

**SUSTAINABLE TOURISM
STEWARDSHIP COUNCIL**

**RAISING THE STANDARDS AND BENEFITS
OF SUSTAINABLE TOURISM AND ECOTOURISM CERTIFICATION**

Coordinated by Rainforest Alliance



FINAL REPORT

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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

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Report Structure

The report is structured as follows:

The **Executive Summary** provides a brief outline of the proposed phased implementation for a Sustainable Tourism Stewardship Council (STSC), which is directly linked to the findings from the process.

Chapter 1 is an introduction outlining the rationale of the study, its origins and the need for rationalizing sustainable tourism and ecotourism certification, including the credentials of Rainforest Alliance to lead this process.

Chapter 2 presents the methodology used to undertake this feasibility study. The methodology is divided into key issues in the planning and consultation of the study, and the strategy to engage stakeholders through a participatory approach. This chapter also summarizes the study's communication tools, including press releases and web-based distribution, as well as the methods used to gather data from a variety of stakeholders, including consultation workshops, surveys, and interviews with key stakeholders.

Chapter 3 reviews the recent developments in tourism certification, first over the recent past and then from a geographical perspective. It presents the different impacts that tourism certification has had across varying regions and also outlines some of the concerns of various groups especially highlighting the social concerns of small firms seeking certification. The chapter moves on to consider the role of governments in tourism certification and concludes with findings regarding the limited consumer effectiveness that tourism certification has had to date.

Chapter 4 presents the results of the consultation process and the assessment of these results for the purposes of preparing the feasibility proposals. These results are generally summarized around key topics such as organizational blueprint, accreditation criteria, marketing, finances, benefits and challenges of accreditation, and willingness to pay. The wide range of data collection methods and audiences meant that the data gathered is qualitative and that demand for accreditation was not quantifiable, but instead the proposals have taken into account the characteristics that the audiences would consider most favorable to maximize demand.

Chapter 5 presents the results of three benchmark studies looking at organizational structure, governance, and finances for global and national accreditation and certification programs. The chapter also discusses new developments in the field of accreditation and the lessons learned from the studies, which were used to formulate a model for the STSC.

Chapter 6 proposes a phased implementation for the STSC. This phased implementation stages the introduction of the STSC by building up consensus and improving performance of tourism certification programs towards agreed standards, before these programs are assessed for accreditation. The three phases are: 1) STSC-Network, which focuses on clearinghouse and standard setting; 2) STSC-Association, focusing on clearinghouse, standard-setting, training to meet standards, and marketing of programs, with a more defined organizational structure; and 3) STSC-Accreditation, where tourism certification programs are assessed in their ability to meet standards and their capacity to show competence in certification, as well as maintaining other activities such as clearinghouse, standard maintenance, training and

marketing. In order to ensure there are no conflicts of interest, the accreditation function in the STSC-Accreditation phase will be outsourced, so as to maintain training and marketing activities, which the workshops have identified as core to the organization.

Chapter 7 presents the findings on the standards for sustainable tourism and ecotourism, accreditation criteria that could be used to assess tourism certification programs, and the methods for assessing these programs that could ensure transparency and practical feasibility. The information in this chapter is based on the results of the consultation workshops and an analysis and benchmarking of key documents and practices from a variety of organizations.

Chapter 8 presents a proposed marketing strategy for the STSC in a generic sense and then specifically for nine target markets which represent the major stakeholders. It analyzes the needs of each stakeholder group, the ability of the STSC to address these target markets, and communicating the benefits of STSC and proposing ways to deliver benefits. It ends with a series of actions that the STSC needs to achieve from each stakeholder group to ensure their commitment to the STSC.

Chapter 9 presents the conclusions and the next steps that need to be undertaken to ensure progress towards a STSC-Network.

The report is supported with a list of acronyms, a bibliography, a glossary, and a range of appendices including the terms of reference, the list of members of the Advisory Committees, the list of organizations consulted, the list of the monthly activities of the project's team, the World Tourism Organization (WTO) survey of tourism certification programs, the results of the benchmark study, and detailed budget projections for each scenario over a ten-year period.

Executive Summary

Certification of sustainable tourism and ecotourism can help to reduce the negative environmental and social impacts of tourism, ensure that the tourism industry is held accountable and provide marketing benefits to those firms that meet the certification standards. Reports by the United Nations Environment Programme (UNEP) and the World Tourism Organization (WTO) have cited the benefits of certification and many governments, NGOs and other stakeholders are introducing national, regional and international certification programs. There is consensus that the increasing numbers of certification programs would benefit from shared functions such as marketing, training and development, while supply chains and consumers would benefit from the setting of standards.

Some two years ago, the Rainforest Alliance, with funding from the Ford Foundation and help from its Advisory Committees of NGOs, multilateral agencies and industry representatives, initiated a study of the feasibility of establishing an international Sustainable Tourism Stewardship Council (STSC) to promote globally recognized, high-quality certification programs for sustainable tourism and ecotourism through a process of information sharing, marketing, and assessment of standards. (*Certification* is defined as the procedure by which the certification/awarding body gives written assurance and awards a logo (to the consumer and the industry in general) to signify that a product, process, service, or management system conforms to specified requirements. *Accreditation* is key to the role of a Stewardship Council, a body that grants certifying powers. In effect it certifies that the certifiers are doing their job correctly.)

This report summarizes the findings over the two years of the study. During the study period, the authors documented growing international agreement about the need for a sound accreditation program to assess and help standardize the rapidly growing number of certification programs for the sustainable and ecotourism markets. The study involved a broad range of experts around the globe from grassroots and indigenous community activists to key tourism firms to high-level officials in UN and international environmental organizations. The need for a STSC was publicly endorsed at the World Ecotourism Summit (WES) and incorporated in its final communiqué.

The Rainforest Alliance (and this project's Advisory Committees) acknowledges that certification and accreditation are not a panacea for all the problems associated with unsustainable tourism. Certification is one important tool currently being used and its merits and weaknesses must be recognized. However the study and the report presented hereby are intended to address specifically the feasibility of implementing a Stewardship Council as an accreditation organization for sustainable tourism and ecotourism certification.

