



Tourism in development cooperation

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Bonn, 2018



Tourism for sustainable development –
plenty of potential, but also a challenge

1



Tourism offers wide-ranging opportunities for development

The tourism sector has substantial economic potential, and there is plenty of support for the view that it can help achieve sustainable development in a range of areas:



➔ Economic growth

Tourism makes towns, cities and regions more attractive to investors and creates training and employment opportunities; it also presents chances to sell services and local products.

➔ Improvements in infrastructure

Through taxes and fees, tourism generates income for destination countries. This money can be used to upgrade crucial transport, energy and other infrastructure or to finance waste and wastewater management.

➔ Impact on other sectors

Tourism is linked to many other sectors: for example, agriculture benefits from hotels and restaurants sourcing local produce, and tourist businesses also boost demand for local artisan output. In this way, tourism helps to create jobs and generate income in a range of other sectors, helping to improve the local population's economic situation, particularly in rural areas.

➔ Environmental protection and nature conservation

Entrance fees to nature reserves help to finance species conservation, and there is greater acceptance of nature conservation measures when, for example, visitors' awareness is raised or where the local population benefits from tourism in nature reserves. Tourism companies and local communities commit to protecting the environment when they recognise that they are sustaining the basis for tourism.

➔ Culture

Travellers are interested in local cultures, so tourism can help protect a country's cultural heritage. Entrance fees can be used to maintain tourist attractions and monuments, for example, but tourism can also help to protect, upgrade and revive local customs and handicrafts, for example.

But tourism also poses risks to development

Unmanaged expansion of tourism brings potential threats to sustainable development:



→ The possibility that local people might be squeezed out

Development of tourist infrastructure and higher prices can force local people out of their established residential areas and labour and consumer markets.

→ Inadequate working conditions and employment insecurity

As in other sectors, jobs in tourism may be insecure and poorly paid. Working hours are often long, there are few opportunities for promotion, and seasonal contracts are common in the sector. Tourism may also bring risks to human rights, for example through sexual exploitation and child labour.

→ Environmental problems

Emissions from air travel are a major contributor to climate change. Other negative impacts on the environment from tourism include land take and the associated threat to biodiversity, generation of waste, and increased consumption of energy and water – tourists typically consume substantially more energy than they do at home.

→ Social conflict

From a social perspective, people living in tourist destination countries do not always benefit from tourism to the same degree, and not all local communities are happy with tourism from a cultural perspective. If the local population is not adequately involved in planning tourism or cannot rely on benefiting economically from it, conflicts may arise within host communities or there may be resistance to tourism.

Against this background, **sustainability** and **responsibility** must be the main principles underpinning any growth in tourism. The priority is to make the best possible use of the opportunities afforded by tourism while at the same time minimising risk. This can be achieved by striking a balance at an early stage between economic, social and environmental demands and between public and private responsibilities.



Sustainable development, sustainable tourism, or sustainable development through tourism?

These concepts sound similar and are frequently confused. What exactly does each of them mean?

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their needs (WCED, 1987).

Sustainable tourism ensures that both the aspirations of tourists and the needs of the local population in the destination country are met. Sustainable tourism also places emphasis on ensuring that

biodiversity and key environmental processes are not damaged by tourism and on protecting cultural heritage and social structures (UNWTO, a).

Sustainable development through tourism is the approach that forms the basis for German development cooperation. The focus is not only on making the tourism sector itself more sustainable but more particularly on using tourism, with all its opportunities and potential, as an instrument for boosting sustainable development generally.

Agenda 2030 as a vision that also embraces tourism

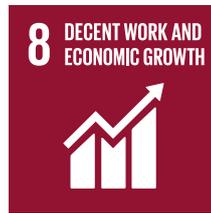
The 2030 Agenda for Sustainable Development (Agenda 2030) represents the international community's belief that collective action is the only way to tackle global challenges. The Agenda forms the basis for reconciling global economic progress and social justice, while respecting the Earth's environmental limits.

Agenda 2030 was adopted by all member states at a UN summit held in September 2015. It was formulated with wide-ranging input from civil society around the world and is a milestone in the United Nations' recent history.

Agenda 2030 applies to every country in the world: developing countries, emerging economies and industrialised economies all have to play their part in implementing it.

Underpinning Agenda 2030 is an ambitious set of 17 Sustainable Development Goals (SDGs). These 17 SDGs are unprecedented in their inclusion of all three dimensions of sustainable development: environmental, social and economic. The SDGs are indivisible and interdependent.

