



**WTO ASIA-PACIFIC CONFERENCE ON  
SUSTAINABILITY CERTIFICATION OF TOURISM ACTIVITIES**

**FINAL REPORT**

**Kuala Lumpur, Malaysia,  
11-13 December 2003**

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**The complete text of this Final Report and the presentation documents are available at:**

**[www.world-tourism.org/sustainable/doc/cert-malaysia/finalrep.htm](http://www.world-tourism.org/sustainable/doc/cert-malaysia/finalrep.htm)**

## 1. BACKGROUND AND OBJECTIVES

The need for greater sustainability in tourism services and activities is already widely recognized at all levels. Moreover, there are many and varied planning and development methodologies, as well as tourism management techniques that make it possible to attain higher levels of sustainability and to increase them gradually. Such methodologies and techniques can be complemented by voluntary certification systems for tourism services. The companies and organizations that provide them began appearing on the international tourism market in 1990 and have proliferated over the past few years.

Certifications and ecolabels basically serve three purposes, namely:

- 1) To stimulate tourism service providers to introduce improvements in their operations, aimed at greater environmental, economic, and social sustainability, by providing incentives and technical assistance to do so;
- 2) To differentiate and distinguish tourism products and services that meet environmental, social, and economic standards beyond the level required by the legislation in force;
- 3) To orient consumers with regard to the sustainability characteristics of the tourism services available on the market.

Additionally, certifications and ecolabels serve to promote and stimulate higher levels of sustainability and quality throughout the tourism sector, aside from enhancing the image of certified companies, with the commercial benefits that such enhancement brings.

Despite their recent proliferation, and partly because of it, certification systems have not managed to establish themselves among tourism enterprises in Asia or among tourists. There is also a lack of unanimity and homogeneity among the different systems that exist, resulting in confusion among users.

As a result of its participation in various United Nations forums on sustainability, the World Tourism Organization embarked upon an analysis of the effectiveness of certifications and ecolabels in the different branches of tourism activity in 1999. The WTO published the results of this study in a publication released in 2002, and its Sustainable Development of Tourism Committee analysed these results at its third meeting, held in Costa Rica in September 2002. It also requested the General Secretariat of the WTO to prepare recommendations aimed at orienting governments in the field of certification for the purpose of setting up such systems, choosing from among existing ones, or supporting more widespread use of such systems. These recommendations were transmitted to the Member States in May 2003.

In this context, the Asia-Pacific Conference on Sustainability Certification of Tourism Activities was organized with the following objectives:

- 1) To disseminate the recommendations drawn up by the WTO on the subject of certification;

- 2) To foster permanent dialogue and cooperation among national tourism authorities, officials responsible for certification systems, and tourism service providers and their trade associations, to enable them to act in a coordinated manner in this area;
- 3) To move towards the harmonization of existing certification systems in Asia, at least in terms of basic procedures and criteria;
- 4) To contribute to the joint promotion of the concept and the practice of certification in tourism;
- 5) To consider the possibility of supporting a regional network of certifications and ecolabels for tourism sustainability in Asia;
- 6) To evaluate the advisability and need of establishing an accreditation system for certification bodies in tourism.

The Conference was convened by the World Tourism Organization, and hosted by the Ministry of Culture, Arts and Tourism of Malaysia.

107 participants from 12 countries in the region, as well as from international organizations took part in this Conference. Participants represented national tourism and environmental administrations, regional and local authorities, tourism trade associations and private companies, as well as NGOs and academic institutions.

## 2. CONFERENCE PROGRAMME

**Thursday, 11 December 2003**

9.30 – 9.45 Opening Remarks by Mr. Eugenio Yunis, Chief, Sustainable Development of Tourism, World Tourism Organization

9:45 - 10:30 Opening Address by Hon. Dato'Paduka Abdul Kadir Bin Haji Sheikh Fadzir, Minister of Culture, Arts and Tourism Malaysia

10:30 – 11:15 First Plenary Session: Introductory Presentations

- Sustainability of Tourism and the Role of Certification  
*Mr. Eugenio Yunis, Chief, Sustainable Development of Tourism, World Tourism Organization*
- An Introduction to Certification: A Tool to Support Voluntary Changes towards Sustainability  
*Mr. Ronald Sanabria, Director, Sustainable Tourism, Rainforest Alliance*
- Main Issues and Challenges about Certification  
*Ms. Alice Crabtree, Research Associate on Certification: Asia Pacific Region, The International Ecotourism Society*

11:15 – 11:30 Coffee break

11:30 – 13:00 Second Plenary Session:  
Case study Presentations of Certification Systems