This report analyzes the state of the art in tourism certification and the lessons to be learned from accreditation in other sectors. Based on extensive consultation, it profiles key stakeholders and considers needs that the STSC can satisfy, and methods to do so. It proposes an organizational blueprint for a STSC that grows through a phased implementation to allow

for bottom-up development of agendas and structures. It benchmarks the criteria used in certification at present to consider the feasibility of an international standard, and it also benchmarks principles and guidelines for managing tourism certification that can form the basis of accreditation criteria.

As a result of the extensive consultation process, we propose three phases of development aimed at improving the quality of certification programs (and thus the sustainability of tourism) and address different issues affecting tourism certification.

- **Phase 1: STSC-Network** to share information and gain consensus on priorities and processes. It is recommended that the STSC starts as a Network for a period of two years within which a wide range of stakeholders can consider the results of this feasibility study and the applicability in different regions, discuss the contents of a possible international standard and the necessary regional variations. The Network phase also gives tourism certification programs a vehicle to build trust and to take ownership of the systems proposed.
- **Phase 2: STSC-Association** to market certified products, provide guidance to countries seeking to establish or upgrade certification programs, and reach agreement on standards and processes. The STSC-Association phase allows tourism certification programs and other stakeholders to agree on international standards and criteria and methods to assess how programs meet these standards, while benefiting from joint marketing and training that increases the exposure of the tourism certification programs and improves their performance. The Association phase is a necessary stepping-stone to allow tourism certification programs to make the necessary improvements to be able to meet accreditation requirements.
- **Phase 3: STSC-Accreditation** to accredit and market certification programs that meet the agreed upon standards and demonstrate capacity to certify. This phase finally includes all key functions of the STSC by building on the agreements made at the Association phase and introducing the key element of accreditation. Structures from the Association are kept and the function of accreditation is outsourced to be able to maintain training and marketing functions separate from decision-making on which certification programs are accredited, and in doing so, guarantee independence and transparency and avoid conflicts of interest.

STSC-Network

The initial Network phase allows for building consensus around the components that must be part of all certification programs such as developing, promoting, and implementing best management practices, sharing information, building demand for an accreditation body, and encouraging certification programs to take a more active role in supporting the STSC. This initiative emphasizes being a catalyst and facilitator.

It is recommended that initially the STSC be organized in the form of an international Network that makes use of regional initiatives already in place and supports and/or develops regional initiatives where these are not available. The STSC-Network could link with existing networks of tourism certification programs and be affiliated with international agencies and stakeholders that give it credibility and support.

The Network may act primarily as a regional clearinghouse for information on certification but may also provide technical assistance and information on standards and certification

processes, inform key stakeholders about certification and accreditation and continue to build the case for a STSC. The initial phase can be used to share information among certification programs in order to identify best practices and help transfer experiences to new contexts. The Network may generate and share information electronically, hold some multi-stakeholder workshops in each region (depending on budget), and hold one annual international forum. This may permit countries without certification programs to introduce necessary institutional arrangements and training. The Network will research criteria for an international standard and will develop a policy on the regional and local differences. At this stage, certification programs would not be assessed against criteria/standards, however they could first consider their operations against the ISO 65 Guide on procedures for operating a certification body, as well as the feasibility of international standards based on the information collected to write this document.

Organizational characteristics

To be effective, the Network should have an international coordinating unit supporting regional initiatives. Working at the regional level allows for regional differences, needs, and capacity. The international coordination would allow for cross-fertilization and communication across regions and could also help streamline fundraising and marketing efforts. The Network would not be set up as a legal entity. The organizational chart could be kept simple, building on the structure created for this feasibility study, with an international project coordinator and a representative for the Latin America regional network, with other member organizations acting as regional representatives.

The Network could have a consensus-based governance with rotating chairs from the regions, facilitated by the international coordinator. Membership would be open to all stakeholders, including certification programs, governments, industry and industry associations, tour operators, NGOs, consumer associations, labor unions, community-based and indigenous organizations, development organizations, intergovernmental agencies, donors and financial agencies, academic and research institutions, and accreditation organizations, as well as independent experts and consultants. The core membership of the regional initiatives could be drawn from those who have participated in the STSC forums held during 2001-2002 and participation of others could be encouraged. Representation on the regional initiatives could be through either self nomination or nomination by other stakeholders. Specific roles to support the STSC-Network for each stakeholder group are outlined in Table 1.

A technical committee, attached to the international Network, would be created to steer the developing of draft standards, accreditation criteria and assessment methods. Six to eight members would be individuals or organizations with specific expertise with standards, certification procedures, tourism, and impacts. These drafts will then be developed into completed standards by committees following the principles of consensus and balanced representation of all stakeholder and interest groups to increase their prospects for broad acceptance.

Finances

The cost of establishing and maintaining the international Network and regional initiatives may vary depending upon the number of regions represented and the level of activity. Costs may vary from an annual budget of \$250,000 to cover one full-time coordinator and part-time assistant, the cost of maintaining the electronic Network and other forms of communication,

and one annual meeting, to \$450,000 to cover two regional representatives and activities within those regions. It is assumed that the international coordinator will be the liaison with the established regional initiatives. The balance between Internet and face-to-face communications will help determine the Network's costs. Temporary staff may also be needed to help coordinate the workshops and meetings but, ideally, event-specific personnel would be provided by the regional host.

This Network stage may generate little or no direct revenue, though it may be possible to charge Network participants a nominal participation fee. It is expected that participants would pay their own travel and accommodation expenses to the workshops and annual meeting, though some participants may need financial aid. Additional subsidies and in-kind contributions (including the venue) may be needed for the workshops and annual meeting.

