Development Indicators). In 2016, a Memorandum of Understanding was also signed between the Ministry of Tourism and 20 tourist destinations that will serve as pilot project sites for sustainable tourism development. The Minister of Tourism Regulation Number 14 of 2016 was revised in 2021 to incorporate the Sustainable Development Goals (SDGs), as well as include new provisions relating to prolonged disasters such as COVID-19. The revisions made were in accordance with the standards of the Global Sustainable Tourism Council (GSTC).
- 35. A strategic implementation work plan was prepared to ensure the effective implementation of sustainable tourism development in each region. This strategic plan is articulated in various actions plans on: (i) Regional Commitment in Sustainable Tourism Development; (ii) establishment of the National Working Group (NWG) on Sustainable Tourism Development; (iii) awareness raising campaign on Sustainable Tourism Development programme in Indonesia; (iv) building cooperation and collaboration with other stakeholders; (v) establishment of Sustainable Tourism Destination, Sustainable Tourism Observatory (STO) and Sustainable Tourism Certification (STC) to support the implementation programme of Sustainable Tourism Development; and (vi) establishment of management support system by providing National Working Group (NWG) in national level, Facilitator and Local Partner in Provincial/Regional level.

- 36. In building the sustainable tourism development implementation work plan, the Ministry of Tourism collaborated with relevant stakeholders from related ministries/ institutions such as the Ministry of Forestry and Environment, local governments, industry, universities, and international organisations such the United Nations World Tourism Organization (UNWTO) and GSTC. Since the success of sustainable tourism is intertwined in enhancing resilience and preparedness in the face of disasters and crisis, several non-tourism industry stakeholders such as disaster management agency, health department, social department and the food security department are likewise needed.
- 37. **To facilitate coordination and evaluation of sustainable tourism development** implementation between the local and the central government, a Monitoring Center for Sustainable Tourism Observatory (MCSTO) was established in 2016 at each implementation location. However, challenges to the scale-up of MCSTO to other regions include funding constraints and limited regulation activities conducted between the local and central government
- 38. Key performance indicators are being used to monitor sustainable tourism in Indonesia using criteria, sub-criteria and indicators that was stipulated both in Ministry Regulation 2016 and Ministry Regulation 2021. Criteria for sustainable tourism destinations can also be applied to museums, festivals, public buildings and monuments, not just commercial businesses like hotels or attractions.
- 39. Overall feedback from focus group discussions indicates that sustainable tourism policies and implementation have been widely recognised by the stakeholders. Nevertheless, there are some issues to be highlighted for improvement as follows: (a) tourism literacy in tourism villages including storytelling, historical background, cultural identity of tourism villages has to be improved and maintained; (b) the implementation of policies may be hindered by geographical constraints in monitoring and evaluation. Hence, technology upgrading and modernisation, as well as digitalisation efforts using several online platforms including influencers, campaigns in social media on the importance of sustainable tourism should be considered; (c) tourist destinations should have seasonal tourism management and crisis management in place to help maintain the sustainability of the industry; (d) avoiding over-tourism and under-tourism; (e) resolving inadequate coordination

across relevant stakeholders; (f) implementing zonation schemes to prevent misuse of resources and conflicts; (g) effective waste management implementation; and (h) providing crisis mitigation and management capacities must be provided for tourism practitioners and industries in all stages.

D. Lao PDR⁵

D.1. Tourism and Tourism Policy in Lao PDR

- 40. Lao PDR is a landlocked country rich in biodiversity endowments, and with virtually untouched natural, historical, and cultural sites. Located in the centre of Indochina and surrounded by major destinations such as Thailand and Viet Nam, Lao PDR is often considered as an 'add-on destination'. As such, it can be said that Lao PDR's openness to international tourists, establishment of travel and tourism linkages with neighbouring countries, as well as enhancement of regional tourism cooperation are some of essential factors to the success of Lao tourism.
- 41. Tourism's potential contribution to Lao PDR's socioeconomic development was underscored when the Lao National Assembly in 1995 identified tourism industry as one of its eight priority development areas. Lao PDR envisions to become a place for recreation, cultural, exchange, and learning for both regional and international visitors leveraging on sustainable tourism management of its natural, historical, and cultural resources. Guided by this vision, the main policies concerning tourism development in Lao PDR included: (i) implementing an open-door policy involving cooperation with foreign nations in economic and cultural matters; (ii) promoting tourism development to alleviate poverty and boost domestic production; (iii) creating employment opportunities; (iv) generating and distributing income among the ethnic groups; (v) promoting and conserving arts, culture, and fine traditions of the Lao people; and (vi) conserving and protecting ancient archaeological sites, historic monuments, and the natural environment.
- 42. **Tourist arrivals to Lao PDR registered an upward trajectory over the past decade,** from about 2.5 million in 2010 to an all-time high of almost 4.8 million international tourist arrivals in 2019. The majority share of tourists visiting Lao PDR, close to 67

⁵ This section is extracted from Phimmavong and Songvilay (2022).

percent, come from ASEAN countries, where visitors from Thailand accounted for around 45 percent of total tourist arrivals in 2019. Arrivals were also observed from upmarket tourists from Europe and America. On average, visiting tourists stay in Lao PDR for about 7 days. Tourism revenues more than doubled from around USD 382 million in 2010 to around USD 935 million in 2019, propelling tourism as Lao PDR's 4th highest source of export earnings. In 2019, the sector contributed to 12 percent of national output, and generated 114,000 jobs.

- 43. Lao PDR reported its first COVID-19 case in March 2020, and a nationwide lockdown was implemented. This prompted the closure of all international ports of entry to tourists, suspension of tourist visa issuances, and banning of interprovincial travel as part of measures to contain the spread of COVID-19. As a result, and echoing global trends, international tourist arrivals in Lao PDR plunged by more than 81 percent in 2020. Although hotels, resorts, and restaurants were subsequently allowed to continue operating under strict guidelines, travel restrictions continued to severely undercut demand.
- 44. To keep businesses and the economy afloat though the pandemic, the Prime Minister announced various fiscal and monetary measures under the Decision on Policies and Measures to Reduce the Impact of the COVID-19 Pandemic on the Lao Economy No. 31/PM. These include, among others, tax exemptions for qualified employees and microenterprises, and import duty exemptions on essential items (e.g., mask, hand soap, medical equipment) in preventing the spread of COVID-19. Bank of the Lao PDR reduced its interest rate and reserve requirements for commercial banks and financial institutions and instructed commercial banks to implement loanrelated measures, such as extending the loan payment period, restructuring existing loan arrangements, and issuing targeted credits to businesses that are adversely affected by the COVID-19 pandemic. National Social Security Fund Office was instructed to delay the social security contribution payment period for businesses affected by the COVID-19 pandemic for a period of three months from April 2020 to June 2020. Particular to the tourism sector, tax collection for tourism business operators has been delayed for a period of three months from April 2020.

- 45. The Lao Government allocated LAK10 billion to implementing measures that will prevent and control the spread of COVID-19 in the country. The Prime Minister's Cabinet also endorsed a 13-measure economic stimulus package that includes establishing a specific taskforce to address the adverse economic impact of COVID-19.
- 46. In September 2020, the Lao Government together with the private sector launched the 'Lao Thiao Lao' campaign to boost domestic tourism against the backdrop of the global COVID-19 pandemic. It aimed to inspire young Lao people's sense of adventure to visit some of the amazing destinations around the country as a way compensate, at least partly, for the immediate halt in international tourism arrivals. However, domestic tourism revenues were observed to be insufficient to keep tourism businesses afloat through the pandemic.
- 47. Lao Government has reopened its doors to vaccinated tourists under its 'Lao Travel Green Zone Plan'. Under the plan, areas with 70 to 80 percent of the population vaccinated, and 90 to 95 percent of service providers immunized, will be designated as green zones. This plan will guide the reopening of Vientiane Capital, Vang Vieng, and Luang Prabang, designated as "green zones" to ensure the safety of travellers and service providers. Tourists from an initial list of 17 countries have been allowed to travel to Lao PDR during the plan's first phase from 01 January to 31 March 2022.

D.2. Sustainable Tourism Policy in Lao PDR

48. In July 2021, the Ministry of Information, Culture, and Tourism endorsed the Lao PDR Tourism Recovery Roadmap for 2021-2025. The Roadmap has been developed to provide possible measures as Lao PDR's tourism industry gears toward postpandemic bounce back and recovery. The Roadmap proposed to three strategies to support the recovery of the tourism sector in Lao PDR, namely: (i) support and promote domestic tourism; (ii) establish travel bubbles with countries with low risks; and (iii) greening of tourism and sustainable tourism, which is to be a medium- to long-term priority. Following a stakeholder consultation workshop with the private sector and potential donor partners, the Roadmap incorporated three recovery themes: (i) protecting jobs and intervention to revive the tourism sector; (ii) building confidence and strengthening the tourism sector; and (iii) improving, expanding, and diversifying tourism products, services and markets. Development of the Roadmap was supported by the United Nations Development Programme (UNDP), with other international organisations such as the Asian Development Bank, UNWTO, and the World Bank as well as the European Commission providing their recommendations on the approach to recovery.

49. In order promote green and sustainable tourism, the Government of Lao PDR promotes the tourism industry based on its national culture and natural environment. In the post COVID-19 era, this would be even more important, because people will want to travel in smaller groups, outdoors, with an emphasis on quality. The way to keep tourism in Laos sustainable is to keep it a niche, high-end, expensive product to attract the longer-stay and higher-daily-expenditure tourists. With more than twenty national parks, Lao PDR's rich natural endowments make the country an attractive sustainable tourism destination. This presents Lao PDR fresh opportunities to leverage on nature-based tourism, create green jobs and livelihood, and stimulate green recovery and bounce back post-pandemic.

E. Malaysia⁶

E.1. Tourism and Tourism Policy in Malaysia

- 50. Tourism has long been included in Malaysia's national development agenda. The First Malaysia Plan guided the development of basic tourism infrastructure, facilities, and amenities mainly focused in the West Coast. Infrastructure and facilities development were then expanded to all states starting with the Second Malaysia Plan. The Sixth to the Ninth Malaysia Plan sought to shift development focus to the East Coast to reduce the imbalance of tourism infrastructure. The Ninth Malaysia plan also emphasised on enhancing accessibility as well as international advertising and marketing, while the Tenth Malaysia Plan signalled a major marketing shift aimed at capturing the higher-spending market segments.
- 51. **Tourism is identified as one of 12 National Key Economic Areas (NKEA) in** Malaysia's Economic Transformation Programme (ETP) that will help the country

⁶ This section is extracted from Alampay (2022a), and incorporates comments received from the tourism officials of Malaysia (in red).

achieve high-income status. As such, ETP further identified 5 key themes towards a higher earning tourism sector and will be the sector's priority from 2010 to 2020: (i) affordable luxury, to position Malaysia as a shopping destination; (ii) nature adventure, by developing its network of international calibre biodiversity sites; (iii) family fun and entertainment, aimed primarily at the growing middle-class markets of India, China, and the Middle East; (iv) events, entertainment, spa and resorts, in a bid to host more international events and promote the nightlife in urban destinations; and (v) business tourism.

- 52. **Malaysian tourism policy is developed and implemented by the Ministry of** Tourism, Arts, and Culture (MOTAC), with an overall vision for Malaysia to be a "culturally-rich and sustainable destination" and the aspiration "to drive a competitive and sustainable tourism and cultural sector for the socio-economic development of the country." MOTAC supervises the Malaysia Tourism Promotions Board (MTPB), which is more popularly known as Tourism Malaysia, the destination marketing organisation focused on promoting Malaysia domestically and internationally.
- 53. Since the launch of the "Visit Malaysia Year 1990" campaign, recognised as a key turning point in the country's tourism industry, Malaysia has risen to become one of the sought-after tourist destinations. Welcoming an average of 25.7 million international visitor annually in the previous decade, Malaysia has become the 14th biggest tourist destination country in the world, and the 4th leading Asian country in terms of international visitor arrivals before the onset of the COVID-19 pandemic. In 2019, it was estimated that Malaysia's travel and tourism sector contributed RM 102 billion to GDP, and about 3.562 million jobs in sectors such as accommodation, f&b, transport, travel agencies, cultural, sports, recreational, retail sale, automotive fuel, retail trade and country-specific tourism services, or 23.6 percent of total employment
- 54. The implementation of the Malaysian government's Movement Control Order (MCO) to contain the spread of the coronavirus essentially put a stop to almost all leisure travel and tourism in Malaysia from mid-March of 2020 until the end of the first quarter of 2022. The economic impact of COVID-19 in Malaysia's tourism sector was severe. The share of travel and tourism to Malaysia's GDP fell from 6.8 percent in 2019 to 2 percent in 2020. Around 104,300 jobs or 2.9 percent of total employment was lost in 2020. All three of Malaysia's major air carriers: Malaysian Airlines, AirAsia,

and Malindo Air, were forced to initiate salary cuts and to ask employees to take unpaid leaves, with the drastic decline in global air travel demand.

- 55. International arrivals plunged by 83 percent, from about 26 million in 2019 to about 4 million in 2020. This further dipped to less than 100,00 by end of 2021. International visitor spending was cut by USD 19.403 billion, or an 85.3 percent decrease from pre-COVID levels, while domestic visitor spending was likewise slashed by USD 14.136 billion, or about 61 percent decrease.
- 56. The current 12th Malaysia Plan recognised tourism as one of the industries most affected by the COVID-19 pandemic, but the sector is also identified as one of the 8 Strategic and High Impact industries to play a significant role in the country's post-pandemic recovery and bounce back. Key to the success of tourism recovery is the industry's ability to adopt more advanced technology, specifically digitalisation, to enhance efficiency and productivity.

E.2. Sustainable Tourism Policy in Malaysia

- 57. The concept of sustainable development has been an element of Malaysia's tourism development agenda since the first Malaysia Tourism Policy formulated in 1992, although it was primarily focused on ecotourism in its early stages. The National Ecotourism Master Plan, officially accepted in 1996, defined ecotourism as "responsible travel to relatively undisturbed natural areas in order to enjoy and appreciate nature that conserves the environment and sustains the well-being of local people". At the regional level, Malaysia established some leadership regarding ASEAN ecotourism by championing the development of the ASEAN Ecotourism Strategic Plan, which was adopted in July 2013.
- 58. A more comprehensive approach to sustainable tourism was implemented in the Ninth Malaysia Plan 2006-2010, where greater attention was given to preservation and enhancement of Malaysia's natural attractions as well as heritage tourism for historical sites, buildings, and artefacts. With this shift, local authorities and communities were encouraged to take on more active roles early in the tourism planning and development process.

- 59. Nature-based tourism as both a comparative advantage and as a critical area of vulnerability continues to be central to Malaysia's sustainable tourism agenda. The country ranks 12th globally in terms of mega-biodiversity; however, these nature-based assets could easily be lost without effective conservation programs to protect them. Malaysia aims to become one of the best presenters of biodiversity in the world by positioning the country as a Global Biodiversity Hub (GBH). Standards of excellence in the management and presentation of key ecotourism sites were established, and sites that qualify for inclusion in the GBH network were promoted by Tourism Malaysia from 2015 onwards. About 10 percent of international visitor arrivals are ecotourism related. However, the ETP reported that most ecotourism packages did not fully reflect true value to biodiversity and cultural heritage and can thus be enhanced.
- 60. The 2020 2030 National Tourism Policy (NTP) articulates sustainable tourism development as a source of competitive advantage in an increasingly volatile and uncertain tourism environment. At the same time, it recognises sustainable tourism development as an important platform for inclusive growth. important platform for inclusive growth. The primary strategic direction will be to transform Malaysia's tourism industry by harnessing public-private sector partnerships and embracing digitalisation to drive innovation and competitiveness towards sustainable and inclusive development through its 3 pillars of strategies, which are competitiveness, sustainability, and inclusiveness. The 2020 2030 NTP continues in the direction of higher-value tourism through six transformation strategies that include: (i) strengthening tourism governance capacity; (ii) creating special tourism investment zones; (iii) embracing smart tourism; (iv) enhancing demand sophistication; (v) practicing sustainable and responsible tourism; and (vi) upskilling human capital.
- 61. The 2020 2030 NTP also calls for product augmentation and enhancement strategies to add value to the Malaysian tourism experience through product development, strengthening enablers and removing impediments. Among specific products prioritised for value augmentation and enhancement are ecotourism, adventure tourism, sports tourism, cultural & heritage tourism, community-based tourism, island tourism, coastal tourism, urban tourism, Muslim-friendly tourism, medical & wellness tourism, and MICE.

- 62. The transformation strategy 5 on 'Practicing Sustainable and Responsible Tourism' aligns the 2020 – 2030 NTP on UN Sustainable Development Goals, particularly 'Decent Work and Economic Growth (SDG 8) and 'Responsible Production and Consumption' (SDG 12). Among the strategic actions that can be implemented are promoting responsible tourism practice at environmentally fragile areas such as terrestrial and marine parks, synergising the development of tourism islands with environmental conservation and monitoring the contributions of the tourism industry to the UNSDGs. The UNSDGs will provide the appropriate benchmarking for the sustainable development of Malaysia's tourism industry as an economic driver in terms of inclusive development and responsible consumption and practices. Additionally, aligning tourism development with the UNSDGs will fortify the industry's commitment to an ethical form of tourism.
- 63. **Malaysia's tourism development strategy recognises the key roles that the** private sector as well as local governments play in sustainable tourism governance and destination management. This is emphasised in 2020 2030 NTP transformation strategy 1 which strengthens the governance capacity of local authorities and the private sector for the transformation of Malaysian tourism. In addition, 2020 2030 NTP pushes for stronger, more direct roles for the private sector in the development and management of tourist attractions especially the national parks identified for their ecotourism potential through public-private sector partnership (PPP) arrangements.
- 64. **Recognising the importance of ASEAN market, Malaysia has been active in** promoting intra-regional travel for ASEAN tourists by co-developing tour packages such as the 3-2-1 Heritage Tour with Indonesia, involving three UNESCO heritage sites (Melaka, Penang, and Borobudur) in one product. It has also promoted other intra-ASEAN tours such as the ASEAN Food Quest, the ASEAN Heritage Odyssey, or the Journey through Magical Gardens of ASEAN.
- 65. As part of the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) subregion, Malaysia supports IMT-GT strategies for economic recovery including the reopening of intra-regional tourism through a 'travel bubble' policy, as well as an IMT-GT Business Travelers' Privilege Card to reduce red tape and streamline cross-border business travel. Malaysia's Langkawi international travel bubble has been offered as

an innovative interim solution for cross-border tourism in the immediate post-COVID era. Malaysia's post-pandemic proposals for ASEAN also include the ASEAN Travel Pass, supported by an online, one-stop ASEAN travel portal, which would make it easier for fully vaccinated international travellers to enter ASEAN through one country then proceed to other destinations in a relatively seamless process.

- 66. As part of the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA) sub-region, Malaysia supports BIMP-EAGA's ecotourism direction under the "Equator Asia" branding strategy, which is compatible with the country's own approaches to community-based and homestay-based ecotourism particularly in Western Malaysia.
- 67. Malaysia has long championed community-based ecotourism (CBET) and homestays as vehicles for inclusive tourism that benefits the rakyat (common people), and particularly its many communities of indigenous people. The 12th Malaysia Plan intends to increase the participation of local communities in "providing unique homestay experiences, producing handicrafts and offering tour guide services, which will improve their economic wellbeing." Three Malaysian sites are among the 16 pilot CBET projects of BIMP-EAGA 2010-2015 Community-based Ecotourism Strategy: (i) Kampung Kaingaran in Tambunan, Sabah; (ii) Kampung Benuk and Kampung Annah Rais in Padawan, Sarawak; and (iii) the Heart of Borneo Trans-boundary Peace Park. Other Malaysian homestay initiatives in Sabah and Labuan were also included in BIMP-EAGA's recent profile on CBET initiatives in the sub-region.
- 68. As Malaysia fully reopens its tourism borders to tourism, the sustainable development challenge will be to balance key tourism goals which may not always be compatible, or easy to harmonise. These include: (i) achieving as rapid a business recovery as possible for tourism destinations and enterprises which have been practically dormant for two years because of the pandemic; (ii) restoring tourist and industry confidence through marketing activities with a focus on safety and hygiene, in concert with advocacy campaigns for a socially responsible culture of tourism; (iii) developing higher-value tourism marketing positions, products, and experiences for foreign and domestic tourists that are consistent with sustainable and responsible travel, and also highlights the uniqueness and importance of Malaysian heritage and culture; (iv) shifting Malaysia tourism to a smarter industry through higher adoption

of digital technologies to enhance marketing, product development, and destination management; and (v) leveraging Malaysia's wealth of biodiverse destinations to become one of the leading countries in the world for sustainable tourism, while also ensuring that these vulnerable ecotourism destinations are properly monitored, managed, and protected from the negative impacts of tourism development and visitor activities.

F. Myanmar⁷

F.1. Tourism and Tourism Policy in Myanmar

- 69. **Tourism plays an important role in Myanmar's economy. In 2019, tourism sector** created 1,073,500 jobs that accounted for 4.8 percent of total employment while it contributed 6.7 percent of Gross Domestic Product (GDP) of Myanmar.
- 70. In 2019, the direct contribution to Myanmar's economy of the tourism sector was around MMK 1,939 billion or 1.6 percent of total GDP; total direct and indirect contribution was estimated at MMK 5,337 billion of 4.6 percent of total GDP. A GDP contraction of around 2.5 percent was estimated in 2020. In terms of employment, between 6.9 million to 7.3 million jobs could have been disrupted in 2020 due to the pandemic and containment measures.
- 71. To promote sustainable tourism development, several laws have been passed in Myanmar. Tourism Law was enacted in 1990 and was replaced with Myanmar Hotel and Tourism Law in 1993. A new Myanmar Hotels and Tourism Law was enacted in 2018. The Myanmar Responsible Tourism Policy was issued in 2012, which aimed to achieve the three principal outcomes of sustainable development - economic growth, environmental sustainability, and social justice. The Myanmar Policy on Community Involvement in Tourism (CIT), launched in 2013, aimed to produce wealth for all ethnic communities in the tourism destination. The main objectives of Myanmar Tourism Master Plan (2013-2020) issued in 2013 are to make most of national employment and income generation from tourism and to distribute the benefits equally.

⁷ This section is extracted from Myint et al. (2022), and incorporates comments received from the tourism officials of Myanmar (in red).

F.2. Sustainable Tourism Policy in Myanmar

- 72. In 2017, the Ministry of Hotels and Tourism set up the goal of positioning Myanmar as a sustainable tourism destination with cultural awareness, environmental consciousness, and fairness in economic consideration of the tourists visiting Myanmar. With the desire to strive for sustainable tourism set at a high standard, Myanmar pursued sustainable tourism policy to reduce unethical practices and to encourage tourism activities that are undertaken with respect for dignity, safety, and freedom from exploitation.
- 73. However, the growth of tourism sector and endeavours for sustainable tourism development have been negatively affected by the COVID-19 pandemic. For relief from COVID-19 impacts, the Myanmar Tourism Strategic Recovery Roadmap (MTSRR) (2021-2025) was issued in February 2021 to incorporate sustainable tourism development in the context of the pandemic. MTSRR was developed in partnership with UNWTO and the Luxembourg Development Cooperation Agency. MTSRR will then be linked to the full development of the next Myanmar Tourism Master Plan (2021-2025).
- 74. **MTSRR is based on UNWTO's 23 recommendations for Supporting Jobs and** *Economies through Travel & Tourism* (UNWTO 2020a), and the three main pillars of its COVID-19 Tourism Recovery Technical Assistance Package, i.e., (i) economic recovery; (ii) marketing and promotion; and (iii) institutional strengthening and building resilience. The impact on lives and livelihoods was especially highlighted, and not just the GDP impacts of the pandemic. Existing weaknesses in the sector even prior to the pandemic were also recognised, such as (i) overfocus on four main destinations, i.e., Yangon, Mandalay, Bagan, and Inle; (ii) comparatively higher and uneven pricing for foreigners; and (iii) issues related to domestic conflict. MTSRR has a total of 18 strategies that are implemented through 80 action lines. Inter-ministry and private sector consultations were also undertaken.
- 75. In particular, there are seven proposed strategies to develop a resilient, balanced, responsible, and sustainable tourism sector in the long-term: (i) establish a Smart Tourism Ecosystem and digital infrastructure; (ii) establish a "Myanmar Tourism Board" for coordination of marketing and communication activities; (iii) strengthen

tourism human capital by establishing pathways to higher education and updating the national HRD strategy; (iv) improve tourism connectivity and accessibility; (v) ensure destination management is inclusive and in consultation with local stakeholders; (vi) invest in developing and expanding the scope of Inclusive and Community-Based Tourism; and (vii) safeguard tourism resources and prevent negative impacts on social and natural environment. The need for more inter-ministry coordination, and more effective and comprehensive data collection, analysis, and dissemination of results was also recognised.

76. To ensure the reopening and revitalisation of Myanmar tourism in line with the new normal in the post COVID-19 pandemic, the Ministry of Hotels and Tourism is taking all-out efforts to implement the "Enchanting Myanmar Health and Safety Protocol", which aims to certify the COVID-19 Safe Services Endorsement of businesses in hotel and tourism sectors in building visitor's confidence through the provision of safe services. The Ministry of Hotels and Tourism has launched the HSP Website, and the endorsement of the Certification in three levels such as regional, national, and international is now under implementation process. There are several hotels and guest houses that have been certificated for Region/State Level and National Level and the Ministry is planning to implement the certification system for the International Level through under the Safe Travel Stamp of ASEAN Initiatives. Domestic tourism has been prioritised, and tourism activities and festivals are being initiated to attract tourists at the potential destinations based on the COVID-19 circumstance.

G. Philippines⁸

G.1. Tourism and Tourism Policy in the Philippines

77. The Philippines' tropical, archipelagic character is a key source of its comparative advantage as a tourism destination. It offers a variety of tourism experiences based on a range of natural settings from challenging mountains and lush rainforests to a myriad of tropical islands, beaches, and coral reefs all along its coastlines. The World Economic Forum's Travel and Tourism Competitiveness Index ranked the Philippines 36th out of 140 countries worldwide in terms of Natural Resources. As such, sun-and-beach, marine-and-diving, nature- and culture-based tourism experiences are the key elements in the Philippines tourism product portfolio.

⁸ This section is extracted from Alampay (2022b).

- 78. Philippine tourism development is currently guided by two official documents. (i) Republic Act 9593, or the Tourism Act of 2009; and (ii) the National Tourism Development Plan. RA 9593 defines the sector's overall policy framework. It also rationalised the structure and mandate of the Department of Tourism (DOT) as the primary government agency for developing and promoting Philippine tourism. It further mandated the establishment of government corporations attached to the DOT, including the: (i) Tourism Promotions Board (TPB); (ii) Tourism Infrastructure and Enterprise Zone Authority (TIEZA); and (iii) Duty-Free Philippines Corporation (DFPC). RA 9593 also outlines the shared responsibilities of national and local governments related to tourism development planning, visitor assistance, the collection and reporting of tourism statistics, and the accreditation and monitoring of primary and secondary tourism enterprises.
- 79. **The National Tourism Development Plan (NTDP), updated every 6 years, served** as the successor plan to the first National Tourism Master Plan of the Philippines. The NTDP articulates the country's aspiration for the tourism industry, that is, to "[d] evelop a globally competitive, environmentally sustainable and socially responsible tourism industry that promotes inclusive growth through employment generation and equitable distribution of income thereby contributing to building a foundation for a high-trust society".
- 80. The current NTDP (2016-2022) organises the strategic programs of Philippine tourism into two strategic directions: (i) improving competitiveness and enhancing growth, which continues most of the strategic programs from the first NTDP (2011-2016); and (ii) pursuing sustainability and inclusive growth, which added new tourism development programs that more explicitly aim to provide support for: micro, small, and medium-sized enterprises (MSME) in tourism; gender and women empowerment initiatives; expansion and promotion of cultural offerings in tourism sites; environmental conservation and climate change adaptation; and disaster risk reduction and management in tourism.
- 81. The travel and tourism sector's contribution to the Philippine economy is significant. In 2019, the sector's contribution was estimated at PHP 4.5 billion, or

22.5 percent of GDP (WTTC, 2021). The sector also accounted for more than 9.5 million jobs, or about almost 23 percent of total employment in the country.

- 82. From 2000 to 2009, international visitor arrivals to the Philippines grew at an annual average of 4.7 percent, which is higher compared to the global average of 3.1 percent in the same period. This growth accelerated in the next decade as international visitor arrivals to the Philippines rose from around 3.5 million in 2010 to almost 8.3 million in 2019, equivalent to an average growth of 9.9 percent over the period and almost double the global growth rate. In 2019, the Philippines' international visitors exceeded the 8 million-mark, closing the 2011-2019 decade with an average annual growth of 10.6 percent. Domestic tourism, meanwhile, exceeded 42 million. The total value of domestic tourism expenditure was estimated at PHP 3.1 trillion in 2019, reflecting an almost 16 percent average increase per year from 2017.
- 83. **Majority (around 68 percent) of international arrivals to the Philippines in 2019** came from Asia and the Middle East. Meanwhile, East Asian countries China, Japan, and South Korea combined accounted for more than half (53.4 percent) of total international arrivals. On the other hand, despite the proximity and accessibility of ASEAN countries to the Philippines, visitors from ASEAN represented only 6.4 percent of international arrivals in 2019. International visitor spending in 2019 exceeded PHP 600 billion, comprising almost 11 percent of the country's total exports.
- 84. The economic impact of the sudden drop in tourist arrivals due to COVID-19 was severe. International visitor arrivals to the Philippines in 2020 dropped by 82 percent from the previous year due to the curtailment of global outbound travel and combined with the Philippines' own restrictions on foreign traveller entry beginning in March 2020. WTTC estimated that the travel and tourism sector's contribution to Philippine GDP dropped by more than 40 percent in 2020. International visitor spending dropped to PHP 127 billion in 2020, bringing its share to country's total exports down to 2.8 percent. On the other hand, domestic visitor spending was slashed by more than PHP 1 trillion, or a decrease of about 35 percent from the previous year. Combined, international and domestic visitor spending reportedly dropped by an estimated USD 32.5 billion. More than 2 million direct and indirect jobs were lost, equivalent to a more than 21 percent share of the country's total employment.

- 85. To mitigate the ensuing impacts of COVID-19 on the tourism industry and its stakeholders, DOT prepared a Tourism Response and Recovery Plan (TRRP) comprised of 3 main strategies for: (i) protecting jobs while ensuring safety for tourism workers, visitors, and communities; (ii) supporting the recovery of tourism enterprises; and (iii) rebuilding market confidence and growing demand for domestic and international tourism. The total investment cost for implementing the TRRP in 2021 and 2022 was estimated at PHP 10.3 billion. The Department also updated its overall development plans through a Reformulated National Tourism Development Plan 2021-2022 (RNTDP), incorporating the themes of safety and resilience in both its strategic directions, with a total estimated investment cost of PHP 68.6 billion.
- 86. Philippine tourism sector development continues to face infrastructure constraints, thereby limiting the country's ability to increase its share of international tourism in the region. The Philippines ranked relatively low on Ground and Port Infrastructure (93/140) and Tourist Service Infrastructure (85/140). While the country was ranked in the top half of the Index in terms of Air Transport Infrastructure, this is comparatively lower than the rankings of its ASEAN neighbours. Given that the Philippines is largely dependent on arrivals from commercial air services, limited capacity, and quality of air travel infrastructure in the country remain a longstanding concern. In addition, hotel rooms supply is relatively low relative to the country's total population. As of 2019, the total supply of commercial accommodations in the country was ranked 139/140 on the state of hotel rooms supply. The distribution of these rooms among is also uneven, with more than half of the rooms concentrated only on 4 out of the country's 17 regions.
- 87. As with the rest of the world, the Philippine experience with the COVID-19 pandemic (and the subsequent shuttering of the tourism industry) created both opportunities for and constraints to sustainable tourism, particularly on the country's efforts to pursue and expand its agenda for responsible, inclusive and sustainable tourism development.

G.2. Sustainable Tourism Policy in the Philippines

88. Sustainable tourism is enshrined in Philippine law through RA 9593, which recognised "sustainable tourism development as integral to the national socio-

economic development". The first National Tourism Master Plan (1991-2010) did acknowledge the need to monitor and mitigate the potential negative impacts of tourism development; however, its goals were primarily economic in nature and did not mention ecological and sociocultural dimensions as overtly as the post-RA 9593 tourism plans have since done.

- 89. The first NTDP (2011-2016) adopted sustainability as the overall approach to tourism and was reinforced in the second NDTP (2016-2022). The second NTDP (2016-2022) retained the original focus on improving competitiveness and enhancing growth and added a second strategic direction that specifically addresses sustainability and inclusive growth. This updated framework is consistent with the approach of the ASEAN Tourism Strategic Plan (2016-2025) that is also based on the two themes of destination competitiveness, and sustainable and inclusive ASEAN tourism.
- 90. Before 2009, sustainability in tourism development had been more directly associated with ecotourism. Executive Order No. 111 (1999) referred to the National Ecotourism Strategy (NES) serves as the country's contribution to the UN's celebration of 2002 as the Year of Ecotourism. NES called for environmentally- and socially responsible ecotourism development that addresses the need to "conserve, enhance, sustain, and develop" the country's natural beauty and rich culture in a manner that ensures the equitable sharing of its benefits. The current NES (2013-2022) aims to develop globally competitive ecotourism sties and products that will contribute to inclusive growth, through 8 strategic programs that largely reflect the sustainable growth approach of the NTDP. In line with these, the NES addresses 5 key imperatives: (i) diversification of the Philippine tourism product mix; (ii) spreading tourism benefits to rural areas; (iii) providing economic incentives for the conservation of natural and cultural sites; (iv) promotion of recreation in natural areas along with conservation awareness programs; and (v) creation of models for local community involvement in the sustainable use of natural resources.
- 91. In 2019, DOT launched the Transforming Communities towards Resilient, Inclusive and Sustainable Tourism (TouRIST) program as a vehicle for converging national government, LGU and private sector efforts for the sustainable development of priority tourist destinations. Supported by the World Bank and the Asian

Development Bank, DOT identified 7 pilot sites to serve as proof-of-concept models for TouRIST's approach to inclusive local economic development that also emphasises environmental sustainability. The seven sites were Coron and El Nido in the province of Palawan; the island-provinces of Bohol and Siquijor in the Visayas; and Siargao Island, Samal Island and Davao City in Mindanao. The TouRIST model of destination development has four main components:

- 92. **The Philippines has also prioritised encouraging sustainable and responsible** practices among primary and secondary tourism enterprises through various programs and policy initiatives. These include, among others:
 - i. The ANAHAW Philippine Sustainable Tourism Certification to mainstream sustainable and energy-efficient operations among tourism enterprises, particularly for Zero Carbon Resorts and hotels;
 - ii. Adoption and advocacy for ASEAN tourism standards including for Green Hotels and Community-based Tourism;
 - iii. The Roadmap for Low-Carbon and Resource Efficient Tourism in the Philippines, which resulted from the country's participation in the Transforming Tourism Value Chains of UNEP. This roadmap serves as the strategic plan to reduce greenhouse gas emissions and improve resource efficiency in Philippine tourism, with a focus on high-resource-use sectors such as accommodations, MICE, and food and beverage; and
 - iv. The Save our Spots S.O.S. campaign launched in late 2019, which educates visitors on how to be better travellers through sustainable choices and behaviours that continue to enhance their travel experiences.
- 93. In terms of monitoring sustainable tourism development, there is at present no nation-wide system of sustainable destination management that facilitates the collection and sharing of indicators of tourism resiliency, sustainability, and inclusive growth in an integrated manner. Information about environmental conditions such as water quality, biodiversity loss, pollution, water and energy consumption, etc. is not available in all destinations, let alone from the tourism office. Environmental data such as these are collected by the Department of the Environment and Natural Resources (DENR). However, the collection, analysis and interpretation of these environmental indicators are not often done as part of a holistic, integrated destination

management system. The Philippines will eventually require a harmonised system by which different national and local agencies can coordinate their monitoring of the different economic, social, and environmental indicators of sustainable tourism in the major destinations.