- An ICT Approach Towards Ecotourism Rating  
*Mr. Mohamed Daud, Professor in Knowledge Engineering, University Putra Malaysia, Selangor, Malaysia*
- Green Leaf Programme  
*Mr. Pradech Phayakvichien, Advisor, Tourism Authority of Thailand, Thailand*
- Certification System for Sustainable Tourism in Nepal  
*Mr. Subash Nirola, Director, Tourism Products and Resources Development, Nepal Tourism Board, Nepal*
- VISIT - A Common Initiative of European Tourism Ecolabels  
*Mr. Naut Kusters, European Centre for Eco and Agro Tourism (ECEAT), The Netherlands*

Questions and Answers

13:00 – 14:30 Lunch

14:30 – 15:30 Third Plenary Session:  
Case study Presentations of Certification Systems

- The Role of Certification Schemes in Tourism  
*Mr. Stan Rodgers, Principal Green Globe Trainer, AVTEQ Consulting Services, Australia, SHEMSI Sdn Bhd, Malaysia*
- Green Globe 21: A Global Sustainable Tourism Benchmarking and Certification Program for China's Tourism Industry
- *Dr. Zhuge Ren, Chief Representative, Green Globe 21 China*
- Ecotourism Certification - Australia & Green Globe  
*Mr. Guy Chester, Director, EcoSustainAbility (Ecotourism Australia), Australia*

Questions and Answers

15:30 - 15:45 Coffee break

15:45 – 18:00 Working Groups

Four parallel working groups debating on the topics of collaboration with other stakeholders, financing, facilitation of small and medium enterprises (SMEs), and marketing

20:00 Dinner hosted by Hon. Secretary General, Ministry of Culture, Arts and Tourism Malaysia at Bistro Saloma

**Friday, 12 December 2003**

Plenary Sessions to present conclusions of the working groups and to discuss on the following issues:

8:30 – 9:30 Certification financing

9:30 – 10:30 Recommendations to facilitate the access of SMEs and community organizations to certification

10:30 – 11:00 Coffee break

11:00 – 12:00 Certification and Marketing: Providing market advantage to companies and reaching out to consumers

12:00 – 13:00 Collaboration among governments, private sector and certifiers

13:00 – 14:30 Lunch

14:30 – 15:00 The Sustainable Tourism Stewardship Council and the Sustainable Tourism Certification Network of the Americas: Moving from Fragmentation to Consolidation  
*Mr. Ronald Sanabria, Director, Sustainable Tourism, Rainforest Alliance*

15:00 – 16:00 Coordination of Certification Systems in the Asia-Pacific Region  
(Plenary debate)

16:00 – 16:30 Coffee break

16:30 – 17:00 Closing Session

Closing remarks:

Mr. Eugenio Yunis, Chief, Sustainable Development of Tourism,  
World Tourism Organization

Representative of Ministry of Culture, Arts and Tourism Malaysia

The documents presented at the Conference are available at:  
[www.world-tourism.org/sustainable/doc/cert-malaysia/finalrep.htm](http://www.world-tourism.org/sustainable/doc/cert-malaysia/finalrep.htm)

### **3. SUMMARY OF WORKING GROUP DISCUSSIONS AND PLENARY DEBATES**

Problems, challenges, solutions and recommendations for certification were discussed in four working groups according to the following four themes:

- 1. The scope of certification - What should be certified?**
- 2. Certification financing**
- 3. Certification and Marketing**
- 4. Collaboration among governments, private sector, NGOs, communities, academic institutions and certifiers**

The working groups results were presented and further debated in plenary. The following list contains the main points resulting from the working groups and the plenary debate.

#### **Theme 1.**

##### **The scope of certification - What should be certified?**

- Certification of products, businesses, guides, individuals, destinations
- Sustainability criteria and indicators (environmental, social, economic)

##### **Problems, challenges:**

- Which type of organization(s) should perform the certification and by which criteria?
- How to choose among the variety of certification offers in Asia-Pacific? Which one is really credible? – There is a lack of international standards and recognition behind them.
- Tourism products represent a huge variety of products and a large spectrum, which makes difficult to create common standards.
- The cost of certification can be relatively high for many companies.
- There can be various barriers for companies to entry.
- There is lack of incentives for companies to participate in certification.
- It is difficult to produce immediate benefits of certification.
- How to define the standards that are both specific to a region or country and internationally recognised at the same time?
- How to ensure that other players in the commercialization chain also conform to sustainability standards?
- International standards have specific challenges as developed and developing countries have different performance levels.
- What should be the government's involvement and role in certification?
- Market players have different levels of understanding about certification.
- Who should participate? How to involve local communities in setting up a certification system?
- How to define the target market of the certification program
- What should be the marketing level - domestic or international?
- Ensure enough benefits are attached to the program.
- The certification programme should be voluntary or mandatory?
- There is a need to provide training in the certification process.
- Convince industry to get onboard and maintain compliance with the requirements.
- Should certification be used as defacto regulation?
- Currently there are fragmented and isolated initiatives in the region, therefore there is a need for cooperation and networking.