Evaluation

The strengths of this phase are that it is a bottom up and cost effective approach to developing standards and raising the bar in sustainable tourism and ecotourism certification. It is a natural progression from the current stage and it that will increase awareness and provide a platform for further activities. The weaknesses are that some groups may be under-represented since there is no clear mechanism to determine who should be included, and the agenda may be overly influenced by those organizations that can afford to participate.

STSC-Association

The STSC-Association phase creates, for the first time, a formal, international office that could facilitate improved marketing, training, and information sharing. This phase, like the Network, assumes that the certification programs need time and capacity to develop and expertise to improve their performance. The Association stage focuses on creating systems for international marketing of different certification programs. The Association provides a mechanism to harmonize international standards and methods and to assess those standards and the certification procedures against accreditation criteria. It also assists tourism certification programs to improve their systems through information sharing and training, and this helps tourism certification programs to save on consultancy costs.

The Association focuses mainly on marketing, training, and preparing certification programs to conduct self-assessments based upon universally agreed procedures. Marketing efforts concentrate on lobbying tour operators to give preference to certified products and creating a database of certified products. Because of the high cost, the Association does not directly conduct consumer campaigns, but it could disseminate information to NGOs, national tourist boards, and the media. Furthermore, the Association provides guidance and support to governments wanting to start new certification programs. The clearinghouse activities initiated at the Network stage would continue.

Organizational characteristics

An Association is set up as a legal, not for profit entity with a secretariat (suggested five full time and one half time persons), regional networks, a board of directors elected by members, and a technical committee. The international secretariat would benefit from being housed within an intergovernmental agency such as UNEP or WTO. This provides credibility,

prestige, and possible in-kind support that would allow the Association to operate on a cost-effective, non-profit basis.

Membership would be open to all stakeholders and would have two levels, both fee-paying. Full members have voting rights, while associate members have a voice but no vote. Full members must commit to the STSC principles, to be set during the STSC Network level and be in line with the evolving STSC international standard. Roles for different stakeholder groups are outlined in Table 1 and expanded upon in Chapter 6, section 6.2.

The Association builds on discussions at the Network level of the criteria for the international standard on sustainable tourism, as well as the specific regional and local differences within the criteria. Both the standard and the regional differences are agreed at this stage: certification programs self assess themselves against this standard, and the technical committee compares the international standard to each programs' own standards. It is expected that the ISO 65 Guide gains more relevance at this stage and that programs will be changing their actions in line with this guide, prior to accreditation tasks in the STSC-Accreditation phase.

Finances

The implementation costs are estimated at \$275,000 to cover personnel recruitment and relocation, office set up, research and legal expenses. The annual cost of running an Association is expected to be approximately \$850,000, but would vary depending on the level of in-kind subsidies for operational expenses. Its expenses may be primarily for a secretariat of 5.5 staff, annual conference, marketing, database of certified operations, and training. The host institution's in-kind contribution is valued at \$100,000 to support office rent and financial (including accounting, payroll, auditing), legal, and information technology services.

The Association would charge membership fees and these would range depending on full or associate membership, size of organization, and geographic location. The Association will generate revenues from training and conference fees. Donor funding would need to meet the operational deficit of approximately \$970,000.

Assessment

The major strength of the Association phase is that it can provide valuable added services that can help improve the functioning and sound development of tourism certification without the added financial and organizational burden of accreditation. Two key services – marketing and training – are to be provided to tourism certification programs, while continuing the process towards setting performance standards. This will help to build support for STSC-Accreditation. Key weaknesses of this phase are that it relies on subsidies, it prolongs the process towards creation of a full accreditation system, and it does not guarantee standards are met.

STSC-Accreditation

The STSC-Accreditation phase is the final stage of implementing fully the Stewardship Council. Its principal function, in addition to those of the Association, will be to conduct accreditation for those certification programs that voluntarily apply. In doing so, the STSC-Accreditation ensures the accountability of certification programs and improves the confidence of consumers and distribution channels on certification. At the same time, the

STSC-Accreditation will take over marketing, training, and dissemination, while maintaining the standards and liaising with the outsourced accreditation function.

Organizational characteristics

In most aspects, the organizational characteristics are the same for the STSC-Association. The organization is still a legal, not-for-profit entity, with a secretariat, regional networks, board of directors, and technical and marketing committees. The housing of the secretariat should still be within an intergovernmental organization, if possible. In order to maintain independence from the assessment function, the accreditation function should be outsourced to an existing body with the expertise and the economies of scale. The technical committee would serve as liaison with the outsourced accreditation agency.

All stakeholders can be members, including non-accredited tourism certification programs, however these have to be on track towards obtaining accreditation. Accredited tourism certification programs enjoy extended privileges: for example only accredited tourism certification programs can be members of the board and technical committees. Specific roles for stakeholders are outlined in Table 1.

The international standard used by the Stewardship Council will be developed during the STSC's multi-stakeholder consultation processes that may begin during the Network stage. This process incorporates and is compatible with other initiatives and standards including the ISO 14024 standard for environmental labels and declarations, the Mohonk Agreement on sustainable and ecotourism certification that was drawn up at a November 2000 international workshop, VISIT's Common Basic Standard developed in Europe to assess tourism certification programs amongst others. It is envisaged that the STSC may differ from stewardship councils for other industries because it may permit certain variations among tourism certification programs based on geographical, socio-economic, and cultural differences. All programs will conform to the ISO 65 Guide.

It is proposed that the Stewardship Council assess the criteria and performance of certification programs through a review process with site visits, followed by interim reports. Typically the accreditation process includes (i) self-evaluation by the certification program, (ii) an on-site assessment by a team of auditors, and (iii) review of the self-assessment and auditors' reports by the accreditation body to confirm that the certification program complies with its standards.

Finances

Implementation costs would be minimal, as they would have been incurred during the STSC-Association level. The annual cost of running the STSC-Accreditation is expected to be around \$850,000. This figure includes a basic staff of five full time and one half time persons and operational expenses, marketing and communications, and the costs associated with implementing the accreditation process (initial assessment, annual paper audit, and site visits every three years). It also includes development of auditing procedures, criteria, and training of both internal and external assessors. Costs will increase marginally as the number of activities and services increase (numbers of applicants, numbers of site audits, level of marketing and lobbying efforts). This budget is based on a conservative estimates. It is below the annual budgets of other environmental and social accreditation agencies operating

worldwide, though comparisons are difficult given their various stages of development and differing structures. The costs of the outsourced accreditation function are not included, but it is expected that these would break even.