I. Singapore⁹

I.1. Tourism and Tourism Policy in Singapore

- 94. **Tourism has been a major player in the continual transformation of Singapore** over the past 50 years, contributing to the Singapore economy by increasing International Visitor Arrivals (IVA) and Tourism Receipts (TR). As a young nation, Singapore had to seek ways to be self-sufficient, and recognising tourism's contribution to the economy and job creation, the Singapore Tourist Promotion Board (now known as the Singapore Tourism Board) was created in 1964 to develop and promote Singapore as a tourist destination. Since then, Singapore has come a long way as a tourist destination, having transformed from an exotic seaport to a cosmopolitan city with award-winning attractions, and from receiving 91,000 visitors in 1964 to 19.1 million visitors in 2019.
- 95. Due to Singapore's small land size and resource constraints, it was important for Singapore to develop and maintain an open economy to strengthen its economic resilience and capture new opportunities, tourism included. In response to limited resources, Singapore's tourism strategy also evolved over the years from a product and IVA-centric one, to a quality tourism strategy, focusing on attracting the right visitors to a quality tourism destination, whilst building a quality tourism industry.
- 96. By the early 2000s, tourism had become a highly visible industry as Singapore strove to be a Global City in its tourism drive. From 2007 to 2019, total IVA and total TR both grew annually, and the tourism sector in 2019 achieved record highs in IVA and TR for the fourth consecutive year – IVA reached 19.1 million visitors, while TR reached S\$27.7 billion, which represents a 3.3% and 2.8% year-on-year increase

⁹ This section is extracted from Lim (2022), and incorporates comments received from the tourism officials of Singapore (in red).

compared to 2018. Tourism contributed to around 4 percent of Singapore's 2019 GDP, and Singapore was ranked the second-most visited city in the Asia-Pacific and fifth-most visited in the world during the same year. However, the COVID-19 pandemic devastated the tourism industry worldwide, including Singapore, the following year.

- 97. The international mobility restrictions and safe distancing measures necessitated by the COVID-19 pandemic resulted in Singapore's 2020 TR and IVA declining to S\$4.8 billion (-82.6 percent since 2019) and 2.7 million (-85.7 percent since 2019) respectively. Major tourism industries were severely affected. Attractions, hotels, MICE, tours, cruise, airlines, and other related economic activities were in sharp decline due to the implementation of overseas travel restrictions and the Singapore Circuit Breaker to curb the spread and intensity of the COVID-19 virus.
- 98. **During this period, the tourism sector adapted to focus on domestic tourism,** supported by the Singapore Tourism Board (STB) through various initiatives launched in 2020, such as SG Clean¹⁰, the Marketing Partnership Programme¹¹, and the SingaporeRediscovers campaign that included the SingaporeRediscovers Vouchers (SRV) Scheme. By the end of the SRV scheme in December 2021, close to SGD 300 million in SRV transactions were recorded, comprising close to SGD 180 million in vouchers and about SGD 120 million in out-of-pocket payments for SRV bookings. In addition, the scheme contributed approximately SGD \$100 million in ancillary spending such as retail, F&B, and transport. In addition to SGD 320 million set aside for the SRV, the Government also provided more than SGD 1 billion dollars in support measures for the tourism sector between 2020 and 2021.
- 99. **To better position Singapore for tourism recovery, STB emphasised that the** tourism sector should not aim for "business as usual" and go back to the way things were before the pandemic. Instead, there were transformative opportunities from

¹⁰ The SG Clean certification is the national mark of excellence for environmental public hygiene and was created to rally businesses and the public to uphold good sanitation standards and hygiene practices. Launched in Feb 2020, more than 25,000 individual premises have been certified SG Clean across Singapore, of which more than 1,200 SG Clean quality mark certifications were awarded to tourism premises, including F&B and retail within tourism establishments and Sentosa.

¹¹ The S\$20 million marketing partnership programme (MPP) will fund part of the marketing costs for tourism businesses, and award additional funding to those that collaborate with other tourism players to create experiences that add greater value to visitors. This is essential for tourism businesses to maintain their international presence and build demand for when the market recovers.

the pandemic that the sector needed to leverage to drive recovery, which STB has identified as their medium to long-term strategies called "Tourism 203X" (T230X). The four key pillars of T203X are: (i) Defending and growing Singapore's position as the global-Asia node for business tourism; (ii) To become one of the world's most sustainable urban destinations; (iii) To become an urban wellness haven with a wide range of accessible experiences that support the holistic well-being of Singapore's leisure and business visitors; and (iv) "2X the Fun' – raising the "delight" or "fun" quotient of the events and experiences in Singapore.

100. **To achieve those objectives and to provide solutions to post-pandemic** challenges, Singapore must strive to strengthen its brand image worldwide and by reimagining Singapore's unique tourism offerings, Singapore would be ahead of the curve and competition when international travel fully resumes in the mid-2020s. To achieve those objectives and further boost tourism development and demonstrate commitment to the tourism sector, the Singapore government announced in 2022 that it had earmarked close to half a billion dollars to support tourism recovery in the coming years. The funding will be used to support and sustain strategic manpower capabilities in the sector, offset business costs as well as amplify Singapore's international recovery plans, which includes the SingapoReimagine international recovery campaign. It would also help the tourism sector emerge stronger with new products and experiences through STB's grants¹² and schemes.

I.2. Sustainable Tourism in Singapore

101. **Singapore's position as a small country with few natural resources and a small** land area make it a unique case study for the potential build-up of sustainable tourism through focusing on biodiversity, culture, man-made attractions and infrastructure, and industry development. In 2021, STB shared that Singapore's ambition is to become one of the world's most sustainable urban destinations, a city in nature, where large experiences come with small footprints. This is aligned to the Singapore Green Plan 2030, which is a whole-of-nation movement to advance Singapore's national agenda on sustainable development. The Green Plan is a multi-agency effort spearheaded

¹² In 2022, STB unveiled a new four-year Tourism Development Fund (TDF), designed to catalyse the creation of innovative and quality tourism products and experiences, and capability and employee upgrading efforts among tourism-related enterprises. More details can be found at <u>https://www.stb.gov.sg/content/stb/en/assistance-andlicensing/grants-overview.html</u>.

by five ministries – the Ministry of Sustainability and the Environment, Ministry of Education, Ministry of National Development, Ministry of Trade & Industry, and the Ministry of Transport.

- 102. Sustainable tourism, in summary, is officially understood and valued as a national imperative for Singapore moving forward. It is seen as a partnership between the government and the private sector, which includes but is not limited to sector employers and employees, as well as innovation solution providers in the larger economy. There is also a commercial motivation to it, as sustainable tourism should be balanced and provide financial advantage with cultural capital, while showing to international community that Singapore is meeting its sustainable development commitments.
- 103. Hence in April 2022, Singapore's Tourism Sustainability Strategy and Tourism Sustainability Programme¹³ (TSP) were launched to guide the sector towards sustainable tourism development. The 3 strategic thrusts of the Tourism Sustainability Strategy are: (a) Becoming a Sustainable Urban Destination; (b) Becoming a Sustainable Tourism Sector; and (c) Showcasing Singapore as a Sustainable Urban Destination. Augmenting the strategy is the TSP which aims to support tourism businesses' sustainability journeys at all stages of their development in the following areas: (i) Capability Development and Growth; (ii) Innovation; and (iii) Education and Awareness.
- 104. The regulatory environment for Singapore regarding sustainable tourism measures, in summary, is highly supportive and integrated across stakeholder sectors, as well as different Funding Development clusters. Local policies from different Ministries and statutory boards tend towards operating within the rubric of the Singapore Green Plan 2030. This environment further tends towards accumulating a positive international consensus about Singapore. It is geared towards establishing certifiable narratives and understandings about Singapore's place during the world's contemporary pivot towards sustainable tourism.

¹³ Further details can be found here - <u>https://www.stb.gov.sg/content/stb/en/assistance-and-licensing/tsp.html</u>

H. Thailand¹⁴

H.1. Tourism and Tourism Policy in Thailand

- 105. Thailand is one of the most visited tourist destinations in ASEAN and in the world. Reaching close to 40 million arrivals in 2019, Thailand recorded the highest number of international visitors in ASEAN and ranked 7th globally. Between 2008 and 2017, international visitors in Thailand have increased by 10.3 percent, exceeding the 8 percent regional average in ASEAN, and well above the 4.1 percent global average.
- 106. As such, tourism is considered one of the major drivers of Thailand's economy. The sector accounted for about 18 percent of national output in 2019, well above the 10 percent global average. In terms of employment, the sector comprises 11.6 percent of Thailand's total employment in 2019, equivalent to about 4.4 million jobs.
- 107. While Thailand's domestic tourists outnumber foreigners, Thailand remains one of the highest-earning countries in the world based on international tourism receipts, ranking 4th in 2019 with USD 61 billion in earnings. The country also proves to be a popular destination for long-stay tourism among foreigners, staying an average of 9.5 days and spending around USD 159 daily in 2019. On the other hand, domestic traveller's stay an average of 2.5 days and spend about USD 71 daily. Chinese tourists make up more than a quarter of foreign tourists in 2019.
- 108. COVID-19 pandemic severely affected Thailand's tourism industry and with it the overall economy. Thai Gross Domestic Product (GDP) declined by 6.3 percent while Tourism GDP plunged 60.8 percent. Tourism sector's contribution Thailand's GDP fell from about 18 percent in 2019 to 8 percent in 2020, representing a loss of USD 41.7 billion.
- 109. However, prior to the pandemic, Thailand already faced several major issues with tourism, such as overcrowding, tourism destination imbalance, leakage of money, tourist safety, and disruption of local life. Host communities have expressed concerns such as overconsumption of natural resources, low quality of clean water

¹⁴ This section is extracted from Israngkura and Witoonchart (2022).

supply, poor wastewater management, overcrowding, and over modification of the coastal land characteristics, among others, affecting their quality of life.

- 110. While international travel remains restricted to curb the spread of the pandemic, domestic market was leveraged to keep the country's tourism industry afloat and to support the sector's post-pandemic recovery. The Thai government provided airfare and accommodation subsidies to local tourists through the "Rao Tiew Duay Kan" or "We Travel Together" scheme. The program was deemed successful in stimulating domestic travel and spending. Since its implementation in 2020, the program has been renewed 4 times and is being considered for another.
- 111. Post-pandemic analysis predicts significant changes in tourism trends. There will be a move towards smaller groups and free independent travellers, as opposed to mass tourism traveling in large groups through pre-purchased travel packages. Primarily for health safety reasons, people will shift towards lesser known, more niche destinations rather than the relatively more crowded, conventional attractions. More people will also visit for specialised purposes such as medical, healthcare and wellness, and sports training. Greater attention will be given to responsible, green, and community-based tourism (CBT), all of which fall under the gambit of sustainable tourism. Sustainable tourism is therefore important to Thailand because of the need to remain attractive as a tourism destination, while ensuring that local resources are preserved and that all stakeholders benefit.

H.2. Sustainable Tourism in Thailand

- 112. Thailand has long incorporated elements of sustainable tourism in its policy agenda. As early as 1995, the Tourism Authority of Thailand (TAT) has defined sustainable tourism as: "tourism and other related services, both in the present and in the future, operating within the appropriate capacities with inclusion of the public, nature, communities, traditions, culture, and way of life, that enable all groups of people to receive equal economic benefits and are guided by local communities".
- 113. **Together with TAT, sustainable tourism development projects are mostly** implemented in collaboration with national tourism organisations such as the Designated Areas for Sustainable Tourism Administration (DASTA), and the Ministry of Tourism and Sports (MoTS). The DASTA acts as the central agency in coordinating

network partners for sustainable tourism development, while the MoTS is responsible for the promotion, support, and development of competitiveness policies to generate income for the country. The TAT is primarily responsible for marketing, both domestically and internationally.

- 114. Sustainable tourism development is ultimately guided by Thailand's national development plan, referred to as 20-year National Strategy Plan (2017-2036), which laid out Thailand's vision and framework to achieve the goals of becoming "a developed country with security, prosperity and sustainability in accordance with the Sufficiency Economy Philosophy". The 20-year National Strategy Plan (2017-2036) identified six strategies, namely: (i) National Security; (ii) Competitiveness Enhancement; (iii) Developing and Strengthening Human Capital; (iv) Social Cohesion and Equity; (v) Eco-Friendly Development and Growth; and (vi) Public Sector Rebalancing and Development. Sustainable tourism development is intertwined with all of these strategies, but more closely to Competitiveness Enhancement and Eco-Friendly Development and Growth.
- 115. **Guided by the 20-year National Strategy Plan (2017-2036), the 20-year Tourism** Strategy Master Plan (2017-2036) was developed to translate the overall goal of strengthening the performance and competitiveness of the tourism sector. In this regard, the Master Plan has set tangible targets and identified performance indicators for three specific goals: (i) increase in proportion of tourism GDP to national GDP; (ii) increase in tourism income in secondary cities; and (iii) Improved competitiveness.
- 116. **The 20-year Tourism Strategy Master Plan (2017-2036) also consisted of six sub-**plans on the following specialised tourism areas and concerns: (i) creative and cultural tourism; (ii) business tourism; (iii) health tourism, beauty, and Thai traditional medicine; (iv) leisure water travel; (v) regional connectivity; and (vi) tourism ecosystem development. For each sub-plan, goals and indicators were likewise identified.
- 117. The Second National Tourism Development Plan (2017-2021) was formulated to achieve the Thailand Tourism Vision 2036, where "Thailand will be a World leading quality destination, through balanced development while leveraging Thainess to contribute significantly to the country's socio-economic development and wealth distribution inclusively and sustainably." The specific goals of this plan are four-fold:

(i) to become a quality tourism destination which increases tourism competitiveness; (ii) to increase economic value of tourism industry with balance and sustainability; (iii) to distribute tourism income and benefits inclusively throughout the nation; and(iv) to sustainably develop tourism industry on the principle of Thainess and environmental sustainability. Five broad strategies were further identified to work towards the aforementioned goals: (i) development of tourism attractions, products and services including the encouragement of sustainability, environmental friendly, and Thainess integrity of attractions; (ii) development and improvement of supporting infrastructure and amenities without inflicting negative impact to the local communities and environment; (iii) development of tourism human capital's potential and the development of tourism consciousness among Thai citizens; (iv) creation of balance between tourist target groups through targeted marketing that embraces Thainess and creation of confidence among tourists; and (v) organisation of collaboration and integration among public sectors, private sectors and general public in tourism development and management including international cooperation. The Third National Tourism Development Plan for 2023- 2027 is currently being prepared.

- 118. **Underscoring the multi-sectoral nature of working towards sustainable tourism** development goals and the need for a whole-of-government approach, the Second National Tourism Development Plan (2017-2021) also outlined the different governmental bodies in charge of implementing each of the five strategies.
- 119. In 2021, Thailand included Bio-Circular-Green Economy (BCG) in its national agenda. Under the 2021-2026 BCG Strategic Plan, Thailand aims to use technology and innovation, leveraging on Thailand's natural resources, agricultural products, distinct culture, and geography, to become a value-based and innovation-driven economy. The Strategic Plan focused on four sectors, namely: food and agriculture; medical and wellness; bioenergy, biomaterial and biochemical; and tourism and creative economy.
- 120. Thai tourism industry can benefit from the BCG policy to promote new tourist destinations. Technology and innovation will be applied to create and upgrade infrastructure and a digital platform to improve tourists' convenience and experience and advance the industry to high-quality tourism. Science and technology will be employed to define national guidelines for tourism, e.g., carrying capacity, support

sustainable tourism standard system and conserve and rehabilitate the environment. Under the creative economy concept, tourism can be linked to other service industries to target niche markets such as wellness tourism, culinary tourism, eco-tourism, cultural tourism, and sports tourism.

- 121. As part of the four critical sectors identified under the 2021-2026 BCG Strategic Plan, the BCG In Action: Tourism and Creative Economy (2020) Plan identified three mechanisms to geared towards revitalising the tourism sector's competitiveness after the severe disruption brought by the pandemic. The operational mechanisms include: (i) improving tourism standards especially those pertaining to hygiene, safety of life and property, service quality, and responsibility towards society and the environment; (ii) increasing connectivity through efficient, safe public transport and travel means between primary and secondary provinces; and (iii) achieving sustainability by regulating tourist numbers, impact monitoring, preserving natural resources and cultural heritage, building value for the Thai brand, as well as supporting income distribution and reducing inequality.
- 122. Last, but not least, the Action Plan for Driving Sustainable and Creative Community-Based Tourism Development (2018-2022) reported the state of CBT in Thailand by analysing the strengths, potential, as well as the challenges in sustaining CBT projects. The Plan provided recommendations such as, increasing the valueadded to existing local products, developing environmentally friendly homestays, creating tour packages with activities, and exploring new markets and online platforms such as TripAdvisor and AirBnB.
- 123. A key informant interview with a tourism expert from the private sector, who used to be with government, identified that insights that may be useful to other AMS when developing their own strategic plans, including: (i) the importance of engaging expert consultants in the field who also have in-depth understanding of national contexts and issues in the preparation of the strategic plan; (ii) also in the preparation of the strategic plan; (ii) also in the preparation of the strategic plan is important to build a sense of ownership of and commitment to the plan; (iii) ensure that there is adequate and uniform understanding of what sustainable tourism is and what it entails among the stakeholders, especially at the local level to ensure successful implementation; (iv) clear mechanisms for cooperation, coordination

and collaboration among the different government agencies involved to ensure that sustainable tourism development initiatives that primarily fall under their purview are adequately addressed; and (v) many KPIs are activity-based rather than outcomebased, making it unclear how initiatives are truly contributing to the overall goal of sustainable tourism. The process of gathering, using, and sharing data can still be improved, especially by establishing appropriate platforms and channels to share data between relevant ministries, as well as with businesses and the public.

124. Embracing sustainable tourism is critical in ensuring that Thailand continues to be an attractive tourist destination post-pandemic and in the longer term. According to a 2021 survey by Booking.com, which polled 29,000 travellers including 968 Thai people about their attitudes and behaviours, the COVID-19 pandemic may have inspired more environmentally conscious attitudes. Around 78 percent of Thai respondents said the pandemic has made them want to travel more sustainably in the future, 98 percent said they want to stay in a sustainable accommodation in the upcoming year, and 91 percent want to reduce general waste while on trips. Overall, more than 80 percent of Thai respondents said preserving cultural heritage is crucial, that they are willing to avoid popular tourist destinations to help disperse the benefits and avoid overcrowding, and that they want the economic impacts of tourism to be shared equally at all levels of society.

J. Viet Nam¹⁵

J.1. Tourism and Tourism Policy in Viet Nam

125. **Tourism industry has become one of Viet Nam's most vibrant, robust, and fastest** growing economic sectors. A 2018 report by the World Travel & Tourism Council (WTTC) ranked Viet Nam 21st among the highest-performing countries in Travel and Tourism sector in the world in terms of total travel & tourism shares in GDP, foreign visitor spending, domestic spending, and travel and tourism capital investment. From 2016 to 2019, tourism's contribution as share of GDP has increased from about 7 percent to a record-high of about 9.3 percent and has consistently exceeded the world and Asia's average. In the same period, international visitor arrivals to Viet Nam have also steadily increased, reaching a peak of around 18 million in 2019.

¹⁵ This section is extracted from Tran, Duong, and Mai (2022).

- 126. **The World Economic Forum (WEF) ranked Viet Nam 63 out of 140 countries in** terms of overall tourism competitiveness. Viet Nam's adoption of e-visa piloting mechanism in early 2017 improved the county's ranking on visa requirement from 116 (out of 136) in 2017 to 53 (out of 140) in 2019. In 2020, the Government promulgated a list of 80 countries and 37 international border gates for e-visa applications.
- 127. **Favourable business environment and regulations on travel business facilitated** the rapid increase of newly established travel enterprises. In 2019, there are 2,667 registered inbound and outbound tour operators which is 2.5 times larger than the figure in 2015. The number and quality of tour guides have likewise improved. In 2019, a total of 27,683 tour guides were licensed, equivalent to a 15 percent increase from the previous year. This includes 17,825 international tour guides, 9,134 domestic tour guides and 724 on-site guides. Majority of tour guides (around 71 percent) have acquired university and higher degrees.
- 128. **In 2017, under the Political Bureau's Resolution 08-NQ/TW, Viet Nam has** identified tourism as a strategic sector and driver of socioeconomic development. The Government aims to make Viet Nam as a leading destination in Southeast Asia and to develop tourism as one of the country's spearhead lead industries through the following specific measures: (i) developing tourism infrastructure; (ii) strengthening tourism promotion; (iii) generating a favourable environment for tourism businesses; (iv) developing tourism human resources, and (v) improving State management of the tourism sector. The Resolution also set out ambitious, quantifiable targets for the tourism sector.
- 129. In 2020, the Government of Viet Nam has also promulgated Decision 147/QD-TTg on approving the tourism development strategy for Viet Nam by 2030. By 2025, Viet Nam is envisioned to become an attractive destination, belonging to Southeast Asia's top 3 countries in terms of tourism development and the world's top 50 in terms of tourism competitiveness, and with improved standing on 14 tourism competitiveness criteria in accordance with requirements of sustainable development. By 2030, the overall target is for Viet Nam to become a particularly attractive destination, with a well-performing and sustainably managed tourism industry that belongs to the world's top 30 countries in terms of competitive capacity and sustainable development.

130. Challenges faced by Viet Nam's tourism sector include:

- i. Improving the multiplier effect of Viet Nam's tourism spending, observed to be low in comparison to regional and global averages. According to the World Travel and Tourism Council (WTTC), the multiplier value of Viet Nam's tourism on GDP was 1.6 in 2017, meaning every 1 dollar of tourism spending in Viet Nam that was retained in the domestic economy creates an additional 0.6 dollars in income for the rest of the economy. The same trend is observed for multiplier impact on employment in Viet Nam—around 1.7, as compared to regional and global averages of 2.5 and 2.6, respectively;
- ii. Improving at least 6 pillars on WEF's tourism competitiveness ranking, particularly on Environmental sustainability (121/140), Tourism service infrastructure (106/140), Prioritization of Travel and Tourism (100/140), Health and Hygiene (91/140), Ground and port infrastructure (84/140), and ICT readiness in tourism (83/140);
- iii. Increasing the share of spending for tourism, including for promotion and marketing activities. Currently, budget spending for tourism has only been 1.4 percent of total budget expenditure, which is quite low relative to neighbouring countries in the region. Tourism promotion also experienced investment constraints, estimating at only USD 2 million USD/year. For instance, this is only equivalent to 2.9 percent of the investment in Thailand and 1.9 percent in Malaysia;
- iv. improving scope and quality of tourist travel infrastructure particularly for road and air transport;
- v. improving the quality of tourism personnel. For example, the share of tourism employment specialised in tourism is low, and the share of employees being fluent in two or more foreign languages is only about 30 percent; and
- vi. lack of product and geographical diversification, which has been putting pressure on Viet Nam's popular tourist locations, thereby raising the risk of congestion.
- 131. The outbreak of COVID-19 in Viet Nam negatively impacted the country's tourism industry. The number of international visitors in 2020 reached 3.7 million only, about 80 percent decrease from the previous year. Domestic tourists observed a similar trend, decreasing by about 34 percent over the same period with 56 million arrivals. In first 10 months of 2021, Viet Nam has not yet received international tourists, while

domestic tourists continue to decrease by about 43 percent. Lesser tourist arrivals dragged tourism industry's total revenue by about 59 percent in 2020, and another 45 percent in 2021. Tourism's contribution to GDP slid to around 4 percent in 2020, and further dipped to around 2.5 percent in 2021.

- 132. Over 90 percent of tourism firms have temporarily stopped operating. Some 338 out of 2,519, or about 13 percent of international travel businesses applied for revocation of registration licenses for travel business in 2020. This increased by 35 percent in 2021. Transport firms likewise applied for temporary stop of operation due to lack of demand. In the tourism accommodations segment, average occupancy rate plunged by around 70 to 80 percent in 2020. Hotels virtually have no guests until 2021 except for establishments that were converted as COVID-19 isolation facility. Most recent data estimates average occupancy at 5 percent.
- 133. **Tourism employment was cut down by 70 to 80 percent in 2020, and only 25** percent are only able to work full time in 2021. Around 30 percent of tourism employment contracts were terminated, and around 35 percent had to temporarily stop working. About 90 percent of international tour guides in Viet Nam slid to underemployment and without stable income, forcing many of them to take different jobs such as cooking, online sales, delivery, etc.
- 134. The Government has promptly responded with tax reduction and postponement measures, as well as credit support and social security measures to keep businesses and the overall economy afloat through the pandemic. Specific to the tourism sector, the Government: (i) provided support measures for tourist guides amounting to VND 3.71 million per person, equivalent to USD 162 per person. By the end of 2021, total support provided reached VND 55 billion; (ii) reduced deposit for travel business by up to 80 percent until the end of 2023; and (iii) reduced electricity tariff for accommodation establishments from June to December 2021. In addition, provinces with widely known tourist destinations (e.g., Quang Ninh, Khanh Hoa, Lam Dong) have adopted temporary measures such as exemption or reduction of entrance fees for famous tourist sites, reduction of land rental, relaxation of loan payment, and organising tourism stimulus events and intra-provincial tours, among others.

- 135. **The Viet Nam National Administration of Tourism (VNAT) has also developed a** system for COVID-19 safety assessment, designed for tourism and travel businesses to make self-assessment on COVID-19 controlling and preventive measures. By December 2021, all 63 provinces and cities nationwide have registered under the system, covering over 15,000 establishments, nearly 1,100 travel establishments, and over 600 tourist attractions, restaurants, and shopping centres across the country.
- 136. The scale of the support package directed towards the travel and tourism sector was estimated at about USD 10.45 billion, equivalent to around 3 percent of Viet Nam's GDP in 2021. Shortcomings encountered in the implementation of the package's support measures were on the identification of beneficiaries, estimating the number of beneficiaries of target groups, and evaluating beneficiary qualifications.

J.2. Sustainable Tourism in Viet Nam

- 137. In Viet Nam, the term 'sustainable tourism' is relatively new and as such has not yet been officially adopted in the industry. In practice, however, tourism industry in the country relates to this concept in terms of being responsible for the management of resources and the environment.
- 138. Viet Nam's regulatory documents guided the common understanding that sustainable tourism development is the management of exploiting the values of natural and human resources to satisfy the diverse needs of tourists, concerned with long-term economic benefits and ensuring the contribution to conservation and restoration of resources, and the maintenance of cultural integrity, to the protection of the environment for development future tourism activities, and contribute to improving the living standards of local communities. In this regard, related concepts that closely approach the idea of sustainability include alternative tourism, responsible tourism, soft tourism, minimum impact tourism, environmentally friendly tourism, among others.
- 139. Among the pillars on WEF's tourism competitiveness ranking, Viet Nam ranked the lowest on Environmental Sustainability (121/140). Greater attention should be given on effective enforcement of environmental protection regulations, sustainability of tourism development, participation in international commitments on sustainability

issues such as water resources, waste treatment, conservation of rare animals, among others.

140. **Sustainable tourism development in Vietnam should; (i) develop key** performance indicators for assessing aspects of sustainability for tourist sites, businesses, and communities; (ii) enhance the effectiveness of communication efforts aiming at raising social awareness about the increasingly relevant role of sustainable tourism in socioeconomic development; (iii) take full advantage of digital technologies leveraging on Industrial Revolution 4.0; (iv) strive for tourism product and market diversification; (v) enhance quality of human resource through capacity building programs; (vi) support programs for SMEs and strengthening local linkages; and (vii) increasing investment in sustainable infrastructure.

PART 2 SUSTAINABLE DEVELOPMENT AND SUSTAINABLE TOURISM DEVELOPMENT IN ASEAN

141. This component of the Study: (i) consolidates the AMS papers' assessments and analyses presented in Part 1 to identify key national aspects, approaches, lessons, and issues in sustainable tourism development that may provide important lessons for other AMS and for developing a regional approach; and (ii) a brief review of trends in ASEAN tourism especially in the context of COVID-19, and ASEAN initiatives on sustainable tourism and other ASEAN initiatives related to sustainability that have direct or indirect implications on the pursuit of sustainable tourism development in the region.

A. Key Insights from the Review of ASEAN Member States' Sustainable Tourism Development Frameworks and Approaches

- 142. The review of tourism and sustainable tourism policy in the 10 AMS papers indicate the following key points:
 - i. Tourism has played a critical role in overall socio-economic development across the region, hence the devasting impact of COVID-19 on the region's economies

with the collapse of their tourism sectors. Not surprisingly, the immediate priority is to restore business operations and livelihoods;

- In Brunei Darussalam, tourism is seen as a way of diversifying the economy away from overdependence on a depleting and finite resource, and oil and gas revenues that also makes the economy vulnerable to swings in the global market. There is also high reliance on foreign workers in Brunei Darussalam, 41 percent on average between 2015-2020;
- iii. As sustainable development became an important policy agenda globally and regionally beginning in the mid-1990s, tourism was also typically included in the list of economic sectors seen as playing a key role in the pursuit of sustainability, particularly ecotourism;
- iv. Prior to the pandemic, several major challenges were already evident in the bigger AMS, including: (i) stagnant growth; (ii) overreliance on foreign tourists coming from a few number of countries and heading to a few destinations in the region, thus leading to reduced resilience and overcrowding; (iii) inadequate infrastructure especially outside major destinations, limiting the potential for diversification; (iv) major share of low-wage and informal employment, making high-quality standards more difficult to achieve and maintain; (v) lower tourism revenues as average tourist spending fell below regional targets; (vi) environmental degradation; (vii) inadequate maintenance of sites and attractions; (viii) leakage of money; or (ix) disruption of local life. Health and hygiene then became a more critical aspect of travel in the context of COVID-19, which was also cited to have increased the demand for proximity travel and environmentally sustainable tourism;
- v. Sustainable tourism development frameworks that cover the three dimensions (economic, environmental, and socio-cultural) started to be developed more fully especially in the last five-six years. The COVID-19 pandemic induced AMS, even those with long established frameworks like the more developed AMS, to still more strongly highlight sustainable tourism development as critical to the recovery of the sector, as well as a source of competitive advantage in an increasingly volatile and uncertain tourism environment. There was also recognition that sustainable tourism development can promote more inclusive growth;
- vi. Cambodia, Lao PDR, and Myanmar's sustainable tourism development frameworks are recent; Viet Nam has yet to formally establish a framework. As

development of sustainable tourism is still in its early stages, there is a need to focus on increasing awareness of the benefits of implementing sustainable tourism amongst tourism industry stakeholders. In general, there is a need to ensure adequate understanding and appreciation of what sustainable tourism is and what it entails among the stakeholders, especially at the local level to ensure successful implementation. The engagement of the stakeholders who will be implementing the plan is important in the preparation of the strategic plan for their buy-in, to build a sense of ownership of and commitment to the plan;

- vii. Not surprisingly, tourism is a more complex industry in the biggerAMS. Indonesia has the most complex sector and hence sustainable tourism development framework and monitoring system, involving several levels and areas of government. A key lesson in the way Indonesia developed its framework and implementation plan is the Ministry of Tourism's engagement of/collaboration with relevant stakeholders from industries, local governments, universities, related ministries/institutions such as the Ministry of Forestry and Environment, and relevant international organisations such as the Global Sustainable Tourism Council (GSTC) and the United Nations World Tourism Organization (UNWTO). Continuing work involves strengthening: (i) coordination especially between the national and local/regional governments; (ii) implementation of policies and monitoring at the local level; and (iii) local community involvement and participation in the development of tourism policy;
- viii. The case of the Philippines also highlighted the importance of a multi-stakeholder approach to sustainable tourism development, involving government, businesses, and consumers/tourists. Thailand underscored the multi-sectoral nature of working towards sustainable tourism development goals and the need for a whole-of-government approach by outlining the areas of responsibility of the different governmental bodies. Clear mechanisms and structures for cooperation, coordination and collaboration among the different government agencies involved will help ensure that sustainable tourism development initiatives that primarily fall under their purview are adequately addressed. Malaysia likewise recognised the need to strengthen coordination and governance capacity of agencies involved in tourism development, as well as the key roles that the private sector and local governments play in sustainable tourism governance and destination management. Local community empowerment is also emphasised in Malaysia's

pursuit of inclusive growth through tourism. Indonesia further pointed out the need for a new paradigm in facing tourism crises, which requires multiple stakeholder roles and a way for the different stakeholders to interact and coordinate over extended periods of time. Developing a crisis management strategy should include establishing a permanent crisis management task force to be better prepared for future shocks. Finally, Singapore exemplifies the role of a strong champion and a highly institutionalised approach for successful and dynamic tourism and sustainable tourism development;

- ix. Several AMS country papers raised a very important point about the need to monitor and measure the outcomes and impacts of tourism and sustainable tourism development. Viet Nam noted inadequate statistical data for the tourism industry. Myanmar highlighted the lack of indicators to assess the impact of the implementation of the sustainable tourism development framework. Lao PDR's tourism recovery plan called for investment in data collection and analysis. The Philippines lamented the lack of a nation-wide system of sustainable destination management that facilitates the collection and sharing of indicators of tourism resiliency, sustainability, and inclusive growth in an integrated manner. Ultimately, a harmonised system in which different national and local agencies can coordinate their monitoring of the different economic, social, and environmental indicators of sustainable tourism in the major destinations would be the ideal solution. In Thailand, many KPIs that have been identified are activity-based rather than outcome-based, making it unclear how initiatives are truly contributing to the overall goal of sustainable tourism. The process of gathering, using, and sharing data can still be improved, especially by establishing appropriate platforms and channels to share data between relevant ministries, as well as with businesses and the general public; and
- x. In Malaysia, a key factor for tourism recovery, as well as maximising its contribution to the revitalisation of the economy, will be the industry's ability to adopt more advanced technology, specifically digitalisation, to enhance efficiency and productivity. There will be a comprehensive push for digitisation to move Malaysia towards Smart Tourism. In Thailand, technology and innovation will be applied to create and upgrade infrastructure and a digital platform to improve tourists' convenience and experience and advance the industry to high-quality tourism. Science and technology will be employed to define national guidelines for tourism, e.g., carrying capacity, support sustainable tourism standard system,

and conserve and rehabilitate the environment. Lao PDR likewise aims to invest in market intelligence, including digital tools and platforms. One of Myanmar's proposed strategies to develop a resilient, balanced, responsible, and sustainable tourism sector in the long-term is to establish a Smart Tourism Ecosystem and digital infrastructure.