## **Solutions, recommendations:**

### Scope of certification, what to certify:

- Certify the products and services as one company can run different kind of businesses.
- Destinations are also relevant to certify.
- Certification should be applied in a similar way for local businesses or international chains operating in a destination.
- Certification programmes could begin with hotels, but there is a need to consider the entire supply chain (life cycle) of tourism products. E.g. tour operators should ensure that the entire package (not just the hotels) be certified.
- Certification of guides can enhance the quality and professionalism in guiding services. Highly qualified and sensitized tour guides are especially important in fragile natural and cultural sites, and ethnic villages.
- Certified businesses should provide a code of conduct to the tourists (e.g. on socio-cultural issues considering local communities), along with good information on the certified products and services that will foster responsible behaviour of consumers.

### Criteria, standards and indicators:

- Development of criteria should be done through a bottom up approach with community involvement.
- In addition to the WTO recommendations for certification systems (*see Annex I*), it was suggested to include criteria in relation with:
  - Provision of proper wages for local employees
  - Harmony of the establishments with their surrounding
  - The need for the company to provide a code of conduct for tourists.
  - The consumers' point of view, such as safety and security, health, interpretation (tourist satisfaction).
- When consulting with communities it is also necessary to ask them to set up the maximum number of tourists that they are willing to receive at a time. This carrying capacity limit should be based on both cultural and environmental factors.
- Evaluate economic sustainability to ensure that tourism provides income for local communities instead of leaking to non-local investors. Include in the certification criteria how much of the economic benefits are redistributed among the local communities.
- There is a need to restructure traditional tourism indicators to reflect sustainability (e.g. tourism expenditure and how much of the benefits remains in the local communities).
- Set criteria and corresponding benefits for certified companies at different levels (the higher the level of criteria the bigger the benefit received).
- Include environmental issues into conventional quality schemes.
- It is necessary to define specialized standards for different tourism products and for countries or regions.
- Consider local culture in criteria of international labels.
- Create a minimum/basic regional standard for Asia-Pacific and define additional specific standards considering the specific characteristics of the individual countries and their internal regions.

### Development of certification systems:

- Make strong endorsement for certification as a definite value-adding element to tourism supply.
- Use sampling or pilot project to develop the program.
- Create incentives for companies.
- Offer certification services to those sites that are considered a priority from an environmental and social point of view. It is necessary that the certification programs proactively promote its services in such sites.
- Create/use an independent body to perform certification. If government is involved in certification processes, it should avoid political influence and rather play a facilitator and technical role.
- Government to play a role in providing incentives.
- Use hotels as pilot projects – e.g. use energy-saving as a theme to get started.
- Include both, process- and performance-based criteria.
- Use regional platforms and structures (such as ASEAN) to create certification systems & connect with international organizations to help create international recognition. Existing regional structures could be also used for benchmark and marketing.
- There is a need to create regional and sub regional alliances because there are differences in cultural and environmental matters. Standards should be established from the bottom, up to the local and then regional levels, building on the local/regional realities, before they are brought to the international level.
- Provide training programs as part of the certification process.
- Start the certification process with self-declaration by parties to be certified as a step stone.
- Certification systems should sensitize entrepreneurs to develop a long-term sustainability perspective and considering the wider environment, instead of looking for short-term profits only.
- If used as de-facto regulation or policing of standards, the cost saved by government should be passed onto encouraging development of best practice and certification training and development.

### **Theme 2.**

#### **Certification financing**

- Financing of certification programmes
- Supporting of participating enterprises
- Facilitation of SMEs and community organizations to access certification (financial support and incentives, technical assistance)

#### **Problems, challenges:**

- Certification programmes should become self-sufficient in financial terms.
- How to avoid creating dependency on outside resources to cover the needs of SMEs?
- Political dimensions of financing: funding of certification systems should be such that it does not influence the neutrality of the certification process, i.e. should be independent.
- Social responsibility of governments.
- Access for SMEs and micro-enterprises does not mean just covering cost of certification procedure but also training requirements and implementation costs to meet certification criteria.

## **Solutions, recommendations:**

### Financing certification programmes

- Aim at a mix of funding sources: governmental support, fees, donations, cash, in-kind
- Utilise various resources i.e. universities to guide hotels and other market players and to do research and help with monitoring to ensure continuation of conformity of the certified parties.
- Seek funds from international bodies, including international financial institutions (e.g. World Bank, regional development banks, such as the Asia Development Bank or Islamic Bank and other international organizations like WWF, IUCN, etc.).
- Governments to provide infrastructure support (e.g. secretariat – office, personnel, equipment).
- Government to provide seed money and create a revolving fund to cover basic operational costs.
- Engage tourism industry to finance certification program (contribution from those who benefit, i.e. airlines).
- Working with voluntary services (volunteers).
- Co-operation to avoid duplication of efforts.
- Involve academic institutions and students for research projects.

