

## **SDG Indicators for “Sustainable tourism”**

### **A UNWTO contribution to the IAEG-SDG**

**2 March, 2016**

#### **1. Introduction**

As the process for finalizing the indicators for the various targets of the recently adopted Sustainable Development Goals (SDGs) continue, the UN World Tourism Organization would like to contribute this note concerning the indicators currently proposed that relate to the general concept of sustainable tourism. The indicators concern mainly targets 8.9, 12.b and 14.7, noting that there are connections between tourism and other goals and targets that can also be developed. This note provides a discussion of the current choices and proposes alternative indicators that UNWTO has concluded would be appropriate for consideration by the IAEG-SDG.

The proposals in this note are submitted jointly by:

- the [World Tourism Organization \(UNWTO\)](#), which is the United Nations specialized agency for tourism,
- the [UNWTO Committee on Statistics and Tourism Satellite Account](#), a subsidiary advisory body of the UNWTO Executive Council and composed of elected Member States, and
- the [Working Group on Measuring Sustainable Tourism](#), jointly set up by UNWTO and the UN Statistics Division and composed of national and international experts (in tourism statistics and accounting, environmental statistics and accounting, and tourism research/management/policy) to lead the development of a statistical framework for measuring sustainable tourism.

The note is structured to provide some context on the topic of sustainable tourism and then a discussion of the indicators for the three **targets 8.9, 12.b and 14.7**.

#### **2. Sustainable tourism**

The concept of “sustainable tourism” was established in the 1990s and a number of streams of work have taken place to develop the concept from both a policy and a measurement perspective.<sup>1</sup> In the context of the SDGs, sustainable tourism is clearly a relevant concept and in principle seeks to consider tourism activity through the various sustainability perspectives – economy, society and the environment.

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<sup>1</sup> See, for example, UNWTO (1996) “What Tourism Managers Need to Know: A Practical Guide to the Development and Use of Indicators of Sustainable Tourism”.

However, sustainable tourism has not yet been defined through an established or internationally agreed statistical framework. Acknowledging the relevance of the concept, and the importance of establishing sound underlying measurement definitions and frameworks, UNWTO has recently launched its Measuring Sustainable Tourism (MST) project, led by the multidisciplinary UNSD-UNWTO Working Group of national and international experts on sustainable tourism.

This project has three main streams of work:

- First, research to integrate the established measurement frameworks of the Tourism Satellite Accounts (TSA: Recommended Methodological Framework) and the System of Environmental-Economic Accounting (SEEA Central Framework) to provide a platform for the measurement of sustainable tourism.
- Second, to engage with the definition and measurement of SDG indicators, including the development of a complementary set of sustainable tourism indicators.
- Third, to advance the development of sub-national tourism statistics recognizing the importance of location specific information in decision making on tourism.

The initial discussion in the framework of the MST project, including with a range of countries, international agencies and experts has provided useful input that should support the development of SDG indicators related to tourism. This note summarizes the relevant outcomes of that discussion. The note is structured to provide some general considerations followed by a discussion of indicators relevant for each of targets 8.9, 12.b and 14.7.

In addition to the comments below, it will be important to develop the metadata for the proposed indicators. Following finalisation of the indicator set, UNWTO, together with its Committee on Statistics and TSA and the Working Group on Measuring Sustainable Tourism, can prepare such metadata for consideration by the IAEG-SDG.

### **3. General considerations**

Aside from data quality aspects, the recent discussion on indicators for sustainable tourism identified three important considerations. The first was the need to select indicators that can be monitored on an ongoing basis to establish trends over time. Second, is the importance of being able to establish baselines or benchmarks against which countries can be compared and specific targets established.

The third consideration is the recognition of the distinction between indicators that summarise the broader economic, social or environmental context and those indicators that relate directly to specific policies. In general, the indicators for sustainable tourism described here are more contextual in nature and proposed for use at national level. It will likely be relevant for additional indicators to be developed, perhaps as disaggregations of the contextual indicators that are more policy specific.

#### **4. Indicators for Target 8.9:**

*Target 8.9: By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.*

##### IAEG-SDG proposed indicators

GDP in tourism: Tourism direct GDP (as a percentage of total GDP and in growth rate)

Jobs in tourism: Number of jobs in tourism industries (as a percentage of total jobs and growth rate of jobs, by sex)

##### Discussion

At the second IAEG-SDG meeting, the discussion acknowledged the relevance of these two proposed indicators: “GDP in tourism” and “Jobs in tourism”. Both are relevant as they provide complementary information on different dimensions of the target, i.e. the economic and social aspects of sustainability.

From a conceptual perspective, these indicators are firmly based in the *International Recommendations for Tourism Statistics 2008 (IRTS 2008)*, approved by the United Nations Statistical Commission at its 39th session (26-29 February 2008) and the *Tourism Satellite Account: Recommended Methodological Framework 2008 (TSA: RMF 2008)*, which updates the 2000 version adopted by the UN Statistical Commission.

The IRTS 2008 provides the methodological framework (concepts, definitions and classifications) for basic tourism statistics, including jobs and employment statistics, while the TSA: RMF 2008 provides the conceptual framework for linking tourism statistics to the System of National Accounts, enabling the economic measurement of tourism and the generation of aggregates such as Tourism Direct GDP.

At a practical level, both indicators are currently compiled by a number of countries. For the Tourism GDP indicator, about 60 countries have some form of TSA compilation and data are available, as shown in an international TSA data compilation survey conducted by UNWTO in 2010. Eurostat and OECD have also occasionally collected data on this indicator. The indicator is currently not compiled into an international dataset but UNWTO will start this work in the short term.