In this aspect, Singapore leads the region, and is among the global leaders. In late 2014, the Smart Nation Singapore initiative was launched, which focused on health, transport, urban solutions, finance, and education. After just 5 years since launching the initiative, Singapore was awarded World's Smartest City¹⁶ in 2019 (ADB and UNWTO 2021) – a position it has retained for three years running because of its superior technology infrastructure and digital initiatives. Singapore also topped other global rankings in terms of digital inclusiveness and technology innovation hubs.

B. Trends in ASEAN Tourism and Initiatives Related to Sustainable Tourism

143. This section briefly reviews overall trends in ASEAN tourism, especially in the context of COVID-19. This is followed by a brief discussion of ASEAN initiatives related to sustainable development, including the work of other sectors that have direct or indirect impacts on the pursuit of sustainable tourism development in the region, and recent tourism initiatives undertaken in the aftermath of the COVID-19 pandemic.

Some Recent Trends in ASEAN Tourism¹⁷.

144. **Prior to the pandemic, travel and tourism accounted for 1 in 4 of all new jobs** created across the world; 10.3 percent of all jobs (333 million), and 10.3 percent of global GDP (USD 9.6 trillion). In ASEAN, the estimated contribution of the tourism sector to AMS ranged from 6 percent to 26 percent of total GDP, and from 6 percent to 25 percent of total employment in 2019 (Table 1). The AMS most highly dependent

¹⁶ The Smart City Index was developed by the Swiss business school Institute of Management Development's Smart City Observatory in partnership with the Singapore University of Technology and Design. In 2019, it ranked 118 cities by how "smart" they are. The focus is not only on economic and technological aspects of the cities of tomorrow, but also "humane dimensions" of the urban area such as quality of life, environment, and inclusiveness.

¹⁷ A preliminary draft of this subsection was prepared by Ms Michelle Chandra Kasih.

on tourism are Cambodia, Philippines, and Thailand in terms of contribution to total GDP and employment, plus Lao PDR in terms of employment. In 2020, the Philippines was the hardest hit by the pandemic in terms of declines both in contribution to GDP and employment of tourism. Cambodia, Malaysia, and Myanmar were the next hardest hit in terms of declines in GDP shares, although all AMSs suffered drastic declines in 2020, and Myanmar, Cambodia, Viet Nam, Thailand, and Brunei Darussalam in terms of declines in employment shares. Some improvements were recorded in 2021, as some destination began to open for foreign travellers following the rollout of vaccines beginning in early 2021.

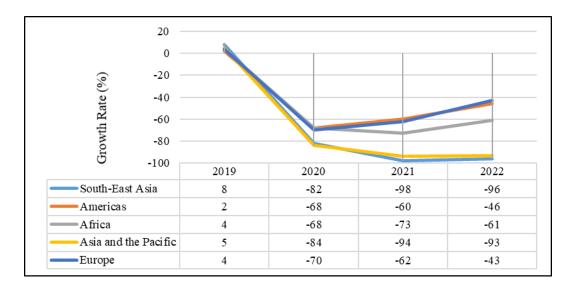
Table 1. Estimated AMS dependency ratios in terms of tourism contribution to GDP									
and employment ¹									

No	AMS	Rate of GDP* (growth per year)			Rate of Employment** (growth per year)			
		2019	2020	2021	2019	2020	2021	
1	Brunei Darussalam	5.6%	3.4% (-39.4%)	3.6% (+9.1%)	7.1%	5.7% (-19.4%)	5.4% (-5.4%)	
2	Cambodia	25.8%	7.2% (-73.0%)	4.7% (-32.8%)	25.0%	20% (-21.7%)	20.5% (+4.1%)	
3	Indonesia	5.6%	2.8% (-50.7%)	2.4% (-10.3%)	9.5%	8.0% (-15.4%)	8.3% (+4.6%)	
4	Lao PDR	10.0%	3.9% (-60.0%)	2.9% (-25.0%)	18.7%	16.4% (-13.7%)	16.9% (+3.2%)	
5	Malaysia	11.7%	3.6% (-71.2%)	4.1% (+18.0%)	15.1%	13.2% (-12.6%)	13.7% (+4.9%)	
6	Myanmar	6.5%	1.8% (-71.2%)	2.1% (-5.1%)	5.7%	4.2% (-27.0%)	4.1% (-2.7%)	
7	Philippines	22.5%	4.8% (-80.7%)	10.4% (-80.7%)	22.7%	16.5% (-80.7%)	17.8% (-80.7%)	
8	Singapore	11.0%	4.8% (-58.2%)	3.9% (-12.9%)	14.4%	12.9% (-12.5%)	13.6% (+4.1%)	
9	Thailand	20.3%	8.2% (-62.0%)	5.8% (-28.0%)	21.8%	17.7% (-18.7%)	18.1% (+3.1%)	
10	Viet Nam	7.0%	3.3% (-51.9%)	2.6% (-19.1%)	9.0%	7.2% (-21.3%)	8.0% (+1.1%)	

Notes: ¹Data sourced from WTTC may not be the same as current official AMS data, which may have undergone updates/revisions not reflected in the WTTC data. For instance, latest official statistics provided by the Department of Statistics Malaysia are as follows: Rate of GDP growth per year – 6.8% (2019) and 2.0% (2020); Rate of Employment growth per year: 23.6% (2019) and 23.1% (2020). Brunei Darussalam's official statistics also differ from those drawn on the WTTC database (Growth rates of GVA were 0.9% in 2019 and 0.6% in 2020 and 2021; employment growth rates were 3%, 3.2% and 3.1%, respectively). *of the total economy; **of the total employment; High = 10-20 percent; Medium = 5-9 percent; Low = ≤5 percent. Source: WTTC, "Economic Impact Reports", Travel & Tourism Economic Impact | World Travel & Tourism Council (WTTC), accessed 24 June 2022.

145. **Figure 1 shows the estimated growth rate of international tourist arrivals by** region, which shows that the ASEAN region was the fastest growing prior to the worldwide outbreak of COVID-19 and has also been the most adversely affected by the pandemic.

Figure 1. Estimated Growth Rate of International Tourist Arrivals, By Region, 2019-2022 (in percent)



Source: UNWTO, "International Tourism and COVID-19", International Tourism and Covid-19 | Tourism Dashboard (unwto.org), accessed 24 June 2022.

146. **Table 2 shows estimated total intra-ASEAN visitor arrivals relative to total visitor** arrivals in each AMS. The decline in total intra-ASEAN and total visitor arrivals to the region during the first year of the pandemic is stark. In terms of percent distribution, most ASEAN visitors went to Malaysia, Thailand, Singapore, and Indonesia; overall, Thailand, Malaysia, Singapore, Viet Nam, and Indonesia received the greatest number of visitors.

Destination	Origin	2015	2016	2017	2018	2019	2020
Brunei Darussalam	Total Intra-ASEAN	0.3	0.3	0.3	0.3	0.3	0.4
	Total World	0.2	0.2	0.2	0.2	0.2	0.2
Cambodia	Total Intra-ASEAN	4.6	4.6	4.5	4.2	4.3	5.4
	Total World	4.4	4.3	4.5	4.6	4.6	5.0
Indonesia	Total Intra-ASEAN	8.4	8.2	9.3	11.0	11.9	16.6
	Total World	9.6	10.0	11.2	11.7	11.2	15.5
Lao PDR	Total Intra-ASEAN	7.8	6.6	5.7	5.8	6.2	6.0
	Total World	4.3	3.7	3.1	3.1	3.3	3.4
Malaysia	Total Intra-ASEAN	41.6	43.5	40.2	36.5	34.6	32.1
	Total World	23.6	23.2	20.6	19.1	18.2	16.6
Myanmar	Total Intra-ASEAN	3.8	0.9	3.6	3.9	4.1	5.4
	Total World	4.3	2.5	2.7	2.6	3.0	3.5
Philippines	Total Intra-ASEAN	1.0	1.0	1.0	1.1	1.0	0.9
	Total World	4.9	5.2	5.3	5.3	5.8	5.7
Singapore	Total Intra-ASEAN	12.5	12.7	12.8	13.1	12.8	9.8
	Total World	14.0	14.2	13.9	13.7	13.3	10.5
Thailand	Total Intra-ASEAN	17.1	19.1	19.2	20.5	20.8	18.0
	Total World	27.4	28.1	28.3	28.2	27.8	25.6
Viet Nam	Total Intra-ASEAN	2.8	3.1	3.5	3.6	3.9	5.5
	Total World	7.3	8.7	10.3	11.5	12.5	14.1
ASEAN	Total Intra-ASEAN (in mil)	45.992	46.570	48.493	49.599	51.696	9.191
	Total World (in mil)	108.904	115.566	125.721	135.170	143.606	26.158

Table 2 Estimated Visitor Arrivals in ASEAN Member States by Origin(percent distribution)1

Note: ¹Data sourced from ASEANStats may not be the same as current official AMS data, which may have undergone updates/revisions not yet reflected in the ASEANStats data. For instance, latest official statistics provided by the Department of Statistics Malaysia are as follows: Malaysia's share of Total World Visitor Arrivals: 25.72% (2015); 26.76% (2016); 25.95% (2017); 25.83% (2018); 26.10% (2019); and 4.33 (2020).

Source: ASEANStats Data Portal; Date accessed: 28 June 2022.

Sustainable Development in ASEAN.

147. The review of AMS' tourism agenda in Part 1 indicated that a few AMS developed their sustainable tourism development agenda in the context of an overall national agenda on sustainable development. In ASEAN, the UN 2030 Agenda for Sustainable Development is recognised as complementary with ASEAN's community building efforts in the ASEAN Community Vision 2025 (page 13, para 6). It was also

recognised that sustainability encompasses a wide range of cross cutting issues related to the economic, environmental, and social aspects of the ASEAN Community, although there is no provision on how such cross-cutting nature would be addressed or implemented.

- 148. In the AEC Blueprint 2025, Sustainable Economic Development is an element (B8) under Characteristic B (A Competitive, Innovative and Dynamic ASEAN). It encompasses the protection of the environment and natural resources, and the promotion of green development at the national and regional levels using clean energy and related technologies, including renewable energy through green technology, as well as sustainable consumption and production. In terms of implementation, no separate/specific action plan on sustainable economic development was developed. Rather, specific initiatives to implement it are incorporated in other elements under Characteristics B and C (Enhanced Connectivity and Sectoral Cooperation) as follows:
 - i. <u>Consumer protection</u> (B2), to help promote sustainable consumption;
 - ii. <u>Transport cooperation</u> (C1), through the formulation of a regional policy framework on sustainable transport that includes low carbon modes of transport; implementation of fuel economy policies and standard towards cleaner fuels and vehicles; energy efficiency and user-friendly transport initiatives; promotion of non-motorised and public transport as green alternative; integration of transport and land-use planning; application of smart technology in transport sector; and the development of efficient, green freight and logistics strategy;
 - iii. <u>Information and communications technology</u> (ICT) (C2), to help promote a digitallyenabled economy that is secure, sustainable and transformative. Strategic measures included strengthening digital inclusion efforts to empower individuals and to enable community development, and supporting ICT innovations and entrepreneurship as well as new technological developments such as Smart City, and Big Data and Analytics;
 - iv. <u>Energy cooperation</u> (C4), by accelerating the shift away from the continuous, extensive use of fossil fuels, and towards cleaner, greener energy systems such as harnessing solar, wind, geothermal, and biomass, exploring new and emerging energy technologies such as hydrogen and fuel cells, and optimising the adoption of modern technologies that increase the efficiency of fossil fuels at

the same time reduce its greenhouse gas emissions;

- v. <u>Food, agriculture & forestry</u> (C5), through the promotion of sustainable forest management; investment on technologies that increase productivity and reduce post-harvest losses; development and adoption of appropriate technologies, best practices and management systems that ensure food security, food safety and address health/disease and environmental issues; promotion of good agricultural practices to minimise the negative effects on natural resources and reduce greenhouse gas emission;
- vi. <u>Tourism</u> (C6), by promoting more sustainable and inclusive pattern of ASEAN tourism;
- vii. <u>Minerals</u> (C8), by strengthening cooperation and capacity on sustainable minerals development; and
- viii. <u>Science, technology and innovation</u> (STI) (C9), by enhancing existing regional STI initiatives in priority areas including the sustainable development goals.
- 149. **Most of the elements related to sustainable economic development are also** relevant either directly or indirectly to the tourism sector. Although not identified as a strategic measure in the *AEC Blueprint 2025* under Financial Integration, Financial Inclusion, and Financial Stability (A4), work has also begun on exploring green financing in ASEAN.
- 150. In October 2021, ASEAN adopted a *Framework for Circular Economy for the ASEAN Economic Community*, which strives to achieve a balance amongst three interdependent goals of a resilient economy, resource efficiency, and sustainable and inclusive growth. In particular, the Framework identified five strategic priorities to promote ASEAN's transition towards circular economy: (i) standard harmonisation and mutual recognition of circular products and services; (ii) trade openness and trade facilitation in circular goods and services; (iii) enhanced role of innovation, digitalisation, and emerging/green technologies; (iv) competitive sustainable finance and innovative environmental, social, and governance (ESG) investments; and (v) efficient use of energy and other resources. Work on developing the implementation plan for the Framework is now ongoing.

151. Furthermore, the COVID-19 pandemic highlighted the need to coordinate with the health sector, which is under the purview of the ASEAN Socio-Cultural Community (ASCC), together with the environmental and social aspects of the ASEAN Community that relate to sustainable development. In fact, the whole agenda presented in the *ASCC Blueprint 2025* (ASEAN Secretariat 2016b) is relevant to the pursuit of sustainable tourism development in ASEAN, in so far as the four Characteristics of the ASCC are also key elements in sustainable tourism development. Thus, it would be worthwhile to also consider how the tourism sector can piggyback on ASCC initiatives or collaborate with ASCC to address common concerns/policy areas in the following:

<u>Characteristic A: Engages and benefits the people</u>. Strategic measures identified under this Characteristic include those relating to: (i) engaging relevant stakeholders in ASEAN processes through consultations and partnerships for effective development and implementation of ASEAN initiatives; and (ii) empowering people through skills upgrading such as in the use of ICT and promoting gender equality, and strengthening institutions such as by promoting the participation of different levels of government in the development of ASEAN capacity building programmes that benefit their respective communities, and good governance.

<u>Characteristic B: Inclusive</u>. Strategic measures identified under this Characteristic relate to the promotion of equitable access to opportunities for ASEAN peoples, especially the vulnerable groups, and the promotion and protection of human rights.

<u>Characteristic C: Sustainable</u>. Strategic measures identified under this Characteristic relate to the achievement of a sustainable environment in the face of social changes and economic development through: (i) conservation and sustainable management of biodiversity and natural resources; (ii) environmentally sustainable cities; (iii) sustainable climate; and (iv) sustainable consumption and production.

<u>Characteristic D: Resilient</u>. This Characteristic recognises that resilience is an essential aspect of human security and sustainable environment, and building resilient communities across ASEAN requires integrated, comprehensive, and inclusive approaches that integrate policies, capacity and institution-building, and stakeholder partnerships in critical areas such as disaster risk reduction, humanitarian assistance, and community empowerment.

<u>Characteristic E: Dynamic</u>. This Characteristic entails strengthening the ability to continuously innovate and be a proactive member of the global community by providing an enabling policy and institutional environment for people and firms across the region to be more open and adaptive, creative, innovative, and entrepreneurial.

- 152. The ASCC Blueprint 2025 is implemented through the work plans primarily implemented by sectoral working bodies on:
 - i. Culture and Arts under Senior Officials Meeting for Culture and Arts (SOMCA):
 - ii. Information and Media under Senior Officials Meeting Responsible for Information (SOMRI);
 - iii. Education under Senior Officials Meeting on Education (SOM-ED);
 - iv. Youth under Senior Officials Meeting on Youth (SOMY);
 - v. Sports under ASEAN Senior Officials Meeting on Sports (SOMS);
 - vi. Social Welfare and Development under Senior Officials Meeting on Social Welfare and Development (SOMSWD);
 - vii. Gender, Rights of Women and Children under ASEAN Committee on Women (ACW) and ASEAN Commission on the Promotion and Protection of the Rights of Women and Children (ACWC);
 - viii. Rural Development and Poverty Eradication under Senior Officials Meeting on Rural Development and Poverty Eradication (SOMRDPE);
 - ix. Labour under Senior Labour Officials Meeting (SLOM);
 - x. Civil Service under ASEAN Conference on Civil Service Matters (ACCSM);
 - xi. Environment under ASEAN Senior Officials on Environment (ASOEN);
 - xii. Haze under Committee (COM) under the COP to the ASEAN Agreement on Transboundary Haze Pollution (COP-AATHP);
 - xiii. Disaster Management and Humanitarian Assistance under ASEAN Committee on Disaster Management (ACDM); and
 - xiv. Health under Senior Officials Meeting on Health Development (SOMHD).
- 153. The mid-term review of the ASCC Blueprint 2025 (ASEAN Secretariat 2021b) found that:

- i. Characteristic A was implemented by all sectoral working bodies in terms of engaging relevant stakeholders in ASEAN processes; in terms of empowering people and strengthening institutions, the lead sectoral bodies were ACCSM, SOMY, and SOMS, supported by the other sectoral working bodies. Key activities included capacity building, public outreach, policy formulation, and research and publication;
- ii. Characteristic B's lead sectoral working body was SOMSWD in terms of number of activities undertaken, while cooperating sectoral working bodies were ACCSM, ACW, ACWC, SOMHD. Public outreach and capacity building were the predominant activities used to implement the strategic measures;
- iii. Characteristic C's dominant sectoral working body was expectedly ASOEN, supported by COP-AATHP. ASOEN also collaborated with SOMY and SOMHD.
 Policy formulation and capacity building were the predominant activities used deliver to implement the strategic measures;
- iv. Characteristic D's activities were largely accounted for ASOEN, followed by SOMHD, and ACDM. Research and publication, and capacity building were the predominant activities used to implement the strategic measures; and
- v. Characteristic E's lead sectoral working body was ASOEN, followed by SOMHD. There was also some participation from twelve other sectoral working bodies. Research and publication, capacity building, and policy formulation were the predominant activities used to implement the strategic measures.
- 154. **Given the cross-sectoral nature of the five Characteristics and their respective** strategic measures, the ASCC Council supported by the Senior Officials Meeting on the ASCC (SOCA) and the Coordinating Conference on the ASCC (SOC-COM) serve as coordinating platforms. In addition to cross-sectoral coordination within ASCC, the need for an institutionalised cross-pillar coordination strategy was also recognised for ASCC strategic measures that require collaboration with sectoral bodies from the APSC and AEC Pillars. But overall, the mid-term review of the ASCC Blueprint 2025 indicated that cross-sectoral work was only undertaken by sectoral bodies within ASCC, and none to date with the relevant sectoral bodies under the AEC including the tourism sector.
- 155. **Finally, building a peaceful, secure, and stable region is one of the four** characteristics of the ASEAN Political-Security Community (APSC), which is also

critical for sustainable tourism. Strengthening coordination on cross-sectoral issues within the APSC and on cross-pillar issues among the three Community Pillars is also called for in the *APSC Blueprint 2025* (ASEAN Secretariat 2016a). Like AEC and ASCC, the mid-term review of the *APSC Blueprint 2025* likewise noted the need to enhance coordination and communication among relevant agencies involved in safety and security issues that are cross-pillar in nature.

- 156. The APSC midterm review likewise noted that the need to promote crosspillar cooperation was first recognised in August 2016, when the Joint Consultative Meeting (JCM) tasked the ASEAN Secretariat to identify cross-cutting issues that arose from the three Community Pillars. An initial indicative list of 34 cross-sectoral and cross-pillar issues was identified. It was not until June 2021, after the completion of the three mid-term reviews, that a *Terms of Reference (TOR) for Sectoral Bodies for ASEAN Cross-pillar and Cross-Sectoral Issues* was adopted by JCM. There are 43 cross-sectoral and cross-pillar issues identified to date, with lead sectoral bodies identified for 38 of them.
- 157. Sustainable development cooperation and sustainable tourism were among the initial cross-sectoral and cross-pillar issues identified. Sustainable development cooperation was subsequently assigned to SOC-COM as lead sectoral body, while sustainable tourism was expectedly assigned to ASEAN NTOs with the ASEAN Sustainable and Inclusive Tourism Development Committee (ASITDC) as the sectoral working body. Ideally, work on sustainable tourism should be guided by the work on sustainable development. One consideration that also needs to be made in the identification of the appropriate lead sectoral body is that some issues are complex and complicated, and thus need to be unpacked into more manageable elements that may be primarily assigned to different, most relevant sectoral bodies. While the various elements of the ASEAN Community, including some of the other cross-sectoral and cross-pillar issues identified, have direct or indirect impacts on sustainable tourism development, ultimately, they fall outside the direct purview of the tourism sector and must be primarily addressed by other sectoral bodies. A deeper mechanism/modality for cooperation, collaboration, and coordination is thus necessary to fully bridge the gap between statements and actions.
- 158. In terms of monitoring sustainable development in ASEAN, there is a specific working group on SDG indicators (WGSDGI) under the ASEAN Community Statistical

System (ACSS) established in 2019, which is under the oversight of the ACSS Committee composed of the heads of statistical systems in the 10 AMS. WGSDGI initially agreed to collect 63 main indicators out of the total 232 global indicators. There is a plan to increase this number to 111 main indicators. Data availability is a major challenge in many AMS.

Initiatives on Sustainable Tourism in the Aftermath of COVID-19.

- 159. As previously mentioned, the ASEAN Tourism Strategic Plan 2016-2025 (ATSP) spelled out two strategic directions namely: (i) enhance the competitiveness of ASEAN as a single tourism destination; and (ii) ensure that ASEAN tourism is sustainable and inclusive, on which the ASEAN tourism initiatives are anchored.
- 160. The three strategic measures identified to pursue sustainable and inclusive tourism are: (i) upgrade local communities and public-private sector participation in the tourism value chain; (ii) ensure safety and security, prioritise protection and management of heritage sites; and (iii) increase responsiveness to environmental protection and climate change. Overall, the mid-term review of the AEC Blueprint 2025 identified the following as key achievements: (i) the development and implementation of the strategy on participation of local communities and private sectors in tourism development; (ii) ASEAN Gender and Development Framework in Tourism; (iii) Impact Assessment on Existing ASEAN World Heritage Sites and ASEAN Heritage Parks; (iv) ASEAN Sustainable Tourism Assessment Tools (ASITAT); and (v) manual of guidelines to improve responsiveness to environmental issues and climate change. Given the cross-pillar and cross-sectoral nature of such initiatives, the primary issue identified relating to the pursuit of sustainable and inclusive tourism was the lack of coordination/coordination mechanism with other relevant sectoral bodies (ASEAN Secretariat 2021a).
- 161. The new ASEAN Tourism Marketing Strategy (ATMS) 2021-2025 was released in June 2020 and it looked at new ways to market the region post COVID-19, placed greater emphasis on health and safety while traveling, and made nature, wellness, and open spaces more attractive as preferences for travel. The increasing importance of digital tourism as a strategy was also highlighted, which is very much

in line with the ASEAN Declaration on Digital Tourism adopted in November 2020, which recognised "the need to apply digital technology and innovation to tourism development to enhance competitiveness, facilitate growth, and develop sustainable tourism, as well as to provide opportunities and develop capabilities in the tourism sector," and aimed to encourage "the development of a dynamic, competitive, creative, and synchronised ASEAN tourism industry, through digital transformation, to accelerate economic growth and social advancement."

- 162. Following the mid-term review of ATSP in 2020, an updated ATSP was released in January 2021. In particular, the updated ATSP recognised the need to encourage more programs and activities that promote sustainable and responsible tourism development in ASEAN, to balance the previous focus of past initiatives primarily on marketing and promotional efforts. Thus, to implement the strategic measure on increasing responsiveness to environmental protection and climate change, new activities proposed included the design and implementation of sustainable consumption and production and financing programs, which involved undertaking three new activities: (i) develop measures to implement sustainable consumption and production (Greening the Tourism Value Chain) practices in tourism businesses and destinations; (ii) conduct study on carrying capacities of the priority ASEAN heritage tourism products/destinations; and (iii) formulate strategy on sustainable tourism financing schemes for enterprises and destinations.
- 163. Furthermore, the Phnom Penh Declaration on a More Sustainable, Inclusive and Resilient ASEAN Tourism was adopted in February 2021, which called for: (i) closer collaboration between ASEAN Member States as well as with relevant international organisations and tourism stakeholders; (ii) the expeditious development of a Post COVID-19 Recovery Plan for ASEAN Tourism; (iii) promotion of opportunities especially for MSMEs, vulnerable groups, and other affected communities; and (iv) enhanced capacity building. In September 2021, ASEAN Tourism Ministers endorsed the Post-COVID-19 Recovery Plan for ASEAN Tourism. The development of the Post-COVID-19 Recovery Plan for ASEAN Tourism was aligned with the updated ATSP and the Phnom Penh Declaration, and proposed the following five pillars that were each developed into implementation action plans under the foreseen reopening, recovery, and resilience phases over 2021-2025:

- i. To support tourism businesses with recovery and adaptation to the requirements;
- ii. To enable safe and seamless restoration of intra-ASEAN and international travels;
- iii. To ensure that recovery is underpinned by principles of sustainability and inclusivity;
- iv. To reinvent tourism services to drive competitiveness; and
- v. To prepare for long-term resilience and crisis preparedness.
- 164. Given that tourism is a complex sector composed of multiple stakeholders, sub-sectors and regional levels, it was recognised that implementation of several recommendations falls outside of the purview of the ASEAN NTOs. Thus, there is a recommendation that "the proposed action plan is used to facilitate the engagement with the relevant stakeholders to identify synergies with their plans and priorities in order to secure their buy-in and cooperation" (p. 11). Furthermore, it may be worthwhile for the tourism sector to consider devolving primary responsibility for initiatives outside of its purview to the most appropriate implementing sectoral bodies as leads, especially if these are already covered under their respective sectoral work plans. Some mechanism/modality for cooperation, collaboration, and coordination, including sharing of regular updates on the status of implementation of initiatives that are of particular interest or importance to the tourism sector, may then be agreed upon. Further collaboration may also relate to the development and implementation of missing initiatives. Additional intervention or support may also be necessary to enable the tourism sector to translate relevant initiatives outside of their purview to the context and needs of the tourism sector.
- 165. Also, while the *post-COVID-19 Recovery Plan* is targeted for implementation over the period 2021-2025, some action lines will necessarily require a longer timeframe for full development and implementation. Achieving sustainable and inclusive tourism should be seen as a long-term goal/agenda for the region. And given the various frameworks and initiatives directly or indirectly related to sustainable tourism development already in existence or being developed, both at the AMS and ASEAN sectoral levels, it would be useful to have an overarching framework to help synthesise the various elements, frameworks, and initiatives to maximise the synergies between them, as well as identify any remaining gaps in the sustainable tourism development agenda. This is the primary objective of this Study.

166. The next part of this Study presents some key definitions, concepts, principles, best practises, approaches, and implementation and monitoring frameworks on sustainable tourism as developed by relevant international organisations and applied by other countries and regional groupings. Reviewing them would help ASEAN NTOs and policy makers come to a more similar understanding of sustainable tourism development concepts and principles as they are generally understood in theory and practice. The most relevant approach for sustainable tourism development in ASEAN in terms of overall goal, guiding principles, priorities, and key areas of policy can then be culled from the review, given the ASEAN context presented in Parts 1 and 2.

PART 3 SUSTAINABLE TOURISM DEVELOPMENT: CONCEPT AND PRACTICE

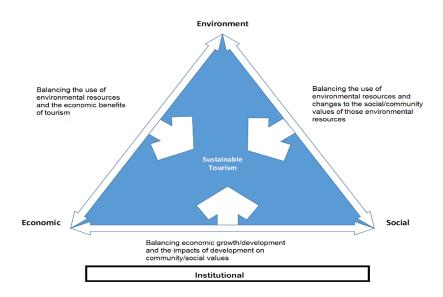
- A. Starting Point: The United Nations World Tourism Organization (UNWTO) Framework¹⁸
- 167. The concept of sustainable tourism is not new. It was originally used just in the context of the natural environment and ecotourism. The United Nations World Tourism Organization (UNWTO) then defined it in 1996 as "tourism which leads to management of all areas, in such a way, that the economic, social and environmental needs are being fulfilled with the cultural integration, ecological processes, biodiversity and supporting the development of societies" (in Janusz and Bajdor 2013: 524).
- 168. The concept of sustainable tourism naturally draws on the concept of sustainable development, which emerged in the mid-1980s as "development that meets the needs of the present, without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development 1987: 41). Thus, UNWTO also characterised sustainable tourism as a process that "takes into account the needs of present tourists and traveller needs of future generations as well" (Fennel 2003; in in Janusz and Bajdor 2013). Sustainable tourism development was then initially defined as:

Sustainable tourism development meets the needs of present tourists and host

¹⁸ Section A draws heavily on UNWTO and UNEP (2005).

regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social, and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity, and life support systems (UNWTO 2001; in Liu 2003).

169. The concept of sustainable development has evolved from its inception and began to encompass three dimensions or pillars in the early 2000s - economic development, social/socio-cultural development, and environmental protection. Achieving balance among these three interdependent pillars is the key challenge because they can be mutually reinforcing or competing at times. The UN Commission for Sustainable Development touched on the institutional dimension of sustainable development as a fourth pillar when it incorporated the role of institutions in the development of indicators to assess the implementation progress of Agenda 21 (UNCSD 1996; in Spangenberg (2002) and Pfahl 2005). Drawing on the conceptual dimensions of sustainable development, Figure 2 presents the dimensions of sustainable tourism, with the addition of the institutional pillar supporting/operationalising the interactions among the three original pillars.





Source: www.sustainabletourismonline.com (Figure 1 in Janusz and Bajdor 2013: 524); with modification.

- To integrate environmental sustainability more fully into the other 170. sustainability aspects of tourism, UNWTO and the United Nations Environment Programme (UNEP) worked together to produce a comprehensive policy guidebook in 2005 to serve as a blueprint in the formulation and implementation of national sustainable tourism policies that ideally seek to maximise the positive effects and minimise the negative impacts of tourism (UNWTO and UNEP 2005). The guidebook defined sustainable tourism and identified effective approaches for developing strategies and policies for more sustainable tourism and the tools that would make the policies work on the ground. The need to adapt policies, approaches, and tools to prevailing national conditions, needs, and capacities was acknowledged, instead of proposing a "one-fits-all" solution towards more sustainable tourism. One key universal message of the guidebook is that sustainable tourism development must involve all relevant stakeholders in both the public and private sectors, considering and balancing their respective positions and motivations. Governments' leading role is also highlighted because of the tourism sector's fragmented nature, public concern issues, and required institutional capacity for sustained tourism development.
- 171. Box 1 gives the UNWTO's full definition of sustainable tourism. Simply put, it is tourism "... that is based on the principles of sustainable development" (UNWTO and UNEP 2005: 11), and "that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities" (UNWTO and UNEP 2005: 12). These impacts and needs must be incorporated in the planning, development, and operation of tourism on a continuing basis for improvement for all forms of tourism.

BOX 1. The World Tourism Organization's definition of sustainable tourism

Sustainable tourism development guidelines and management practice are applicable to all forms of tourism in all type of destinations, including mass tourism and the various niche tourism segments. Sustainability principles refer to the environmental, economic and socio-cultural aspects of tourism development, and a suitable balance must be established between these three dimensions to guarantee its long-term sustainability

Thus, sustainable tourism should:

- Make optimal use of environmental resorces that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural resources and biodiversity.
- 2) Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance
- 3) Ensure viable, long-therm economic operations, providing socio-economic benefits to all stakeholdersthat are fairly didtributed, including stable employment and income-earning opportunities and social service to host communities, and contibuting to proverty alleviation.

Sustainable tourism development requires the informed participation of all relevant stakeholders, as well as strong political leadership to ensure wide participation and consensus building. Achieving sustainable tourism is a continuous process and it requires constant monitoring of impacts, intuducing thr necessary preventive and/or corrective measures whenever necessary.

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

source: Box 1.1 in UNWTO (2005: 11).

- 172. **Among the key challenges** identified facing sustainable tourism are: (i) the need to manage dynamic growth; (ii) climate change; (iii) poverty alleviation; (iv) resources to support conservation; and (v) health, safety, and security. The primary motivation/s and issues identified as relevant would then determine the appropriate strategies, policies, approaches, and tools.
- 173. The UNWTO also identified guiding concepts and principles in developing and implementing tourism policies for sustainable development:
 - i. Set the course:
 - Take a holistic view;
 - Pursue multi-stakeholder engagement;

- Plan for the long-term;
- · Address global and local impacts;
- Promote sustainable consumption; and
- Equate sustainability and quality.
- ii. Develop the approach:
 - Reflect all impacts in costs polluter pays principle;
 - Minimise risk taking precautionary principle;
 - Take a life cycle perspective;
 - Consider functional alternatives; and
 - Respect limits.

iii. Ensure ongoing progress:

- Adapt to changing conditions; and
- Undertake continuous monitoring using indicators.
- 174. **Finally, an agenda for more sustainable tourism is proposed consisting of 12 aims that** address economic, social and environmental impacts. The agenda is envisaged to be used as a framework to develop policies for more sustainable tourism that: (i) minimise the negative impacts of tourism on society and the environment; and (ii) maximise tourism's positive and creative contribution to local economies, the conservation of natural and cultural heritage, and the quality of life of hosts and visitors. In particular, the following 12 aims can be used in identifying policy areas that need to be addressed in order to formulate specific policies and actions to meet the aims (UNWTO and UNEP 2005: pp18-19):
 - i. <u>Economic viability</u>: To ensure the viability and competitiveness of tourism destinations and enterprises, so that they are able to continue to prosper and deliver benefits in the long-term. Policy areas to be addressed include:
 - Understand the market;
 - Deliver visitor satisfaction;
 - Maintain good trading conditions;
 - · Maintain and project an attractive destination; and
 - Deliver business support.