There are a few different revenue-generating opportunities available to accreditation agencies. Most non-profit, non-governmental accreditation agencies rely on a combination of fees (application, accreditation, audit, and membership fees from certified bodies), donations (private foundations, governments, and industry), and royalty/licensing fees. The proportion to which the agencies can rely on fees depends on the ability and willingness of bodies seeking accreditation to pay and this, in turn, is influenced by market demand for the certified products. Most accreditation agencies rely on the applicant certification programs to pay fees. These certified bodies typically pass along the accreditation fees to their customers, the certified operations. However, where possible, accreditation agencies and certification programs try to pass long the costs to the end users.

However, few, if any, environmental or social accreditation agencies are at present financially sustainable through accreditation fees alone. These agencies are seeking alternate models such as segmenting accreditation functions from standard setting, education, and marketing, as well as new ways to capture revenues. These agencies are finding that accreditation fees are not sufficient to cover expenses associated with providing the comprehensive services that an accreditation body must provide. Even in the long run, accreditation agencies may need to rely on significant outside commitments from governmental agencies and private foundations.

It is probable that the STSC will rely on both fees and subsidies for its immediate future. Therefore, it is imperative to think “outside the box” and develop cost effective tools to achieve goals in developing a business model for a STSC. It may be that the complexity, size, and location of the certified operation will mandate a different intensity or level of auditing. This approach may minimize costs for certain types of operations.

Once it has developed the most cost efficient and credible operational models, the STSC will have to test different revenue models, from charging flat fees per certificate or turnover to developing formulas that accommodate differences in complexity, size, and geographic location. Fee structures should take into account equity issues of small operations in developing countries. Royalties or licensing fees may not be feasible for the sustainable tourism sector, though the possibility of collecting a levy on tourism products could be an option that would require further research. The concept of looking to the users along the chain, including the end-users, to help pay for accreditation needs to be further explored.

Evaluation

The strength of developing an accreditation agency for sustainable tourism is that it can provide independent third-party verification for the myriad certification programs operating around the globe. The primary weakness is that it is costly and provides an additional burden to already financially struggling certification bodies and may create barriers to those certification programs, especially ones in developing countries, that are unable to afford the costs of accreditation.

Overall Implementation

The recommended next step is to develop the international Network with regional initiatives, independently of whether or not further steps can, in the next few years, move from the

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Network to the Association and Accreditation levels. The Rainforest Alliance and the STSC Advisory Committees need to undertake a series of steps to discuss the proposals in this document and to facilitate the start of the STSC-Network:

- Gather support statements, to test the level of support for the proposals and recommended adjustments.
- Consult about willingness to join from tourism certification programs, to get more concrete data on market demand and willingness to pay
- Hold preliminary meetings with key players for next steps, including intergovernmental organizations and possible coordinators of the regional networks.
- Hold key stakeholder workshops to develop goals and objectives of the Network and to formalize its operating structure will be needed at the outset
- Fundraise for STSC-Network, to ensure the short-term financial viability.
- Map out sources for financing the STSC-Association and Accreditation levels, and assess the long-term financial viability of an accreditation body.
- Seek a host agency to ensure an institutionally stable place for operations.
- Market research on willingness to pay based on scenarios of stakeholder support.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Table 1. Phases toward the establishment of the Sustainable Tourism Stewardship Council