### Support of participating enterprises

- There are financing needs for two main purposes:
  - for the process of applying for certification,
  - additional source of funding that help companies comply with certification criteria: capacity building and financing the technology that needs to be purchased to raise sustainability levels.
- Funding needs to be allocated for training with an emphasis on best practices but also include basic information on certification.
- Reinvest a percentage of tax from the tourism industry in local capacity development.
- Need to sell in innovative manner. Micro businesses will not buy into certification on the basis of saving the environment, but will adopt certification on the expectation of saving money (through implementing sustainable practices).
- Create incentives for certified products and companies, e.g.:
  - tax reduction
  - licensing advantages, longer permits
  - better credit conditions (preferential interest rates, soft loans, state guarantee)
  - government to channel funds through commercial banks by creating special credit packages
  - marketing advantages with local and national tourism boards
  - government grants, reimbursement of certification costs
  - publicize awarding ceremonies,
  - link awards for economical performance (e.g. best company of the year) with sustainability certification achievements.
- Reduce cost of auditing by concentrating high-rigor on-site assessment on products that potentially can have a high negative impact on nature and/or culture.

- Preferential access to funding is already often available to operators and communities that are indigenous people or located in protected areas. These funds could be considered also for certification purposes.
- In case companies internalize costs of sustainability improvements through a certification programme, it should be reflected in the price to the consumer. In order to increase willingness to pay by consumers, it is important to provide information for tourists on sustainability issues and certification.
- There can be a levy established on service prices and user fees, to finance sustainable management of areas and projects (e.g. in Nepal), but it is important to explain clearly to tourists how that money is used.

#### SME support:

- Group companies for certification to bring the cost down.
- SMEs to form alliances for joint certification.
- Larger businesses support smaller ones.
- Create a foundation to support micro businesses.
- Undertake awareness raising and capacity building programmes especially designed for different types of SMEs.
- Create special financial packages for SMEs and local communities.

### **Theme 3.**

#### **Certification and Marketing**

- Providing market advantage to companies
- Reaching out to consumers

#### **Problems, challenges:**

- Create a package of incentives & benefits to market the programmes
- How to create a system that is recognised by the consumers?
- How the certification programme should be marketed?
- Multiplicity of logos confuses consumers
- How can the community help in the promotion and marketing of certification programmes?

#### **Solutions, recommendations:**

- Awareness raising on the benefits of certification, like improved company image
- Use relevant indicators that will help demonstrating the benefits of the programme, and thus promoting it.
- Develop regional cooperation to avoid proliferation of logos.
- Develop media support & publicity.
- Sell services locally.
- Marketing through tourism boards and trade missions (esp. overseas).
- Include information on certified products in official tourism promotion and information publications, as well as in websites and link websites of certified companies to them. For example, in Fiji, the Tourism Board has agreed to use images of certified products in promotional materials.
- Give priority to certified companies to participate in international tourism fairs. For example, in Australia, the Australian Tourism Exchange will have a large booth area for certified products, with preferential access for small ecotourism businesses.
- Government agencies to use preferentially certified products and services for public functions (e.g. meetings, trips).

- Companies to include logo and information on their certified products in their promotional materials.
- Providing information to schools.
- Official endorsement by international organizations, such as WTO, or others, that will help create recognition of the programme
- Create one global logo
- One global web site with all certified products
- Provide incentives to consumers using certified products, e.g. free bicycle or public transport.
- Reach out to consumers through the involvement of consumer associations.
- Ensure that communities participate in the development of the certification program, and then they can help also promoting it directly to tourists. Promotion can come through word of mouth, raise the community voice to promote certified companies and, by default, certification systems will get more clients.
- Business to business recognition (Companies managing certified product uses/buys other certified products and services).
- If there is a country that has a sufficient number of certified businesses, it is recommended to convene meetings with foreign tour operators for them to learn about certified products. (For example, WTO has been promoting this with the Tour Operators Initiative. Workshops were organized in Turkey, Dominican Republic where foreign tour operators and local providers were brought together to define how could sustainability principles be implemented.) This type of workshops could be used to promote existing certification programs, in order to convince tour operators to give preferential treatment to certified operations at destinations.

#### **Theme 4.**

#### **Collaboration among governments, private sector, NGOs, communities, academic institutions and certifiers**

- Areas of collaboration
- Mechanisms of collaboration
- Communication and networking

#### **Challenges:**

- What kind of collaboration mechanism and institutional framework could be set up at the national level (national council, steering committee, forum)?
- Which organizations should participate, who should regulate the process, handle the funds?
- How to create a regional network for the Asia-Pacific, and how to link regional networks?

#### **Solutions, recommendations:**

- Create political will in government and clear policy for certification.
- The process should not be solely top-down. It is necessary to develop participatory processes with involvement of government, private sector, NGOs (international and local ones), academic institutions, experts, local communities.