- ii. <u>Local prosperity</u>: To maximise the contribution of tourism to the economic prosperity of the host destination, including the proportion of visitor spending that is retained locally. Policy areas to be addressed include:
 - Reduce leakages;
 - Strengthen links between businesses; and
 - Influence levels of visitor spending.
- iii. <u>Employment quality</u>: To strengthen the number and quality of local jobs created and supported by tourism, including the level of pay, conditions of service and availability to all without discrimination by gender, race, disability or in other ways. Policy areas to be addressed include:
 - Increase employment opportunities and the proportion of year round, full-time jobs;
 - Ensure and enforce labour regulations;
 - Encourage enterprises to provide skills training programmes and career advancement; and
 - Concern for the wellbeing of workers who lose their jobs.
- iv. <u>Social equity</u>: To seek a widespread and fair distribution of economic and social benefits from tourism throughout the recipient community, including improving opportunities, income and services available to the poor. Policy areas to be addressed include:
 - Develop income earning opportunities for disadvantaged people; and
 - Utilise income from tourism to support social programmes.
- v. <u>Visitor fulfillment</u>: To provide a safe, satisfying and fulfilling experience for visitors, available to all without discrimination by gender, race, disability, or in other ways. Policy areas to be addressed include:
 - Improve access for all;
 - Provide holiday opportunities for the economically and socially disadvantaged;
 - Maintain a duty of care to visitors; and
 - Monitor and address visitor satisfaction and the quality of experience.
- vi. Local control: To engage and empower local communities in planning and

decision-making about the management and future development of tourism in their area, in consultation with other stakeholders. Policy areas to be addressed include:

- Ensure appropriate engagement and empowerment of local communities;
- Improve the conditions for effective local decision-making; and
- Address the specific position of indigenous and traditional communities with respect to local control.
- vii. <u>Community wellbeing</u>: To maintain and strengthen the quality of life in local communities, including social structures and access to resources, amenities, and life support systems, avoiding any form of social degradation or exploitation. Policy areas to be addressed include:
 - Get the balance right in the volume, timing and location of visits;
 - Reduce congestion;
 - · Careful planning and management of tourism enterprises and infrastructure;
 - · Promote mutual use of facilities and services by residents and tourists; and
 - Influence the behaviour of tourists towards local communities.
- viii. <u>Cultural richness</u>: To respect and enhance the historic heritage, authentic culture, traditions and distinctiveness of host communities. Policy areas to be addressed include:
 - Ensure effective management and conservation of cultural and historic heritage sites; and
 - Work with communities on the sensitive presentation and promotion of culture and traditions.
- ix. <u>Physical integrity</u>: To maintain and enhance the quality of landscapes, both urban and rural, and avoid the physical and visual degradation of the environment. Policy areas to be addressed include:
 - Ensure that new tourism development is appropriate to local environmental conditions;
 - · Minimise the physical impact of tourist activity; and
 - Maintain high quality rural and urban landscapes as a tourism resource.

- x. <u>Biological diversity</u>: To support the conservation of natural areas, habitats and wildlife, and minimise damage to them. Policy areas to be addressed include:
 - · Work with national parks and other protected areas;
 - Promote the development and management of ecotourism;
 - Use tourism to encourage landholders to practice sustainable land management;
 - Work with private parks and reserves;
 - Minimise damage to natural heritage from tourism;
 - Raise visitor awareness of biodiversity; and
 - Raise support for conservation from visitors and enterprises.
- xi. <u>Resource effciency</u>: To minimise the use of scarce and non-renewable resources in the development and operation of tourism facilities and services. Policy areas to be addressed include:
 - Take account of resource supply in the planning of tourism development, and vice versa;
 - Minimise water consumption by the tourism sector;
 - Ensure the efficient use of land and raw materials in tourism development; and
 - Promote a reduce-reuse-recycle mentality.
- xii. <u>Environmental purity</u>: To minimise the pollution of air, water and land and the generation of waste by tourism enterprises and visitors. Policy areas to be addressed include:
 - · Promote the use of more sustainable transport;
 - Reduce the use of environmentally damaging chemicals;
 - Avoid the discharge of sewage to marine and river environments;
 - Minimise waste and where necessary disposing of it with care; and
 - Influence the development of new tourism facilities.

175. Figure 3 depicts the way many of the aims can be associated with a combination of economic, social, and environmental issues and impacts.

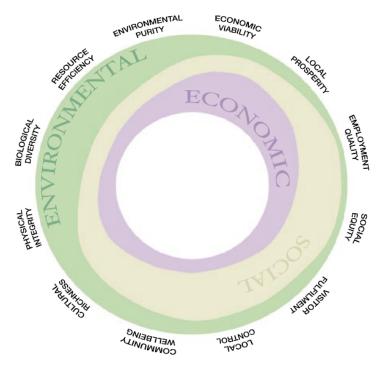


Figure 3. Relationship Between the 12 Aims and the Three Pillars of Sustainability

Source: Figure 1.1 in UNWTO (2005: 20).

176. Finally, appropriate institutional structures are needed to help governments work in harmony both internally and with the private sector and other stakeholders to pursue sustainable tourism development. In particular, the cross-cutting nature of the proposed pillars and aims of sustainable tourism indicate the need for a multi-level and multi-sectoral approach. Table 3 presents the various government areas that are responsible for policies and actions that impact sustainable tourism development. Coordination and cooperation between national and local structures are also important to ensure complementary policies and actions at these different levels. An integrated approach in developing and managing tourism within local destinations has become more recognised as the most successful route to sustainable tourism. Ultimately, the tourism industry mostly relates to, and is in turn affected by environmental and community issues, at the local level. These call for formal structures and processes for inter-ministerial/inter-governmental/inter-agency coordination and cooperation on sustainable tourism. 177. A structure for government to engage private sector and other stakeholders

is also important in the formulation of a relevant strategy, policies, and actions for sustainable tourism, as well as for effective coordination of actions. According to UNWTO and UNEP (2005), an ideal structure would be a permanent forum or standing conference for stakeholders representing different interests, and a smaller body or council to deal with more detailed work.

Area of Government	Policies and Actions
Tourism	Overall development, coordination and implementation of tourism policy. Support for tourism development, management and marketing.
Prime Ministerial Office	Tourism's position within the overall balance of policies and priorities.
Finance	Level of budgetary resources allocated to tourism. Tax policy.
Trade	Terms of trade negotiations. Export and investment promotion.
Economic Development	Sustainable development policies. Support for enterprise.
Environment and Natural Resources	Regulation and control of environmental impact. Conservation of biodiversity. Protected area management. Management of resources for ecotourism.
Transport	Accessibility, traffic management and sustainable transport issues.
Culture	Management and preservation of historic sites and cultural heritage.
Agriculture	Rural development and supply chain issues.
Education	Tourism training.
Health	Safety and social security issues, for visitors and employees.
Sport and Recreation	Promotion of attractions, activities, events, etc. Elements of domestic market.
Internal Affairs	Crime and security. Child protection.
Foreign Affairs	Source country-destination relationships. Visa requirements.

Table 3. Areas of Government Influencing the Sustainability of Tourism

Source: Table 3.1 in UNWTO and UNEP (2005), p. 51.

178. Represented in such a multi-stakeholder structure would be:

- i. Different government departments and agencies representing the areas of government identified in Table 3;
- ii. Regional and local authorities;
- iii. Different segments of the tourism industry—hotel associations, tour operator bodies, etc.;
- iv. International travel trade;
- v. The transport sector (all forms);

- vi. Environmental and community-based NGOs;
- vii. Cultural heritage bodies;
- viii. National parks and other protected areas;
- ix. Tourism/recreation user groups;
- x. Civil society (not in tourism but affected by it)'
- xi. Universities and other bodies involved with tourism education and training; and/ or
- xii. Trade (labour) unions

B. Operationalising the UNWTO Framework: Developing a Strategy19

- 179. "A strategy determines a goal and outlines the direction and approaches needed to get there" (UNWTO and UNDEP 2005: p. 53). Strategies can address a broad range of issues that affect desired outcomes, which may also involve a wide range of stakeholders who are able to influence those outcomes. Governments can work with others to develop strategies relating both to broad matters such as sustainable development and poverty reduction in general, and to specific sectors such as tourism. Policies, on the other hand, tend to be more precise statements of position and intent about individual issues and may be more specifically linked to individual stakeholders, notably government. Tourism policies that embrace sustainability should be developed through comprehensive strategies, including local tourism strategies and the national tourism strategies and the complementarities between them.
- 180. Three types of strategy have been identified that are relevant to sustainable tourism development:
 - i. <u>A tourism strategy that embraces sustainability</u>: Instead of developing a separate strategy for "sustainable tourism", the concept of sustainable development needs to be embedded in mainstream tourism strategies. The starting point should be a published document on the country's strategy that "provides a clear direction and framework for the development and management of tourism", which

¹⁹ Section B draws heavily on UNWTO and UNEP (2005).

would serve to: (i) guide the policies and actions of the tourism ministry/department and its agencies, such as the national tourism organisation; (ii) influence other government ministries/departments; (iii) stimulate and control the private sector and potential investors; and (iv) provide a framework for tourism policies and action at the local level;

- ii. <u>Effective coverage of tourism in other government agencies</u>: As well as having a separate strategy for tourism that embraces sustainability, governments should ensure that the sustainable development of tourism is fully recognised within other government strategies. Important overall strategies that should include sustainable tourism are national strategies on sustainable development, poverty alleviations, and environmental and biodiversity. Other important sectoral strategies that also relate to sustainable development of tourism include integrated transport planning, culture, and human resource issues such as vocational education; and
- iii. <u>More specific strategies</u>: In addition to general tourism strategies, it may be appropriate to develop strategies or sets of policies for specific aspects or subsectors of tourism that can play a role in making all of tourism more sustainable, such as a strategy on ecotourism. These could also be defined by product or market type, e.g., cultural, rural, health, or sport tourism, or the cruise ship sector. They should also reflect sustainability principles.
- 181. **Developing a strategy for sustainable tourism should be a participatory process** that involves a range of stakeholders in order to foster wider adherence to the strategy and commitment to its implementation. The mix of stakeholders involved in developing the strategy should reflect the make-up of partnership structures for tourism at the national or local level. It is necessary at the outset to secure long-term commitment both to the strategy and, crucially, to its implementation.

182. There are three stages proposed in the formulation of a strategy:

- i. Analysis of conditions, issues/problems, and opportunities in the tourism sector;
- ii. Identification and choice/prioritisation of appropriate strategic objectives/goals based on the 12 aims of sustainable tourism; and
- iii. Development of policies and action programmes that relate to the goals, chosen aims, and strategic objectives, and that indicate lead agencies, tools/instruments, approximate resources, targets, timeline, and associated monitoring.

183. In the process of developing a tourism strategy that incorporates sustainability,

strategic choices need to be made on the appropriate level and nature of tourism, and the need and potential to accommodate growth. These include how policy can influence the development of tourism (e.g., in terms of market and product selection), and the behaviour/operation of enterprises and consumers (i.e., the tourists) in favour of sustainability.

- 184. **Finally, thirteen instruments that governments can use to influence the** sustainability of tourism are proposed, grouped according to five main purposes:
 - i. <u>Measurement instruments</u> to determine levels of tourism and impact, and to keep abreast of existing or potential changes:
 - Sustainability indicators and monitoring; and
 - Identifying the limits of tourism.
 - ii. <u>Command and control instruments</u> to enable governments to exert strict control over certain aspects of development and operation, backed by legislation:
 - Legislation, regulation and licensing; and
 - Land use planning and development control.
 - iii. <u>Economic instruments</u> to influence behaviour and impact through financial means and sending signals via the market:
 - Taxes and charges; and
 - Financial incentives and agreements.
 - iv. <u>Voluntary instruments</u> to provide frameworks or processes that encourage voluntary adherence of stakeholders to sustainable approaches and practices:
 - Guidelines and codes of conduct;
 - Reporting and auditing;
 - Voluntary certification; and
 - Voluntary contributions.
 - v. <u>Supporting instruments</u> through which governments can, directly and indirectly, influence and support enterprises and tourists in making their operations and activities more sustainable:
 - Infrastructure provision and management;
 - Capacity building; and

• Marketing and information services.

C. Refinements to the UNWTO Framework²⁰

- 185. In 2013, UNWTO, with the support of the European Union (EU), published the *Sustainable Tourism for Development Guidebook* "to enhance common understanding and commitment about sustainable tourism, and to demonstrate how it is a vehicle to foster economic and social growth, through the achievement of development imperatives, while minimising negative social, cultural and environmental impacts" (UNWTO 2013: p.3). The Guidebook further synthesised the initial framework to support developing countries by guiding the process of identifying and implementing interventions in sustainable tourism. It presented a methodology for assessing the state of sustainable tourism through a set of questions that seek to identify what are the needs and gaps that have to be addressed. The process is framed around five pillars that encapsulate the key dimensions and themes of sustainable tourism presented in the earlier guidebook.
- 186. **The Guidebook also reiterated the earlier point that sustainable tourism requires** the various stakeholders to work together in the planning and management of the sector and the implementation of projects and activities. This in turn requires the development of effective coordination and partnership structures, both at a national level and within local destinations. Table 4 identifies the main types of stakeholders and their roles in the delivery of sustainable tourism.

Stakeholder Type	Role in Delivering Sustainable Tourism	
International	 Multilateral agencies and programmes 	
development assistance	Bilateral agencies	
agencies	 Integrating tourism in development policies and agreements 	
	 Financial and technical assistance to sustainable tourism and 	
	individual programmes and projects	

Table 4. Stakeholders and Roles in Sustainable Tourism

²⁰ Section C draws heavily on UNWTO (2013, 2018, 2020a, 2020b, 2020c).

Stakeholder Type	Role in Delivering Sustainable Tourism
National Government	 Tourism Ministry Other Ministries Tourism agencies, e.g., Tourist Board Other government delivery agencies Resource management bodies e.g., National Parks Service Tourism policy and strategy development and implementation Relating tourism to wider policies and strategies Legislation, standards, and regulation relating to the sector Infrastructure planning and development Resource management Communication, information and marketing
Local Government and destination bodies	 Regional government Local authorities e.g. District Councils Destination management organizations, e.g public-private Local strategic direction and planning Implementation of policy and regulations Local infrastructure development and management Stakeholder engagement, coordination and support
Private sector businesses	 Tourism trade associations, national and local Tourism service providers, e.g. hotel businesses Tour operators – International and incoming Suppliers to the sector, e.g. food producers Investors – International and domestic Representation of, and influence on, the tourism sector Operation of tourism services Link to domestic and international markets Product development, investment and improvement Employment creation and generating local income Reflecting economic, social and environmental sustainability issues in development and operations
Employees and related bodies	 Labour unions Individual workers in the sector Representing interests of employees Human resources planning and development Provision of reliable service in return for income
NGOs – International, national and local	 Sustainable development NGOs Environment, conservation and cultural NGOs Social and community NGOs Representing different stakeholder interests Engaging in strategic planning and development Stakeholder coordination and supporting implementation Capacity building and provision of expertise
Education and training bodies	 Universities, colleges and teaching bodies Research institutions Technical experts and advisory bodies Knowledge gathering and dissemination Supporting policy and strategy development Capacity building and training Specific advice and expertise

Stakeholder Type	Role in Delivering Sustainable Tourism
Local community	 Community councils and representative bodies Traditional structures -e.g. tribal chiefs/bodies Organized groups, e.g. women, youth Local formal and informal traders Individual households Engaging in planning and decisions on tourism at a local level Representing and communicating local community interests Pursuing equitable benefit sharing within communities Interacting with tourists to mutual benefit Receiving income from tourist spending
Consumers/tourist	 Individual tourists Consumer networks, clubs and societies Travel media and social media users Providing the main source of income to the sector Behaving responsibly towards the environment and local communities in travel choice and actions Communicating information and opinions on destinations and sustainability issues accurately and fairly

Source: Table 1.1 in UNWTO (2013), p. 19.

187. **The proposed methodological framework is shaped around five inter-related** pillars, which are strongly related to the 12 aims of sustainable tourism:

- <u>Tourism policy and governance</u>. This pillar concerns the recognition of tourism in sustainable development policies and the presence and implementation of a clear tourism strategy that embraces sustainability principles. It looks at tourism governance structures, including tourism ministries and institutions and how they relate to other areas of government that affect its sustainability and performance. It also considers the presence of structures and mechanisms for engaging public, private and third sector stakeholders, including local communities, at different levels. This first pillar sketches the policy and regulatory framework and the institutional set up required to address the full set of the 12 aims for sustainable tourism.
- ii. <u>Economic performance, investment and competitiveness</u>. This pillar relates to the business and investment environment and the position of trade liberalisation in the tourism sector, including the consequences for the local economy, small businesses and sustainability in general. In particular, it looks at issues of market access, product quality, and the resilience of the sector. It recognises the need for sound data to inform tourism planning and management. Pillar 2 particularly addresses aim 1 Economic Viability, and also touches upon aim 2 Local Prosperity

and aim 5 Visitor Fulfilment.

- iii. <u>Employment, decent work and human capital</u>. An important aspect of tourism's contribution to sustainable development is its role as a generator of employment. This pillar is concerned partly with the planning of human resources to meet the needs of the sector, and partly with the quality of jobs provided, including conditions of employment. Skills assessment and provision of relevant training and capacity building is covered as a specific theme. Pillar 3 directly relates to aim 3 Employment Quality;
- iv. Poverty reduction and social inclusion. This pillar's focus is on the contribution of tourism to poverty reduction. It considers a strategic approach to pro-poor tourism at a destination level, employing techniques such as value chain analysis. It then considers specific initiatives to gain more benefit for the poor, based on seven mechanisms identified by UNWTO, including strengthening local supply chains, working with the informal sector, developing community-based initiatives and securing collateral benefits from tourism. Pillar 4 addresses aim 2 Local Prosperity, aim 4 Social Equity, aim 6 Local Control and aim 7 Community Wellbeing.
- v. <u>Sustainability of the natural and cultural environment</u>. A key theme of this pillar is the critically important relationship between tourism and natural and cultural heritage. It considers policies and actions to conserve the asset base, manage tourism in sensitive areas, and secure benefits from it. Specific attention is paid to mitigation and adaptation of the tourism sector to climate change. Finally, the use of mechanisms to improve the sustainability of tourism development and operations, and to monitor impacts, is assessed. Pillar 5 is particularly relevant for the aims 8 to 12 on Cultural Richness, Physical Integrity, Biological Diversity, Resource Efficiency, and Environmental Purity.
- 188. **Table 5 shows how each pillar relates to the 12 aims for sustainable tourism, as** well as lists a set of sub-pillars that contain the topics covered in the methodology. Key issues, opportunities, and challenges under each sub-pillar are further identified, which then lead to a set of questions to assess whether and how they are being addressed. The 5 pillars, 17 sub-pillars and 32 issues identified in the Guidebook aim to provide a basic agenda for assessing the situation in a country. Possible actions are then identified to improve the situation, supported by some illustrative case studies and links to relevant existing services available from international bodies. The methodology was field-tested in Kenya, India, Viet Nam, Senegal, Botswana, and

Timor-Leste. The proposed methodology for assessing priorities and challenges is deemed as equally usable by government and institutions.

189. In September 2015, the 193 member states of the United Nations (UN) approved the 2030 Agenda for Sustainable Development, which is a continuation of the UN Millennium Development Goals (2000-2015). The 2030 Agenda consisted of 17 Sustainable Development Goals (SDGs) that are further broken down into 169 targets, which are to be met by 2030.

Table 5. Relating the Pillars and Sub-Pillars to the 12 Aims for Sustainable Tourism

Sustainable Tourism Pillars and Sub-Pillars	Aims for Sustainable Tourism
 Tourism Policy and governance Tourism Policy and governance The position of tourism in development policies programmes Tourism policy and regulatory framework Tourism governance and institutional setup 	All the 12 aims
 Economic performance, investment and competitiveness 2.1Measuring tourism and its contribution to the economy 2.2Trade, investment and the business environment 2.3Brand, marketing and product positioning 2.4Resilience, security and risk management 	
 Employment, decent work and human capital 3.1Human Resources planning and working conditions 3.2Skills assessment and the provision of training 	3. Economic quality
 4. Poverty reduction and social inclusion A.1An integrated approach to poverty reduction through tourism A.2Strengthening pro-poor tourism initiatives A.3The inclusion of disadvantaged groups in the tourism sector 4.4The prevention of negative social impact 	 Local prosperity Social equity Local control Community wellbeing
 5. Sustainability of the natural and cultural environment 5.1Relating tourism to natural and cultural heritage 5.2Focusing on climate change 5.3Enhancing sustainability of tourism development and operations 5.4Measuring and monitoring tourism impacts 	8. Cultural richness9. Physical integrity10.Biological diversity11.Resource efficiency12.Environment purity

Source: Table 1.2 in UNWTO (2013), p. 21.

- 190. While it has been noted that tourism has the capacity to contribute directly or indirectly to all 17 SDGS, three of them explicitly mentioned tourism:
 - 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.

- 191. In line with the 2030 Agenda, the UN General Assembly declared 2017 as the *International Year of Sustainable Tourism for Development* (IY2017). UNWTO was then mandated to facilitate the organisation and implementation of IY2017, in collaboration with other key players, such as governments, international bodies, the private sector, academia, civil society, the media, and others.
- 192. In 2018, UNWTO released a two-volume report on *Tourism for Development* (2018a, 2018b) as a key output and contribution to the observance of IY2017. The purpose of the report was three-fold: (i) increase the awareness and understanding of tourism's current and potential contribution to sustainable development; (ii) empower stakeholders to build on the opportunities that tourism offers as a driver of sustainable development, and to address current challenges; and (iii) incite changes in policies, business practices and consumer behaviour, with a view to building a truly sustainable tourism sector worldwide.
- 193. **The 2018 Report is structured around the five central pillars of IY2017, which** were deemed as the key elements of sustainable development to which tourism could make a significant and lasting contribution: (i) sustainable economic growth; (ii) social inclusiveness, employment, and poverty reduction; (iii) resource efficiency, environmental protection, and climate change; (iv) cultural values, diversity, and heritage; and (v) mutual understanding, peace and security. The discussion of each pillar included its key concepts and how it is linked with the SDGs; areas identified for action through tourism; and specific recommendations for governments, businesses, and individuals. A sixth cross-cutting, supporting

element/pillar discussed the requirements in terms of governance, policy frameworks, and instruments to spearhead sustainable tourism (Table 6).

- 194. Both theory and practical case studies were used as references in the report to demonstrate tourism's contribution to the key areas of development. The evidence presented was drawn from various sources, including previous studies by UNWTO and its partners, academic research, and case studies collected through a global consultation. Good practices from across the globe that demonstrate the contribution of tourism to sustainable development were also compiled in a second volume of the report.
- 195. **Twenty-three case studies were presented, of which two related to regional** initiatives – the Nearly Zero Energy Hotels (neZEH) project in the EU; and the Sustainable Destinations Alliance for the Americas (SDAA), which brought together eleven destinations in the Caribbean and Central America to collaboratively address the challenges of climate vulnerability, environmental degradation and reliance on tourism. While tourism policies and plans are typically developed independently by governments, the case of SDAA demonstrated how countries can unite efforts and collectively promote good practices. This is further discussed in the next subsection on some regional sustainable tourism development frameworks in practice.

Pilar 1 : Sustainable economic growth	
Linked to:	Key priorities for action through tourism:
• SDG 8: Decent work and economic growth	 Capitalise on, and better manage, tourism's rapid growth
SDG 9: Industry, innovation and infrastructure	Create a more enabling business environment
SDG 10: Reduced inequalities	 Improve connectivity and facilitate seamless travel
SDG 17: Partnerships for the goals	 Invest in technology and innovation
	 Measure Tourism trends and impacts
	 Maintain the sector's impressive resilience

Table 6. Five Pillars of the International Year of Sustainable Tourism for Development

Pilar 2 : Social inclusiveness, employment, and poverty reduction	
Linked to:	Key priorities for action through tourism:
SDG 1: No poverty	 Pursue greater social inclusiveness through tourism
SDG 3: Good health and well-being	Support local communities

SDG 4: Quality education	 Strengthen 'decent work' across the tourism sector
SDG 5: Gender equality	 Advance an 'inclusive growth' approach to poverty reduction through sustainable tourism
SDG 8: Decent work and economic growth	
SDG 10: Reduced inequalities	

Linked to:	Key priorities for action through tourism:
SDG 6: Clean water and sanitation	 Improve resource efficiency, particularly among tourism businesses and destinations
SDG 7: Affordable and clean energy	 Focus on environmental protection, ecosystem preservation and biodiversity conservation
SDG 8: Decent work and economic growth	Mitigate the effects of climate change
SDG 11: Sustainable cities and communities	
SDG 12: Responsible consumption & production	
SDG 13: Climate action	
SDG 14: Life below water	
• SDG 15: Life on land	

Linked to:	Key priorities for action through tourism:
SDG 8: Decent work and economic growth	Champion cultural tourism
SDG 11: Sustainable cities and communities	Safeguard tangible and intangible cultural heritage
SDG 12: Responsible consumption & production	 Promote living culture and the creative industries through tourism

Pilar 5 : Mutual understanding, peace and security	
Linked to:	Key priorities for action through tourism:
SDG 16: Peace, justice and strong institutions	 Advance a culture of peace and global citizenship
	 Use tourism as an agent for peace and reconciliation
	Promote safety and security across the tourism sector

Cross-cutting/Supporting Pillar: Governance, p	oolicies and tools for sustainable tourism
Linked to:	Key priorities for action through tourism:
 SDG 17: Partnerships for the goals 	 Partnerships among relevant stakeholders
	 Effective governance frameworks at international, national, and regional/local levels

 Inclusive, context-specific and evidence-based policies and plans
 Timely and accurate data collection, analysis and monitoring framework
 Effective tools to influence tourism development, investment and operations
Sufficient funding

Source: UNWTO (2018a).

Impact of COVID-19 on Sustainable Tourism

- 196. Looking at the 2005 UNWTO framework in the context of the COVID-19 pandemic, Health, Safety, and Security (para. 176) were among the identified key challenges faced by sustainable tourism. However, this group of challenges was not explicitly addressed as part of the 12 aims for sustainable tourism. Health in the framework was discussed in the context of availability of health care/services and health/hygiene standards for both visitors and employees/workers. Utilising income from tourism to support social and community programmes including health care was also mentioned. Lastly, the eleventh of the thirteen instruments proposed that governments can use to promote the sustainability of tourism, i.e., infrastructure provision and management under supporting instruments (para. 188.v), identified the need for governments to provide security and emergency services. These include putting in place systems for dealing with emergency situations such as health scares, terrorism, and natural and industrial disasters, including well-rehearsed early warnings systems. But the context is typically localised health scares or serious security incidents.
- 197. The 2013 UNWTO Guidebook identified Resilience, Security, and Risk Management as one of the sub-pillars of the pillar on *Economic Performance, Investment and Competitiveness*, which needs to be assessed (para. 191.ii). This recognised that internal (e.g., economic instability, rising crime, local flooding, localised health scares or serious security incidents) or external (e.g., global environmental events, pandemics, economic crises or incidents affecting major source markets) adverse circumstances or shocks can significantly affect tourism. Although it noted that a positive aspect of the tourism sector is the tendency for demand to quickly recover aftershocks and setbacks, it was critical to put in place strategies to build resilience, minimise risk, and to deal with crises. The guidebook then further noted that: "In spite

of the multiple changes and shocks, ranging from health concerns to natural disasters and manmade crises, tourism, although vulnerable, has always bounced back, proving its resilience and capacity to rebound" (UNWTO 2013: p. 137), including in the aftermath of severe acute respiratory syndrome (SARS) in 2002-2003. The 2018 Report also noted that "Tourism has proved to be an exceptionally resilient sector" (UNWTO 2018a: p. 41).

- 198. UNWTO's recommendations for recovery continued to be built on this principle of resilience of the tourism sector in the context of COVID-19. UNWTO released a series of reports in 2020 incorporating a series of recommended actions for tourism recovery and longer-term resilience: Supporting Jobs and Economies through Travel & Tourism in April 2020 (UNWTO 2020a); and Priorities for Tourism Recovery (UNWTO 2020b) and Global Guidelines to Restart Tourism in May 2020 (2020c). The One Planet Vision for a Responsible Recovery of the Tourism Sector (One Planet Sustainable Tourism Programme 2020), which builds on the UNWTO's Global Guidelines to Restart Tourist report, was also released in 2020.
- 199. As indicated in its full title, *Supporting Jobs and Economies through Travel & Tourism* aimed to provide "an actionable framework to help countries mitigate the immediate impact of the crisis on travel and tourism; provide stimulus for recovery and guide the long-term development and resilience of the sector" (UNWTO 2020a: 11). It put forth a set of 23 recommendations divided in three key areas that ideally should be simultaneously tackled through cooperation among all relevant stakeholders:
 - i. Managing the crisis and mitigating the impact:
 - 1. Incentivise job retention, sustain the self-employed and protect the most vulnerable groups
 - 2. Support companies' liquidity;
 - 3. Review taxes, charges, levies and regulations impacting transport and tourism;
 - 4. Ensure consumer protection and confidence;
 - 5. Promote skills development, especially digital skills;
 - 6. Include tourism in national, regional and global economic emergency packages; and
 - 7. Create crisis management mechanisms and strategies.

- ii. Providing stimulus and accelerating recovery:
 - 1. Provide financial stimulus for tourism investment and operations;
 - 2. Review taxes, charges and regulations impacting travel and tourism;
 - 3. Advance travel facilitation;
 - 4. Promote new jobs and skills development, particularly digital ones;
 - 5. Mainstream environmental sustainability in stimulus and recovery packages;
 - Understand the market and act quickly to restore confidence and stimulate demand;
 - 7. Boost marketing, events and meetings;
 - 8. Invest in partnerships; and
 - 9. Mainstream tourism in national, regional and international recovery programmes and in Development Assistance.
- iii. Preparing for the future:
 - 1. Diversify markets, products and services;
 - 2. Invest in market intelligence systems and digital transformation;
 - 3. Reinforce tourism governance at all levels;
 - 4. Prepare for crisis, build resilience and ensure tourism is part of national emergency mechanism and systems;
 - 5. Invest in human capital and talent development;
 - 6. Place sustainable tourism firmly on the national agenda; and
 - 7. Transition to the circular economy and embrace the SDGs.
- 200. In coming up with the 23 recommendations, it was recognised that they were not definitive and might not uniformly apply to all countries given that COVID-19's impacts on countries were not uniform, and contexts and capacities to respond were also not uniform. The report further noted that the recommendations were built on two key principles: (i) Supporting travel and tourism is supporting jobs and

livelihoods; and (ii) Tourism has a proven capacity to bounce back and drive the recovery of other sectors.

- 201. *Priorities for Tourism Recovery* (UNWTO 2020b) presented seven priorities, as well as identified their corresponding actions for tourism recovery:
 - i. Provide liquidity and protect jobs;
 - ii. Recover confidence through safety & security;
 - iii. Public-private collaboration for an efficient reopening;
 - iv. Open borders with responsibility'
 - v. Harmonise and coordinate protocols and procedures;
 - vi. Added value jobs through new technologies; and

vii.Innovation and sustainability as the new normal.

- 202. Building on the Global Guidelines to Restart Tourism, the One Planet Vision for a Responsible Recovery of the Tourism Sector report also aimed to support the development and implementation of recovery plans that envision a recovery that is "founded on sustainability, to build back better, and which therefore can underpin the resilience of the tourism sector" (p. 1). The report noted that COVID-19 highlighted the need to strengthen the tourism sector's resilience, as well as represented an opportunity to accelerate sustainable consumption and production patterns and build back better tourism. The report then recommended six action lines to guide responsible recovery in three key areas:
 - i. Responsible recovery for people:
 - *Public health*, which entails integrating epidemiological indicators in tourism; connecting hygiene with sustainability; and restoring trust through communication; and
 - **Social inclusion**, which involves channelling targeted support towards vulnerable groups; channelling long-term support to small and medium enterprises; and repurposing tourism as a supporter for the community.
 - ii. Responsible recovery for planet:
 - **Biodiversity conservation**, by capturing the value of conservation through tourism; supporting conservation efforts through tourism; and investing in nature-based solutions for sustainable tourism; and

- *Climate action*, which requires monitoring and reporting CO₂ emissions from tourism operations; accelerating the decarbonisation of tourism operations; and engaging the tourism sector in carbon removal.
- iii. Responsible recovery for prosperity:
 - *Circular economy*, which means investing in transforming tourism value chains; prioritising sustainable food approaches for circular economy; and shifting towards a circularity of plastics in tourism; and
 - **Governance and finance**, through measuring beyond economic impacts; steering recovery funds towards better tourism; and consolidating partnerships for implementation.
- 203. As noted in the One Planet Vision report, the COVID-19 crisis highlighted the need to strengthen the resilience of the tourism sector and fostered a sense of unity and interconnectedness among tourism stakeholders. The crisis uniquely brought to fore the fragility of the natural environment and the need to protect it, as well as the intersections of tourism economics, society, and the environment. Thus, it should be seen as an opportunity to accelerate sustainable consumption and production patterns and build back better tourism.

D. Some Sustainable Tourism Development Frameworks in Practice

- 204. That the 2005 guidebook's proposed process for formulating a strategy on sustainable tourism development began with an analysis of prevailing conditions, issues/challenges, and opportunities in the tourism sector in a particular setting indicates that the endgame is not a "one-size-fits-all" solution. It recognises that most countries will already have developed their tourism strategies and policies. The objective is to identify gaps and deficiencies related to sustainable tourism in the existing agenda and identify ways to introduce and/or strengthen the integration of sustainability into them.
- 205. While governments play a critical role in developing and managing sustainable tourism, ultimately tourism is a private sector activity. Thus, part of governments' efforts to promote more sustainable tourism is to encourage/influence/enable/compel the private sector to act more sustainably, as well as work with other key stakeholders, such as relevant international and regional organisations, research institutes. It is also important to help both businesses and tourists understand and appreciate that

the pursuit of sustainable tourism is not just a responsibility but is also in their best interests.

