Report of the

Seminar on Tourism Ethics for Asia and the Pacific:
Responsible Tourism and its Socio-Economic Impact on Local Communities

Bali, Indonesia, 11 June 2011

1. **H.E. Mr. Jero Wacik**, Minister of Culture and Tourism of Indonesia, **Dr. Taleb Rifai**, Secretary-General of the World Tourism Organization (UNWTO), and **Dr. Dawid de Villiers**, Chairman of the World Committee on Tourism Ethics (WCTE), successively delivered the opening remarks of the Seminar on Tourism Ethics for Asia and the Pacific, jointly organized by UNWTO and the Republic of Indonesia.

3. The Minister of Culture and Tourism of Indonesia, **H.E. Mr. Wacik**, recalled his government’s willingness to support the suggestion of H.E. Mr. Gede I Ardika*, a former Minister of Culture and Tourism of the Republic, for Bali to host the first ever UNWTO Seminar on Tourism Ethics in Asia and the Pacific. Mr. Wacik further mentioned that the 10th meeting of the World Committee on Tourism Ethics was to be held in parallel with the Seminar, and that the Bali Arts Festival and an exhibition of best practices related to responsible tourism, were also being held concurrently with the event. Indonesia’s commitment to tourism, he observed, owed its resoluteness to their President and the country’s four-track strategy of economic development: “pro-growth”, “pro-jobs”, “pro-poor”, and “pro-environment”. Sustainable tourism, he held, could aid progress in all these areas. With Indonesia attracting 7 million visitors in 2010 alone, and a 10% increase expected in 2011, not only were new marketing initiatives and capitalization on competitive advantages essential, but so too was assuring that tourism acted as a positive force in the lives of local communities.

2. Acknowledging the challenges experienced in the first decade of the 21st century, from natural and manmade disasters to economic crisis and socio-political unrest, the **UNWTO Secretary-General** held that significant opportunities also exist. Tourism, he asserted, must position itself as one of these opportunities, especially in Asia and the Pacific where its importance is growing exponentially. Only an ethical foundation and a commitment to sustainability can ensure that tourism’s enormous potential to do good is harnessed, and any negative impact curtailed. The recognition thereof is at the heart of UNWTO’s guiding policy document, the Global Code of Ethics for Tourism. Dr. Rifai was honoured that the President of Indonesia aligned himself with its values at the inauguration of the Bali Arts Festival the previous evening, and commended H.E. Mr. Ardika, for his pivotal role in helping to develop the Code and seek its implementation in Indonesia. The World Committee on Tourism Ethics, tasked with promoting the Code, he noted, would convene for its 10th session in Bali to discuss such matters as the protection of tourists/consumers and travel organizers, recent developments in the Middle East, human rights, accessibility, the protection of children, and the empowerment of women through tourism. He further stressed the importance of taking the rights and aspirations of local communities into account in tourism development. Every commitment to responsible tourism, he emphasized, would strengthen the sector, protect the planet, improve lives, and uphold universal ethical values.

**Session 1**

Ethics and Responsible Tourism: Conceptual Framework and Policy Formulation

4. **H.E. Mr. Gede I Ardika**, Chair of the Seminar, Former Minister of Culture and Tourism of Indonesia, acted as moderator of the Seminar’s first session, comprised of a discussion on the importance of the Global Code of Ethics for Tourism, its relation to the principles of the Sustainable Development of Tourism, and its everyday implementation.

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* Member of the World Committee on Tourism Ethics
5. Dr. Dawid de Villiers, Chairman of the World Committee on Tourism Ethics and former UNWTO Deputy Secretary-General, noted that the term “ethics” refers to a set of standards and values that an individual, or a group, have about what is right and what is wrong. A number of such moral issues in the tourism industry are clearly stated in the UNWTO Global Code of Ethics for Tourism. In essence, the Code is an “Ethical Road Map” to guide the sector’s key-players through the tourism landscape. Given that tourism is now one of the world’s most significant economic activities, he observed that the mere size and growing volume of the sector has a positive, but also negative, impact on the social, cultural and natural environment. The problem of sustainability, he posited, is fundamentally an issue of values – a moral issue. There is a fine balance between development and sustainability, where tourism walks a tightrope. Responsible Tourism challenges us to take action, to implement our moral convictions and help to turn the tide that rise against us.