- Include stakeholders from sectors other than tourism, not treating tourism in isolation, integrating with more global sustainable strategies (e.g. health, safety issues).
- Involve national standards and quality organizations.
- Coordinate at different levels (national-regional-local).
- Reach out to local communities through workshops, fora, awareness raising, training and capacity building programmes.
- Involve the local context in international certification systems, collaborate with traditional leaders.
- Create a regional network of certification programs for Asia-Pacific, similarly to the Network in the Americas and the VISIT programme in Europe. The network should serve for sharing information and experiences in the first place.
- Create partnerships for coordination, communication, cooperation and transparency.
- Collaborate on branding and marketing (public-private partnership).
- Partnership with educational institutes for awareness raising and training.
- Create networking and easy-access information sharing mechanisms (e.g. database of good practices, certified products and companies - Internet based mechanisms).

# **WTO RECOMMENDATIONS TO GOVERNMENTS FOR SUPPORTING AND/OR ESTABLISHING NATIONAL CERTIFICATION SYSTEMS FOR SUSTAINABLE TOURISM**

## **Introduction**

Certification systems for sustainable tourism play an increasing role in regulating tourism operations as voluntary instruments above legal frameworks. They usually address three main aspects, namely: 1) environmental performance of companies, operations and destinations; 2) product quality; and 3) corporate social responsibility of operations. They normally target tourism suppliers, such as accommodation, restaurants, sport and leisure facilities, tourist attractions, destinations, tour operators, (tourist) transport companies, tourist associations, etc.

Considering the growing number and importance of certification systems and other voluntary initiatives in tourism, and based on a recommendation made by the UN Commission on Sustainable Development, WTO undertook a comprehensive worldwide study on this topic. The results of this study were published in 2002, under the title “Voluntary Initiatives for Sustainable Tourism: Worldwide Inventory and Comparative Analysis of 104 Eco-labels, Awards And Self-commitments”.

The WTO Committee on Sustainable Development of Tourism, at its 3rd Session held in Costa Rica, 25-26 September 2002 recommended the preparation of a set of guidelines for Governments on certification systems for sustainable tourism. Acting on this decision of the Committee, the present document aims at enhancing awareness among governments about the opportunities certification systems may provide as part of their sustainable development policy goals, and provides basic recommendations for supporting and/or establishing such systems at the national level. It is primarily based on the WTO study mentioned above. It also draws on the survey conducted among WTO Member States in November 2001 – January 2002, considering the feasibility of a Sustainable Tourism Stewardship Council, on the experience gained in the area of certification through the International Year of Ecotourism 2002, on comments received from the Committee members, and on other relevant documents.

## **The role of governments in present certification systems**

The WTO study on voluntary initiatives for sustainable tourism revealed that governments have an important role in many of the certification systems presently operating. Twenty of the 59 certification schemes investigated are lead by government agencies. A further 18 have government involvement, either through direct financial support, marketing support, expert know-how in criteria setting, verification procedures, or surveillance of procedures followed by the certification body. Government financial support is crucial to half the schemes for which data is available. Government agencies involved generally include either environment ministries, national tourism authorities and tourist boards, and in fewer cases, standards institutes.

## **Certification systems can bring benefits to society, the environment, governments, private companies and consumers as well.**

### **Potential benefits for society:**

- Generally speaking, societies will benefit from certification systems that cover the three aspects of sustainability: social, environmental and economic. Certified companies are supposed to generate benefits in these three areas, while reducing their negative impacts. Therefore, the contribution of tourism activities to the sustainable development of host societies will be more evident, more measurable and more accountable.
- Furthermore, the level of awareness on sustainability issues will be stronger in the host society if the large majority of tourism companies and/or destinations are certified.

### **Potential benefits for the environment:**

- It is evident that certification systems and ecolabels that include strict environmental criteria result in benefits for the local environment and, to the extent that some mass tourism activities can impact biodiversity and climate change, also the global environment.
- Furthermore, the widespread use of ecolabels and certification systems in the tourism industry helps to generate increased environmental awareness among both, tourists and host societies and should result in more caring attitudes with respect to the natural and built environments.

### **Potential benefits for governments:**

- Providing an effective alternative to direct regulation, which could prove more difficult and time-consuming to implement;
- Enabling governments to adopt a flexible approach to monitoring the tourism industry, permitting organisations to proceed at the pace they feel most comfortable with, while encouraging them to develop innovative approaches to environmental and socio-cultural improvements;
- Giving tourism companies greater scope for making environmental and social improvements by exploiting opportunities specific to their individual circumstances, rather than governments having to control and inspect companies in order to check that they comply with general, industry-wide regulations;
- Allowing part of the costs of implementing and monitoring environmental protection measures to be transferred to the industry itself, thereby reducing the financial burden of regulation on the taxpayer;
- National programs of tourism certification can enhance tourism's recognition in the country, national competitiveness and image in international markets.