- 206. Finally, given that many sustainability issues have trans-boundary, regional, and/ or global implications, individual countries working independently to make tourism more sustainable may not be the best approach or only approach necessary. Inter-regional bodies could facilitate joint approaches between governments, key stakeholders, and organisations involved in sustainable tourism development as appropriate.
- 207. Ultimately, the challenge is how the UNWTO's concept of sustainable tourism is applicable in practice.
- 208. **Two sustainable tourism development frameworks that were developed drawing** on the UNWTO 2005 framework are the "Action for a More Sustainable European Tourism" (European Commission Tourism Sustainability Group 2007) and the "Caribbean Sustainable Tourism Policy Framework" (Caribbean Tourism Organization 2008). A recent framework explicitly developed in the context of the pandemic is the "Pacific 2030 Sustainable Tourism Policy Framework" (SPTO 2021). Finally, the Asia-Pacific Economic Cooperation (APEC) initiatives related to tourism are also discussed.

European Union²¹

209. The "Action for a More Sustainable European Tourism" (European Commission Tourism Sustainability Group 2007) was prepared by the Tourism Sustainability Group (TSG) that was set up by the European Commission in 2004. TSG was composed of individuals with expertise and experience in the sustainability of tourism, and came from international bodies, member state governments, regional and local authorities, the tourism industry, professional bodies, environmental organisations, trade unions, and research and educational bodies. TSG members attended in their own capacity as experts, and not as representatives of organisations. After a period of consultation, the document became the basis for the "Agenda for a Sustainable and Competitive European Tourism" issued by the European Commission also in 2007.

²¹ This subsection drew heavily on European Commission Tourism Sustainability Group (2007) and European Commission (2007).

210. Firstly, the EU agenda recognised that: (i) the right balance needs to be achieved

between the the welfare of tourists, the needs of the natural and cultural environment, and the development and competitiveness of destinations; and (ii) achieving (i) would require developing an integrated and holistic policy approach such that all stakeholders share the same objectives. The following objectives were then identified for the sustainability of European tourism under the three pillars of sustainable development:

- i. Economic prosperity:
 - To ensure the long-term competitiveness, viability and prosperity of tourism enterprises and destinations; and
 - To provide quality employment opportunities, offering fair pay and conditions for all employees and avoiding all forms of discrimination.
- ii. Social equity and cohesion:
 - To enhance the quality of life of local communities through tourism, and engage them in its planning and management; and
 - To provide a safe, satisfying and fulfilling experience for visitors, available to all without discrimination by gender, race, religion, disability or in other ways.
- iii. Environmental and cultural protection:
 - To minimise pollution and degradation of the global and local environment and the use of scarce resources by tourism activities; and
 - To maintain and strengthen cultural richness and biodiversity and contribute to their appreciation and conservation.
- 211. In addition, a fourth objective was added relating to meeting international responsibilities; that is, the active promotion of sustainable development worldwide, including applying the identified aims to policies and actions that affect the impact of outgoing tourism from Europe, as well as an international development tool (European Commission Tourism Sustainability Group 2007). This is demonstrated in the EU's support of the work of UNWTO on a developing country framework, as well as other regions such as the Caribbean. A European Tourism Indicators System for sustainable destination management was also piloted beginning in 2013.

212. Challenges in pursuing the objectives were likewise recognised, which included:

(i) sustainable conservation and management of natural and cultural resources; (ii)

minimising resource use and pollution at tourism destinations; (iii) managing change in the interests of the wellbeing of the community; (iv) reducing the seasonality of demand; (v) addressing the environmental impact of transport linked to tourism; (vi) making tourism experiences available to all without discrimination; (vii) improving the quality of tourism jobs; and (viii) ensuring that tourists as well as the local communities where tourism services are offered are safe and secure. The last challenge is especially magnified in the context of COVID-19.

213. A coherent action plan to achieve the objectives and address the challenges

identified are then required. Three mechanisms for implementation and corresponding processed were identified as follows:

- i. Sustainable management of destinations, which entails developing:
 - Establishing efficient structures for working together;
 - Developing a sustainable tourism strategy and action plan;
 - Identifying sustainability indicators and monitoring processes; and
 - Proposed instruments to assist the implementation of sustainability policies and action;
- ii. Integration of sustainability concerns by businesses, which entails:
 - Influencing business to relate competitiveness to sustainability;
 - Promoting corporate social responsibility and the social dialogue; and
 - Identifying steps and instruments for influencing businesses; and
- iii. Sustainability awareness by tourists, which consists of:
 - Education;
 - Communication;
 - Work with intermediaries;
 - Regulation and codes of conduct; and
 - Pricing and charging.

214. A framework for action was then proposed to implement the agenda relating to the challenges and three key areas identified, which assigned the different groups of stakeholders their broad responsibilities and specific roles. They included the different levels of government (local authorities, destination management organisations,

regions, Member States, and the European Commission itself), businesses, tourists and all other bodies that can stimulate, support and influence tourism (such as educational and research establishments, international organisations, trade and consumer associations, NGOs (Table 7).

- 215. All stakeholders were also enjoined to consider the following principles to achieve a competitive and sustainable tourism: (i) take a holistic and integrated approach; (ii) plan for the long-term; (iii) achieve an appropriate pace and rhythm of development; (iv) involve all stakeholders; (v) use best available knowledge; (vi) minimise and manage risk (the precautionary principle); (vii) reflect impacts in costs (user and polluter pays); (viii) set and respect limits, where appropriate; and (ix) undertake continuous monitoring.
- 216. At the European level, specific initiatives were identified for implementation by the European Commission and other organisations, in conjunction with the member states. They included initiatives to strengthen knowledge and understanding, delivery mechanisms, awareness, communication, and co-ordination across Europe.
- 217. EU's response to COVID-19 was expectedly comprehensive, including actions related to the tourism sector. EU's bodies called on the Member States to take joint action. EU response was holistic and multisectoral. It included both actions aimed at reducing the spread of pandemics, and measures aimed at providing material support to the health sector and financial support to the countries most affected by the pandemic (Helnarska 2022). A European Parliament resolution dated 25 March 2021 established an EU strategy for sustainable tourism, which called for specific actions in four key areas: (i) Rebuild, which related to COVID-19 impact response plans; (ii) Refocus, which called for a new governance model within the Union framework; (iii) Strengthen, which involved transitioning to sustainable, responsible, and smart tourism; and (iv) Rethink, which called for planning the future of the tourism industry, particularly the need to support the tourism industry in implementing the principles of the circular economy.

	European Union	Member state	Local authority/DMO	Tourism businesses	Other bodies
Sustainable Destinations	Promote sustainable destination Management model Establish a European knowledge network and benchmarking for destinations.	Provide support for local destinations within national policy framework. Support knowledge networks. Develop relevant training programmes. Establish measures and indicators and a common basis for benchmarking.	Establish a stakeholder body Develop strategy and action plan. Strengthen land use planning/control. Invest in infrastructure. Use indicators and monitoring.	Actively engage in destination Management bodies and processes	Educational/Research bodies: Technical support for policy development, planning management and application of indicators. Research on good practice. Sustainability training for destination managers. NGOs and associations: Actively engage in destination management bodies and processes
Sustainable businesses	Further promote CSR Amongst SMEs. Research business barriers and market trends. Coordinate certification schemes. Create knowledge network and benchmarking for businesses. Promote Europe wide actions and innovative ideas Procure sustainably.	Create supportive police environment. Research and dissemination. Orientate business support services to sustainability Create advisory materials. Support certification schemes. Target financial assistance. Procure sustainably	Facilitate business networking. Appropriate destination marketing. Support business advisory services. Promote certification schemes to local businesses Procure sustainably	Trade bodies and associations to promote sustainability Engage with support services and certification Implement management systems, in consultation with employees and representatives Adopt representatives Adopt sustainability criteria in purchasing/supply chain	Educational/Research bodies: Include sustainability in career training. Develop and deliver focused training courses on aspects of sustainability. Trade Unions: Promote dialogue with businesses and employers. Promote training. Consumer associations and NGOs Engaging in identification of good practice and benchmarking
Responsible tourists	Support development of relevant education materials. Encourage European media and marketing to carry sustainability messages Study codes of conduct and visitor charging schemes.	Support sustainability in education. Support national marketing and media campaigns. Publicise certification schemes.	Include sustainability messages in marketing. Provide relevant detailed information. Identify and promote certificated product	Include sustainability messages in marketing. Provide relevant information to guests.	Educational/Research bodies: Include aspects of tourism/travel in school curricular on environment and sustainability. NGOs: Provide environmental and cultural information/interpretation about destinations. Consumer associations and NGOs: Promote sustainable travel to members.

Table 7. Action Framework: Implementation Mechanisms

Source: Table 1a in European Commission Tourism Sustainability Group (2007): p 31.

- 218. In September 2021, the European Travel Commission (ETC) released a report that it commissioned to examine successful tourism cases from different entities and destinations worldwide that encourage sustainable tourism practices among consumers and the industry overall, which in turn would support destinations on their path to recovery and adaptation to the new tourism ecosystem (ETC 2021). Twenty case studies were presented that demonstrated how NTOs and DMOs worldwide are successfully undertaking sustainable tourism practices and included recommendations on how such proven sustainable tourism practices could be replicated elsewhere. NTOs and DMOs can create the conditions for destinations, businesses, and visitors to adopt more sustainable practices in tourism by addressing the following areas:
 - i. Vision, strategic planning, and management: Identify the ways in which tourism can contribute to a thriving destination, and to shape tourism development and management accordingly;
 - ii. Data, research, and intelligence: Generate and share data on market behaviour, visitor flows, tourism's carbon footprint in the destination, the business operating environment, resident sentiment, and the value of tourism's contribution to the conservation of natural and cultural heritage assets;
 - iii. Advocacy and partnerships: Use of a position of influence and representation to encourage stakeholders at all levels to recognise the value of tourism and the importance of a sustainable approach;
 - iv. Business support and skills development: Develop national frameworks to be delivered and supported at local or regional levels by DMOs, to support and incentivise skills development, improve sustainability standards, and encourage good business practice;
 - Communications and marketing: Influence stakeholder behaviour (for example by providing clear, accessible information and tools to guide consumers in making sustainable choices or by helping visitors understand how to reduce the impacts of their own trips); and
 - vi. Finance and capital investment: Work with local and national governments to lobby for and facilitate access to finance and investment that supports the implementation of sustainable tourism practices.

Caribbean²²

- 219. The Caribbean Tourism Organization (CTO), which is the Caribbean's tourism development agency and comprises 32 member governments and numerous private sector organisations and companies, developed the *Caribbean Sustainable Tourism Policy Framework* (CSTPF) over the period 2005-2008. The development process entailed extensive discussions, consultations, and collaboration with a wide range of stakeholders representing the public and private sectors, as well as relevant international and regional organisations to decide the concept and design of the framework, and identify key thematic areas deemed as critical to the sustainability of Caribbean tourism. An extensive analysis of the demand and supply aspects of Caribbean tourism was also undertaken to inform the work. The endeavour was supported by the European Commission and drew on the UNWTO framework.
- 220. The goal was to come up with a framework document to guide especially the National Tourism Organisations (NTOs) in the region in the sustainable development of tourism, which they could use as a tool to adapt, develop, revise, and/or update their individual tourism policies and strategies according to their national priorities. Thus, the end goal was not mandated compliance or regional harmonisation. At the same time, it was recognised that the issues relevant to CTO member states also have regional implications. Furthermore, there would be added value in a regional approach to common challenges. The framework would then serve as a platform for planning, implementing, and monitoring measures to assess issues of regional significance for the sustainable tourism for CTO and its partner organisations.
- 221.**CSTPF consisted of an overarching vision, ten guiding principles, and six** integrated policies relating to the areas identified in the stakeholder consultations as critical to sustainable development of tourism at the national level.
- 222. The guiding vision for the CSTPF is the sustainable development of Caribbean tourism that is characterised as viable and resilient; of high quality; promotes empowerment and ownership; and continues to embrace regional integration. The

²² This section draws heavily on CTO (2008).

ten guiding principles are as follows:

- Sustainable tourism development means the optimal use of social, natural, cultural, and financial resources for national development on an equitable and self-sustaining basis to provide a unique visitor experience and an improved quality of life through partnerships among government, the private sector and communities;
- Sustainable tourism development guidelines and management practices are applicable to all forms of tourism in all types of destinations in the Caribbean, ranging from traditional package forms of tourism to the various niche market segments;
- Sustainable tourism should make optimal use of environmental resources that constitute a key element in tourism development, maintain essential ecological processes, and help to conserve natural resources and biodiversity;
- iv. Sustainable forms of tourism should respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance. Tourism shall contribute to improving the quality of life enjoyed by citizens of the Caribbean and engender meaningful local participation in the sector, bringing about lasting beneficial effects to communities;
- v. Sustainable tourism should ensure viable, long-term economic operations, providing socio-economic benefits that are fairly distributed to all stakeholders. This includes stable employment and income earning opportunities in addition to social services which contribute to poverty alleviation to host communities;
- vi. Sustainable tourism development requires the informed participation of all relevant stakeholders, as well as strong political leadership to ensure wide participation and consensus building;
- vii. Achieving sustainable tourism is a continuous process and it requires a constant monitoring of impacts, introducing the necessary preventive and/or corrective measures whenever necessary;
- viii. Sustainable tourism should also maintain a high level of tourist satisfaction and ensure a meaningful experience to the tourists, raising their awareness about sustainability issues and promoting sustainable tourism practices among them;
- ix. There is no single model for the implementation of sustainable tourism. Instead,

a mix of the right management practices, legislative instruments and forms of partnership is needed, depending on the given situation. As tourism destinations have their own features, assets, problems and vulnerabilities, the strategies to address them, based on the available instruments and funding mechanisms, will also differ. It is therefore not the intention of the Policy Framework to stipulate specific policy options for adoption at the national level. Instead, a series of policy options are proposed for adaptation by decision makers on a needs basis; and

- x. This Policy Framework must be a dynamic rather than static tool. Its validity needs to be assessed on a regular basis within relevant regional forums, and its content subsequently updated to reflect (i) new policy approaches within the critical issues put forward herein, and (ii) emerging challenges of concern for the sustainable development of Caribbean tourism.
- 223. There were six critical policy areas of sustainable tourism identified. Each policy, in turn, consisted of an overarching development goal, and policy guidelines clustered into specific policy objectives and their related goals. They are as follows:
 - i. Tourism management capacity:
 - Development goal: Ensure adequate and appropriate national capacity to manage the sustainability of the tourism sector.
 - · Policy objectives:
 - $\sqrt{}$ Ensure that the principles of good governance are applied in the planning and development of a sustainable tourism sector;
 - $\sqrt{\rm Raise}$ public awareness of the importance of tourism for the country's economic development;
 - $\sqrt{}$ Use human resource development strategies to provide the best possible staffing for the present and future tourism sectors;
 - $\sqrt{}$ Facilitate tourism research and development, and promote the dissemination and uptake of innovative practices; and
 - $\sqrt{}$ Embrace the information management, educational and communication opportunities offered by ICT by creating an enabling environment for their uptake.
 - ii. Tourism marketing:

- Development goal: Continuously improve the sustainability of the marketing mix in light of emerging global market trends.
- Policy objectives:
 - $\sqrt{}$ Capture and analyse market intelligence data to facilitate an informed tourism marketing strategy;
 - $\sqrt{}$ Ensure that the tourism sector embraces the opportunities offered by ICT in its tourism marketing;
 - $\sqrt{1}$ Provide an enabling environment for investment in the tourism product;
 - $\sqrt{}$ Stimulate a diverse tourism sector by focusing on product areas where the Caribbean has added value;
 - $\sqrt{}$ Ensure that international standards are achieved and maintained in all tourism sub-sectors; and
 - $\sqrt{}$ Ensure that effective marketing targets the priority markets identified in the marketing strategy.
- iii. <u>Tourism and transportation</u>:
 - Development goal: Develop efficient and cost-effective transportation options to facilitate a sustainable level of destination accessibility.
 - · Policy objectives:
 - $\sqrt{}$ Encourage the air transportation needed to facilitate a sustainable level of destination accessibility;
 - $\sqrt{}$ Encourage the marine transport needed to facilitate a sustainable level of destination accessibility; and
 - $\sqrt{}$ Design, develop, and maintain an optimal ground transport infrastructure.

iv. Tourism and the environment:

- Development goal: Ensure the sustainable use of the environment and the cultural heritage for the benefit of all.
- Policy objectives:
 - $\sqrt{}$ Implement using a participatory approach effective planning, management and monitoring of the environment in which tourism takes place;
 - $\sqrt{}$ Engender sustainable patterns of resource use in the Caribbean tourism

value chain; and

- $\sqrt{}$ Implement appropriate adaptation and mitigation strategies to reduce the vulnerability of Caribbean tourism to the physical and strategic implications of climate change.
- v. Linkages to other economic sectors:
 - Development goal: Develop and strengthen the links between tourism and other economic sectors nationally and regionally to maximise the multiplier effect on the economy and reduce leakages.
 - Policy objectives:
 - Provide an enabling framework to realise national and regional inter-sectoral linkages; and
 - $\sqrt{}$ Ensure that communities are able to benefit meaningfully from linkages with tourism.

vi. Health, safety, and security issues:

- Development goal: Manage the health, safety, and security issues that impact the sustainability of tourism.
- Policy objectives:
 - $\sqrt{}$ Enhance communication and coordination mechanisms related to health, safety, security and multi-hazard risk management;
 - $\sqrt{1}$ Improve the health and safety of citizens and visitors to the Caribbean;
 - $\sqrt{}$ Manage security issues to reinforce the reputation of the Caribbean as a secure destination; and
 - $\sqrt{}$ Integrate multi-hazard risk management into the tourism sector to reduce the vulnerability of the sector to natural and man-made hazards.
- 224. In providing recommendations in the six thematic areas identified as vital for the development of a more sustainable tourism sector in the region, the intention was to assist governments in the development of new policy where necessary, and in the revision of existing ones. Governments were "kindly invited to benchmark their national state of affairs against this Policy Framework and to take necessary action" (CTO 2008: p. 3). The voluntary nature of implementation meant there was no timeline for implementation at the national level. The broad stakeholder interaction undertaken

to craft the framework also served to reinforce the regional interaction aspects that are essential for the regional product, without advocating regional harmonisation. The tourism sector is instead "encouraged to use this document to realise its responsibilities to the people of the region and the consumers, and to ensure a strong regional emphasis on sustainable tourism development" (CTO 2008: p. 12).

- 225. Because of the Caribbean's loose approach to implementing the CSTPF, a report prepared under the auspices of UNEP and the Global Partnership for Sustainable Tourism to provide a progress report on sustainable tourism in the Caribbean region recommended firstly a re-evaluation of CSTPF to move it from policy statement to practice across the region (Andrews et al 2012). In particular, the re-evaluation should consider, among others, the relevance of the policy, its use and application by members, and a mechanism for monitoring outcomes. An agreement with the CTO could be formulated to ensure that the framework progresses from policy statement to practice if necessary.
- 226. Also at the regional level, the progress report: (i) encouraged CTO to strengthen the reporting mechanism of its member countries to provide updates and feedback on sustainable tourism initiatives and priorities, and ensure that member states follow reporting requirements; (ii) identified the need to strengthen regional sustainable tourism coordination and collaboration between member countries, as well as development bodies, to develop a knowledge baseline for the progress of sustainable tourism practice across the region; and (iii) called for a strategic plan of action to be developed in each country detailing sustainable tourism priorities, roles and responsibilities, implementation programme, sources of funding and expected outcomes.
- 227. In the context of COVID-19, the Caribbean framework already explicitly identified *Health, Safety and Security Issues and Tourism* as one of the six critical policy areas of sustainable tourism in the region (para. 108.vi). It was recognised that the diverse origins of visitors to the Caribbean, as well as its trading patterns, put the region at risk from transboundary health issues such as SARS and avian influenza. Thus, the framework recognised the need to put in place contingency plans to deal with outbreaks in the region, considering the communication and cooperation aspects between the key stakeholders.

South Pacific²³.

- 228. The Pacific 2030 Sustainable Tourism Policy Framework is an example of a sustainable tourism development framework drafted in the context of COVID-19, which also draws on the UNWTO framework. The goal in drafting the document was to provide a road map for advancing sustainable tourism in the Pacific based on the priorities identified by regional organisations, Pacific countries and territories, the tourism industry, the community, and development partners. It was developed by the South Pacific Tourism Organisation (SPTO) in close consultation and collaboration with representatives from regional agencies, national governments, industry, community organisations, and development partners such as UNDP and New Zealand. It also drew on global, regional, and national commitments, including the 2030 Agenda Sustainable Development Goals (SDGs), Paris Agreement - Climate Change (UNFCCC) and the SIDS Accelerated Modalities of Action (SAMOA) Pathway (2014). COVID-19 was seen as highlighting the need to transition to a new model of tourism, as well presenting an opportunity for the region to consider a more sustainable approach to tourism that is economically resilient, environmentally sustainable, and socially inclusive.
- 229. Figure 4 presents the key elements of Pacific framework, including the vision, the four overarching goals, and the nine strategic priorities related to the four overarching goals to advance sustainable tourism within the context of each country's national priorities. It then identified a set of policies and suggested actions for each strategic priority, as well the roles of the key stakeholders to deliver more sustainable tourism on the ground throughout the region. The framework also incorporated the UNWTO's 12 aims for sustainable tourism.

²³ This section draws heavily on SPTO (2021).

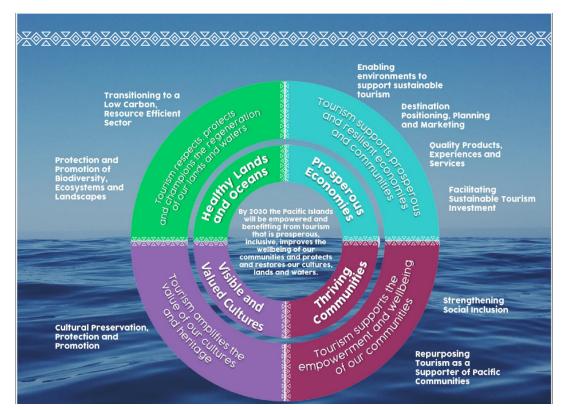


Figure 4. Pacific 2030 Sustainable Tourism Policy Framework

Source: SPTO (2021): p. v.

230. Like the Caribbean framework, the Pacific framework also recognised that there is no 'one-size-fits-all' solution to sustainable tourism. Pacific destinations are at different stages of development and maturity. Thus, it was designed to cater both for countries that are well advanced with developing and implementing sustainable tourism practices, as well as for countries who are in the early stages of tourism development. Similarly, the Pacific framework highlighted the importance of all stakeholders, within, between and outside government working together to succeed in making tourism more sustainable across the region; and outlined the roles of all relevant stakeholders in its successful implementation, which included governments and administrations, civil society organisations, private sector representatives, regional organisations, development partners, media, and other stakeholders. Regional coordination and collaboration through the SPTO and the Council of Regional Organisations of the Pacific (CROP) will also be required.

- 231. Nine guiding principles that reflected a series of commitments by stakeholders need to be in place to facilitate progress toward sustainable tourism in the region:
 (i) Balancing growth with sustainability; (ii) Mutual accountability; (iii) Leadership, transparency, decision-making and governance; (iv) National-led solutions supported by regional initiatives; (v) Whole-of-sector approach; (vi) Regional cooperation; (vii) Investment in human capital; (viii) sustainable financing; and (ix) monitoring and evaluation.
- 232. A performance-monitoring mechanism for the SPTO to measure the implementation of the Pacific Sustainable Tourism Policy Framework is required to demonstrate to government, industry, community, and development partners that investing in sustainable tourism initiatives delivers results. Thus, a Pacific Tourism Statistics Strategy will also be developed. Together, the sustainable tourism and statistics frameworks will lead to a robust monitoring plan to measure progress made at regional level while also supporting national level advancement within the sector. They will also help contextualise the SDGs and the global commitments to the Pacific tourism context. Additionally, these will contribute to meeting regional commitments in the proposed 2050 Blue Pacific Strategy, the Pacific Roadmap for Sustainable Development, the Framework for Resilient Development in the Pacific, the Clean Pacific Strategy 2025 and the Marine Litter Action Plan, the Regional Culture Strategy, and others. Finally, the Pacific framework recognised the need to mobilise significant financial and technical resources, at both national and regional levels as well as from development partners, for its successful implementation.
- 233. As the ADB (2021) noted, regionalism has been a key feature in the Pacific, which strengthened the ability of the nation-states to negotiate on critical global issues. SPTO has maintained its custodian role for the Pacific tourism industry in response to the pandemic. The Sustainable Tourism Policy Framework together with the national and regional recovery strategies are important vehicles for tourism recovery in the region. Current regional approaches in the Pacific were deemed as still limited particularly with respect to support for meaningful action, realisation of the SDGs, and the need to expand SPTO's mandate to incorporate its role in climate and pandemic adaptation.

Asia-Pacific Economic Cooperation (APEC)

- 234. The APEC Tourism Working Group (TWG) is primarily charged with developing areas of cooperation in travel and tourism trade and policies in the region. The vision is to: "Promote sustainable and inclusive tourism development in the APEC region to support the efforts of member economies to increase their competitiveness while consolidating regional objectives" (TWG 2021). Achieving this vision may entail pursuing initiatives to: (i) align policy; (ii) facilitate secure and seamless travel; (iii) share travel and tourism knowledge as well good practices; (iv) promote a better understanding of travel and tourism and its economic impact; (v) developing improved cooperation and coordination mechanisms; and (vi) ensure the benefits of travel and tourism are inclusive for all people in the region.
- 235.In 2013, TWG released a report on the Sustainable Development of Tourism Destinations, which adopted the UNWTO framework for tourism sustainability in terms of definitions, pillars, principles, processes, and instruments. A Tourism Sustainability Assessment Tool, which identified indicators for the pillars of sustainable tourism and their respective dimensions and elements, was also developed to act as a baseline for managing sustainable tourism development. A survey of APEC Member Economies was then undertaken to: (i) measure their level of achievement in terms of sustainable tourism and identify their next priorities and steps; and (ii) identify their top-of-mind issues regarding sustainability of destinations.
- 236.**Finally, the report presented some case studies of economies deemed as** international references in terms of economic, social, and environmental sustainability. In particular, Costa Rica, Australia, New Zealand, the Seychelles, the Maldives, Botswana, and the United States of America all: (i) have long-term strategies with a focus on sustainability, supported by an adequate public institutional structure that promotes responsible tourism and sustainable development among all sectors of the economy; (ii) encourage the private sector to involve itself in sustainable development given that their collaboration is essential in becoming a sustainable destination; and (iii) use a set of tools that encourage both the public and private sector to be engaged in eco-friendly tourism actions and sustainability policies.
- 237.In 2020, TWG endorsed its APEC TWG Strategic Plan 2020–2024, covering four priority areas:

- i. <u>Digital transformation</u>: Facilitate the uptake of digital and innovative technologies across the travel and tourism supply chain to meet and exceed visitor expectations, increase competitiveness, and expand the benefits of travel and tourism to the entire community;
- ii. <u>Human capital development</u>: Support the development of skills and capabilities (including digital literacy) of employers and employees to deliver high quality visitor experiences and create career pathways;
- iii. <u>Travel Facilitation and Competitiveness</u>: Support the strengthening of air, sea, road and rail connectivity to meet visitor demand and enhancing regional access; work with relevant authorities to provide secure, efficient and positive visitor experiences at entry and exit; and
- iv. Sustainable Tourism and Economic Growth: (i) Communicate the importance of travel and tourism as an economic driver in APEC economies; and promote better understanding and recognition of travel and tourism as an engine for growth in the APEC region; and (ii) Maximise the travel and tourism sector's contribution to employment, economic development, environmental protection and resilience, cultural and natural heritage preservation and inclusiveness to create economic and social benefits for business and communities in urban and rural areas.

Sustainable Destinations Alliance for the Americas (SDAA)²⁴.

- 238. As noted in the previous subsection, UNWTO released a two-volume report on *Tourism for Development* (2018a, 2018b). In particular, the second volume presented 23 case studies generated through a global consultation, from which good practices from across the globe that highlighted the contribution of tourism to sustainable development were compiled. In particular, the Sustainable Destinations Alliance for the Americas (SDAA) was presented as a case study to highlight how countries can combine efforts and promote good practices.
- 239. **Sustainable Travel International (STI), together with businesses,** destinations, donors, regional organisations, and nonprofit organisations launched SDAA in 2014 with the following objectives: (i) maximise tourism's benefits for local communities and residents; (ii) protect the region's natural and cultural assets by conserving its land and marine resources; and (iii) embed sustainability practices in the day-

²⁴ The discussion draws heavily on UNWTO (2018b): pp. 97-100.

to-day management and marketing of destinations. SDAA brought together eleven destinations in the Caribbean and Central America – mainly coastal regions and islands that are highly popular with tourists – to collaboratively address the challenges of climate vulnerability, environmental degradation, and reliance on tourism: namely, Antigua and Barbuda, Aruba, the Bahamas, Barbados, Dominica, Honduras, Jamaica, Nicaragua, Panama, Mexico, and St Kitts and Nevis. Support is provided to the destinations through a "Sustainable Destination Toolkit" includes: a destination assessment, an action agenda with short- and long-term solutions, online training courses for capacity building, a destination monitoring system to ensure on-going success, and marketing support.

- 240. A key achievement of SDAA is the increased understandings of holistic sustainability issues among tourism destination stakeholders. Beyond tourism, SDAA's noted contributions included cleaner water, oceans, beaches, and streets; less resource consumption; enhanced environmental conservation; and the restoration of habits in member destinations. The challenges faced in implementing the action agendas included funding issues; complex multi-stakeholder relationships; human resource limitations; and need for more careful planning and monitoring. Thus, going forward, it is critical to consider the following:
 - i. The importance of multi-stakeholder committees for ensuring local ownership of each destination's action agenda and commitment for sustaining activities;
 - ii. The centrality of financial sustainability, requiring funding assistance to be sought for projects within ministerial budgets and/or from external funding sources;
 - iii. The need to measure progress through the establishment, adoption and monitoring of key performance indicators;
 - iv. The importance of training and capacity building for a wide range of stakeholders, such as project implementation skills for managers as well as sustainability issues and trends;
 - v. The need for product enhancement and value chain strengthening, particularly in terms of cultural heritage-related and community-based tourism products that have been recently developed; and
 - vi. The paramount significance of knowledge exchange, information sharing and peer-to-peer learning, including inputs from local businesses and producers.

E. Other Guidelines on the Post COVID-19 Recovery of the Tourism Sector

World Travel & Tourism Council

- 241. **The World Travel & Tourism Council (WTTC) has likewise released a series** of reports examining the impacts and implications of COVID-19 on the travel and tourism sector and identifying key recommendations to support the sector's recovery and build its resilience into the future.
- 242. In fact, WTTC released a report in late 2019 that aimed to equip the travel and tourism sector with a better understanding of the risks landscape through the quantification of the impact of crises on the sector and provided recommendations on how the sector could better prepare, respond, and enhance its resilience (WTTC and Global Rescue 2019). It analysed the impacts at the national and city level of 90 crises between 2001 and 2018 worldwide, in terms of recovery time, lost arrivals, and lost visitor spending. Among the crises examined were environmental disasters (extreme weather events, natural disasters, and man-made environmental disasters), geopolitical risks (state collapse or crisis), terrorism (terrorist attacks) and epidemics (the spread of infectious diseases). Epidemics examined included severe acute respiratory syndrome (SARS) in China, Hong Kong, Singapore, and Taiwan; foot and mouth disease in the United Kingdom; Middle East Respiratory Syndrome (MERS) in Saudi Arabia; Ebola in Sierra Leone and Guinea; and Zika in Miami.
- 243. The report found that measurable economic impact occurred in 92 percent of the selected travel and tourism related case studies. Among the cases with evident impact, terrorism cases had the lowest recovery time at 11.5 months on average, with the recovery time ranging from as little as 2 months to a maximum 42 months. Civil unrest and political instability cases had the highest recovery time at 22.2 months on average, with a range between 10 and 44.9 months. Disease cases had average recovery times of 19.4 months, with a range between 10 (Zika in Miami) and 34.9 months (UK foot and mouth disease). Recovery from natural disasters took 16.2 months on average. Natural disasters had the greatest range of recovery time, from just one month to 93 months. This is due to the wide variation in the severity of natural disaster events within the case examples. The report concluded that, overall, there was proven resilience of the sector, with recovery duration improving over the period under study.

244. Needless to say, "The global spread and impact of COVID-19 is unlike anything society has faced before, with a complex and devastating amalgamation of health, economic and social issues", as pointed out in another WTTC report released in late 2020 (WTTC and Wyman 2020: p. 5). It identified four trends that are expected to lead the way through recovery and beyond of the travel and tourism sector, based on data analysis and in-depth interviews with top executives representing diverse industries and geographies in the sector: (i) demand devolution; (ii) health and hygiene; (iii) innovation and digitisation; and (iv) sustainability. The report then outlined the implications of these trends for four key stakeholders in the sector (i.e., travellers, businesses, workforce, and local communities), and identified a few recommendations for governments and destinations that would support the restart and recovery of the travel and tourism sector. Health and safety are deemed paramount in the new normal.

245. To adapt to the new normal, the recommendations related to²⁵:

- i. A new beginning:
 - Co-create with the private sector: To ensure future preparedness and alignment across the sector, governments should strengthen their engagement with the private sector, sharing key learnings from this crisis, jointly defining and implementing measures for future crisis mitigation, and implementing a modus operandi on how to better collaborate on issues relating to resilience;
 - Promote tourism, starting with domestic and regional: To capitalise on the initial recovery, governments, tourism boards and tourism organisations should direct their early marketing and promotional efforts to incentivise domestic and regional travel and inspire residents to explore nearby destinations and attractions; and
 - Incentivise travel: To activate demand, governments should offer early consumer incentives for travel spending, starting with domestic travellers and expanding regionally and internationally as quickly as possible and appropriate. These measures can be used alongside direct marketing to incentivise travel in the short term, particularly while travellers may still be wary of travelling. Consumer stimuli could include specialised insurance, subsidised holidays off from work, guarantees for medical care while travelling, as well direct cash or voucher subsidies for holidays.