Summary			
	STSC-Network	STSC-Association	STSC-Accreditation
Short description	Clearinghouse for information on certification and certification programs.	Membership organization with joint marketing and training while developing agreed upon standards for operations and methods to assess them.	Verification of certification programs based on multi-stakeholder international STSC standards. On site accreditation assessments are outsourced to an independent, credible accreditation agency.
Mission/objectives	Raise the quality of certification programs through multi-stakeholder information sharing and awareness raising.	Increase benefits of certification and efficiency of certification programs.	Raise the accountability of certification programs. Improve consumer confidence in third-party sustainable tourism certification.
Main activities	<p>Clearinghouse Annual international conference and 1-2 regional workshops/year. Internet network.</p> <p>Standard Discussions on international standard and local variations.</p> <p>Co-ordination and fundraising</p>	<p>Clearinghouse Annual international conference Internet network.</p> <p>Standard Develop multi-stakeholder international standard. Acknowledge certification competence procedures. First party mapping out own standard against international standard, feeding into rationale for local/regional variations.</p> <p>Marketing Create database of certified companies and use it for marketing/brokerage. Lobby stakeholders (governments for national programs, tour operators to use certified suppliers, NGOs to do consumer marketing, others). Coordinate buyer groups.</p> <p>Training Assessor and certification program training; consultancies.</p> <p>Fundraising</p>	<p>Clearinghouse Annual international conference. Internet network.</p> <p>Standard Maintain currency of standard, revise where appropriate Evaluate quality of the outsourced accreditation.</p> <p>Marketing Create database of certified companies and use it for marketing/brokerage. Lobby stakeholders to promote companies certified by an accredited certification programs. Coordinate buyer groups.</p> <p>Training Assessor and certification program training; consultancies.</p> <p>Fundraising</p> <p>Accreditation Accreditation operations outsourced. Assessment of certification programs' compliance with international standard and certification competence procedures.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Organizational blueprint, standards, criteria and assessment			
	STSC-Network	STSC-Association	STSC-Accreditation
Housing	International coordination and Latin America regional network housed through existing organization in Costa Rica. Links to intergovernmental agencies and regional representatives in Africa, Asia, etc. housed through existing regional networks, such as VISIT and GG21/NEAP.	House in intergovernmental agency – in-kind support to the value of \$100,000 per year, but lower actual cost to the agency.	House in intergovernmental agency – in-kind support to the value of \$100,000 per year, but lower actual cost to the agency. Accreditation housed separately as outsourced.
Structure	International coordination as umbrella to regional initiatives and existing regional Networks. Regional workshops and annual international meeting. Electronic network in between meetings. Multi-stakeholder technical committee with members from regional Networks and other stakeholders. Technical Committee: 6 to 8 experts or organizations with expertise on standards, certification procedures, tourism, impacts.	International secretariat with regional networks developed in previous phase (if there is the political and financial will to continue with them). Board of directors elected by Membership. International secretariat run by director and senior and support staff. Technical committee focused on establishing the standard. A marketing committee is developed, along with other Board committees.	International secretariat with regional networks developed in earlier phase (if there is the political and financial will to continue with them). Board of directors elected by Membership. International secretariat run by director and senior and support staff. Technical committee focuses on maintaining the standard and liaising with outsourcing Accreditation agency. A marketing committee is developed, along with other Board committees.
Staffing	2.5-3.5 staff: International coordinator, half time administrative assistant, and regional representative for Latin America network. Staff will coordinate with existing networks and new networks. Staff will coordinate regional workshops in Latin America and annual conference, and electronic forum and will conduct basic marketing and communications. It is expected that, if funds are available, similar coordinated forums will take place in other regions.	5.5 staff: Executive director, marketing & communications manager, membership & development manager, technical standards & training manager, finance manager (1/2 time), and administrative assistant.	5.5 staff: Executive director, marketing & communications manager, membership & development manager, technical accreditation & standards/training manager, finance manager (1/2 time), and administrative assistant.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	STSC-Network	STSC-Association	STSC-Accreditation
Governance	<p>No formal governance structure beyond Advisory Board with rotating chairs from the organization hosting the workshops and/or regional representatives.</p> <p>Technical committee (standard development).</p> <p>Not a legal entity.</p>	<p>15-member Board elected by Membership and reflects 4 membership chambers: Economic (6 seats including 3 for certification programs), Social (3 seats), Environmental (4 seats), and Intergovernmental (2 permanent, non-elected seats).</p> <p>Technical committee (Standard development, provide information and advice, technical training).</p> <p>Marketing committee.</p> <p>Executive committee.</p> <p>Finance committee.</p> <p>Not-for-profit legal entity.</p>	<p>15-member Board elected by Membership and reflects 4 membership chambers: Economic (6 seats including 3 for accredited certification programs), Social (3 seats), Environmental (4 seats), and Intergovernmental (2 permanent, non-elected seats).</p> <p>Accreditation operations outsourced to guarantee independence from certification programs.</p> <p>Accreditation function separate from standards development</p> <p>Technical committee (standard maintenance, liaison with outsourced accreditation agency).</p> <p>Marketing committee.</p> <p>Executive committee.</p> <p>Finance committee.</p> <p>Not-for-profit legal entity.</p>
Membership	<p>Membership open to all stakeholders.</p> <p>Tourism certification programs membership not conditional to meeting specific criteria.</p>	<p>Membership open to all stakeholders.</p> <p>Two categories: Full and Associate.</p> <p>Full membership open to organizations and individuals that commit in writing to STSC philosophy.</p> <p>Full members have full voting rights.</p> <p>Associate members have voice but no vote.</p> <p>Governments are automatically associate members.</p> <p>Economic members must commit to devoting a significant portion of their turnover to sustainable tourism activities within a reasonable amount of time (2 years).</p>	<p>As in Association, but membership criteria distinguishes between accredited and non-accredited certification programs.</p> <p>Only accreditation programs can participate on the board and technical committees.</p> <p>Non-accredited tourism certification programs can be members but with limited rights, and must be on track to obtain accreditation.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	STSC-Network	STSC-Association	STSC-Accreditation
International standard	First draft of international standard. Policy on regional/local differences agreed.	Multi-stakeholder international standard agreed. Specific regional/local differences to standard agreed in accordance with policy.	Multi-stakeholder international standard, with justified regional/local relevant differences, implemented. Stewardship Council responsible for the standard, which is licensed to the outsourcing Accreditation agency.
Accreditation criteria	STSC accreditation criteria finalized. Tourism certification programs consider their operations against: <ul style="list-style-type: none"> • Preliminary STSC accreditation criteria. • ISO 65 Guide as procedures for operating a certification body. 	STSC accreditation criteria agreed. Tourism certification programs: <ul style="list-style-type: none"> • Compare own standards with the international standard with regional and undertake actions to comply. • Work towards meeting STSC accreditation criteria. • Acknowledge and wherever possible adopt ISO 65 Guide on capacity to conduct competent assessments. 	STSC accreditation criteria implemented. Outsourced accreditation function assesses tourism certification programs: <ul style="list-style-type: none"> • Competence to assess against the international standard with regional differences. • Certification body compliance with ISO 65 Guide on capacity to conduct competent assessments.
Assessment	No assessment of tourism certification programs.	Tourism certification program's first party (self) assessment of: <ul style="list-style-type: none"> • Own standards against proposed international standard. • Ability to gather evidence to meet accreditation criteria. • Capacity to conduct competent assessments against ISO 65 Guide. 	Independent audit to assess compliance to be developed in conjunction with accreditation outsourcer. Proposed review through site visits every 3 years, interim reports by certification program annually.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Roles of stakeholder groups			
	STSC-Network	STSC-Association	STSC-Accreditation