6. The presentation of Ms. Victoria V. Jasmin*, Under-Secretary for Tourism Regulation, Coordination and Resource Generation of the Philippines, pointed to global trends in the industry, precipitated by the rise of the internet, low cost carriers, and social networking, which have drastically increased the number and type of persons who travel. Threats of terrorism and natural disasters, she held, also have an impact on tourist protection and safety. In her view, these situations reveal the value of Responsible Tourism and Tourism Ethics, underscoring the desirability of destinations’ issuing regular advice to guide visitors and locals. She highlighted the need for their contents to present accurate and comprehensible information. Recognizing tourism’s economic benefits, she highlighted the need to prepare local communities to adapt to the changes brought about by the influx of tourists. She recommended that activities be planned in such a way as to allow traditional cultural products, crafts and folklore to survive and flourish. Community based tourism, she observed, has resulted in greatly improving private-public sector partnerships. Tourism stakeholders, whether host community members or visitors, she urged, should safeguard the natural environment, since tourism is a factor for sustainable development. Presentation of Ms. Jasmin

Session 2 Tourism Ethics for Better Tourism Products and Services Assurance

7. The Seminar’s second session was moderated by Mr. I Gde Pitana, Deputy Minister for Cultural and Tourism Resources Development of Indonesia. Therein, speakers discussed the value and application of tourism ethics at diverse professional levels and its importance for stakeholders. The latter include national and local governments, in terms of policy formulation, the tourism industry, in terms of professional codes of conduct, tourism education, with regards to curricula and teacher’s qualifications, and local communities, vis-à-vis their traditions, knowledge and beliefs.

8. Representing the government perspective, the Under-Secretary of State of the Ministry of Tourism of Cambodia, H.E. Mr. Darariddh Ok, explained that Cambodia had identified sustainable tourism development as a means of benefitting the country in terms of socio-economic development, poverty reduction and responding to climate change. Under the leadership of the current Prime Minister, Cambodian tourism was considered a priority sector and one of the four pillars of the national economy. The state has invested in specific responsible tourism development projects, with development strategies focused on cultural and historical heritage sites alongside the country’s immense natural heritage. Sustainable development, he remarked, is seen as key to preserving biodiversity and ensuring a balance between environmental, economic and socio-cultural interests. Mr. Ok observed that conservation and development are felt to complement each other. The Royal Cambodian government is committed to promoting tourism in a sustainable manner by implementing legal standards and regulations, especially in the coastal zone. Community based ecotourism is also supported for its myriad benefits to local people. He acknowledged that tourist arrivals to the country had grown in recent years, reaching some 2.5 million in 2010, and elaborated on Cambodia’s National Tourism Development Strategy for 2011-2020, designed to aid the absorption of the 7 million tourists expected in this period. He also drew attention to a World Ecotourism event to be held on 3-5 October 2011 in Phnom Penh, in collaboration with UNWTO.

9. From the tourism industry perspective, Mr. Iqbal Walji*, President of Travel Wali’s Pvt. Ltd. Pakistan, explained that the opening of the Karakoram Highway (the southern Silk Route), between northern Pakistan and south western

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China, for tourists in the mid 1980's, made previously inaccessible mountain valleys open to visitors. This possibility arose that the tourist influx would deleteriously affect the indigenous population. His company, the leading enterprise in bringing tourists to the north of Pakistan, wanted to ensure that all segments of the Hunza Valley population's traditions and culture were not only minimally affected by the tourism footprint, but also maximally benefited economically from the fruits that tourism brings. It partnered with two local civil society organizations to: a) preserve local handicrafts, and cultural and musical traditions; b) provide employment opportunities for the poor and marginalized, particularly women and persons with disabilities; and c) establish a locally-run town management society to ensure that the environment remained pristine. Travel Walji's made training and soft loans available for the local population to establish industry-standard guide services, transportation and bed and breakfast establishments. The company sought to transfer knowledge locally, and after a decade of capacity building, enabled indigenous inhabitants to manage the tourism throughput on their own. Although these activities reduced its profits, Mr. Walji commented that the enterprise had felt it was their moral responsibility, in keeping with ethical values, to share their earnings with those less fortunate. He concluded by asking the audience to consider whether this principle which governs Travel Walji's business, leads to better tourism products and best-in-class service. Presentation of Mr. Walji

10. Mr. Yusak Anshori, General Manager of Surabaya Plaza Hotel Indonesia, also reported from the tourism industry perspective, indicating that over the past seven years, Surabaya's municipal government sought to attract visitors by developing the area's tourism resources. In contrast to Yogyakarta and Bali, which based tourism development on nature and culture, they chose to further develop the concept of "city tourism", based on the Meeting Incentive Conference Exhibition. In line with city development, the hotel industry in Surabaya grew rapidly as investors opened new hotels anticipating the continued development of the city as a tourist and business destination. He warned that the kind of competition generated by this atmosphere can have negative ramifications. In order to prevail, Surabaya Plaza Hotel used tourism ethics as a competitive advantage strategy. Among its programmes are the Kartini Award and the "No Mark-up Bill Policy". He also spoke of the hotel successfully banning smoking in its premises, a monumental task given that Indonesia has a significantly high rate of tobacco consumption. Presentation of Mr. Anshori