²⁵ Relevant discussions are extracted from WTTC and Wymand (2020).

ii. Leap into digital:

- Facilitate seamless coordination: The pandemic accelerated the digital agenda in the travel and tourism sector, which is also key in its swift recovery. In view of the complexity of these issues involving sensitive data, significant investment, and the cooperation of several sectors and countless individual players, it is essential that governments engage meaningfully and prioritise this issue by, for instance, providing a timely platform for knowledge sharing and the development of strategic partnerships;
- Integrate digital identities: Considering the increasing focus on health and hygiene, governments will need to identify solutions to digitise health information and integrate it as a seamless component of cross-border travel, together with experts and market innovators. In this context, accelerating the adoption of digital identities and solutions will be key to maximise accuracy for health and safety protections, while reducing bias in border control and expediting the movement of passengers;
- Spotlight cybersecurity: Cybersecurity is becoming increasingly significant, particularly with digital adoption accelerating, and digital identities & digitised health information becoming more mainstream. These shifts will require governments to protect traveller data, while encouraging businesses to be proactive in the implementation of cybersecurity measures and guidelines; and
- Extend digital infrastructure to rural destinations: The adoption of digital solutions may be challenging, particularly for remote and rural locations which often lack the prerequisite connectivity and financial resources. Proactively addressing such digital inequalities will ensure they are not further exacerbated, especially in the early phases of tourism recovery. It will be important for governments to invest in the digital infrastructure of emerging destinations and remote areas, as well as to enhance digital skills within local communities.

iii. Re-imagine work:

 Sponsor mental health: As a sector with people at its core, it is important for the travel and tourism sector to prioritise mental health policy and address the societal implications of the pandemic. Governments should promote education around emotional wellbeing and provide targeted programmes to assist those in need;

- Re-think the workplace: The rapid shift to remote work induced by COVID-19 has transformed the workplace of the future, effectively reducing the need for physical workplaces beyond the short term. This transition will require the public and private sectors to come together to determine how to optimise the new working arrangements; and
- Forge partnerships for upskilling: Governments should promote multistakeholder partnerships, the sharing of knowledge, as well as best practices as they expand upskilling and re-skilling programmes to ensure the travel and tourism sector's workforce is future ready. Among others, the public and private sectors should focus on digital skills as well as soft skillsets such as emotional intelligence, communication, creativity, agility, and critical thinking.

246. And to cultivate resilience, key recommendations were made on:

- i. Protection of people, wildlife, and the environment:
 - *Establish sustainability guidelines*: Governments and destinations should capitalise on the renewed interest in sustainability, and build on the Paris Climate Action agreement, to establish sector-wide and industry-specific guidelines that will further enhance wildlife and environmental protection through engagement with the private sector and local communities;
 - Ban wildlife trafficking: Governments should enhance surveillance and tracking of wildlife traffickers, ultimately aiming to impose a ban on the cruel practice. To drive forward this important issue, partnerships with both non-profits and businesses should be fostered to jointly promote a comprehensive approach to address wildlife trafficking;
 - Eradicate human trafficking: A lot more can be done in the implementation
 of tangible solutions to counteract and even prevent human trafficking from
 occurring. To address this critical issue, raising awareness at the governmental,
 industry and consumer level is essential. Education and training, both for
 employees and travellers alike, remains a priority to better identify and report
 suspected cases. Beyond awareness and training, governments have a critical
 role to play in enacting and enforcing legislation which recognises human
 trafficking as a crime through the entire supply chain and develop the resources
 and support needed, including national hotlines; and

- Stimulate sustainability practices: To encourage the implementation of sustainability measures within the private sector, governments should develop and provide incentives. Financial incentives can, for instance, enable enduring operational cost savings for a business or even limit the environmental footprint of the entire sector. Incentives offered have historically included, tax breaks, insurance premium discounts, concessional loans, or grants for a variety of sustainability upgrades.
- i. Nurture the community:
 - Amplify local voices: Public private-community partnerships should be bolstered, ensuring that local communities have a prominent voice and role in the development of the local travel and tourism sector. In effect, it is mutually beneficial to engage all stakeholders in the development of long-term inclusive and sustainable tourism strategies. One model for such partnerships is through local tourism councils;
 - Showcase lesser-known destinations: With travellers progressively favouring journeys "off the beaten path", governments have a unique opportunity to promote lesser-known destinations, which would not only broaden the spread of travel and tourism's economic benefits beyond hotspots, but also address existing concerns associated with crowds; and
 - Protect the traveller: As the public and private sectors integrate the learnings from COVID-19, the standardisation of treatment across operators should be considered to ensure consistent consumer protection across the sector. Potential solutions to be examined include allowing the use of vouchers in place of cash refunds, offering funding to businesses for travel-related compensation, or even setting up an intermediary state fund for consumer guarantees.
- i. Foster the workforce:
 - *Hire remotely*: With remote work, remote hiring becomes an imminent possibility. Employees across sectors, including travel and tourism, could now be hired from other regions and countries. A dispersed workforce, however, triggers new realities in terms of payroll, benefits, taxes, as well as immigration. Intergovernmental agreements may, for instance, be required to determine which jurisdiction owns the employment contract and tax revenues. Government policies should also be revisited to include flexibility for temporary visas for certain types of employment;

- Be diverse and inclusive: The disproportionate impact of COVID-19 on ethnic and racial minorities has heightened the urgency to tackle significant disparities as well as systemic discrimination. As such, governments should promote and implement policies to further enhance diversity and equity; and
- Strike a balance in labour regulations: Establishing the right balance of protection and flexibility in labour regulations is essential to maximise employment opportunities with the travel and tourism sector. Governments should examine their policies to ensure that they are flexible enough for employers to feel comfortable hiring, but, equally, that workforce protections are in place to cushion employees against any unexpected crises. Creating such a balance between flexibility and protection, will require a consultative approach.
- 247. Like the UNWTO stance, the report also emphasised that the sector's success would be dependent on all its key stakeholders, from governments and businesses to employees and destinations, including local communities and even travellers, proactively coming together and supporting travel and tourism. Furthermore, greater cooperation is essential: between and within governments; between government, the sector, and local communities; and within the sector itself. Disparate groups will need to work together to ease the burden on the traveller; with public-private-community partnerships as a key to success. In effect, as an interconnected ecosystem bringing together numerous industries, international coordination is crucial for the sector's survival. While many countries have been working independently, the only way forward to recover the millions of jobs lost during this crisis is a coordinated approach which provides meaningful support for the travel and tourism sector.
- 248. **WTTC then released a series of reports in 2021, looking at more specific** ways for the sector to "bounce forward," that is, to bounce ahead post-crisis by designing and building a more resilient system²⁶.
- 249. **Two related reports issued by WTTC: (i) presented key lessons learned** during COVID-19 and recommendations on how they can be used to prepare for future crises (WTTC 2021b); and (ii) identified examples of government policies that supported the recovery of the travel and tourism sector during COVID-19 (WTTC 2021c).

²⁶ Relevant discussions are extracted from WTTC (2021a, 2021b, 2021c, 2021d, 2021e, 2021f).

- 250. In particular, the importance of collaboration, coordination, and partnerships in effective crisis management and recovery has always been recognised and promoted, more so in the context of COVID-19 that required them not just at the national level but at the international level as well. To enhance collaboration and coordination in the travel and tourism sector for future crises: (i) focus on risk-based approaches and avoid knee-jerk reactions; (ii) collaborate and coordinate with as many related stakeholders as possible to the benefit of the people impacted by the crisis; (iii) take a holistic view of the crisis and regularly update crisis response measures as information and situations change; and (iv) where possible, coordinate communication with relevant stakeholders, including neighbouring countries if applicable, to provide a better and more holistic crisis response. Stronger partnerships for future crises require: (i) building partnerships and relationships with key stakeholders before a crisis occurs; (ii) including all relevant government ministries and/or departments in crisis management decision-making; (iii) nurturing relationships with trust and common goals; (iv) engaging in regular communication that is open and helpful for all participants; (v) ensuring every relevant stakeholder is actively involved in these partnerships and conversations to facilitate a holistic crisis response when it is needed; and (vi) leveraging international relationships to share information and find common solutions, where possible (WTTC 2021b).
- 251. Other key lessons included: (i) prepare to maintain new health and hygiene measures far into the future and adopt them as the new norm; (ii) importance of supportive government tourism policies; (iii) build flexibility into tourism businesses' operational structures; (iv) enhanced focus on sustainability; and (v) large-scale digital adoption in the travel and tourism sector (WTTC 2021b).
- 252. On the importance of supportive government tourism policies, WTTC (2021c) identified examples of government policies that supported the recovery of the travel and tourism sector during COVID-19. These included: (i) <u>facilitating travel</u>, such as the EU's harmonised approach to safe travel, Greece's risk management approach for international arrivals, Spain's provision of support for traveller's COVID-19 related costs such as insurance, and Egypt's visa facilitation; (ii) <u>worker protection</u>, for instance, the UK and France's job retention schemes, and training and reskilling in Singapore and Portugal; (iii) <u>liquidity measures</u>, including Canada's support of domestic

travel, and provision of favourable credit lines for tourism in China and liquidity support for aviation and airports in the US; (iv) <u>fiscal support measures</u>, such as special tax and public fee exemptions and deferments for tourism in Australia, Iceland, and the UK; and (v) <u>other measures</u>, including the way Thailand, South Korea, and Argentina incentivised domestic travel.

253. As noted earlier, the importance of collaboration, coordination, and partnerships in effective crisis management and recovery has always been recognised and promoted. COVID-19 likewise heightened recognition for the need for greater stewardship, which has been driven by factors such as the increase in sustainability awareness and requirements, smarter tourism development and management for both tourists and residents, a rising call for social inclusion, new enabling technologies, a growing need for resilience and increasing governmental interest in destination governance. Thus, *Towards Destination Stewardship* (WTTC 2021a) argued for a "reset based on structural changes to how tourism is governed" (p. 1) to ensure the sustainable future of destinations and the sector. In particular, "destination stewardship" would help the travel and tourism sector "drive recovery and fulfil its potential as a key sector in our transition towards a greener and more equitable society and economy" (p. 1). To wit:

"Destination stewardship" is an approach that balances and meets the needs of a destination and its communities and operates with legitimacy and consent under a participatory governance model. It requires a clear mandate, good knowledge and data and the identification of mutual interests and priorities, particularly between the public and private sectors (p. 1).

254. The report identified forces that would drive the change, which included both triggers and barriers to destination stewardship. Ten trends that destinations proactively respond to by moving toward more effective and integrated governance models would help them achieve sustainable tourism growth: (i) manage supply and demand; (ii) increase sustainability awareness and requirements; (iii) evolve visitor economy; (iv) shift definitions of success; (v) increase governmental interest in destination governance; (vi) placemaking; (vii) achieve smarter tourism development; (viii) enable technologies; (ix) become more resilient; and (x) calling for social inclusion. On the other hand, barriers to destination stewardship include: (i) a fragmented sector; (ii) unclear mandate for destination stewardship; (iii) clashing cultures and agendas; and (iv) lack of knowledge and data.

- 255.For destination stewardship to succeed, full public-private-community collaboration is required, which the report acknowledged as extremely complex and challenging. To support the adoption of the approach, the report then presented four scenarios and a diagnostic framework to help stakeholders build/optimise the necessary governance structures that would lead to improving levels of effective collaboration.
- 256. Building on some key lessons learned from COVID-19, WTTC (2021d) reiterated that "sustainability and inclusion must be at the heart of a more resilient and competitive Travel & Tourism sector," which would "require the engagement of all stakeholders from the early stages of the planning process, ranging from developers, investors, legislators, and policymakers to community groups" (p. 2) through extensive public-private-community partnerships (PPCP). The report then highlighted the importance of destinations and governments creating an effective enabling environment to attract investment in the sector to achieve recovery and continue spreading socio-economic benefits. These include, among others, smart taxation, travel facilitation policies, diversification, innovation and the use of digital technology, the integration of health and hygiene protocols, effective communication, and the importance of a skilled and trained workforce.
- 257. The report then discussed the growth potential of different travel segments to understand future investment opportunities and develop successful strategies. In particular, the report proposed that governments and destinations invest in and/or encourage investment from the private sector in key areas such as physical and digital infrastructure, medical and wellness tourism, sustainable/nature & wildlife/adventure/ cultural/targeted tourism, and business travel, depending on the destination.
- 258.**COVID-19 accelerated the digital agenda. The report highlighted that** technology would continue to be a key enabler for safe and seamless travel. Thus, governments need to invest in the digital infrastructure especially of emerging destinations and remote areas and enhance digital skills within local communities. Key investment areas that would allow travellers to explore new destinations include digital infrastructure related to: (i) crowd management and the dispersion of tourists; (ii) contactless experiences; and (iii) urban and rural internet connectivity.

- 259. Ultimately, restoring international mobility is key to the recovery of the travel and tourism sector. WTTC released a report to highlight the pain points to the recovery of international mobility and outlined recommendations to address them in order to support the recovery of the sector, as well as enhance its resilience (WTTC 2021e). The following pain points address the main challenge to restore international mobility: (i) border closures; (ii) uncertainty due to changing rules; (iii) prohibitive cost of testing; and (iv) lack of reciprocity and uneven vaccination rollout. Thus, the recommendations included:
 - i. <u>International coordination to reopen borders</u>. Reopening borders requires continued and enhanced international collaboration, and coordination both within and between governments as well as with the private sector. Meaningful collaboration remains essential in the creation of clear and aligned roadmaps, as well as the development of harmonised rules, standards, and mobility protocols;
 - ii. <u>Restoring trust and confidence</u>. To support the sector's recovery, there is a need for a coordinated, consistent, and transparent approach to enable safe travel. Governments should continue advocating for strong health and safety standards and protocols to be maintained across the travel and tourism sector to restore consumer confidence and trust.
 - iii. <u>Accessibility and affordability of testing</u>. COVID-19 testing must be reliable, but also easily accessible, affordable, and appropriate to the risk level;
 - iv. <u>Recognition, reciprocity, and digital adoption for travel facilitation</u>. A risk-based approach would facilitate international travel by lifting measures, such as testing and/or quarantine requirements, in line with the threat level, and global recognition for international travel of all vaccines that have been authorised for use and deemed safe and effective by the WHO or by the WHO recognised Stringent Regulatory Authorities (SRA). The proliferation and recognition of digital health passes and digital portals, and their continued development especially in terms of interoperability will also facilitate the recovery of international mobility; and
 - v. <u>Social impact and sustainability front and centre</u>. Sustainability should be at the core of all future travel and tourism planning, with a focus on environmental conservation and climate friendly policies to enable the planet to thrive. And in an addition to understanding the economic impact of travel and tourism, the critical

social impact of the sector needs to be highlighted and a key focus for investment and policymaking to preserve and protect both people and planet.

- 260. Finally, also building on the key lesson relating to the importance of large-scale digital adoption in the travel and tourism sector to support its recovery, especially for travel facilitation, WTTC prepared a report detailing and advocating for a digitally interoperable, efficient, and scalable global solution (WTTC 2021f). In particular, the report drew on the recommendations and commitments agreed for governments through the WHO, International Civil Aviation Organization (ICAO), OECD, G7 and G20 in drafting "a practical digital solution for COVID-19 checks of travellers that enables governments to meet the recommendations from these international organisations and achieves the needs of both governments and industry for the safe and sustainable resumption of international travel" (p. 2).
- 261. **In particular, the report argued that governments could achieve an optimal** and practical integrated digital solution for the safe and efficient COVID-19 health checks of travellers by implementing four (4) technical recommendations and four (4) policy recommendations. The technical recommendations are:
 - Issue digitally verifiable COVID-19 Certificates that follow one of the four major international standards (from either the EU Digital COVID Certificate (DCC), ICAO Visible Digital Seal (VDS-NC), Digital Infrastructure for Vaccination Open Credentialing (DIVOC), or SMART Health Cards);
 - ii. <u>Implement a government Digital Travel Portal</u> that allows travellers to electronically share their contact tracing information and digital COVID-19 certificates before their journey with the government of their destination;
 - iii. <u>Introduce digital connections between government and industry</u>, which enable travel operators to electronically inform a destination government during the check-in process of a traveller's confirmed intention to travel and receive a near instantaneous 'authority to board' response; and
 - iv. <u>Issue digitally verifiable Travel Authorisation Certificates</u>, which would allow travellers to maintain their own record of their "authority to travel" and can be used by travel operators to confirm a traveller's eligibility to travel if digital connections between the government and travel operator are not yet available.

- 262. **To ensure that the digital systems developed are accessible to all** travellers, and there is trust and confidence in the digital solutions, the following are the four policy recommendations for governments to consider:
 - i. <u>Develop a policy to manage COVID-19 Certificate fraud</u>, and consider how internationally coordinated oversight of COVID-19 status certificate fraud may be established through their membership of relevant international organisations;
 - ii. <u>Develop a policy for digitally accessible travel</u>, including the assignment of a government role to act as an "accessible travel champion";
 - iii. <u>Develop national strategies for digital healthcare systems and digital government</u> <u>services</u>, integrated with the travel process to enhance the mitigation of future health risks at the border; and
 - iv. <u>Identify and implement monitoring approaches</u>, such as data analytics, benchmarking, and passenger surveys, to capture and share digital solution implementation and operational lessons learned.
- 263. **The report then presented a checklist of 17 action lines for implementation** related to the four (4) technical recommendations and four (4) policy recommendations to "achieve a globally interoperable and scalable solution for traveller COVID-19 health checks that is safe and efficient for implementation" (p. 26).

The World Bank

- 264. In mid-2020 at the initial stages of the COVID-19 global pandemic/crisis, the World Bank (2020) released a report that proposed a three phase approach to address the issues brought on by the crisis that recommended: (i) immediate responses to contain the virus and support businesses in withstanding the crisis; (ii) short term responses during the recovery period to build understanding of prevailing consumer sentiment and develop new products and modalities appropriate for the post-crisis context; and (iii) medium-term responses to help deepen the recovery through policies and practices that enhance the resilience, and economic and environmental sustainability of the sector. The goal is to "build back a better travel and tourism sector" (World Bank 2020: p. 5) in the long run.
- 265. Among the policy responses recommended for immediate implementation to support the recovery period once the crisis had subsided included: (i) develop

a periodic survey and assess the need of the tourism private sector; (ii) incentivise business expansion and entrepreneurship; (iii) identify target markets and ensure openness; (iv) relaunch destination through 'back in business' augmented promotion to key source markets; (v) improve access to finance for registered tourism SMEs; (vi) enhance access and establish additional global gateways; (vii) mobilise digital platforms; and (viii) devote efforts to training and upskilling.

- 266. In the medium-term recovery period, the emphasis is on adopting additional policy measures to better prepare destinations for future shocks, as well as improve their competitiveness and build their resilience. These included: (i) direct public investment and conservation for jobs and sustainability; (ii) build awareness of tourism crisis management; (iii) establish a crisis escrow account for rapid communication response for the next crisis; (iv) strengthen coordination of public and private sector collaboration; (v) define zoning policies to assure sustainable development, particularly in areas of natural and cultural heritage sites; (vi) invest in renewal of destinations; (vii) support sector sustainability through greening; (viii) diversify geographically; (ix) improve data collection and support background analytical work to identify future market demand and new product development to enable a fast recovery; and (x) tackle structural changes that can enable improved competitiveness.
- 267. It has been noted earlier that the tourism sector is historically known to rebound after a crisis. But the report also noted that the COVID-19 global crisis is unprecedented. Thus, the global travel and tourism industry is and will continue to face extraordinary challenges, the most critical of which include: (i) increasing focus on health and hygiene standards; (ii) understanding how demand is changing (including the role of domestic and regional tourism); (iii) interpreting changing business models due to consolidation and corporate restructuring; (iv) mobilising innovation and technology solutions impacting distribution and market access; and (v) guiding public investments in destinations to position them for a more sustainable and resilient tourism industry post COVID-19.

Asian Development Bank

268. At the end of 2021, the Asian Development Bank (ADB) released a report that argued that tourism in Asia and the Pacific should not just aim to "build back better" after the COVID-19 pandemic, but rather to "build forward better" (ADB 2021: p. 57).

That is, the goal should not be to recapture the pre-pandemic state of tourism, but rather to **transform tourism such that it can make a genuine contribution to the achievement of the SDGs**. Thus, the report developed an analytical framework to capture the key dimensions of tourism, which are visitors, industry, community and culture, and environment (VICE), and identified factors that can help achieve the SDGs through tourism and ensure tourism activities remain within global and local carrying capacities (Figure 5).

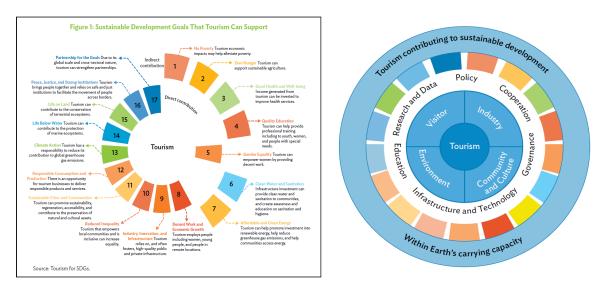


Figure 5. How Tourism Can Support the SDGs, and Sustainable Tourism Framework

Source: Figures 1 and 2 in ADB (2021): pages 2-3.

- 269. The five thematic areas, which the Report argued have been proven to support tourism's contribution to the achievement of the SDGs, include: (i) governance, including deeper public sector involvement; (ii) policy, especially those encouraging stewardship and collaboration; (iii) investment in both hard infrastructure (like roads and airports) and digital infrastructure; (iv) research and data; and (v) education and training.
- 270. In terms of policy, the report identified six pathways with their specific recommendations to support the sustainable development of tourism:
 - i. Value-driven tourism:
 - Focus on quality and yield;
 - Manage carrying capacity;
 - Leverage uniqueness of place; and

- Measure the holistic contribution of tourism to development efforts.
- ii. Decarbonise tourism:
 - Design and implement decarbonisation policies for tourism;
 - Take a collaborative approach to develop sustainable aviation fuels;
 - Raise awareness and build carbon literacy among visitors, businesses, and government officials; and
 - Support low-carbon industry practices.
- iii. Tourism-led regeneration:
 - Foster ecological restoration;
 - Protect communities and encourage cultural thriving;
 - Ensure tourism is inclusive and supportive of health and subjective well-being; and
 - Empower local communities and small businesses by providing training to support entrepreneurs, and by encouraging businesses of all sizes to participate in tourism.

iv. Diversification:

- Diversify tourism markets;
- Diversify products;
- Support workforce diversity and expand skill sets by providing training in soft skills and transferrable skills; and
- Foster economic diversification by encouraging the integration of tourism into other sectors.

v. Improve tourism governance:

- Integrate tourism policy considerations across sectors;
- Foster cooperation and public-private collaboration;
- Invest in strategy, ethical marketing, technology, and human capacity; and
- Build capacity in disaster risk management and adaptation.

vi. Align tourism finance with sustainability:

- · Seek new revenue sources that support sustainable tourism;
- Enable smaller-scale green finance to support tourism development;
- Include sustainability criteria in assessing tourism projects and ensure that green finance evaluation criteria include sustainability considerations; and
- Integrate sustainable tourism considerations into other sectors, such as transport or urban infrastructure projects, to maximise the value of projects across sectors.
- 271. The relevance of the recommendations would depend on specific country contexts and tourism sectors. But to establish a more sustainable trajectory would generally require intervention across all tourism stakeholders, including the visitor, industry, community, and environment dimensions, as well as collaboration across the public and private sectors, development partners, communities, and destinations.

F. Measuring and Monitoring the Impacts of Sustainable Tourism Development

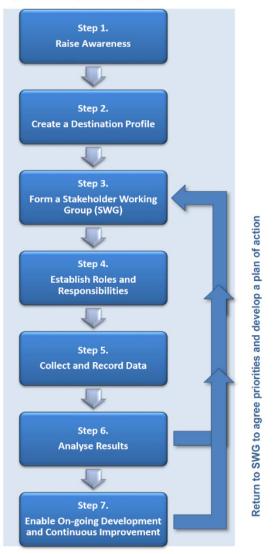
- 272. The review of the state of sustainable tourism development in the ASEAN Member States (see Part 1) highlighted the importance of monitoring tourism and sustainable tourism. And throughout the discussion of the various conceptual and operational frameworks on sustainable tourism in the preceding subsections, the critical importance of undertaking continuous monitoring using indicators to ensure ongoing progress toward sustainable tourism was also emphasised. For instance, a key priority action for tourism under the first pillar Sustainable Economic Growth of the *Five Pillars of the International Year of Sustainable Tourism for Development* was to measure tourism trends and impacts (see Table 6).
- 273. **Sustainable tourism indicators can be useful for: (i) monitoring sectoral** development in order to facilitate the assessment of policies and practices; (ii) measuring sectoral progress and developing suitable strategies in the future; and (iii) communicating knowledge by generating quantitative and objective data that provide a fuller understanding of tourist phenomena in their spatial context (Castellani and Sala 2010; Valentin and Spangenberg 2000; in Font et al. 2021). UNWTO (2004) promoted indicators as an essential planning and management tool for tourism planners because they: (i) provide information on issues and areas of concern (impacts, product quality, threats, etc.); (ii) help evaluate performance of the tourism

plan; and (iii) provide evidence to assess the planning and policy framework. This subsection discusses some monitoring systems currently in use, as well as those that are being developed or have been proposed.

European Tourism Indicators System

- 274. In mid-2010, the European Commission released a Communication to outline a new political framework for coordinated action within the EU to increase the competitiveness and capacity for sustainable growth of European tourism. Among the key initiatives identified was the development of a system of indicators for the sustainable management of destinations (European Commission 2010). The European Commission's Directorate-General for Enterprise and Industry subsequently released the *European Tourism Indicator System Toolkit* in 2013, which aimed to help stakeholders in measuring and monitoring their sustainability management processes, as well as allowing them to share and benchmark their progress and performance in the future.
- 275. **The European Tourism Indicator System (ETIS) was composed of a set of** Indicators, a Toolkit, and a Dataset. The Toolkit served to guide the implementation and use of ETIS by tourism destinations, and consisted of four parts: Part 1 introduced the idea of sustainable destination management; Part 2 presented a step-by-step guide to the implementation of the System (Figure 6); Part 3 presented the initial 27 core and 40 optional indicators; and Part 4 contained an overview for using the destination dataset in Excel, which was a tool to capture the data collected by stakeholders.

Figure 6. Steps to Using ETIS



Source: Flow Chart in EC – DG Enterprise and Industry (2013): p. 19.

276. The indicators cover four key areas:

- i. <u>Destination management</u>, to capture decision-making and communication issues that contribute to sustainable tourism management in the destination;
- ii. <u>Economic value</u>, to track the contribution of tourism to economic sustainability in the destination;
- iii. <u>Social and cultural impact</u>, to focus on the effects of tourism on the residents and cultural heritage in the destination; and
- iv. <u>Environmental impact</u>, to highlight those elements that are critical to the sustainability of the natural environment of the destination.

- 277. **The basic principle of ETIS is that "destination** responsibility, ownership, and decision-making is shared. Engaging a group to come together and work together to collect and report information is a powerful way to undertake effective destination management" (p. 7). It is also designed as a locally owned and led process for monitoring, managing, and enhancing the sustainability of a tourism destination. Thus, collaboration, cooperation, on-going assessment, effective communication, and a holistic perspective are key to its successful implementation. Finally, there is flexibility in the use of ETIS in terms of the voluntary use of indicators that can be integrated into existing destination monitoring systems, and the way it can be modified to suit the needs of the destination, the interest of local stakeholders, and the specific sustainability issues that the destination faces.
- 278. **Two pilot phases over a 2-year period were then undertaken to test the** feasibility and practicality of the ETIS Toolkit and the whole system in more than 100 destinations across Europe. Table 8 presents a summary of the key findings from the two pilot phases (Romagosa and Sirse 2016; in Font et al. 2021).

ETIS Step	Main conclusion
Step 1 Awareness raising	 Lack of media support and co-operation from partner organizations
Step 2 Creation of destination profile	Destination profile form applicable and minimal difficulties in filling it
Step 3 Forming Stakeholder Working Group (SWG)	• Inactive members of the SWG, and more interest from the public sector than from the private
Step 4 Role/Responsibilities of SWG	 Difficulties on agreeing about timeline for data collection, and minor challenges on responsibilities Data difficult to obtain, and/or resources were not
Step 5 Collection & Registering data	available
Step 6 Analysis of results	 SWG agreement on priorities but difficulties to agree on action plans
Step 7 Continuity & Improvement	 Indicators and data are not reviewed regularly and additional resources are difficult obtained

Table 8. ETIS: Conclusions from Each Implementation Step

Source: Table 1 in Font et al. (2021): page 8.

- 279. The Toolkit was subsequently revised to provide a fully tested system and a more realistic set of core indicators for destinations. In particular, the revised Toolkit consisted of 43 core indicators and an indicative set of supplementary indicators, which could be used flexibly as needed or appropriate, whether in its entirety or integrated into existing destination-monitoring systems. The 43 core indicators bring together the essential, key, or baseline information that a destination needs to understand, monitor, and manage its performance. They also allow for comparison over time and for benchmarking between destinations (see Appendix 1 for the full list). Supplementary indicators add to the basic information provided and are tailored more to their destination type or category or the particular tourism market that they serve or promote. Possible supplementary indicators considered cover coastal, maritime, accessibility, and transnational cultural routes issues. Font et al. (2021) noted that following the 2016 revision, the European Commission ceased to support all ETIS related activities and transferred the ownership of ETIS to single destinations.
- 280. Font et al. (2021) evaluated the impact of ETIS on destination competitiveness. They evaluated the absorptive capacity of destination management organisations (DMOs) to implement and use sustainable tourism indicators to make informed destination governance policy decisions. Absorptive capacity is conceptualised as a learning journey through which organisations acquire, assimilate, transform, and exploit knowledge. Overall, they found ample evidence indicating that DMOs acquired knowledge about the importance of sustainable tourism indicators through ETIS, and that a number of these DMOs assimilated this knowledge by adapting ETIS and developing their in-house systems. But they did not find strong evidence indicating that the indicators are being used to improve tourism sustainability and competitiveness. They interpreted the evidence as showing that the process of creating impactful change to policymaking is slow because institutions require significant time to adjust to new information. Thus, "the main benefit of implementing ETIS in a destination is not the data itself, but the creation of social capital amongst destination stakeholders" (Tudorache et al. 2017), which should lead to changes in policies that, in due course, make destinations more competitive (Fonte et al. 2021: p. 19). They further concluded that a single intervention like ETIS must be understood in the complex context of DMOs' operations and provided in a more sustained and coordinated programme of interventions.

<u>UNWTO's International Network of Sustainable Tourism Observatories and</u> <u>Measuring Sustainable Tourism</u>

- 281.UNWTO's International Network of Sustainable Tourism Observatories (INSTO) is a network of tourism observatories to monitor the economic, environmental, and social impact of tourism at the destination lev el. There are currently 31 observatories in the network eight in China, five in Indonesia, four in Spain, three in Portugal, two in Canada, and one each in Greece, Mexico, Brazil, Croatia, United States, Italy, Argentina, Australia, and Colombia. When establishing an observatory, destinations are asked to put special emphasis on three key elements for a participatory approach: (i) building awareness among local stakeholders; (ii) establishing and fostering a strong support system of facilitators; and (iii) forming and engagement of a local working group. Regular reporting is undertaken through annual progress reports and stakeholders' workshops, which further strengthen the participatory approach.
- 282. There are 11 core issue areas that INSTO observatories are required to monitor at least to a certain extent: (i) tourism seasonality; (ii) employment; (iii) destination economic benefits; (iv) governance; (v) local satisfaction; (vi) energy management; (vii) water management; (viii) wastewater (sewage) management; (ix) solid waste management; (x) accessibility; and (xi) climate action. It is recognised that each observatory is different in its structure and focus, and sustainability is context sensitive. Thus, members are not required to specifically monitor pre-defined indicators, giving them enough flexibility in terms of the content and focusing more on the processes and innovative tools and techniques used by the destinations.
- 283. The country report on Indonesia noted that efforts to scale up the observatories in the country are hampered by funding issues. Another challenge encountered in implementing monitoring and evaluation through the observatories is limited socialisation activities conducted by the central government for the local government in each destination, which highlights both the necessity and challenge of the participatory approach.
- 284. In 2015, UNWTO partnered with the UN Statistics Division (UNSD) to begin the Measuring Sustainable Tourism (MST), which aimed to develop an international

statistical framework for measuring tourism's role in sustainable development. The resulting Statistical Framework for Measuring Sustainable Tourism (SF-MST) 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/local. A key feature of the statistical framework is the integration of the established accounting framework for tourism, Tourism Satellite Account (TSA) and accounts from the System of Environmental-Economic Accounting (SEEA) framework, which are both based on the accounting framework for measuring the economy – the System of National Accounts (SNA). One benefit of an accounting system is that it allows information from different sources to be integrated in a common framework, which uses consistent concepts, definitions and classifications and methods across the three dimensions. Thus, indicators derived from the accounting framework will be comparable over time and across countries and enable valid comparisons between tourism and other economic activities.

285.**By combining TSA with SEEA, some vital policy questions can be** addressed including:

- i. The environmental impacts of tourism, in terms of emissions, solid waste, wastewater, the disruption of ecosystems and biodiversity;
- ii. The dependency of tourism on the environment, in terms of water and energy requirements, and healthy, good quality ecosystems (beaches, reefs, forests, etc.);
- iii. The expenditure on environmental protection and environmental taxes; and
- iv. Certain socio-economic impacts and dependencies of tourism, such as employment.
- 286. **A consultation draft of the Statistical Framework for Measuring the** Sustainability of Tourism (SF-MST) was released by UNWTO in 2018, followed by pilot studies. As of August 2020, there are a total of 11 MST pilot studies, including in the Philippines and Thailand. Two other countries, including Viet Nam, have undertaken projects to measure the sustainability of tourism that use tools that are in line with SF-MST.
- 287. As always, the issue is data availability. It is very challenging to compile and combine the two accounts because data collection on physical flow accounts for specific

tourism industries is difficult and involve multiple agencies. Many developing countries still do not have a set of environmental accounts or have them but do not compile them on a regular basis, like the Philippines where work on generating environmental accounts is very much work in progress. Malaysia was also invited to pilot test the SF-MST. After reviewing the availability of existing data, Yusoff et al. (2020) found that data collection on the physical flows for specific tourism industries are still under development; capacity building for SEEA is also under development.

- 288. **Thus, in the case of the Philippines, Bersales et al. (2019) adjusted the** methodology using the 2012 Philippine Input-Output tables and the Philippine Tourism Satellite Accounts (PTSA) to generate pilot estimates on four indicators that represent the impact of tourism on the environment, (i.e., energy use, water use, carbon emissions, and solid waste) for five tourism industries (i.e., accommodation services and food and beverage services; transport services; travel agencies and other reservation services, and; entertainment and recreation services . The next step would be to validate the estimates. The report recognised that generation of sustainable tourism indicators still requires much work, including: (i) link flows to asset accounts to estimate rates of depletion degradation; (ii) generation of subnational sustainable tourism indicators; (iii) estimates for solid waste by tourists; and (iv) and the use of dynamic parameters for short-term estimates. Capacity building for statistics and tourism agencies, as well as other data producing agencies for measuring sustainable indicators is also needed. Finally, the work to link the MST estimates to physical flow accounts needs to be completed.
- 289. **Overall, lack of necessary data set, expert experience, and knowledge in** the preparation of the MST would constrain the implementation of the MST framework in most developing countries. Monitoring frameworks such as MST require significant time, and human and financial resources to generate the necessary data for longer term analyses. Thus, external technical and financial support, including capacity building, is key to the implementation of MST, which is deemed an important initiative to generate an outcomes-based monitoring of sustainable tourism.
- 290. What also matters is the "capacity of sustainability indicators to map out the constant transformations and challenges of destinations" as close to real time as possible to "provide feasible benefits for tourism professionals, enhance the well-being

of host communities, and deliver quality services for visitors" (Gkoumas 2019: p. 1), which will require high frequency data.