For the jobs indicator, the UNWTO compiles annual data on “Jobs in tourism industries” in its international dataset (approx. 26 countries for reference year 2012). Further, ILO compiles in its international dataset (ILOStat) data on “total jobs”, by gender (approx. 111 countries). Thus, coverage could be increased over the medium term through joint UNWTO/ILO activity and capacity building in countries.

However, a deficiency in using only these two indicators to underpin assessment of progress towards the target of sustainable tourism is the lack of coverage of the environmental dimension. To ensure coverage of this important aspect of sustainability the proposal, based on discussion with experts, is to include a third indicator - “Energy use in tourism: Net domestic energy use by tourism industries”.

The use of this indicator to cover the environmental dimension is based on the general idea that reductions in energy use relative to the level of tourism activity would indicate a decoupling of tourism activity from energy use. In turn this would imply a lower environmental footprint. Since energy use is a common input to tourism activity in all countries, it provides a meaningful indicator for comparison. Ideally, a range of other environmental aspects would also be measured, e.g. water use and GHG emissions, but these are not proposed at this stage.

The indicator of net domestic energy use can be defined following internationally agreed standards for the measurement of energy (International Recommendations for Energy Statistics and the SEEA Central Framework), and there is the potential for broad availability of data as the compilation of energy statistics (in line with the International Recommendations for Energy Statistics) is well developed. The data availability for this indicator is directly linked with the availability of the corresponding indicators under goal 7, in particular for target 7.3. At the same time, it will be necessary to develop advice on the development of energy data with respect to tourism industries and also clarify the appropriate methods to align energy use by tourism industries with the corresponding levels of tourism demand. These two issues are high on the agenda of the Working Group on Measuring Sustainable Tourism.

#### UNWTO proposal

**That a third indicator “Energy use in tourism” be included for the assessment of progress against Target 8.9, so as to ensure more appropriate coverage of the concept of sustainable tourism.**

It is envisaged that other dimensions of this target (e.g. culture, and the possible interpretation of “local” as sub-national concept) will require the development of additional indicators. These may be incorporated as part of a complementary set of indicators on tourism that countries, especially where tourism is significant or a priority, can adopt to better focus their monitoring of the SDGs.

#### **5. Indicators for Target 12.b:**

*Target 12.b: Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products*

#### IAEG-SDG proposed indicators

- Number of sustainable tourism strategies or policies and implemented action plans, with agreed monitoring and evaluation tools

#### Discussion

While the proposed indicator duly recognizes the “means of implementation” character of target 12.b, it should be recognized that there are some fundamental measurement issues. Primarily, there is no internationally agreed (statistical) concept that can be used to define a “sustainable tourism strategy or policy and action plan”, nor what the relationship/boundary may be between the three different instruments (e.g. a tourism master plan may contain

elements of all three—thus would this count as 1 or 3 actions?). In addition, there is currently no international dataset collecting this information, nor any plans to do so, and it would seem difficult to incorporate into existing statistical infrastructures due to the abovementioned issues.

Given these realities, it is proposed that the most appropriate indicator for target 12.b is one that measures directly the “develop[ment] and implement[ation of] *tools* to monitor” sustainable tourism in a country. In this context, UNWTO considers that the relevant monitoring tools are the international statistical standards applicable to the measurement of sustainable tourism, notably the TSA:RMF and the SEEA Central Framework. Consequently, an appropriate indicator for Target 12.b would involve assessment of the “stage of implementation of SEEA and TSA frameworks”. This could be measured by the number of tables produced. Alternatively, it could be directly linked to indicators for Targets 17.9<sup>2</sup> and 17.19<sup>3</sup> through definition of the indicator using the dollar value of resources allocated to implementation of the SEEA and TSA frameworks.

Adopting an indicator of this type could help motivate the necessary (investments in) statistical development in countries towards implementing a SEEA-TSA based statistical framework for sustainable tourism. This, in turn, would support the production of indicators on sustainable tourism itself (such as those necessary to monitor Target 8.9 listed above).

#### UNWTO proposal

**For Target 12.b, the currently proposed indicator should be adapted to focus on measurement of the stage of implementation of the SEEA and TSA frameworks.**

## **6. Indicators for Target 14.7**

*Target 14.7: 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*

#### IAEG-SDG proposed indicator

Fisheries as a percentage of GDP

#### Discussion

The focus of this target is on “increase[ing] the economic benefits [...] from the sustainable use of marine resources” and concerns “small island developing states” and “least developed countries” only. The target suggests this should include “sustainable management of [...]”

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<sup>2</sup> Proposed indicator 17.9.1\*: The dollar value of financial and technical assistance, including through North-South, South-South and triangular cooperation, committed to developing countries’ designing and implementing a holistic policy mix that aims at sustainable development in three dimensions (including elements such as reducing inequality within a country and governance)

<sup>3</sup> Proposed indicator 17.19.1 Dollar value of all resources made available to strengthen statistical capacity in developing countries

tourism”, in addition to fisheries and aquaculture. With this broad notion in mind, it seems very limiting to monitor progress towards the target with a focus solely on fisheries activity. Indeed, increases in the proposed indicator of fisheries as a percentage of GDP may well be negatively correlated with the achievement of sustainable tourism.

Given the potential to develop indicators related to sustainable tourism as evidenced by the discussion under Target 8.9, it is proposed that an additional indicator/s relating to sustainable tourism be incorporated under this target. Ideally, all three indicators proposed under Target 8.9 would be incorporated here. Since there will be a close connection between tourism and the marine environment for SIDS, this extension would seem appropriate and does not require additional measurement activity.

#### UNWTO proposal

**That the indicator set for Target 14.7 be expanded to include indicators of direct relevance for sustainable tourism. It is recommended that the three indicators proposed for monitoring Target 8.9 described earlier in this note are used.**