11. Ms. Sietske Gras-Dijkstra*, lecturer at NHTV Breda University of Applied Sciences, spoke from the point of view of academic institutions. The growing impacts of mass tourism, she contended, made responsibility in the sector extremely important. Recognizing this, the Global Code of Ethics provides guidelines for the morally responsible development of tourism. Since students of tourism, she said, are instrumental in the dissemination and implementation of the Code, it is crucial to raise awareness and understanding of the document among this demographic. She held that tourism education institutions play an important role in this process and should integrate tourism ethics into their programmes of study. The aim thereof, she suggested, should not only be to teach about the Code, but to instil awareness of the moral issues in tourism among students. She recommended that teachers should encourage pupils to "think ethically", rather than to simply adhere to a set of rules or guidelines. Presentation of Ms. Gras-Dijkstra

12. The perspective of Non-Governmental Organizations was represented by Mr. Mark Capaldi, Deputy Director for Programs of ECPAT International, who spoke of the NGO's work to combat the sexual exploitation of children in tourism. In operation for over two decades, ECPAT became an organization in 1996, comprising local independent NGOs, which focus on education, advocacy, training and promoting ECPAT's Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism. The latter is an instrument of self-regulation and corporate social responsibility led by the private sector, and which has become the recognized standard for the industry to end child sex tourism. Mr. Capaldi covered its structure, implementation, membership, and effectiveness. Currently, ECPAT's Code is an independent organisation with nearly 1,000 members in 41 countries. The NGO plays an important role in supporting it through local Code representatives, as well as the Code's Secretariat. ECPAT also works with companies to implement the document and produces education and information materials for the public and tourism professionals. Before highlighting good practices in law enforcement, he acknowledged existing challenges, including the manipulation of tourism infrastructure to facilitate exploitation, low reporting of cases and low rates of prosecution of offenders. He mentioned that new types of holidays like home stays can present risks and emphasized that the general public is in the

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best position to report cases of child exploitation, although it remains a challenge to empower tourists to feel confident enough to report incidents or suspicions. Presentation of Mr. Capaldi

13. Ms. Patricia Barnett, Director of Tourism Concern, also spoke from the NGO perspective. Her presentation was based on the premise that Responsible Tourism can only be realised when human rights are respected. Tourism Concern’s Putting Tourism to Rights campaign underscores the need for businesses and governments to address the human rights implications of tourism development. Research by the organization, she asserted, highlights industry and government failings with respect to protecting local communities and their rights – especially those related to land, livelihood, water, self-determination and labour – from the detrimental impacts of tourism. In her opinion, the development potential of tourism was curtailed by a general lack of consultation with local stakeholders. She emphasized that it is the duty of governments to uphold the rights of their citizens, and that it is the moral responsibility of businesses to respect human rights in their practices and supply chains. Ms. Barnett drew attention to opportunities for better practice and referred to human rights due diligence and the UN Framework on Business and Human Rights. She recommended that governments, the private sector, and civil society, play a more pro-active role in protecting community rights in tourism. Presentation of Ms. Barnett

Session 3  Socio-Economic Impact of Sustainable Tourism Development on Local Communities: Best Practices

14. Moderated by Mr. Steve Noakes, Adjunct Professor at Griffith University Australia, the third session of the Seminar provided speakers with an opportunity to share experiences and information on how Sustainable Tourism Development can strengthen the social and economic prospects of local communities.

15. On the third session’s first theme of Socio-Economic Impact of Tourism on Communities in Indonesia, Mr. Made Suarnatha of Bali DWE/Tourism Village Ecology, presented initiatives from Tenganan Village. He mentioned that Indonesia used tourism as a means of stimulating economic growth and development over the past decades. The subsequent influx of tourists, and the shift from traditional structures to modern ones, had ecological and socio-cultural consequences. The grassroots initiative Jaringan Ekowisata Desa is one of several aimed at fostering a more sustainable approach to tourism. The community-based ecotourism venture focuses on stronger local ownership and curbing environmental degradation. The civil society movement is rooted in the social capital of existing institutions of social organization, and has created a local agenda to counter interests which conflict with community needs and livelihoods. The establishment of the Bali Association on Village Ecotourism (Bali Desa Wisata Ekologis/Bali DWE) is the result of an empirical modeling process of community-based ecotourism in four villages: Kiadan Plaga, Dukuh Sibetan, Tenganan Pegningsingan, and Nusa Ceningan. Its goal is to ascertain how such initiatives may constitute sustainable alternatives to the predominant mass tourism developments for islands such as Bali. Presentation by Mr. Suarnatha