Certification programs	Lead debates/events on sustainable tourism certification. Improve standards to address social, environmental and economic sustainability. Increase numbers of certified businesses.	To test international standards, accreditation criteria and guides on competent assessment. To reach international markets. Joint international campaigns to tour operators Joint on-line searchable database. Form agreements between programs operating in the same country to reduce confusion/competition. Join Association and participate in refining of criteria.	Growth of certification programs from increased efficiency, quality and credibility. Political lobbying to provide incentives for certification.
Governments	Lobby for government-owned accommodation to apply for accredited certification. Support small firm access to certification. Fund academic research on benefits of certification. Fund/subsidize national certification programs.	Brand awareness campaigns to tourists via tourist boards. Incentives to industry achieving accredited certification. Fund/subsidize national certification programs. Support small firm access to certification.	Fund/subsidize accredited national certification program. Brand awareness campaigns to tourists via tourist boards. Monitor GATS implications of government support to certification. Support small firm access to certification.
Industry and industry Associations	Participate in debates on sustainable tourism certification. Industry associations to disseminate information to their members. Provide in-kind support for Network meetings.	Provide information to certification programs that can lead to marketing campaigns. Industry associations lobby industry to apply for certification. Increase applications to certification programs.	Industry associations include certification as membership requirement. Industry to see certification as a sign of successful business and management.
Tour Operators	Creation of buyer groups. Participate in debates on sustainable tourism certification.	Give preference to certified producers. Measure use of certified suppliers via corporate sustainable reporting.	Give preference to certified producers by accredited certification program. Expand purchasing policies to use predominantly certified suppliers/producers.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	STSC-Network	STSC-Association	STSC-Accreditation
NGOs and consumer Associations	Fund research on benefits of certification Tourist information dissemination. Incorporate social and environmental concerns.	Lobby tour operators and consumers to purchase certified. Incorporate social and environmental concerns.	Ensure objective and transparent certification. Watchdog or board role. Incorporate social and environmental concerns. Government lobbying to increase take up of certification.
Intergovernmental agencies	Provide legitimacy endorsement. Fund academic research on benefits of certification.	Lead search for host of STSC secretariat. Active participation on board.	Ensure objective and transparent accreditation mechanisms. Active participation on board.
Donors and financial institutions	Financial support for Network administration and meetings. Provide funding to other stakeholders for research and participation. Continue to fund pilot certification programs, especially in areas of high biodiversity value and with socio/cultural concerns.	Include certification as deliverable in funded projects. Continue to fund pilot certification programs, especially in areas of high biodiversity value and with socio/cultural concerns.	Include certification from accredited certification programs as deliverable in projects financed by these institutions. Use tourism accreditation to lever ethical investment. Continue to fund pilot certification programs, especially in areas of high biodiversity value and with socio/cultural concerns. Criteria review research funding.
Accreditation organizations	Encouraged to participate and share knowledge.	Piggyback marketing with non-tourism accreditation bodies. Knowledge-experience sharing.	Ensure accreditation is conducted through objective and transparent mechanisms, including peer review.
Tourists	Market research on consumer behavior and willingness to pay for key markets.	Purchase by default through tour operators. Direct purchase from certified companies marketed on that basis.	Buy certified products as a result of increased awareness, and as confusion has been reduced. Accreditation body continues to 'sell' idea through consumer marketing.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Finance			
	STSC-Network	STSC-Association	STSC-Accreditation
Implementation costs	Creation of electronic Network (if linking to existing network, costs should be minimal). Marketing of Network to potential inaugural members.	Implementation costs estimated to be \$275,000 and include personnel recruitment and relocation expenses, office set up, research and legal expenses.	There may not be any additional implementation costs if they are incurred during the STSC-Association phase. If STSC-Accreditation grows directly out of the Network phase, then the implementation costs are estimated to be \$ 275,000 and include personnel recruitment and relocation expenses, office set up, research and legal expenses.
Operations costs	Costs are estimated to be: \$250,000-\$400,000/year 2.5-3.5 staff salary depending upon number of regional representatives and staff needed to maintain electronic forum. Communications. Travel, accommodation, and event costs. Overhead for international coordinator and regional representatives, plus equipment, supplies, etc. Electronic Network maintenance. Conference/meeting coordinator.	Costs are estimated to be \$850,000 per year to start, including housing expenses. 5.5 staff salaries. Annual conference, board and committee meetings. Marketing (trade shows, advertising). Database creation and maintenance. Training activities. Office and professional expenses.	Costs are estimated to be \$850,000 per year to start, including housing expenses. 5.5 staff salaries. Annual conference, board and committee meetings. Marketing (trade shows, advertising). Database creation and maintenance. Training activities. Office and professional expenses.
Revenues	Revenues will be minimal and limited to conference fees based on ability to pay. There could be a minimal membership fee to the Network, but only conference fees have been included in the budget projections.	Membership fees (based on type of membership, size and/or geographic location (North/South). Membership fees are slated to bring in \$55,000 the first year. Conference fees are estimated to bring in \$19,000 the first year. Training fees are estimated to bring in \$95,000 the first year.	Membership fees (based on type of membership, size and/or geographic location (North/South). Membership fees are expected to bring in \$60,000 the first year of Accreditation. Conference fees are projected to bring in \$21,000 the first year of Accreditation. Training fees are projected to bring in \$125,000 the first year of Accreditation. Licensing and/or Royalty fees paid either by accredited certification programs (or their certified operations), or, preferably, paid up the chain to the retail level could bring in \$37,500 the first year of Accreditation.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	STSC-Network	STSC-Association	STSC-Accreditation
Subsidies	Donor funding for scholarships to annual conference In-kind support from host for conference coordination, electronic Network maintenance, marketing, outreach. Industry sponsorship for travel, accommodation and meeting costs.	Donor funding to meet operational deficits and/or for specific projects/regions is projected at \$982,500 the first year. This includes cash and/or in-kind donations from foundations, NGOs, governmental agencies, and industry. Industry sponsorship for travel, accommodation and meeting costs. In-kind donations from housing institution to cover office and professional expenses are estimated to be under \$100,000 and are included in the above amount.	Donor funding to meet operational deficits and/or for specific projects/regions is projected at \$770,000 the first year of Accreditation. This includes cash and/or in-kind donations from foundations, NGOs, governmental agencies, and industry. Industry sponsorship for travel, accommodation and meeting costs In-kind donations from housing institution to cover office and professional expenses are estimated to be under \$100,00 and are included in the above amount.
Evaluation of the phase			
	STSC-Network	STSC-Association	STSC-Accreditation
Strengths	Natural progression from current situation, some regions considering or conducting joint efforts. Improved participation and communication, extended awareness. Low cost and open to participation. Platform for bottom-up development of further activities.	Ability to reach international markets more effectively than individual certification programs cannot achieve. Programs can improve their performance through sharing costs of training and development.	Guarantee baseline level of standards. Guarantee performance and process are robust and adequate to the context. There is the potential for additional revenue from licensing and/or royalty fees. Outsourcing accreditation removes potential conflict of interest with training and certification program participation.
Weaknesses	Does not guarantee credibility and equality of standards. Lack of formal structure could hinder progress. Barriers to entry for some groups, such as developing countries and small firms.	Does not guarantee credibility and equality of standards Membership criteria for certification programs will need to be developed well enough to avoid potential difficulties to move from Association to Accreditation phase. Increased cost from previous phase. Association will need to rely on subsidies. Time consuming information collection for marketing and database. Barriers to entry for developing countries and small firms possible, depending on government intervention and international aid.	Can be perceived as loss of independence by certification programs. Barriers to entry for small firms possible depending on government intervention. Potential loss of diversity of product through standardization of programs. Increased costs for certification programs (accreditation fees plus association membership fees.)