Big Data for Tourism

- 291. Being able to definitively answer key policy questions, such as those that MST is seeking to address, requires developing rigorous statistical approaches to the measurement of sustainable tourism for evidence-based decision-making across the tourism sector. There are still huge gaps in the monitoring and evaluation of the social and environmental impacts of tourism, as well as the economic benefits that can be derived from environmental and socio-cultural sustainability. Thus, initiatives such as MST are very important. Because of their very nature, generating such indicators typically take time. And like other key macroeconomic indicators used to monitor economic conditions, they may appear outdated in the current context because of the lag in their release, especially if there are drastic changes in conditions. Thus, the usefulness of monitoring high frequency data came to the fore, initially in monitoring not just annual but monthly or quarterly macroeconomic data and daily financial markets data for instance after the 1997 Asian financial crisis.
- 292. Aggregate or country level data can also mask important differences at the subnational or local levels. Measuring the impacts of various crises, including the COVID-19 pandemic, on the tourism sector has largely relied on macroeconomic level data. The general view that tourism tends to recover more quickly than other economic sectors is also based on macro-level data, which could be masking significant differences at the local level. Also, the severe and sometimes long-lasting effects of downturns in tourism may not be adequately captured by the usual statistics on tourism.
- 293. If regional/local governments and communities are to play a more important role in sustainable tourism development and policy, a system of information and statistics on tourism at the sub-national level is necessary to produce robust and timely data with a good level of disaggregation. Comparability among regions and with national data is also important, but considering the significantly varying effects of tourism from one destination to another (e.g., urban, rural, coastal, or mountainous areas) in terms of number of visitors, type of tourism, seasonality patterns, etc. Overall, significant progress has been achieved in the last 20 years in terms of improving the economic

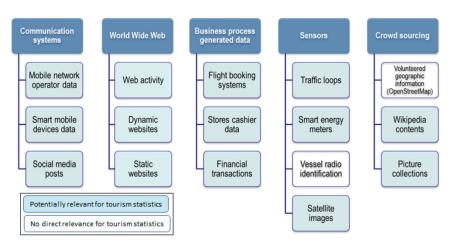
measurement of tourism at the national level, particularly with the Tourism Satellite Account (TSA). But much remains to be done at the sub-national level, which can be represented by a region, city, or a specific tourism destination, and that goes beyond measuring the economic impacts of tourism. Regional Tourism Satellite Accounts (RTSAs) have been developed based on the TSA, but they have some practical limitations, such as insufficient quality of available tourism statistical data; significant resources and capacities required; and do not provide all that is needed in terms of tourism impact analysis, especially those on the environment and local communities (OECD 2016). Especially in recent years, a new approach being explored is big data.

- 294. The generation of high frequency, local destination tourism statistics can be achieved through big data, which is largely enabled by rapid advancements in ICT infrastructure and digital technologies. Big data²⁷ refers to very large and complex datasets, requiring advanced and specialised technologies to store, manage, analyse, and visualise them. They have been characterised according to various Vs such as: Volume (exploding quantity of data in terms of observations); Velocity (how quickly data is generated and its resolution in time); Variety (refers to the many different types of data, i.e., unstructured/semi-structured/structured); Veracity and Validity (refers to the quality, reliability, and usefulness of the data); Volatility (refers to how long the data remains relevant and therefore should be kept); and Value (as source of timelier and richer data to support data-driven decision-making), which is deemed as the end game following the other Vs that require a lot of time, effort, and resources to address. Datasets with such characteristics are emerging more and more in recent years from multiple economic sectors.
- 295. **Data disaggregation and data timeliness, including using national,** international, private big data sources, and digital data generated by people, were among the guiding principles identified for harnessing the data revolution²⁸ for sustainable and inclusive development, in a report prepared for the UN Secretary General (IEAG 2014). To wit: the data revolution for sustainable development is:

²⁷ Discussion of big data for tourism draws on ADB (2022); ADB and UNWTO (2021); Eurostat (2017); IEAG (2017); Malik (2021); Park (2021); and Rahmadian et al. (2021).

²⁸ Defined as "An explosion in the volume of data, the speed with which data are produced, the number of producers of data, the dissemination of data, and the range of things on which there is data, coming from new technologies such as mobile phones and the "internet of things", and from other sources, such as qualitative data, citizen-generated data and perceptions data" (IEAG 2014: p. 6)

- i. The integration of these new data with traditional data to produce high-quality information that is more detailed, timely, and relevant for many purposes and users, especially to foster and monitor sustainable development;
- ii. The increase in the usefulness of data through a much greater degree of openness and transparency, avoiding invasion of privacy and abuse of human rights from misuse of data on individuals and groups, and minimising inequality in production, access to and use of data; and
- iii. Ultimately, more empowered people, better policies, better decisions and greater participation and accountability, leading to better outcomes for people and the planet.
- 296. In the tourism industry, which thrives on information, big data took off in the 1990s with the emergence of digital travel platforms. Enormous datasets are now being compiled from various sources, the most common of which are outlined in Figure 7.





297. In the region, Singapore and Thailand are among those with government-led big data programmes with tourism application. Public-sector data is combined with data from private-sector partners to develop better marketing strategies and product development, manage destinations for tourism flows, direct planning for smart cities, and inform economic and tourism policy development. Some destinations use big data to generate or complement official tourism statistics, like Indonesia that uses mobile positioning data in tourism²⁹.

Source: Figure 1 in Eurostat (2017): p. 9.

²⁹ See ADB and UNWTO (2021) for a more detailed discussion.

- 298. Big data could also be an alternative or supplementary input to measure sustainable tourism. While research on the use of big data for sustainable tourism is still limited, there has been increased interest in recent years. Studies include those that use tourists' digital footprints from social network systems (SNSs), not just for tourism business and marketing, but also to support sustainable tourism development by analysing tourists' opinions/sentiments and impressions about the environment, cultures and traditions, and communities. Some studies have used posts with embedded geo-locations to track the flow of visitors, while geo-tagged photos have allowed researchers to analyse tourists' spatial network related to cultural heritage sites, cultural ecosystem services, and conservation areas (Rahmadian et al. 2021).
- 299. The measurement of sustainable tourism remains a poorly covered area of tourism statistics. Big or smart data can bridge this gap. For instance, many of the data sources represented in Figure 7 are likely to produce superior data in terms of geographical and temporal granularity to measure the impact of tourism on the environment, compared to national level or annual data. Destination-level daily data are now technically possible. Properly combining traditional sources and methodologies of generating data, with big data can produce a richer ecosystem of data for informed decision-making across the tourism sector. Further, engagement with relevant technological companies could futher assist government agencies and tourism stakeholders alike while also help tackle the concerns related to limitations in populating reliable data.
- 300. **Overall, the use of big data has potential benefits, including: (i) higher** overall quality; (ii) better timeliness; (iii) better geographical granularity; (iv) new, previously unavailable indicators; and (v) synergies with other areas of statistics (i.e., using many sources for many purposes in one statistical ecosystem), which can lead to better coherence and comparability. These are all especially relevant for measuring sustainable tourism, since past (and current) statistical methods have failed to address detailed user needs. But unlocking the potential also poses some challenges that need to be addressed and requires some policy enablers, such as: (i) data-related issues, such as access especially to data owned by private companies, alignment of concepts and definitions, selectivity bias, and quality and comparability over time; (ii) human capital for big data; (iii) access to relevant technologies; (iv) data-driven culture; and (v) ICT infrastructure and governance framework. Governments need

to put in place the necessary strategic and technical groundwork to harness the opportunities of big data and mitigate its risks, including protection for data privacy, fraud, and cyber-security (ADB and UNWTO 2021).

G. Summary and Key Points for Consideration

- 301. Tourism is a complex industry involving an extensive range of persons, businesses, organisations, and government agencies that interact at various levels and stages in the delivery of a complete tourism package. Thus, integrating sustainability into the whole tourism agenda is equally complex. The challenge is to come up with a pragmatic approach to ensure progress in moving from policy statements to practice.
- 302. The review of some existing sustainable tourism frameworks, especially those that were developed in the context of the COVID-19 pandemic yielded some key commonalities:
 - i. To somehow offset the devastating impacts of the pandemic on the tourism sector, it should also serve as an impetus and opportunity for the sector to "build back better" or "build forward better" by designing and building a more sustainable tourism sector that would underpin its resilience, which should no longer be taken for granted. That is, the vision is for tourism to emerge more sustainable and resilient following the crisis induced by COVID-19;
 - ii. Sustainability should be at the core of all future travel and tourism planning. In addition to understanding the economic impact of travel and tourism, focus should also be on environmental conservation and climate friendly policies to enable the planet to thrive, as well the critical social impact of the sector;
 - iii. Sustainable tourism development has to involve all relevant stakeholders in both the public and private sectors, taking into account and balancing their respective positions and motivations. This requires appropriate institutional/governance structures to help governments work in harmony both internally and with the private sector and other stakeholders to pursue sustainable tourism development;
 - iv. Digitalisation/digital transformation of the tourism sector, which was advanced by the pandemic and played an important role in its recovery, building digital

infrastructure, and investing in digital skills are critical for future tourism development; and

v. The importance of improving data and evidence-based planning, by measuring, monitoring, and evaluating the impacts of tourism in order to identify regenerative solutions that are linked to the SDGs. Developing any comprehensive monitoring system will necessarily take time, and significant human and financial resources.

PART 4 PROPOSED ASEAN FRAMEWORK ON SUSTAINABLE TOURISM DEVELOPMENT

- 303. The UNWTO definition of sustainable tourism has become the mainstream definition in the literature and in practice. To wit, sustainable tourism is tourism that incorporates the principles of sustainable development, which "refer to the environmental, economic, and socio-cultural aspects of tourism development, and a suitable balance must be established between these three dimensions to guarantee its long-term sustainability (UNWTO and UNEP 2005: p. 11). Furthermore, UNWTO's full definition (see Box 1) of sustainable tourism was more simply stated as: "Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities" (UNWTO and UNEP 2005: p. 12). Since its inception, many countries' sustainable tourism strategies have been developed based on these sustainability pillars, which aim to balance the impacts of tourism on these pillars. While not all AMS shave officially adopted the UNWTO definition of sustainable tourism, sustainability to varying extent has been incorporated in their tourism development plans and all subscribe to the UN's concept of sustainable development and its attendant sustainable development goals (SDGs).
- 304. A key issue that has been raised in the literature is the operability of the UNWTO definition, i.e., the implementation of its principles in practice, particularly on establishing "a suitable balance" between the three dimensions, and framework that aims to support the development of tourism "strategies, policies and tools to maximise the industry's positive effects while minimising the negative impacts" (UNWTO and

UNEP 2005: p. 2). Thus, it is also important to highlight that the UNWTO recognises that, while the framework is aimed at both developed and developing countries, "the balance of priorities may vary between them" (UNWTO and UNEP 2005: p. 4). But even then, trying to balance the competing pressures and impacts associated with tourism remains a fundamental problem both in the literature and in practice, as it implies some idealised state where harmonious development can potentially cover all of them and achieve simultaneous success in all of them (Mika 2015). Instead, a more practicable viewpoint and approach posited is to explicitly acknowledge that balancing the goals of sustainable tourism entails making trade-offs and prioritising between differing desirable goals (Bramwell et al. 2016).

- 305. There is also a need to distinguish between sustainable tourism as a concept and end game, and tourism development as a means of supporting sustainability at multiple levels (Moscardo and Murphy 2014). Thus, a new aspect of responsibility or "sustainability in action" has been added to the standard conceptual understanding of sustainable tourism, that is, a focus on implementation effectiveness. The importance of sustainable tourism is historically clear, but the full meaning of its implementation is based on responsibility, which aims to promote sustainability in all its dimensions (Mihalic et al. 2021). Tourism responsibility has been defined in terms of implementation phases as "awareness, decisions and actions of all those involved in the planning, delivery and consumption of tourism, so that it is sustainable over time" (European Commission 2012; in Mihalic et al.2021).
- 306. This sense of responsibility is somewhat captured in UNWTO's simplified definition of sustainable tourism as: "Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities." Then again, the tension between impacts and needs need to be more explicitly recognised.
- 307. This Study proposes an overall multi-sectoral framework on sustainable tourism development in ASEAN that draws on the UNWTO framework and its refinements, as well as other existing frameworks, especially those that were developed in the aftermath of COVID-19 that emphasised even more the importance of a tourism

sector that is sustainable to underpin its resilience. The proposed framework also draws on existing frameworks that have been developed by other relevant sectors in the ASEAN Community to come up with an overall framework to support the pursuit of sustainable tourism development as a cross sectoral agenda in ASEAN.

A. Long-term Vision, Operational Goals, and Guiding Principles

308. The schematic diagram depicted in Figure 8 encapsulates the proposed multi-sectoral ASEAN framework on sustainable tourism development (AFSTD). It hews to UNWTO's simplified definition in that making tourism development more sustainable means considering the economic, environmental, and socio-cultural impacts by assigning clear responsibilities, even as the needs of the key dimensions of tourism, i.e., the visitors, the industry, the local communities, and the environment (VICE) are incorporated in the planning, development, and operation, of tourism. The caveat is that full harmony is not assumed to always be possible between the sustainability pillars or the key dimensions of tourism, and acceptable trade-offs have to be defined. This requires a systems perspective, which involves viewing sustainability as a process of conditional optimisation and fine-tuning of all elements so that the developmental system as a whole maintains its bearings, and no one element becomes so misaligned that it compromises the whole system (Farrell and Runyan 1991: 35; in Liu 2003).

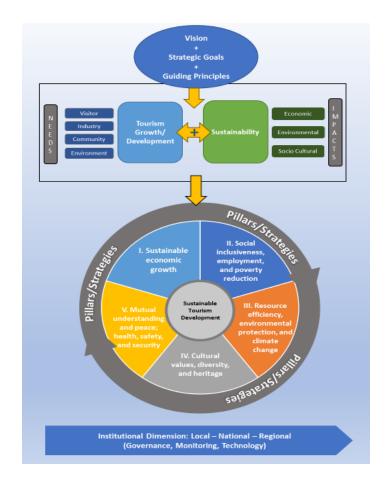


Figure 8. Proposed ASEAN framework on sustainable tourism development³⁰

- 309. **Overall, interventions across all elements of tourism, such as the visitor, industry,** community, and environment dimensions, together with collaborations across the public and private sectors, communities, and other stakeholders are critical if a more sustainable path for tourism is going to be established.
- 310. The proposed long-term vision is: "An ASEAN region that is internationally recognised as a quality sustainable tourism destination, which promotes the economic prosperity, welfare, and engagement of the local community; protects and develops its natural environment and culture; and provides a high-quality experience to responsible and sustainable-minded visitors."

³⁰ Zhang and Chan's Skeletons of Sustainable Tourism (2020; Figure 1.2, p. 4 in Ma and Balasingam 2022) served as the starting point; significant modifications were made to incorporate the VICE model, key pillars from the UNWTO framework, and an institutional dimension.

311. Following the ADB framework, the more specific overall goal may be ASEAN tourism "that helps to achieve the SDGs, revives the environment, or enables tourists and host communities to thrive" (ADB 2021: p. 2). In this context, the five central pillars identified for the International Year of Tourism, which UNWTO adopted in a refinement of its framework, suits the ASEAN context the most in terms of the way they can be easily aligned with and modified to according to the elements and strategic actions of the ASEAN Community Pillars. In particular, the five central pillars were deemed as the key elements of sustainable development to which tourism could make a significant and lasting contribution, hence shifting the focus to implementation effectiveness. In the context of the pandemic, which elevated the importance of health and hygiene as a critical aspect of travel, the fifth and final pillar is redefined to explicitly incorporate this aspect. Finally, governance systems at various levels were added as a sixth overall pillar, which defines how the framework is controlled and operated, the mechanisms and instruments for implementation, and the structures and mechanisms for interactions among the various stakeholders. The role of technology as an overall key driver of the synergies among the different stakeholders and sustainability pillars is especially highlighted.

312. Following Ma and Balasingam (2022), which also drew on the UNWTO framework:

- <u>Economic dimension</u> refers to the stability of economic growth and the maintenance of benefits generated in terms of creating prosperity at different levels of society. This dimension also addresses the cost effectiveness of all economic activities, as well as the viability and activities of enterprises for long-term sustainability;
- ii. <u>Environmental dimension</u> constitutes the conservation and management of natural resources, especially those that are not renewable. Actions are then required to minimise pollution of air, land, energy, water, and waste, and to conserve biodiversity and natural heritage and cultural systems; and
- iii. <u>Socio-cultural dimension</u> is defined as a means of respecting human rights and equal opportunities for all stakeholders, fair distribution of benefits with a particular focus on poverty alleviation. The emphasis of these efforts is also on local communities, including maintaining and strengthening their support systems, recognising, and respecting different cultures, avoiding any form of exploitation, preserving the local culture and norms, and maintaining community structures.

- 313. **The institutional dimension is cross-cutting and refers to the requirements** in terms of governance structures, policy frameworks, and instruments to orchestrate a sustainable tourism development agenda.
- 314. **The following subsections will discuss the proposed goals, guiding** principles, strategic priorities, and enabling factors in turn.

Overarching Operational Goal

315. The review of the AMSs indicate that the tourism sector has played an important role in the economic growth and development of many AMS, and it will continue to be an important driver of job creation and growth, and a means of reducing poverty and inequality and promoting inclusivity. Thus, in the immediate term, the priority is expectedly the resumption of business and employment in the sector. Environmental and community impacts of excessive tourism have also been identified as major concerns. Thus, there has also been a growing awareness of and support for sustainable tourism approaches that are necessary for the long-term viability of the sector. The challenge is to how to manage growth, not limit it, such that it is appropriate to the tourists, the destination environment, and the host population. Thus, the overarching operational goal may proposed as follows:

Continue to promote the growth and development of the tourism sector, as a critical contributor to overall economic growth and development, but with a stronger awareness of and focus on the environmental and socio-cultural impacts of tourism activities and resolve to undertake initiatives to reduce tourism's adverse footprint on the environment and communities and enhance the environment and communities' well-being.

316. Tourism has many dimensions. The visitors, industry, communities, and environment (VICE) model captures the goals for these four key dimensions of tourism, as well as the interactions among them. Utilising the VICE model, the following strategic goals are defined: <u>Strategic Goal 1 - Visitor satisfaction and engagement</u>: Visitors from more diverse countries who are aware of the sustainability implications of their travel decisions and actions and will act responsibly toward the community and the environment, as they experience a high level of satisfaction and access through a wider choice of tourism destinations and travel segments in the region, where sustainable approaches are practised and their health, safety and security are assured.

- 317. Visitors are the primary actor in tourism, and thus play a critical role in achieving sustainable tourism. For instance, their preferences in terms of physical environment, infrastructure development, modes of transport, and choice of services/service providers in the tourism destination can affect the achievement of sustainable tourism development. They also need to develop a wider understanding of sustainability that goes beyond environmental issues. Tourists' responsible behaviour towards the environment and local communities has important impacts on tourism in developing countries including Small Island Developing States (SDIS). Areas of intervention include promotion, education, and communication to raise visitors' sustainability awareness and direct contribution to sustainable development of tourism (i.e., carbon calculator, purchase local, zero waste, etc); regulations, guidelines, or codes of conduct where appropriate; and pricing and charging that reflect user/polluter pays principle, which can be made more acceptable if they are accompanied by some assurance that funds collected will be appropriately spent, e.g., to support conservation, maintenance or other local community purposes.
- 318. A key outcome of the pandemic is that it has led to the development of a new pathway for social transformation that is supportive of sustainable tourism development. That is, it has forced a change in the mindset of visitors that it is a privilege to be able to travel again after the long lockdown forced by the pandemic. There is more recognition that they now need to behave (more) responsibly to protect their health, as well as the health of other travellers and the local community. The challenge is to transform this new or stronger sense of responsibility to a "sustainable" mindset. Recent WTTC reports (e.g., WTTC 2021d; WTTC and Wyman 2020) have also indicated that an increasing number of global travellers have expressed preference for more sustainable travel in the future and expect more sustainable travel options from the industry. This shift in consumer demand can then propel the industry to shift towards long-term sustainability practices.

<u>Strategic Goal 2 - Industry profitability/viability</u>: Develop an industry where all business aspects of tourism are viable and competitive and link their competitiveness and potential economic viability to tourism sustainability. Sustainability makes good business sense. The local tourism industry is aware that the main priority of sustainability is to ensure long-term economic benefits that are equitably distributed across businesses of different sizes, communities, and other stakeholders, while ensuring the responsible use of natural/environmental resources. Social responsibility of tourism businesses also fosters sustainability.

319. **Meeting the challenges to deliver quality jobs, minimise resource use,** support communities, promote sustainable transport, and improve accessibility partly rests on how businesses respond to these challenges. Important forms of business support include fostering a favourable business climate, providing secure and safe destinations, setting and promoting quality standards, minimising unnecessary red tape, delivering skills training, and assisting with access to markets. As noted earlier, shifting consumer demand may lead to greening of the industry. Sustainable businesses may also be promoted through incubator schemes or certifications programs. The use of renewable energy sources and green and climate smart technologies may also be incentivised. Studies indicate that the availability of public incentives encourages SMEs to adopt environmental management practices. The belief that transformations in the industry can be enabled by sustainable tourism has gained momentum in the aftermath of COVID-19.

<u>Strategic Goal 3 – Community prosperity and engagement</u>: Communities that derive widespread and equitably distributed economic benefits from tourism, including business opportunities and quality employment, as well as indirect benefits from investments in infrastructure and provision of social services. This would also improve opportunities, income, and services available to the poor, underprivileged, and vulnerable. Communities' historic heritage, authentic culture, traditions and distinctiveness are also respected and enhanced, and cultural and creative industries are promoted and supported. Communities are integrated into decision-making processes related to the development and management of tourism in their area.

320. **Tourist needs and expectations are typically the core drivers of tourism** planning and development. But those who must live with the consequences of tourism are also key stakeholders. Thus, it is important to find ways to engage and empower local communities through public consultations, not just to inform them or seek their inputs on proposed plans, but to allow them to be part of discussions on the development of tourism policies. How the benefits are distributed to different types of businesses, subsectors, and communities need to be understood. Undertaking this in practice is not likely to be easy and may require capacity building, workshop, or focus group discussion. The appropriate format would depend on the nature of the destination community and the overall political, social, and cultural context. Community involvement in tourism planning is important to manage perceptions and ensure that tourism truly supports a community to thrive.

<u>Strategic Goal 4 - Environment protection and enhancement</u>: Environment that is protected and preserved through low carbon and efficient use of resources in the development and operation of tourism facilities and services; with conservation of biodiversity and protection of the natural environment; minimisation of air, water, and land pollution and the generation of waste by tourism enterprises and visitors; and climate change mitigation and adaptation.

- 321. More than any other industry, tourism depends on the integrity of the natural environment. The COVID-19 pandemic not only adversely affected businesses, jobs, and economies, but put wildlife conservation and overall conservation efforts in jeopardy as well. In particular, the sudden fall in tourism revenues cut off funding for biodiversity conservation, and cases of poaching and looting are expected to rise as livelihoods driven by tourism in and around protected areas dwindle (UN 2020).
- 322. **Thus, environmental responsibility is a fundamental requirement for** sustainable tourism development and building a more sustainable industry means working within its environmental limits. The impacts of tourism on the natural environment are multi-dimensional; similarly, environmental considerations have significant shortand long-term impacts on sustainable tourism development. Thus, tourism has a specific responsibility because of its heavy reliance on natural resources and diverse ecosystems. Resource management is essential for the sustainability of tourism.

Guiding Principles

- 323. The following guiding concepts and principles may be considered in developing and implementing tourism policies for sustainable development:
 - i. Sustainable tourism development applies to all forms of tourism. Unlike eco or green tourism, sustainable tourism addresses social, cultural, economic and environmental issues in all forms of tourism. To be sustainable, tourism will need to consider the needs and quality of life of local communities, enhance and respect culture and local traditions, contribute to local economic prosperity, as well as minimise damage to the environment, in the pursuit of a quality experiences for visitors;
 - ii. Sustainable tourism development requires a holistic approach, as part of an overall sustainable development agenda, to ensure consistence in approach and the best use of scarce resources especially in developing economies;
 - iii. There is no 'one-size-fits-all' solution in the pursuit of sustainability in tourism development. Policies, approaches, and tools need to be adapted to prevailing national, even local conditions, needs, and capacities. Tourism destinations have their own unique features, assets, problems and vulnerabilities, which require adaptable strategies, approach, and inputs from the bottom up;
 - iv. Sustainable tourism development has to involve all relevant stakeholders in both the public and private sectors, taking into account and balancing their respective positions and motivations. This requires appropriate institutional structures to help governments work in harmony both internally and with the private sector and other stakeholders to pursue sustainable tourism development. A structure for government to engage private sector and other stakeholders is also important in the formulation of a relevant strategy, policies, and actions for sustainable tourism, as well as for effective coordination of actions;
 - v. Because of the tourism sector's fragmented nature, public concern issues, and required institutional capacity for sustained tourism development, governments play a leading role. More generally, strong leadership and political support is also necessary to ensure wide participation and consensus building;
 - vi. Sustainable tourism development should be seen as a continuous, long-term process of improving and adapting to changing conditions, instead of an end-

state, because tourism and its contexts are dynamic in nature;

- vii. It is critical to measure how successfully the region is moving towards sustainable tourism. Effective monitoring and evaluation are essential to track progress toward tourism sustainability in all its dimensions and guide necessary policy adjustments, which in turn require developing practical and practicable monitoring systems, mechanisms and tools such as indicators;
- viii.Digital and innovative technologies have widespread usefulness and application for sustainable tourism development;
- ix. Regional cooperation is another pathway toward sustainable tourism development. Strategic regional cooperation and coordination can add value to and support the national agenda. In particular, a collaborative approach to deal with the big challenges would allow the sharing of best practices and more efficient pooling and use of resources; and
- x. While regional harmonisation is not the end-goal, it should also be noted that too big differences in terms of commitment to pursue sustainable tourism development may lead to a race to the bottom; e.g., competition for tourists may drive down sustainability standards, which would be problematic for the whole region.

B. Key Pillars and Strategic Priorities³¹

324. As noted earlier, the five central pillars deemed as the key elements of sustainable development to which tourism could make a significant and lasting contribution also neatly align with the ASEAN Community structure, making them a good starting point for the proposed framework with further adjustments/enhancements drawn from other relevant frameworks including those developed on other sectors of the ASEAN Community. Given the interactions among the four dimensions of tourism, the pillars are also inter-related and overlapping.

³¹ Virtual consultation meetings to gather information on relevant cross-sectoral initiatives related to sustainable tourism development were held over the period 7-28 June 2022 with the ASEAN Secretariat's desk officers handling: (i) Energy and Minerals; (ii) Culture; (iii) Sustainable Economic Development/Circular Economy (AMFSED/AIMD); (iv) Statistics; (v) AEC monitoring (MSCD/AIMD); (vi) Poverty Eradication and Gender; and (vii) Environment. Other information was drawn on sectoral documents available on the ASEAN website. Their cooperation and support are gratefully acknowledged; the usual caveat applies.

Pillar 1: Sustainable Economic Growth

- 325. Sustainable economic growth or economic prosperity is typically the first pillar in sustainable tourism development plans even for developed economies. Achieving a sustainable economic growth means building a strong, stable, and sustainable economy that provides prosperity and opportunities for all, and in which environmental and social costs fall on those who impose them (polluter pays) and efficient resource use is incentivised. The viability and competitiveness of tourism destinations and businesses need to be ensured for them to continue prospering and delivering benefits in the long-term, including visitor satisfaction and contributing to the host destination's prosperity. The challenge is influencing businesses to relate their competitiveness to sustainability practices. Hence, the call for the transition to the circular economy including in the tourism sector, which entails investment to transform tourism value chains; prioritisation of sustainable food approaches for circularity; and a shift towards a circularity of plastics in tourism. Strategic priority areas for intervention include:
 - i. Sustainable tourism policy, regulatory environment, and strategy; overall enabling business environment and support;
 - ii Promotion of green investment; investment in physical infrastructure (enhance the reach, sustainability, and quality of transport by investing in airports, roads, and other transport infrastructure and promoting sustainable modes of transport), and digital infrastructure (capitalise on new technological solutions for tourism development and smart destinations); and
 - iii. Marketing campaigns, e.g., that highlight health, hygiene and safety; and product development/diversification for greater resilience, such as health and premium wellness experiences and ecotourism.
- 326. The five strategic priorities to promote ASEAN's transition towards circular economy (CE) identified in the *Framework for Circular Economy for the ASEAN Economic Community*, and the implementation plan currently under development will have direct relevance and application to the tourism sector. Several current initiatives under trade, services and investment; finance; transport; food, agriculture and forestry; energy; ICT; science and technology; and environment have been identified as relevant to the CE framework in the region.

- 327. The ASEAN Committee on Consumer Protection (ACCP) is also developing the ASEAN Toolkit for Sustainable Consumption to help formulate effective policies to promote sustainable consumption and sustainable consumption production in the region. Four modules are being developed on: (i) concepts and principles of sustainable consumption; (ii) best regional and international practices and approaches to policies that promote sustainable consumption; (iii) tools and instruments used in influencing consumer behaviour; and (iv) use of appropriate instruments and tools in selected sectors. The Toolkit is expected to be completed before the end of the year.
- 328. It remains to be seen exactly how the tourism industry's commitment to sustainable development would be affected by COVID-19. It is reasonable to argue that businesses would be in a better position to address longer term sustainability-related concerns once their businesses have reopened, and some semblance of normality has been restored to their industry. But especially in developing economies like those in ASEAN, the need for the various aspects of sustainable development is still significant and even worsened because of the pandemic (e.g., poverty and hunger eradication, widespread availability of clean water and sanitation development, promotion of gender equality). The complexity of the relationship between society and nature highlights the importance of developing and refining conceptual frameworks on sustainable development, and by extension sustainable tourism development, that situate them within wider economic, social, and political structures.

Pillar 2: Social Inclusiveness, Employment, and Poverty Reduction

329. A key contribution of tourism to sustainable development is employment generation. In addition to reducing poverty and inequality, the sector is well placed to further engage, protect, and promote vulnerable and disadvantaged groups, including women, minorities, and young people who are more strongly represented in the sector compared to other economic sectors. Inclusive tourism also entails providing a high level of access and quality experiences for people with physical, sensory, and other disabilities. An inclusive ASEAN also involves a greater focus on people engagement and empowerment. Strategic priority areas for intervention include:

 More quality jobs in the tourism sector, including the level of pay, conditions of service and availability to all, supported by fair labour practices and regulations and investment in human resources (i.e., skills training/retraining programmes);

Addressing this area would involve cross-pillar engagement between tourism and the ASCC sectoral working bodies in charge of: (i) labour; and (ii) education;

- Widespread and fair distribution of direct and indirect economic and social benefits from tourism throughout the local community, with additional focus on improving opportunities, income, and services available to the poor and disadvantaged (e.g., utilise income from tourism to support social programmes);
- iii. Address specific vulnerabilities faced by women both in the formal and informal sectors, such as seasonality/part-time work, low wages/wage gaps, precarious working conditions, and sexual harassment. Studies have shown that gender inequalities result in economic costs, social inequities, and ecological damage, while women's involvement in tourism development and decision-making brings unique and invaluable wisdom to the process and underpins sustainability;
- iv. Targeted interventions for more sustainable locally driven MSMEs (e.g., capacity building such as training on business and ICT skills, market access, accessible finance, standard setting, and marketing e.g., of locally produced goods); and
- v. Develop public-private-community partnerships/mechanisms to engage and empower local communities in the planning and decision-making process about the development of long-term inclusive and sustainable tourism strategies. A greater sense of ownership and well-being among locals would promote social cohesion and facilitate tourists-locals' relations.
- 330. In November 2020, ASEAN Labour Ministers adopted the Guideline on Gender Mainstreaming into Labour and Employment Policies towards Decent Work for All, which is envisioned to enable greater promotion of gender mainstreaming into labour and employment policies in ASEAN.
- 331. **The ACW and ACWC oversee the gender-mainstreaming agenda of ASEAN.** A report on *ASEAN Gender Mainstreaming Strategic Framework 2021-2025*, which was endorsed by the ASEAN Ministerial Meeting on Women (AMMW), was published in September 2021. In January 2022, ACW and ACWC virtually launched

the ASEAN Gender Mainstreaming Strategic Framework, which was attended by representatives from all three ASEAN Communities and dialogue and development partners. The framework establishes concrete steps for a whole-of-ASEAN approach to ensure that gender equity is incorporated across the ASEAN Community agenda. To implement the framework, a steering committee composed of representatives from relevant sectoral bodies is being proposed, including a representative from the tourism sectoral body, perhaps the Chair of the ASEAN Sustainable and Inclusive Tourism Development Committee (ASITDC).

- 332. Ideally, the ASEAN framework should have preceded the work at the sectoral level. Because the ASEAN Gender and Development Framework in Tourism was completed first, the sector's representation in the proposed steering committee would help ensure consonance between the two frameworks.
- 333. On poverty eradication, the ASEAN Framework Action Plan on Rural Development and Poverty Eradication 2021-2025 was recently endorsed by the Senior Officials Meeting on Rural Development and Poverty Eradication (SOMRDPE). And the ASEAN Master Plan on Rural Development is currently being developed by SOMRDPE.
- 334. Sustainable rural development is essential for the economic, social, and environmental viability of, and poverty eradication in several AMS. Because rural development is a crosscutting component of sustainable development, a crosssectoral and multi-stakeholder process at the national and regional levels is also envisioned for ASEAN.
- 335. In particular, the Action Plan identified five key result areas and their corresponding strategic objectives, which included the economic area whose strategic objective is to fast-track rural transformation to enable participation in socio-economic opportunities. Two target outcomes under this strategic objective explicitly mentioned tourism in their outputs:
 - Institutionalised territorial rural development planning process that strengthens rural-urban linkages and facilitates inclusive rural transformation leading to economic self-sufficiency of rural people: Enhancing rural tourism development model associated with conservation and promotion of traditional cultural values;

and

- ii. Enterprises along business services provision are developed, managed cooperatively, have become readily accessible to local communities: ASEAN Knowledge Sharing on Village Tourism Development.
- 336. **The involvement of the tourism sectoral body in the process is vital given** the prominent role of rural tourism in the region. The Action Plan is considered a living document, in which other relevant regional initiatives, including those coming from the tourism sectoral body, may be proposed for consideration by SOMRDPE.
- 337. The concept note on the Proposed ASEAN Master Plan on Rural Development also recognised the need to go beyond the usual dichotomy between urban versus rural areas towards integrated territorial approaches that recognise agriculturaland non-agricultural based relationships, transactions, and dynamics, including with tourism. The concept note also recognised the fragmented/compartmentalised approach to rural development and poverty eradication, both at the national and regional levels. Thus, going forward, a comprehensive guiding framework that would set common strategic directions for the three ASEAN Community pillars, with differentiated priorities and actions at the national level is needed for an inclusive rural transformation in the region. Among others, support from Senior Officials' Meeting on Agriculture and Forestry (SOM-AMAF) will be sought together with the other relevant ASCC sectoral bodies - Senior Officials Meeting on Social Welfare and Development (SOMSWD), Senior Labour Officials Meeting (SLOM), and ASEAN Committee on Women (ACW). Tourism, particularly rural tourism, is figuring in prominently in the national consultations on the proposed Master Plan Thus, involvement of the tourism sectoral body in its development process would be ideal, starting with the planned presentation of the Draft Master Plan to ASEAN bodies and stakeholders in July 2022.