Development of tourism, as a key sector of the global economy, has direct relevance for achieving the SDGs set out in Agenda 2030, with Goals 8, 12 and 14 making explicit relevance to tourism (UN 2015):



Goal 8:
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

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



Goal 12:
Ensure sustainable consumption and production patterns

Develop and implement tools to monitor the impacts of sustainable tourism that creates jobs and promotes local culture and products.



Goal 14:
Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

By 2030, increase the economic benefits to Small Island Developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.

Although tourism is mentioned explicitly in these three SDGs only, sustainable development of the tourism sector can help achieve other Goals (see Fig. p. 10).

Starting points for sustainable development and the Sustainable Development Goals

The economy and employment

- Access to training
- Secure jobs and fair pay
- Reliable sales opportunities and fair prices for local goods



Environmental protection and nature conservation

- Environmental and energy management in companies, local authorities and communities
- Financing for nature conservation areas



Impact on other sectors and infrastructure

- Demand for local and organic products
- Construction of hospitals
- Urban development and upgrading of urban infrastructure



Opportunities for tourists and hosts to meet and understand each other



Community-based tourism planning involving government, businesses and local people





Global trends in tourism

2

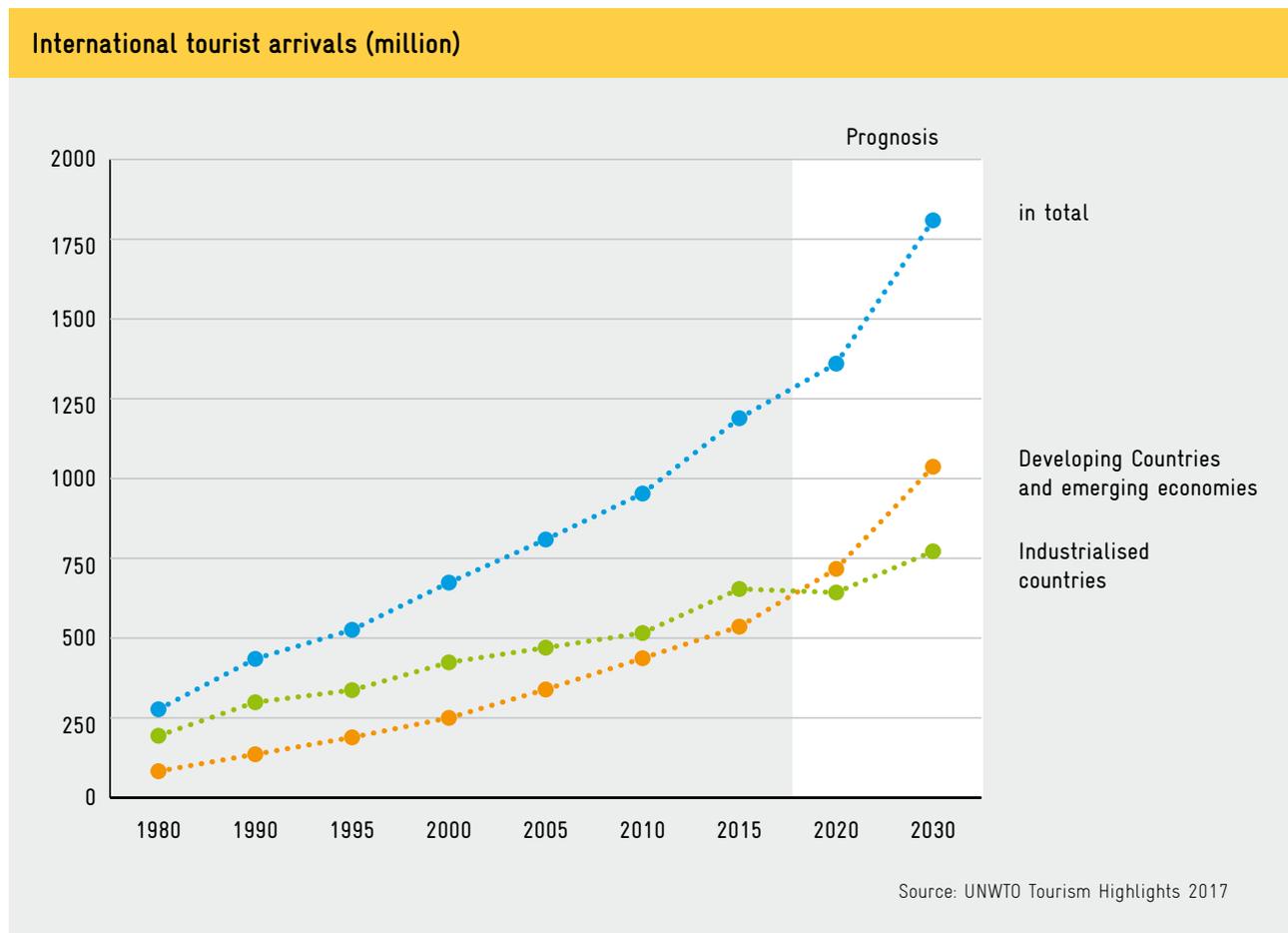


Tourism is experiencing steady growth, including in developing countries and emerging economies

Travel evolved into a mass industry in Europe and North America between the 1950s and the 1970s. By the 1990s, this expansion had also spilled over into today's developing countries and emerging economies. **Tourist arrivals** – the number of foreign visitors spending at least one night in a country, a region or an individual destination – are an important indicator of the economic impact of growth in tourism. In the late 1950s, there were just under 500 million tourist arrivals worldwide; today, that figure represents tourist arrivals in Italy alone. In 2012, the number of tourist arrivals around the world exceeded one billion for the first time, and the United Nations World Tourism Organization (UNWTO) assumes that this figure will almost double by 2030, to 1.8 billion.

Globalisation, growing numbers of tourists from emerging economies, and increasingly affordable air travel are all driving this trend.

The proportion of total tourist arrivals accounted for by developing countries and emerging economies is also growing steadily. In 1980, they made up 30% of total tourist arrivals, but by 2010 this figure had risen to 47%. Observers assume that growth in tourism to these countries will continue to be proportionally greater than to industrialised countries, rising to an estimated 57% of all tourist arrivals worldwide by 2030. This would mean a billion arrivals in developing countries and emerging economies alone (UNWTO 2017; see the graph below).





Income from tourism creates prospects: the Reina Kench agritourism farm in Kyrgyzstan

Can tourism achieve economic stability?