### **Potential benefits for companies:**

- Adherence to voluntary environmental initiatives can enable the company to market its products more effectively, and to improve their public image among consumers, business partners and with the host communities;
- Engaging in voluntary certification can help companies to signal their specific commitment to environmental, social and even economic improvements, which may in turn help to defer the need for further direct regulation by governments;

- Pursuing sound environmental management strategies can generate substantial cost savings for the company;
- Participation in a certification programme can provide better access to modern techniques, technology and know-how;
- Applying effective environmental management can help to protect the environmental and cultural assets upon which the tourism industry depends for its continued prosperity.

Finally, certification and ecolabels can of course **benefit consumers** by providing them with more information and guidance for their decisions on travel choices, as well as assurances for product and service quality.

## RECOMMENDATIONS

Certification systems for sustainable tourism need to be developed and operated to fit geographical, political, socio-economic and sectoral characteristics of each country. For this reason, the following recommendations serve as general orientation and they need to be adapted to the economic, institutional, social and environmental conditions prevailing in each country.

### 1. Development of the certification system

Governments can play a key role in the initiation and development of certification systems for sustainable tourism by creating the supportive legal and institutional structures. The following general recommendations can be made:

1. Consider a national certification system as an integral part of sustainable tourism development policies, strategies and objectives, and an effective tool to implement them.
2. Identify key stakeholders and potential target groups relevant to and interested in certification programmes.
3. Develop the certification system through multi-stakeholder consultation processes, involving all relevant interest groups, such as different government authorities (tourism, environment, transportation, finance, education, etc); tourism trade associations and other private groups; academic, education and research institutions; NGOs; consumer associations; etc. The development and the operation of a successful certification program in many cases lays in the multi-stakeholder representation of the team awarding certificates and supporting the program.
4. Coordinate an in-depth research on the conditions and feasibility of a certification system, including aspects such as:
  - Existing legal and voluntary instruments affecting the tourism sector (e.g. laws, regulations, taxes, subsidies, local certification systems, codes of conduct, environmental awards, etc.);
  - Experience of certification systems applied in other sectors in the country, like agriculture, forestry, and draw lessons from them for the tourism sector
  - Certification criteria (*see section 2 below*);

- Operational mechanisms: application, verification, awarding, revision and inspection procedures; consulting and technical assistance for participants, marketing and communication; funding (*see section 3 below*).
5. Provide finance and/or seek partners for co-financing and providing technical contributions for the research, development and operational costs of certification programmes (e.g. different government departments, NGOs, academic institutions, international finance and development agencies, private foundations, etc).
  6. Ensure transparency throughout all the stages of the development and operation of the certification system and establish an appeals process.
  7. Make clear to the private sector the benefits, costs and other implications of certification systems.
  8. Develop incentives to motivate and encourage tourism companies to become certified, e.g. marketing incentives by giving priority in trade shows and nationally sponsored publicity, or ensuring access to environmental technologies, etc.
  9. Consider issues affecting the sustainability of destinations as a whole, involving all tourism product and service providers.
  10. Pay special attention to equitable access to certification, especially by small and medium size firms, as they can have more difficulties in meeting the costs and technical requirements than bigger companies.
  11. Conduct pilot projects for testing and demonstration of the certification system.
  12. Prepare the market for certification, in order to reach a good demand level from tourism companies, and a critical mass at the initial phase to get the system running.

## **2. Certification criteria**

**Developing certification criteria is a critical part of the certification system development process. The following general recommendations need to be considered:**

1. Base criteria on existing legal standards and instruments and set them well above legal compliance.
2. Include the precondition of compliance by the applicant with these legislations.
3. Address the three dimensions of sustainability: environmental, socio-cultural and economic issues.
4. Define core criteria and supplementary criteria specific for different tourism product and service groups (e.g. hotels and other accommodations, transportation services, restaurants, tour operators and travel agents, attractions, etc.). By this

way consider the implications to destinations as a whole, and not just certain tourism product and service groups.

5. In bigger countries, criteria can be adjusted to specific regional and local environmental and socio-economic conditions.
6. For each criterion, define indicators that are measurable and easy to understand by the different type of stakeholders involved in the certification process.
7. Base criteria and indicators on scientific research that evaluates the key environmental and socio-economic impacts of the sector.
8. Criteria should refer to attainable and realistic goals for private sector participants.
9. Criteria can be set in different levels of requirements: from more easily achievable to very demanding criteria. Thus, the certification system sets a framework for continuous improvement whereby applicants can achieve higher performance levels step by step.
10. Compliance with criteria can be measured through process and performance-based assessments. Indicators are essential tools for measuring environmental, social and economic impacts of tourism operations:

Environmental indicators can relate to the following factors, among others:

- Environmental impact assessment conducted for setting up the operation or construction of establishments;
- Environmental management practices, company policies and technical measures (e.g. energy, water saving and waste treatment devices, environmental friendly transportation, etc.) in place;
- Land use and property issues in destinations;
- Health and safety;
- Use of natural resources:
  - Energy (consumption, reduction, efficiency)
  - Water (consumption, reduction, quality)
  - Solid and liquid waste (reduction, reuse, recycling, treatment, disposal)
  - Appropriate building materials
  - Hazardous substances (reduction, handling, use of nature friendly cleaning products)
  - Noise (reduction)
  - Air quality (quality, improvement)
  - Habitat/eco-system/wildlife maintenance and enhancement;
- Environmental information/interpretation/education for customers;
- Transportation services (public transport, environmental friendly alternatives);
- Indicators and standards on the impacts at specific tourist use areas (e.g. beaches) and on the impacts caused by specific tourism activities and facilities (e.g. diving, golf, marinas etc.);
- Visual impacts of establishments and infrastructure; etc.

Social indicators can relate to the following factors, among others:

- Social impact assessment conducted for setting up the operation and the establishments;
- Staff policies and management (information, education, training, incentives, health, safety, etc.);
- Relationships with local communities (local employees, outreach and education programmes);
- Emphasis on, and conservation of local/regional culture, heritage and authenticity;
- Maintaining aesthetics of physical development/architecture;
- Community feedback systems, satisfaction of local population;
- Contribution to community development purposes (infrastructure improvement; social services, etc.);
- Information provided to guests on sustainability aspects;
- Guest feedback systems in place, customer satisfaction, etc.

Economic indicators can relate to the following factors, among others:

- Creation of local employment (number of employees from local communities and their level of skills);
- Supply chain management through green and sustainable purchasing policies;
- Creation of networks of environmentally friendly businesses within a given destination;
- Responsible marketing;
- Use of locally sourced and produced materials and food, etc.

In addition, certification criteria for ecotourism should specifically address the elements below, besides the general sustainability criteria:

- Financial and in-kind contributions to conservation of ecotourism sites by companies;
- Level of involvement of local communities and benefits accruing to them;
- Use of specialized guides and other interpretation techniques, information provided to tourists through ecotourism operations;
- Environmental education activities provided for tourists and local populations;
- Locally appropriate scale and design for lodging, infrastructure and tours;
- Minimal impact on and the appropriate presentation of local and indigenous culture.

11. Indicators to measure the success of certification systems can address:

- The number of applications and certified companies (i.e. increase over time of the number of companies registered in a certain certification system);
- The percentage of certified companies in the different tourism product and service groups;
- Improvement in environmental and social performance in certified companies (e.g. changes in water and energy consumption, resource savings, etc.);
- Environmental and social performance of certified companies as compared to non-certified ones (e.g. a current estimate is that environmental performance per certified accommodation enterprises can be taken as about 20 % better than the average performance at accommodation facilities in Europe).

12. Consider the whole product life cycle when setting product environmental criteria (from the manufacturing, transporting, through purchasing, consumption, to recycling, disposal, etc.).
13. Undertake periodic revision and update of criteria (e.g. every 2-3 years).

### **3. Operation of certification systems**

The procedure is normally composed of the application, verification and certification processes. The funding mechanism for the above services and procedures is a crucial and critical element for the success of certification systems. Normally there is a funding, verification and certification body interacting in these processes. In many cases the funding and certification bodies coincide. Fundamental components of any certification system are the facilitation of consulting, advisory and technical assistance and marketing services. The following general recommendations can be made in relation to the operational processes:

#### **3.1 Application:**

1. The system should be open to all potential applicants.
2. Provide clear and easily accessible information on the criteria, costs and benefits and other conditions of certification (e.g. through Internet, email, telephone, information kit).
3. Offer immediate sources for consultation services.
4. Show tangible benefits for applicants (e.g. costs savings, marketing advantage, access to technical assistance and modern technology and financial possibilities, etc.) and explain clearly the commitments and costs.
5. Application documents should be clear, easy to understand and fill in.
6. Conduct a pre-evaluation/assessment of the applicant in order to identify technical and technological aspects that need to be improved to meet the criteria. Provide assistance and financial incentives for these improvements.

#### **3.2 Verification**

7. Verification of compliance with criteria should be done by an independent or third-party organization. In other words by a body which is independent from the parties being certified and of technical assessment or funding.
8. Verification is normally done through a combination of different activities: review of application documents and references, self-assessment by the operation through questionnaire, on-site visit, fees to be paid by the applicant.
9. Verification audits should be conducted by suitably trained auditors.

10. The verification process can be also used to give recommendations to the applicants on how to improve their performance and achieve further progress.

### **3.3 Certification (awarding of certification)**

The certification is basically the awarding of the certification to the applicant, granting a permit for using the logo, marketing and other services of the system.