16. Mr. Ary Suhandi of the NGO Indecon presented initiatives from Tangkahan Communities in Sumatra. Drawn to the richness of its society, culture, and biodiversity, community-based tourism in Indonesia began in the 1970s, and thereafter was often used as a vehicle for poverty reduction and preventing environmental damage. Indecon and its partners campaigned for the use of community-based tourism as a means of conserving natural and cultural resources and creating employment, so as to increase the income of communities. Among the good practices observed in this endeavour, he cited Tangkahan Gunung Leuser National Park in North Sumatra, where the community were transformed from illegal loggers to ecotourism players and conservation actors, and Candirejo village, close to Borobudur, where home stays and ecotourism activity increased the local income. Similar examples were apparent in eastern Indonesia, including the establishment of the Wallacea Foundation by the local community in Seram National Park, an NGO which helped some twelve families of bird poachers become guides for bird watching tours. In Mount Rinjani National Park, in conjunction with local partners and New Zealand Aid, Indecon developed the destination management organization Rinjani Trek Management Board (RTMB). The subsequent improvement of management of services led to a significant increase in the number of visitors. This effort was recognized not only nationally, but

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17. The second theme of the third session, the **Socio-Cultural Impact of Tourism on Communities: Intangible Cultural Heritage**, was addressed by Ms. Hilary du Cros, a consultant who compiled the 2011 UNWTO Study on Tourism and Intangible Cultural Heritage (ICH). Ms. du Cros presented best practices from Australia, Indonesia, Thailand and Vanuatu, while explaining that the report, the first of its kind undertaken by UNWTO, provides research and suggestions for policy-making for intangible cultural heritage management related to tourism. It outlines the nature of ICH, how it is being developed for tourism, and the challenges and opportunities presented by the interconnection between the two phenomena. The study features over 40 case studies and best practices from around the world which address key issues surrounding the achievement of sustainability. The study's recommendations are outlined primarily to foster effective action by governments, private sector tourism organisations, destination marketing organisations, NGOs, local communities, and the education and heritage management sectors. **Presentation of Ms. du Cros**

18. **Mr. Amitava Bhattacharya**, Founding Director of Contact Base –banglanatak dot com, also dealt with the topic of intangible cultural heritage and tourism by presenting the *Art for Livelihood* projects in India. An eleven year old social enterprise headquartered in Kolkata, India, the NGO specializes in achieving *community led action for development*. In 2004 it initiated an experimental *Making Art a Source of Livelihood* project, targeting 3200 folk artists in the six most economically disadvantaged districts of West Bengal. The identified art forms included Patachitra (storytelling through singing stories painted on scrolls), Baul Fakiri (sufi music), Jhumur (tribal lifestyle music and dance), Chau (a tribal mask dance involving martial arts), and the folk theatre forms of Gambhira and Domni. Mr. Bhattacharya explained that the project primarily aims at enhancing the basis of artist’s livelihoods while providing a new positive identity to their localities as creative hubs, rather than as impoverished rural villages. The emergence of these new rural creative centres is, in turn, gradually leading to local socio-economic development through the creation of new tourism destinations, thereby bringing additional income opportunities to the economically marginalized. **Presentation of Mr. Bhattacharya**

19. The third session’s final theme of **Responsible Tourism in the Mekong Region** featured the presentation of **Ms. Christine Jacquemin**, GMS Sustainable Tourism Development Project Coordinator of the Mekong Tourism Coordinating Office (MTCO). She focused on the Office’s plans to launch a new online version of the E-guide to Mekong Responsible Tourism. The first *Guide to Responsible Tourism for Cambodia, Laos and Vietnam* was published in 2008 with the support of the Asian Development Bank under the Mekong Tourism Development Project. This edition was widely successful, and more than 5,000 copies were distributed. The entries were then put online at [www.mekongtourism.org/responsible](http://www.mekongtourism.org/responsible), an edition which won the *PATA Gold Award for the Best Website of 2009*. In a project funded by French Government, MTCO is now seeking to improve the site by reviewing existing content and screening its relevance, while adding new entries and extending its coverage to the entire Greater Mekong sub-region (GMS) – i.e. to include Myanmar, Thailand, and the Chinese provinces of Yunnan and Guangxi. Meant to promote Mekong small and medium enterprises (MSMEs) and community based tourism (CBT) operations committed to making destinations better places for locals to live in and for visitors to experience, the page gathers best practices from the area and serves as an excellent base of information for travelers. She noted that it intends to provide advice and information on how to travel more responsibly, and will soon address the issue of street children. **Presentation of Ms. Jacquemin**

20. The closing remarks of the Seminar were provided by the event’s Chair, **H.E. Mr. Ardika**, who presented the *Spirit of Bali Statement* on behalf of the Indonesian Ministry of Culture and Tourism, calling for the urgent implementation of the Global Code of Ethics for Tourism, by all tourism stakeholders, toward the realization of responsible tourism.