Tourism is something of an exception to normal global trade models. It is an export sector even though, strictly speaking, goods and services never cross national borders, making it a vital generator of foreign currency. Most developing countries and emerging economies import more than they export, and foreign currency earnings help them balance their trade deficit and boost economic stability. In 2016, the tourism industry was worth more than EUR 1 billion, equivalent to 6.6% of global trade (WTTC 2017a).

However, the high level of imports needed to provide tourism services has often proved a problem, and this 'leakage' may erode foreign currency earnings. Local goods and services could replace imports if there were a coherent policy to develop local suppliers' skills.

Tourism creates jobs and incomes

Tourism accounts for around 10% of worldwide economic output, making it one of the largest sectors in the global economy. This is reflected in the number of jobs it creates: around one person in 10 worldwide has a job that is directly dependent on tourism, and that figure is markedly higher in many developing countries because factors such as their climate or rich biodiversity give them significant tourist potential. A further reason for their appeal as tourist destinations is their service orientation; which makes tourism one of the most labour-intensive sectors anywhere in the world.

Local people stand to benefit from jobs in tourism

The tourism sector needs people with diverse skills and so has substantial job creation potential. People with relatively low or medium levels of education are able to access the tourism labour market and find new or alternative sources of income and opportunities for skills development. Sustainable development of tourism ensures that every individual is able to benefit equally from opportunities and that working conditions are fair and decent.

As well as generating income for those employed in tourism, the sector also creates revenue for companies and for the government. Income-generating opportunities for local people improve particularly where large numbers of micro-, small and medium-sized business (MSMEs) are represented, and this helps make growth in tourism more sustainable.

Further reading: how tourists contribute

Fair tourism – a matter of heart and mind is the title of a campaign run by Tourism Watch, part of the German charity Brot für die Welt. It publishes a brochure and runs an online platform encouraging travellers to consider the impact of tourism and offering practical tips for fair and socially responsible travel.

<http://fair-reisen.brot-fuer-die-welt.de/en.html>

The travel portal Fair unterwegs (Travelling fairly) is run by the Working Group on Tourism and Development and provides useful information for anyone preparing a trip. As well as tips on planning and booking travel, the portal also offers facts and background information on many tourist destinations and pointers to the current debate around tourism.

<https://www.fairunterwegs.org/ueber-uns/organisation-english/>

Germany's contribution
to promoting sustainable development
through tourism

3



The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH works in the tourism sector around the world on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). It promotes socially responsible, environmentally sound and climate-friendly tourism that generates economic benefit and is employment-intensive. The aim is to make local economies and development sustainable. All GIZ's activities comply with international and national processes, including Agenda 2030 and the Paris Agreement.