11. Certification bodies can be composed of representatives of the mayor stakeholder groups participating in the development and operation of the system. Governments have a key role in certification bodies, by giving credibility and recognition of the system.
12. As it was also mentioned among the recommendations for criteria development, awarding of certification can be done at single-level or at multi-level. The latter one occurs if criteria are set on different scales with a view to ensure a framework of continuous improvement.
13. The certification, the use of a logo and related benefits should be granted for a pre-determined period, after which re-assessment and verification should be conducted to ensure continuous compliance with the same or higher criteria.
14. Follow up control can be conducted after certification. For example, the WTO study on voluntary initiatives demonstrated that more than 50% of the certification systems currently operating undertake some control visits after certification: 38% are announced, and 17% are surprise visits. Some eco-labels either do phone checks, stimulating guests' feedback or sending "mystery guests" to the certified tourism service.
15. Procedures have to be in place for the cancellation and withdrawal of certification and the use of the corresponding logo in case of non-compliance.
16. The certification system can also include consumer and local community feedback mechanisms.

### **3.4 Consulting, advisory and technical assistance services**

The facilitation of the following services represents important added value for tourism companies and can be decisive factors for joining the certification system.

17. Provide technical consultancy options from the initial expression of interest and through the application phases onward, and give guidance to the applicant at every stage of the process.
18. Facilitate technical assistance for applicants so that they can introduce advanced management techniques and technology to meet the certification criteria. Provide access to environmental technologies, equipments and techniques by creating alliances with other organizations that can provide assistance for this purpose.
19. Develop training and capacity building programmes in form of courses, workshops, distance learning, etc.

20. Organize regular meetings for certified companies to promote the exchange of experiences and the sense of group.
21. Constant assistance and advisory is especially important in certification systems where the criteria and awarding are set on different scales.

### **3.5 Marketing and communication**

Marketing is another fundamental element of certification programmes, representing perhaps the biggest attraction and the most tangible benefits for private companies. The following general recommendations can be made:

22. Develop a precise marketing strategy for the certification system targeting three groups in principle:
  - 22.1 Potential candidates: aiming at attracting companies to join the programme
  - 22.2 Applicants and certified companies: providing marketing and promotional support and market advantages for them
  - 22.3 Consumers: reaching recognition of the certification programmes, fostering responsible travel choices, and make effective the marketing advantage for certified companies.
23. Develop a well-distinguished and unequivocal logo design for the system. The logo can be accompanied by a motto, or slogan. Ensure legal protection of the logo.
24. The presentation of the system in media and communication should reflect a well recognized corporate image in the market for businesses and consumers as well. The system can represent a sort of brand.
25. Use all available forms and channels to publicize and provide information on the certification programme for companies and consumers (e.g. brochures, flyers, guide books, printed and electronic media, Internet, conferences, seminars, tourism and trade fairs, etc.)
26. Give good media coverage to the awarding ceremonies.
27. Provide marketing support and promotion for certified companies through national tourist boards or national tourism marketing organizations, e.g. presentation of these companies in national brochures, catalogues, listings, websites, support for presence at national stands at tourism fairs and exhibition, etc.
28. Give recommendations and examples to applicants and certified companies on how to include the certificate in their own marketing activities.
29. Demonstrate the distinction on environmental performance, economic and socio-cultural effects between certified and non-certified products/companies.
30. Communicate on a regular basis with certified members (e.g. through periodic meetings and events, newsletters, emails, exclusive access to information on Internet, etc.)

31. Provide clear and easily understandable information to consumers on the characteristics and added value that certification represents.
32. Develop consumer awareness raising and education campaigns on the certification system and certified products.
33. Involve consumer associations in these efforts

### **3.6 Fees and funding**

Governments have a key role in providing funding themselves, and/or in conceiving and developing alternative funding mechanisms with other partners for the operation of the certification system.

34. Establish the right balance between financial contributions of the public and private sectors.
35. Ensure that the sources of funding do not create a conflict of interest, since undue influence by funding organizations should be avoided in the certification procedure.
36. Establish fees for participants to cover (at least part of) application and verification costs. Fees should be kept as low as possible in order to encourage participation.
37. Fees should be calculated proportionally to size of businesses (e.g. by number of beds or visitors, turnover, etc.).
38. Provide incentive measures and support the application of companies, especially of small and medium size enterprises that would otherwise be left out (e.g. by soft loans and subsidies to make the necessary improvements to meet the criteria).
39. Consider in-kind contributions by governments for the operation, e.g. providing facilities, office space and equipment.

FINAL NOTE: Governments are encouraged to convey to the World Tourism Organization their experience in connection with certification systems related to sustainability in tourism. This will allow WTO to periodically revise these guidelines, introduce any additional guidelines or modify those recommended above.

Madrid, March 2003