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	STSC-Network	STSC-Association	STSC-Accreditation
Recommendations	Multi-stakeholder Network generates interest and catalyses development potential.	Network function continues providing information and guidance. Certification programs in Association take leadership on marketing. Training programs increase quality of certification programs and prepare them for accreditation. Standard development and agreement including regional variations is multi-stakeholder.	Outsourced accreditation allows for small changes to the organizational blueprint of the STSC-Association.
Timeline	Years 1 and 2	Years 3 (minimally)	Years 4 onwards

Contents

ACKNOWLEDGEMENTS	3
REPORT STRUCTURE	5
EXECUTIVE SUMMARY	7
STSC-NETWORK.....	8
STSC-ASSOCIATION	10
STSC-ACCREDITATION.....	11
OVERALL IMPLEMENTATION	13
CONTENTS	24
LIST OF TABLES.....	28
LIST OF FIGURES	29
LIST OF ACRONYMS	31
1. INTRODUCTION	34
1.1. CONTEXT.....	34
1.2. BACKGROUND ON THE RAINFOREST ALLIANCE.....	41
1.3. THE NEED TO EXPLORE A STEWARDSHIP COUNCIL MODEL	42
2. METHODOLOGY	46
2.1. BACKGROUND TASKS	50
2.2. STAKEHOLDER PARTICIPATION.....	51
2.2.1. CONSULTATION TOOLS.....	52
2.2.2. MARKET DEMAND	55
2.2.3. BENCHMARK STUDIES: ORGANIZATIONAL STRUCTURE, GOVERNANCE, AND FINANCES	55
2.2.4. DISSEMINATION BY AUDIENCES.....	56
3. TOURISM CERTIFICATION	58
3.1. RECENT DEVELOPMENTS	58
3.2. GEOGRAPHICAL COVERAGE.....	60
3.3. INDUSTRY IMPACT AND MARKET PENETRATION	63
3.4. SMALL AND MEDIUM ENTERPRISE ACCESS.....	64
3.5. ROLE OF GOVERNMENTS AND INTERGOVERNMENTAL AGENCIES	67

4. CONSULTATION AND NEEDS ASSESSMENT	69
4.1. STAKEHOLDER AND CONSUMER PROFILES	69
4.2. STAKEHOLDER CONSULTATION WORKSHOPS	78
4.2.1. SUSTAINABLE TOURISM AND DEVELOPMENT WORKSHOPS.....	78
4.2.2. INTERNATIONAL YEAR OF ECOTOURISM (IYE) PREPARATORY WORKSHOPS AND SUMMIT, 2001-2002	91
4.3. STAKEHOLDER SURVEY	98
4.4. WTO GOVERNMENT MEMBERS SURVEY	103
4.4.1 GOVERNMENTS’ RESPONSES ON THE FEASIBILITY OF THE STSC	104
4.4.2 IMPLICATIONS OF THE SURVEY RESULTS FOR THE PROPOSED STSC.....	113
4.5. MARKET DEMAND AND WILLINGNESS TO PAY	116
4.6. STAKEHOLDER NEEDS ASSESSMENT	122
4.7. CHALLENGES TO THE FEASIBILITY OF THE STSC.....	126
4.7.1. CHALLENGES OF THE CONSULTATION PROCESS	128
4.7.2. CHALLENGES IN SETTING INTERNATIONAL STANDARDS	129
5. LESSONS LEARNED FROM OTHER ACCREDITATION AND CERTIFICATION BODIES: ORGANIZATIONAL STRUCTURE, GOVERNANCE, AND FINANCES.....	131
5.1 COMPARISON OF ORGANIZATIONAL STRUCTURE IN ACCREDITATION AND CERTIFICATION PROGRAMS.....	133
5.1.1. SUMMARY OF DIFFERENT ORGANIZATIONS	135
5.1.2. COMPARATIVE ANALYSIS OF ACCREDITATION AND CERTIFICATION BODIES	147
5.2 FINANCING ACCREDITATION AND CERTIFICATION PROGRAMS	151
5.2.1. THE FINANCIAL STRUCTURES.....	151
5.2.2. ORGANIZATIONAL FEE STRUCTURES/FINANCIAL MODELS.....	158
5.2.3. FEES CHARGED BY ORGANIZATIONS AND RELEVANCE TO TOURISM	161
5.2.4. PROS AND CONS OF POTENTIAL FUNDING SOURCES FOR THE STSC	162
5.2.5. ORGANIZATION EXPENDITURES	165
5.2.6. FINANCIAL CONCLUSIONS	166
5.3 GOVERNANCE AND MEMBERSHIP	168
5.3.1 KEY FINDINGS	169
5.4 NEW DEVELOPMENTS IN ACCREDITATION	171
5.5 LESSONS LEARNED	172
6. PHASED IMPLEMENTATION.....	174
6.1. NETWORK	174
6.1.1. ORGANIZATIONAL BLUEPRINT	176
6.1.2. STANDARDS, CRITERIA AND ASSESSMENT	179
6.1.3. ROLES OF STAKEHOLDER GROUPS	180
6.1.4. FINANCE.....	184
6.1.5. EVALUATION.....	187