Working on behalf of BMZ, GIZ runs around 50 projects with a tourism component worldwide. Integrated experts deployed by the Centre for International Migration and Development (CIM) and development workers are also active in Germany's development cooperation partner countries.

GIZ runs a wide range of activities and projects with relevance to tourism. Its services include:

- Analysis and feasibility studies
- Formulation of strategies and concepts
- Advisory services
- Skills development and training
- Setting up strategic partnerships and dialogue processes
- Awareness-raising among companies, local people and tourists

Alongside its work in projects abroad, GIZ is also active in education and awareness-raising in Germany. For example, it cooperates with a number of German universities teaching tourism courses to support knowledge-sharing and development policy-oriented research. GIZ is also represented at major tourism fairs (for example, ITB in Berlin), where it provides information for industry professionals but also the wider public about the background to its activities in the area of sustainable development through tourism.

Sustainability and mass tourism – are they mutually exclusive?

Promoting sustainable growth in tourism is a continual balancing act between economic, social and environmental concerns. Alternative forms of tourism – such as ecotourism – offer development opportunities to regions that otherwise lack economic opportunities, financial resources and the attention of politicians. However, they are niche segments of the wider tourist sector, so only relatively small numbers of people are able to benefit. For this reason, German development cooperation focuses its efforts not only on niche segments but on all forms of tourism, explicitly including mass tourism. Particularly large numbers of individuals stand to benefit from tourism if the number and quality of jobs can be improved and incomes increased for the local population while also reducing the impact on the environment and ensuring that local people are content. This can produce enormous leverage for sustainable development, though there is a similarly substantial risk of negative impact if mass tourism cannot be steered in more sustainable directions.

Creating the right framework

The aims of sustainable growth in tourism can be achieved effectively and comprehensively only where destination countries have structures based on the rule of law and democracy and where human rights are respected, protected and guaranteed. Taken together, these conditions can be summed up as good governance; in the absence of good governance, tourism very often develops in undesirable ways. This has a negative impact on the local population and the environment which is usually disproportionate to the potential economic development gains. However, there are effective approaches to providing targeted advice on tourism policy and good governance in cooperation countries. These include, in particular, developing appropriate governance instruments for tourist destinations and creation of the institutional conditions needed for sustainable growth in tourism.

The private sector as a key partner

Against the backdrop of Agenda 2030, German development cooperation is seeking greater cooperation with the private sector in Germany and across Europe. It works with tour operators, hotel chains and tourism associations, and its expertise and innovativeness are in demand from developing countries and emerging economies seeking

to tackle the challenges facing them. Initiatives reflect both private-sector and development-policy interests. GIZ has a wide range of instruments available (see info box). It also advises its partners in cooperation countries on creating the necessary framework for tourism to ensure that legal certainty and good governance are supported.

Instruments for cooperation with the private sector

develoPPP.de

BMZ uses its develoPPP.de programme to provide financial and, on request, technical support for companies wishing to invest in developing countries and emerging economies. Four times a year, companies are invited to register their interest in the scheme via 'ideas competitions'. The scheme is open to all German and European businesses and their subsidiaries in developing countries and emerging economies.

Development partnerships with the private sector that offer the potential to achieve outstanding development benefits across a number of countries may be eligible for more wide-ranging support in the form of strategic development partnerships.

<https://www.developpp.de/en>

Integrated development partnerships

Integrated development partnerships enable measures put forward by companies to be integrated directly into an overseas GIZ project. GIZ provides know-how and contacts, offers support with designing, financing and coordinating measures, and helps to facilitate networking with other key decision-makers, not just within one country or region but across wider areas. For their part, companies provide technologies, capital and expertise. Costs and risks are borne equally by the two partners.

lab of tomorrow

The lab of tomorrow is where unusual business models are developed to solve specific problems faced by a developing country or emerging economy.

Working on behalf of the German Government, GIZ brings European companies together with clients and specialists from an individual country. Together, they develop successful business ideas to help tackle the problem identified, ranging from nationwide provision of drugs across Kenya to better working conditions for textile workers in Cambodia.

www.lab-of-tomorrow.com

Development cooperation scouts

The German Travel Association (DRV) has set up a liaison office to boost cooperation with German tour operators. DRV represents small and medium-sized tour operators and agencies in Germany as well as the major operators. Since 2017, a sectoral development cooperation scout has been based in the liaison office with the role of working with the sector to identify common challenges in developing countries and emerging economies and to help devise cooperation projects.