Pillar 3: Resource Efficiency, Environmental Protection, and Climate Change

338.**COVID-19 led to a renewed focus on sustainability and the natural** environment. And even after the effects of the pandemic-induced crises have been resolved, risks will continue including dwindling resources and climate change. To the best extent possible, the impact of tourist facilities on the environment should be minimised in recognition of the fact that the environment is a finite resource. Thus, there must be a cohesive approach to tourism and the environment, particularly where tourismrelated economic growth is decoupled from environmental degradation and excessive resource use.

- 339. **Overall, the ASEAN region is under incredible stress with respect to its** resilience and sustainability due to loss of biodiversity, pollution of water bodies, loss of tropical rain forests, increasing solid and industrial waste, and plastic marine pollution. The region is also very prone to natural disasters, making it especially vulnerable to climate change's ill effects. Thus, fostering sustainable development requires strengthening natural resource management; encouraging and empowering communities to engage in biodiversity conservation and sustainable use; and promoting clean energy and the circular economy. Priority areas for intervention include:
 - Low carbon and improved efficiency in the use of scarce and non-renewable resources among tourism businesses and destinations; promote a reducereuse-recycle mentality; and engage with managers, employees, and tourists to raise awareness of efficient resource use and environmental protection;
 - ii. Focus on environmental protection, ecosystem preservation, and biodiversity conservation; establish guidelines that will further enhance environmental protection through engagement with the private sector, academia, and local communities; support conservation efforts and capture the value of conservation through tourism; and invest in nature-based solutions for sustainable tourism; and
 - iii. Mitigate the effects of climate change by encouraging the monitoring and reporting of CO_2 emissions from tourism operations, accelerating the decarbonisation of tourism operations through market-based incentives to promote energy efficient practices, and engaging the tourism sector in carbon removal.
- 340. Efficient use of energy and other resources is one of the five strategic priorities of the *Framework for Circular Economy for the ASEAN Economic Community.* Included among the proposed initiatives are: (i) strengthening coordination and collaboration across all relevant stakeholders in the ASEAN community to promote the use of renewable energy and energy efficiency; (ii) promoting responsible business

conduct, and greening of supply chains and production processes; (iii) encouraging companies to disclose carbon performance and to implement improvements that enhance resource efficiency, resilience, and sustainability in a cost effective way; and (iv) promoting green jobs, and the re-skilling and upskilling of workers to adapt to new products and services, for circular production processes and business practices.

- 341. The environment sector is under ASCC, specifically under the ASEAN Ministerial Meeting on Environment (AMME), which provides overall policy and strategic guidance related to ASEAN cooperation on environment. AMME is supported by the ASEAN Senior Officials on Environment (ASOEN). ASEAN cooperation on environment focuses on two dedicated inter-related main work streams: environment and transboundary haze pollution. Under environment, ASOEN oversees seven thematic working groups who lead the technical and operational implementation of ASEAN's environment agenda through Working Group Action Plans on: (i) nature conservation and biodiversity; (ii) coastal and marine environment; (iii) water resources management; (iv) sustainable cities; (v) climate change; (vi) chemicals and waste; and (vii) environmental education.
- 342. In particular, the ASEAN Working Group on Nature Conservation and Biodiversity (AWGNCB) has two key initiatives related to tourism, particularly ecotourism. Under AWGNCB Action Plan, "developing guidelines for promoting ecotourism" was specifically mentioned as one of the indicative activities of the Focal Area: Ecosystem Services, which aims for the value of ecosystem services to be determined and ecosystem services sustainably utilised. An ecotourism action plan is currently being developed to provide guidelines on ecotourism in the region. The other key initiative is the ASEAN Heritage Parks (AHP) Programme, which is a flagship initiative that recognises national parks and nature reserves with outstanding wilderness and biodiversity values. The AHP Programme highlighted "promotion of a common identity and collective action in terms of education and public awareness and ecotourism" as one of AHP management aspects. The ASEAN Centre for Biodiversity (ACB) is the Secretariat for the AHP Programme. AHP Programme now covers 50 heritage parks across ASEAN. "Improving Management Effectiveness of the ASEAN Heritage Parks through Capacity Development and Biodiversity Information Management" is one of the latest activities implemented by ACB with the support of the Japan-

ASEAN Integration Fund (JAIF), which focuses on providing understanding of the elements and principles of ecotourism and the policies and standards of ecotourism as practiced in selected AHPs and shared experiences and lessons learned on recreation, tourism, and ecotourism.

343. Other related initiatives under the environment sector that are relevant to tourism are the ASEAN Environmentally Sustainable City (ESC) Award programme; and two key studies published in 2019: (i) *Circular Economy and Plastics: A Gap-Analysis in ASEAN Member States*, which looked at the issues and policies on plastics in the 10 AMS, identified the major gaps and proposed actions to address them, and recommended region-wide initiatives toward a circular economy for plastics in ASEAN; and (ii) *Waste Management in ASEAN Countries*, which examined the waste management landscape in the 10 AMS, identified existing waste management challenges and gaps, and set out some recommendations. While other strategic priorities under environment do not explicitly mention tourism, they are relevant to tourism destinations' environmental sustainability.

Pillar 4: Cultural Values, Diversity, and Heritage

- 344. **Tourism can promote/amplify the preservation and enhancement of rich** cultural heritage through initiatives to restore and promote significant buildings and traditions and foster meaningful encounters between people of diverse cultures. Socio-economic benefits may also be gained through cultural tourism and development of creative industries. Avoiding risks of physical damage to heritage site or the misrepresentation of cultural practices requires proper management, including raising awareness and understanding among visitors. Priority areas for intervention include:
 - i. Promote and enhance the diverse cultures through cultural tourism, e.g., by closer integration of cultural and tourism policies and planning;
 - ii. Safeguard tangible and intangible cultural heritage through proper planning and management, including close monitoring of carrying capacities of cultural sites and destinations, proper pricing, and engaging and empowering of host communities as the guardians of cultural heritage; and
 - iii. Promote living culture and the creative industries through tourism, which can revitalise the creative arts, historic buildings, and local communities, and

harness the contribution of the creative industries towards innovations and generating livelihoods; examples include traditional music, arts, gastronomy, and locally produced handicrafts.

- 345. Culture is assigned a key role to achieve a dynamic and harmonious ASEAN Community that is aware and proud of its identity, culture, and heritage. In particular, the agenda of the culture sector under the ASCC includes the conservation, preservation, and safeguarding of the ASEAN Community's cultural heritage. In addition to deepening an ASEAN mindset and facilitating intercultural dialogue among the peoples of ASEAN, other key objectives include engendering among its peoples a sense of ownership of the preservation and conservation of ASEAN's cultural heritage, and promoting the use of culture for creativity, innovation and livelihood creation. Under the last objective, a key priority area is to "Endeavour to collaborate with the tourism sector in AMS (including the private sector) to promote cultural and heritage tourism."
- 346. **There is a natural synergy between the work of the culture and tourism** sectors. Other initiatives of the culture sector on the conservation and protection of heritage sites, and promotion of cultural and creative industries include:
 - ASEAN Cultural Heritage Digital Archive (ACHDA), which aims to develop a digital archive that will support the AMS' efforts in the digitisation of cultural heritage collections (e.g., documents, paintings, artworks, museum collections), serve as a regional platform to share digital archives among AMS, and promote public access to the digital archives of AMS;
 - ii. Proposal to set up an Expert Panel and Ad-hoc Working Group on the Feasibility Study of the ASEAN Cultural Heritage List; and
 - iii. ASEAN Small and Medium-Sized Cultural Enterprises (SMCEs) Caravan, which is a recurring week-long touring caravan consisting of exhibition, performances, lectures, and workshops focusing on intellectual property rights (IPR) protection and administration, and best practices and current trends in the small and mediumsized cultural enterprises.
- 347. **Upcoming events are also planned, such as a music and dance** performance, workshop/master class and virtual art gallery exhibition on "Sarong Diplomacy:

Unity in Cultural Diversity"; a forum to brainstorm on how to promote and strengthen the role of art and culture as drivers of inclusive and sustainable development; workshop to re-promote the natural dye textile tradition of AMS; and conference on empowering MSMEs in ASEAN gastronomic business, all of which would benefit from the participation of and collaboration with the tourism sector. The formulation of a roadmap on the role of culture in sustainable development has been identified as a priority area of action in the Strategic Plan for Culture and Arts but is yet to be developed. Such as roadmap would help to synthesise approaches and harness the synergies between the culture and tourism sectors, indicating an important role for the tourism sectoral body in its development.

Pillar 5: Mutual Understanding and Peace; Health, Safety, and Security

- 348. **Tourism cannot take place without peace, safety, and security. And a** sustainable, well-managed tourism sector can contribute to the building blocks of peace and mutual understanding. Thus, the safety and security of both visitors and locals must be ensured to develop a thriving, sustainable tourism sector.
- 349. Like how the September 11 attacks in the United States radically changed global security protocols while traveling, the COVID-19 pandemic is also expected to permanently change health and hygiene protocols. The need for national emergency mechanisms and crisis management systems to be in place in tourism destinations has also been amplified. Priority areas for intervention include:
 - i. Management of security issues to reinforce the reputation of the region as a secure destination;
 - ii. Multi-hazard risk management systems and structures for enhanced communication, collaboration, co-ordination, and partnerships among the relevant government agencies, between the public and private sectors, and across borders to facilitate swift and effective crisis management and recovery responses; and where necessary, involvement of the tourism minister in the national crisis committee would ensure that the specific needs of the sector are more properly addressed; and
 - iii. Integration of preparedness planning: crisis preparedness plans that include

financial and other support for the most severely affected sectors; collaboration with the private sector to determine what kind of assistance would be needed in different crisis scenarios; and understanding the effects of crises on the tourism sector, so that governments and ASEAN can better address them and ensure the sector's future resilience; and

- iv. Establish/Leverage existing relationships with other regional and international organisations for sharing of information, experiences, best practices, and more importantly, developing common, holistic responses and solutions. A more compelling case can be made for governments to cooperate and intervene at the international level to protect lives and livelihoods worldwide.
- 350. **ASEAN recognised that it is the most natural disaster-prone regions in the** world. The basic framework on disaster management, the ASEAN Agreement on Disaster Management and Emergency Response (AADMER), came into force in December 2009 and was further refined in 2016 for the ASEAN Vision 2025. The ASEAN Coordinating Centre for Humanitarian Assistance on disaster management (AHA Centre) was then established in Jakarta in November 2011. The new AADMER Work Programme for 2021-2025 developed under the leadership of the ASEAN Committee on Disaster Management (ACDM) was published in 2020, which incorporated relevant provisions of other ASEAN agreements and documents, such as ASEAN Vision 2025 on Disaster Management, ASEAN Declaration on One ASEAN One Response (OAOR), and the ASEAN ICT Roadmap on Disaster Management for 2025. Implementation of the new work programme is overseen by three ACDM Working Groups.
- 351. A more focused initiative in the region is the ASEAN Leaders' Declaration on Disaster Health Management adopted in November 2017, which was implemented through a Plan of Action endorsed in August 2019 that included the establishment of the Regional Coordination Committee on Disaster Health Management (RCC-DHM) as overseer. The goal is to develop an effective regional collaborative mechanism for the sustainable development of disaster resilient health system by the 2025. Multisector participation in disaster health management was also called for, including collaborating with other relevant ASEAN platforms such as the AHA Centre.

- 352. **The ASEAN Comprehensive Recovery Framework (ACRF) was adopted at** the 37th ASEAN Summit in November 2020. To oversee the implementation of the ACRF, the ASEAN Coordinating Council Working Group on Public Health Emergencies (ACCWG-PHE) was set up, which was composed of senior officials from all three Communities, the Committee of Permanent Representatives to ASEAN (CPR) and other relevant sectoral bodies such as health officials. Finally, the Bandar Seri Begawan Declaration on the Strategic and Holistic Initiative to Link ASEAN Responses to Emergencies and Disasters (ASEAN SHIELD) was adopted in October 2021, to promote and implement ASEAN SHIELD, which is a strategic, holistic, cross-sectoral, and coordinated approach across the ASEAN Community to ensure ASEAN's collective, rapid, effective, and timely response in mitigating the impacts of different types of emergencies and disasters affecting the region.
- 353. Also in October 2021, Senior Officials Meeting on Health Development (SOMHD) endorsed the ASEAN Post-2015 Health Development Agenda (2021-2025), which included ASEAN Health Clusters 2 on Responding to All Hazards and Emerging Threats with three goals: (i) to promote resilient health system in response to communicable diseases, emerging infectious diseases, neglected tropical diseases and zoonotic diseases; (ii) to enhance regional preparedness and response to public health emergencies and ensure effective disaster health management in the region; and (iii) to prepare and respond to environmental health threats and other hazards, including the health impacts of climate change in the region.
- 354. Simply put, the capacity of ASEAN to deal with a region-wide catastrophic event was tested by the health and socio-economic crises brought on by the COVID-19 pandemic. It would be instructive to examine exactly how well the region did in terms of mounting an effective collective response once the pandemic has been adequately resolved. This exercise would also be useful in better defining the role of the tourism sector in regional crisis management strategies. Deeper institutionalisation of a multilayered and cross-sectoral governance approach would also help the region address any such future crises more expeditiously. This is also the rationale for the recent report that ASEAN Health Ministers are pushing for the accelerated establishment and operationalisation of the ASEAN Centre of Public Health Emergencies and Emerging Diseases (ACPHEED). Ultimately, the capacity for cooperation and action from each AMS and the region is heavily influenced by their ability to coordinate policies and resources.

Cross-Cutting Factors: Institutional Dimension

- 355. The institutional dimension is cross-cutting and refers to the requirements in terms of governance, policies, and tools to plan, guide, support and coordinate sustainable tourism development at the local destination, national, and regional levels. Governance is focused on structure and processes for decision-making, accountability, control, and behaviour. Governance structures include cooperation, collaboration, and coordination among all relevant stakeholders. Cooperation and delegation of roles within countries and across the region are essential to effectively govern the tourism industry. Partnerships formed between intergovernmental departments, tourism businesses, civil society, local communities, tourists, international organisations, and other stakeholders are the building blocks for harnessing the full potential of sustainable tourism development. Ideally, these are defined initially as part of the preparation for developing an action plan. Timely, accurate, and comprehensive data to measure and monitor tourism performance, impact, and sustainability is also critical. And technology operates as an overall key driver of the synergies among the different stakeholders and sustainability pillars. Priority areas for intervention include:
 - i. Develop effective coordination and partnership structures at the local/regional destination, national, and regional/international levels;
 - ii. Timely and accurate data collection, analysis, and monitoring framework; capacity building;
 - iii. Promote understanding and usage of digital technologies across the tourism sector; and
 - iv. Ensure adequate financial and human resources.
- 356. **Governance structure and modality for cross-sectoral engagement. It is mostly at the local/regional destination level** where necessary actions to plan, promote, and manage sustainable tourism development take place. Effective governance at the local level requires: (i) effective coordination; (ii) multi-stakeholder governance and management structures; and (iii) community engagement. At the national level, strong governance frameworks entail: (i) national-level recognition of sustainable tourism development (ii) inter-ministerial liaison groups on tourism; and (iii) national

multi-stakeholder bodies on tourism. Effective coordination between governance at the local/regional and national levels is also necessary.

- 357. The regional sustainable tourism frameworks reviewed in Part 3 all highlighted the importance of effective tourism governance structures in the development and implementation of sustainable tourism strategies. They include tourism ministries and institutions, and how they relate to other areas of government that affect its sustainability and performance, as presented in Table 3. They also consider the presence of structures and mechanisms for engaging public, private, and third sector stakeholders, including local communities, at different levels, e.g., as presented in Table 4. According to UNWTO, an ideal structure would be a permanent forum or standing conference for stakeholders representing different interests, and a smaller body or council to deal with more detailed work.
- 358.**Developing a strategy for sustainable tourism should already be a** participatory process that involves a range of stakeholders to foster wider adherence to the strategy and commitment to its implementation. This was evident in the way the EU, Caribbean Tourism Organization (CTO), and South Pacific Tourism Organisation (SPTO) developed their sustainable tourism development frameworks, with the whole process from initial consultations to the final product taking more than a year for SPTO and more than two years for the EU and CTO.
- 359. **Replicating the experience of the other regional groupings, that is,** simultaneously convening all relevant stakeholders from the public and private sectors and other stakeholders, could be difficult for ASEAN tourism given the existing governance structure in ASEAN that could mean the attendance of a representative for each AMS from every relevant sector and in the absence of a central organisation similar to CTO and SPTO in the region that could shepherd the whole process full time. Instead, unpacking sustainable tourism development into its key elements and forging partnerships with the relevant sectoral bodies that also work on those elements would make the process more manageable and lead to more definitive courses of action for the tourism sector. In a way, that is already the approach that will be followed in the updated ATSP³². Country coordinators are also assigned to take the lead for specific initiatives.

³² For instance, under 2.1.1.1 Work with SME Committee and other relevant bodies in developing programs for the MSMEs to mitigate the impacts of COVID-19.

- 360. A way to streamline the process may still be explored. A few examples of successful cross-sectoral collaboration in ASEAN identified the importance of having an expert facilitator or specialist who can translate the work of the other relevant sector in the context of tourism as well as guide/support the collaboration between the sectors, whether that is a person or an institution. For instance, the ACW's work on gender and climate change involved engaging the senior officials for energy, with the ASEAN Centre for Energy playing a key facilitative role in the engagement. Later, when the partnerships have been established and the parameters for cooperation, coordination, and/or collaboration have been identified, a cross sectoral governance structure may be considered. One example would be the governance structure for the ASEAN Qualifications Reference Framework, which involved the trade, labour, and education sectors.
- 361. **Finally, it should be noted that establishing governance and collaborative** partnerships is a complex exercise. The challenge in engaging a multi-sector, multi-layered and diverse group of stakeholders is having to simultaneously address mixed and potentially conflicting agendas. Hence, the need for strong leadership whether at the national or regional levels.
- 362. **Measuring sustainable tourism development**. **Timely, accurate, and** comprehensive data to measure and monitor tourism performance, impact, and sustainability is critical across the five pillars of sustainable tourism development. The need for more and improved data is also recognised across all stakeholder groups, cutting across the regional, national, and sub-national (including local) levels, for informed decision-making. That is, the success of tourism is measured by its sustainability along all three dimensions, and not just by its own performance as reflected in the tourism-related Sustainable Development Goals (SDG) indicators.
- 363. The task of measuring sustainable tourism is extremely challenging; hence, the use of more readily available data and indicators is understandable. But it is investment worth undertaking if progress towards sustainable tourism is to be concretised. For ASEAN, the development of an ASEAN Sustainable Tourism Toolkit should be undertaken to assist the relevant stakeholders in tracking the progress of existing sustainability practices in the region. The aforementioned toolkit shall take into consideration to what extent destinations respond to sustainability criteria

set forth and how/what to do in order to fill the gap. The discussion of potential monitoring frameworks for sustainable tourism in Part 3.F indicate that a combination of methodologies and data sets is ideal. But developing any monitoring system will require significant investment in terms of time, resources, technical expertise, ICT/ digital infrastructure, and governance frameworks.

- 364. In the case of big data, it is already being generated across the region using various health related QR codes for visitors. Developing the policy to extend its use to more general monitoring of sustainable tourism, and capacity to refine and mine the data generated are the next steps. Singapore and Thailand's successful application of big data for tourism contains key lessons for other AMS, particularly the usefulness of the data not just for government, but for businesses and consumers as well, which should make the process of data collection more acceptable to them.
- 365. At the ASEAN level, the ASEAN Community Statistical System (ACSS) Committee began a new initiative on big data in 2019 to enhance existing official data. Capacity building began in 2021 because there were big gaps in the region in terms of knowledge, skills, and technological capacity. And in 2022, pilot projects on the utilisation of big data started in five AMS – Indonesia and Malaysia are the leads, plus Cambodia, Lao PDR, and the Philippines. The need for external support in this area in ASEAN is especially highlighted, both in terms of building human capital and the necessary ICT/digital infrastructure.
- 366. There is still much that needs to be done to realise the potential of big data and digitisation for better tourism monitoring and policy. A comprehensive agenda is required to address: (i) overall ICT readiness and cost; (ii) data privacy; (iii) cybersecurity; (iv) skills gap; (v) structural dependency, i.e., reliance on data sets and platforms primarily owned by private companies; (vi) inclusion of MSMEs; and (vii) lack of governance and policy support, e.g., inadequate legal frameworks to regulate big data applications, and incentives and regulations to facilitate data sharing through public–private partnerships.
- 367. In the region, existing relevant frameworks are: (i) ASEAN Digital Data Governance Framework, which deals with cross-border data transfer rules, data classification approach, data privacy protection, and data-driven innovation; and (ii)

ASEAN Cybersecurity Cooperation Strategy 2021-2025, which has five strategic priorities: (i) advancing cyber readiness cooperation; (ii) strengthening regional cyber policy coordination; (iii) enhancing trust in cyberspace; (iv) regional capacity building; and (v) international cooperation.

- 368. **Technology/Digitalisation as a driver of the synergies in sustainable** tourism development. COVID-19 accelerated digitalisation and the use of big data, as governments sought to better understand the impacts of the pandemic on traveller movement and habits, and support businesses to develop better and smarter products and services. Digitalisation also promoted the introduction of seamless travel technologies and accelerated the piloting of digital travel certificates. There is still plenty of room to capitalise on new technological solutions for sustainable tourism development and smart destinations.
- 369. New technological solutions facilitate evidence-based decision-making, and the responsible management of tourism and its impacts. "Smart destinations" are a boon to sustainable development. Such innovative tourist destinations will be supported by cutting-edge technological infrastructure, which ensures sustainable development of the tourist areas. They will be accessible to all, facilitate interaction and integration between visitors and the environment, increase the quality of visitors' experiences at destinations, and improve the quality of life for the resident population. Smart solutions for destinations include regular and timely measurement of tourism, intelligent promotion of tourism sites, and digital accessibility. 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.
- 370. **One such initiative is the ASEAN Smart Cities Network (ASCN) that was** launched in 2018, which is a collaborative platform where 26 pilot cities from the 10 AMS work towards the common goal of smart and sustainable urban development. ASCN aims to: (i) facilitate cooperation on smart cities development; (ii) catalyse bankable projects with the private sector; and (iii) secure funding and support from ASEAN's external partners.

371. In ASEAN, the governing framework for the digital economy is the ASEAN Digital Masterplan 2021-2025 (ADM2025) has five strategic areas covering: (i) digital infrastructure; (ii) digital transformation; (iii) resilience, trust, and security; (iv) digital policy, regulation and standards; and (v) cooperation and collaboration. Also, ASEAN's integrated strategy on the Fourth Industrial Revolution (4IR) aims to provide a clear, coherent, and coordinated narrative on how it aims to progress digital transformation and embrace new technologies by identifying strengths, gaps, and priority areas and appropriate institutional mechanisms to set directions and actions.

PART 5 SOME CONCLUDING REMARKS AND WAYS FORWARD

372. **The vision of "responsible and sustainable tourism development" was** already articulated in the ATSP 2011-2015, which further stated that:

All strategic directions and actions in the ATSP are guided by responsible and sustainable tourism principles recognising the significant role that tourism plays in poverty reduction, climate change, gender and minority issues, capacity building, cultural preservation, and natural conservation (p. 28).

- 373. Thus, the re-emphasis of the updated ATSP 2016-2025 on sustainable tourism development is a timely reminder that the development of tourism per se is not the end-goal. Rather, efforts should concentrate on the transformation of tourism through a broad consideration of the linkages between tourism and sustainable development in ASEAN. That has been the guiding principle in the preparation of this Study. That is, tourism, as an engine of even sustainable economic growth and development, must also explicitly pursue the improvement of the well-being of local people, dignity of workers, environmental and cultural integrity, as well as the elimination of exploitation, inequalities, and poverty, to be a meaningful channel for sustainable development. The trickle-down effect only works in theory, not in reality.
- 374. This Study has proposed an overall multi-sectoral framework on sustainable tourism development in ASEAN that seeks to capitalise on the work that is already being undertaken by other relevant sectors in the ASEAN Community, and globally, that have direct implications on the pursuit of sustainable tourism development.

Going forward, how sustainable tourism should be more explicitly incorporated in their agenda, and how tourism can incorporate related initiatives into their sustainable tourism agenda need to be further analysed and developed, together with identifying appropriate modalities for cooperation, coordination, and/or collaboration.

- 375. Sustainable tourism development is necessarily a long-term process, which requires comprehensive and adequate planning and implementation. This Study hopes to contribute to facilitating the process by providing an initial operational framework to guide the development of a long-term master plan and detailed implementation plan; that is the development of policies and action programmes that relate to the goals, chosen aims, and strategic objectives, and that indicate lead agencies, tools/ instruments, approximate resources, targets, timeline, and associated monitoring. Coming up with such a master plan and detailed implementation plan will necessarily require more focused studies on specific topics and issues, and deep consultation with the other relevant ASEAN sectoral bodies as well as the private tourism sector.
- 376. This Study is the first such study that covers all ten AMS and contributes to the literature particularly in terms of presenting the current state of sustainable tourism development policy and agenda in each AMS. While it aimed to be comprehensive in terms of covering all relevant aspects and issues, it does not purport to have intensively analysed all critical aspects of sustainable tourism development in each AMS and the ASEAN region. Thus, moving forward, the Study proposes three priority points for consideration in the lead up to 2025:
 - i. Follow-up in-depth studies by area experts, particularly on:
 - Measuring and monitoring the state and impacts of sustainable tourism development at the national and regional levels
- 377. The review of the state of sustainable tourism development in the AMS to date identified the lack of adequate measurement and monitoring of the state and impacts of tourism and sustainable tourism development in many AMS. The discussion of monitoring frameworks in several country papers still need to be further explicated. Parts 3.D and 3.F discussed some measuring and monitoring frameworks being used and/or developed in other regions and by international organisations, which need to be further examined in terms of their suitability in the ASEAN region, as well as the

requirements for their effective implementation (such as statistical expertise, funding, soft and hard ICT infrastructure). How to develop and expand the utilisation of big data for sustainable tourism development in other AMS, similar to Singapore, needs to be intensively analysed. The support/involvement/participation of the statistics offices in the AMS, as well as the ASEAN Community Statistical System (ACSS) Committee will also be critical. Finally, support for capacity building will need to be established.

- Online survey of private tourism industry sentiment
- 378. What is missing in the country papers to date is an in-depth examination of the degree of awareness/understanding/appreciation/implementation of sustainable tourism development agenda and policies by the private tourism industry, which was not possible given the time and budgetary constraints of the Study. The importance of public-private sector cooperation and collaboration is recognised in existing AMS frameworks on sustainable tourism development. It would be instructive to understand the impacts and outcomes of the frameworks on the ground for a more inclusive approach, and more focused policy interventions to support the resilience and sustainability of the tourism industry.
 - ii. <u>Develop a mechanism/modality for ASEAN cross-sectoral cooperation/</u> <u>collaboration/coordination on sustainable tourism development</u>
- 379. The discussion of existing ASEAN initiatives that related to sustainable tourism development, particularly those under the purview of sectors belonging to the ASEAN Socio-Cultural Community, noted the need for a mechanism/modality for the tourism sector to engage the other relevant sectors to effectively cooperate/collaborate/ coordinate on cross-cutting issues related to sustainable tourism development.
- 380. As noted in the earlier discussion on governance structures (para. 360), like the approach for the implementation of the updated ATSP, country coordinators may be assigned to take the lead for specific pillars and/or strategic actions under the proposed framework. The country coordinator will then engage the representative of the relevant sectoral body/bodies whose initiatives intersect with the pillar and/or strategic action. To enhance the cross-sectoral engagement/discussion, an expert facilitator (i.e., an expert in the pillar and/or strategic action who can translate the

work of the other relevant sector in the context of tourism) can be appointed to guide/ support the collaboration between the sectors and develop an appropriate action plan on the specific pillar and/or strategic action. Overall coordination will be provided by ASEC desk officers from the Tourism Unit and the other relevant divisions.

- iii. <u>The proposed framework as input to the development of the post-2025 agenda for</u> <u>ASEAN tourism</u>
- 381. **Points (i) and (ii) are prerequisites for the full development of a master plan and** detailed implementation plan on ASEAN sustainable tourism development to ensure maximum coherence and relevance. Developing a full strategy for sustainable tourism must be a participatory process to ensure its effective implementation.
- 382. There are currently two existing and inter-related tourism frameworks for implementation up to 2025, i.e., the updated ATSP and the Post COVID-19 Recovery Plan for ASEAN Tourism. Furthermore, work on developing the post-2025 vision and agenda of ASEAN is now ongoing. The pursuit of sustainable tourism development will continue to remain a relevant agenda post-2025 and developing cross-sectoral actions plans in the lead up to 2025 would ensure that the key sustainable tourismrelated issues and aspects would be adequately covered in the relevant post-2025 sectoral action plans.

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APPENDIX 1. CORE INDICATORS OF THE EUROPEAN TOURISM INDICATOR SYSTEM, 2016

Section A: Destin	Indicator	ETIS core indicators
Chiena	reference#	
A.1 Sustainable tourismpublic policy	A.1.1	Percentage of tourism enterprises/establishments in the destination using a voluntary certification/labelling for environmental /quality/ sustainability and/orCorporate Social Responsibility
A.2 Customer satisfaction	A.2.1	Percentage of tourists and same-day visitors that are satisfied with their overallexperience in the destination
	A.2.2	Percentage of repeat/return visitors (within 5 years)
Section B: Econ	omic value	
Criteria	Indicator reference#	ETIS core indicators
B.1 Tourism	B.1.1	Number of tourist nights per month
flow (volume and value) at destination	B.1.2	Number of same-day visitors per month
	B.1.3	Relative contribution of tourism to the destination's economy (% GDP)
	B.1.4	Daily spending per overnight tourist
	B.1.5	Daily spending per same-day visitors
B.2 Tourism enterprise(s) performance	B.2.1	Average length of stay of tourists (nights)
	B.2.2	Occupancy rate in commercial accommodation per month and average for the year
B.3 Quantity and qualityof employment	B.3.1	Direct tourism employment as percentage of total employment in the destination
	B.3.2	Percentage of jobs in tourism that are seasonal
B.4 Tourism supply chain	B.4.1	Percentage of locally produced food, drinks, goods and services sourced by thedestination's tourism enterprises
Section C: Socia	and cultural in	npact
Criteria	Indicator reference#	ETIS core indicators
C.1 Community/ social impact	C.1.1	Number of tourists/visitors per 100 residents
	C.1.2	Percentage of residents who are satisfied with tourism in the destination (permonth/season)
	C.1.3	Number of beds available in commercial accommodation establishments per 100residents
	C.1.4	Number of second homes per 100 homes
C.2 Health and safety	C.2.1	Percentage of tourists who register a complaint with the police
C.3 Gender equality	C.3.1	Percentage of men and women employed in the tourism sector
	C.3.2	Percentage of tourism enterprises where the general manager position is held by a woman

C.4 Inclusion/ accessibility	C.4.1	Percentage of rooms in commercial accommodation establishments accessible forpeople with disabilities
	C.4.2	Percentage of commercial accommodation establishments participating inrecognised accessibility information schemes
	C.4.3	Percentage of public transport that is accessible to people with disabilities and specific access requirements
	C.4.4	Percentage of tourist attractions that are accessible to people with disabilities and/or participating in recognised accessibility information schemes
C.5 Protecting and enhancing cultural heritage, local identity,and assets	C.5.1	Percentage of residents that are satisfied with the impacts of tourism on the destination's identity
	C.5.2	Percentage of the destination's events that are focused on traditional/local culture and heritage
Section D: Envir	onmental impac	t
D.1 Reducing transport impact	D.1.1	Percentage of tourists and same-day visitors using different modes of transport to arrive at the destination
	D.1.2	Percentage of tourists and same-day visitors using local/soft mobility/public transport services to get around the destination
	D.1.3	Average travel (km) by tourists and same-day visitors from home to the destination
	D.1.4	Average carbon footprint of tourists and same-day visitors travelling from home to the destination
D.2 Climate change	D.2.1	Percentage of tourism enterprises involved in climate change mitigation schemes — such as: CO2 offset, low energy systems, etc.— and 'adaptation' responses and actions
	D.2.2	Percentage of tourism accommodation and attraction infrastructure located in 'vulnerable zones'
D.3 Solid waste management	D.3.1	Waste production per tourist night compared to general population waste production per person (kg)
	D.3.2	Percentage of tourism enterprises separating different types of waste
	D.3.3	Percentage of total waste recycled per tourist compared to total waste recycled per resident per year
D.4 Sewage treatment	D.4.1	Percentage of sewage from the destination treated to at least secondary level prior to discharge
D.5 Water management	D.5.1	Water consumption per tourist night compared to general population water consumption per resident night
	D.5.2	Percentage of tourism enterprises taking actions to reduce water consumption
	D.5.3	Percentage of tourism enterprises using recycled water

D.6 Energy usage	D.6.1	Energy consumption per tourist night compared to general population energy consumption per resident night
	D.6.2	Percentage of tourism enterprises that take actions to reduce energy consumption
	D.6.3	Percentage of annual amount of energy consumed from renewable sources (Mwh) compared to overall energy consumption at destination level per year
D.7 Landscape and biodiversity protection	D.7.1	Percentage of local enterprises in the tourism sector actively supporting protection, conservation and management of local biodiversity and landscapes