Growth in
tourism –
bringing
diverse
interests
together



The sector dialogue on tourism for sustainable development brings together a range of stakeholders

In 2016, BMZ and the Federal Association of the German Tourist Industry e.V. (BTW) convened a sector-level dialogue, entitled Tourism for sustainable development. This format, which brings together stakeholders from development cooperation, the private sector, academia and civil society, is intended to produce specific measures that can be implemented in destination countries in cooperation with local partners.

Initially, the focus is on tourist areas of North Africa. Many countries in this region have been hard hit by the collapse in demand for tourism following the Arab Spring in 2011 and terrorist attacks, so the aim of the dialogue is to strengthen local tourist industries' resilience and also to ensure that local populations benefit more than in the past from the value added by tourism. Initiatives focus on measures to diversify the range of services for tourists, to support local people running small businesses, and to provide training and skills development for young people.

Examples of tourism for sustainable development in practice

4

Nepal:

Promoting inclusive and responsible tourism



GIZ works on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) in Nepal to support preservation of the country's cultural heritage: tour operators in the country have signed up to guidelines on sustainable tourism and offer tours that include overnight stays with local families, for example. This enables tourists to experience Nepali culture at first hand.

Further information:
www.giz.de/nepal

Morocco:

Tourism for the future



Sustainable tourism is creating prospects for people in rural areas. The Akkain Ouar-gane women's cooperative now uses modern machinery and has benefited from training, enabling it to improve the quantity and quality of the organic argan oil it produces. The women have doubled their income from sales of their products to tourists. 350 women and their families currently benefit, and by 2020, the project aims to secure employment in ecotourism for around 2,000 people. The project is part of BMZ's special initiative on stability and development in the MENA region.

Further information:
http://www.bmz.de/de/laender_regionen/naher_osten_nordafrika/sonderinitiative-nordafrika-nahost/index.html (in German)

Madagascar:
Back-to-nature tourism



GIZ works on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) in Madagascar to promote ecotourism in the Tsinjoriake New Protected Area, a nature reserve of around 5,000 hectares. Among other things, tourists can now accompany guides on a number of established trails around the park that will allow visitors to explore Madagascar's unique fauna and flora.

Further information:
<https://www.giz.de/en/worldwide/322.html>

Albania, Kosovo and Montenegro:
The Peaks of the Balkans hiking trail



The mountain region between Albania, Kosovo and Montenegro is an area of stunning unspoiled natural beauty and generous hospitality. For many years, it had no tourist facilities and many inhabitants were forced to leave to find employment. The Peaks of the Balkans hiking trail was the result of the BMZ-funded developp.de programme. The DAV Summit Club, Government ministries and municipalities joined forces to create the trail, which criss-crosses the political borders of the three countries and helps to boost cooperation between them. The 192-kilometre trail now attracts large numbers of nature enthusiasts, and hoteliers, restaurateurs and tour guides are benefiting from the tourism it brings, while local farmers now have outlets for their produce.

Further information:
<https://www.developp.de/en/content/sustainable-tourism-protects-natural-environment>

Cambodia:
Training conservator-restorers for temple complexes



The Angkor Wat temples have become a symbol of Cambodia – and a magnet for tourists. In a project implemented on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ is training conservator-restorers, providing individuals with a secure income as well as helping to ensure that Cambodia's cultural heritage is preserved for the future.

Further information:
<https://www.giz.de/en/worldwide/383.html>

Worldwide:
The Hotel Resilient standard



Their geographical location makes many tourist destinations vulnerable to extreme natural events. Natural disasters are not only a threat to tourists and local employees but can also have a wide-ranging impact on surrounding communities, which rely on tourism as their major source of income. In response, GIZ set up the Hotel Resilient initiative, which supports hotels and resorts in developing global standards to reduce their risk from natural and technological hazards. The Hotel Resilient standard provides guidelines

on preparing for crises and, in particular, on avoiding risk. Hotel Resilient also offers training in implementing the standard for staff and managers and raises awareness of disaster and climate risk. Two digital apps are also available: one enables hotels to carry out their own risk analysis, while the other provides management software for hotels implementing the standard.

The Hotel Resilient initiative was developed as part of the Global Initiative on Disaster Risk Management (GIDRM) and implemented in cooperation with the United Nations Office for Disaster Risk Reduction (UNISDR) Asia & Pacific Office, the Pacific Asia Travel Association (PATA) and Risklayer Standards.

Further information:
<https://hotelresilient.org/>

Further information:

German Federal Ministry for Economic Cooperation and Development (BMZ)

- <http://www.bmz.de/en/index.html>
- <http://www.bmz.de/webapps/tourismus/#/en/>
- www.bmz.de/wirtschaft (German only)

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

- <https://www.giz.de/en/html/index.html>
- <https://www.giz.de/expertise/html/6499.html>

United Nations World Tourism Organization (UNWTO)

- www.unwto.org

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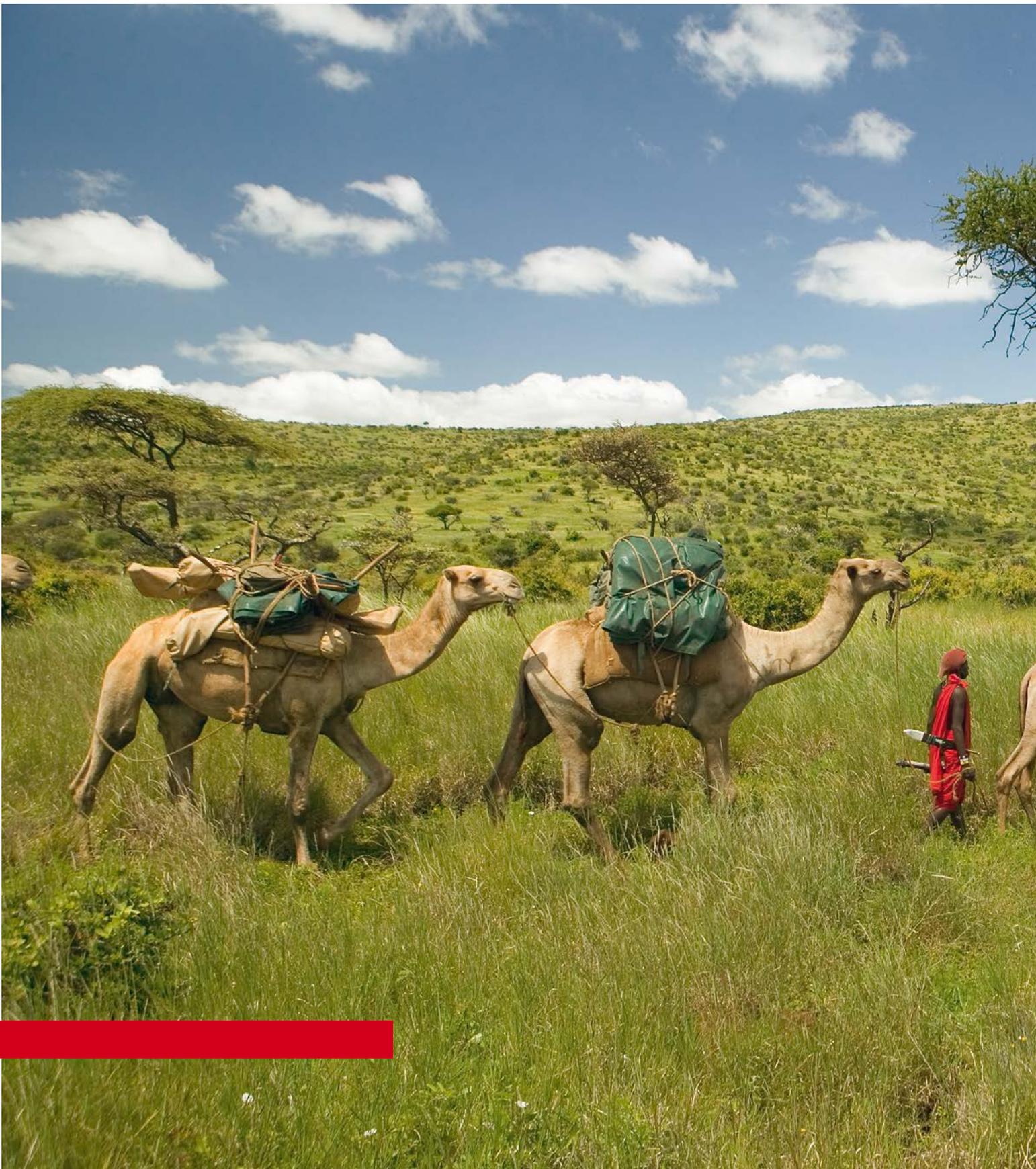
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