6.2. ASSOCIATION	189
6.2.1. ORGANIZATIONAL BLUEPRINT	191
6.2.2. STANDARDS, CRITERIA AND ASSESSMENT	199
6.2.3. ROLES OF STAKEHOLDER GROUPS	200
6.2.4. FINANCE.....	205
6.2.5. EVALUATION.....	212
6.3. ACCREDITATION.....	214
6.3.1. ORGANIZATIONAL BLUEPRINT	217
6.3.2. STANDARDS, CRITERIA AND ASSESSMENT	224
6.3.3. ROLES OF STAKEHOLDER GROUPS	226
6.3.4. FINANCES	230
6.3.5. TOTAL ESTIMATED ACCREDITATION FEE PACKAGE FOR CERTIFICATION PROGRAMS	239
6.3.6. TEN-YEAR PROJECTIONS.....	242
6.3.7. EVALUATION.....	248
7. STANDARDS, CRITERIA AND ASSESSMENT	250
7.1. INTERNATIONAL SUSTAINABLE TOURISM AND ECOTOURISM STANDARDS	250
7.1.1. CERTIFICATION STANDARDS.....	251
7.1.2. INTERNATIONAL AGREEMENTS, PRINCIPLES, GUIDELINES, PROTOCOLS AND STANDARDS	255
7.2. ACCREDITATION CRITERIA AND GUIDELINES FOR SETTING TOURISM CERTIFICATION PROGRAMS	263
7.2.1. PROCEDURES FOR OPERATING A CERTIFICATION BODY.....	263
7.2.2. PRELIMINARY STSC ACCREDITATION CRITERIA	264
7.3. ASSESSMENT	271
7.3.1. ISO 61 GUIDE REQUIREMENTS FOR ASSESSMENT.....	271
7.3.2. ASSESSMENT METHODS	273
8. MARKETING STRATEGY.....	275
8.1. GENERIC.....	275
8.2. CERTIFICATION PROGRAMS	283
8.3. GOVERNMENTS	284
8.4. INDUSTRY AND INDUSTRY ASSOCIATIONS.....	285
8.5. TOUR OPERATORS.....	287
8.6. NGOs AND CONSUMER ASSOCIATIONS	288
8.7. INTERGOVERNMENTAL INSTITUTIONS.....	289
8.8. DONORS AND FINANCIAL INSTITUTIONS	290
8.9. ACCREDITATION ORGANIZATIONS	291
8.10. TOURISTS	292
9. CONCLUSIONS AND NEXT STEPS	294
9.1. ARGUMENTS FOR A STSC	294

9.2. PHASED IMPLEMENTATION	295
9.3. SUMMARY OF RESULTS.....	296
9.4. NEXT STEPS.....	298
9.5. CONCLUSION.....	300
10. BIBLIOGRAPHY.....	301
PERSONAL COMMENTS	306
WEB SITES (CONSULTED BETWEEN AUGUST 2001 AND DECEMBER 2002)	307
11. GLOSSARY.....	309
APPENDICES	314
APPENDIX 1. ADVISORY COMMITTEES	315
1.1. EXECUTIVE ADVISORY COMMITTEE.....	315
1.2. CORE CONSULTATION AND ADVISORY COMMITTEE.....	316
APPENDIX 2. TERMS OF REFERENCE.....	317
CLUSTER No. 1: STAKEHOLDER PARTICIPATION.....	317
CLUSTER No. 2: MARKET DEMAND	318
CLUSTER No. 3: FINANCIAL SUSTAINABILITY	320
CLUSTER No. 4: ORGANIZATION AND IMPLEMENTATION.....	322
APPENDIX 3. MONTHLY ACTIVITIES OF WORKING TEAM.....	325
APPENDIX 4. ORGANIZATIONS AND INDIVIDUALS CONSULTED	331
4.1. CONSULTATION IN WORKSHOPS	331
4.2. ORGANIZATIONS CONSULTED BY QUESTIONNAIRE	336
4.3. WTO GOVERNMENT MEMBERS THAT RESPONDED TO THE STSC SURVEY.....	337
APPENDIX 5. PRESS CLIPS AND ARTICLES FROM STSC	339
APPENDIX 6. WTO SURVEY ON TOURISM CERTIFICATION PROGRAMS	340
APPENDIX 7. GENERAL CONSULTATION QUESTIONNAIRE	345
APPENDIX 8. QUESTIONNAIRE TO WTO GOVERNMENT MEMBERS.....	351
APPENDIX 9. RESPONSES RECEIVED FROM WTO GOVERNMENT MEMBERS TO THE STSC SURVEY (GROUPED BY REGION).....	356
WEST EUROPE.....	356
EAST EUROPE.....	368
AFRICA.....	376
AMERICAS	388
ASIA AND THE MIDDLE EAST	410
APPENDIX 10. OTHER ACCREDITATION AND CERTIFICATION BODIES	415
APPENDIX 11. STSC-NETWORK EXPENSES.....	433
APPENDIX 12. STSC-ASSOCIATION EXPENSES.....	437
APPENDIX 13. IMPLEMENTATION BUDGET FOR STSC-ASSOCIATION OR STSC- ACCREDITATION.....	441
APPENDIX 14. LIST OF POTENTIAL MEMBERS TO STSC-ASSOCIATION	445
APPENDIX 15. STSC-ACCREDITATION EXPENSES.....	460

APPENDIX 16. POTENTIAL ROYALTY FEES AND ACCREDITED CERTIFIER GROWTH PROJECTIONS	465
APPENDIX 17. STSC - NETWORK - ASSOCIATION – ACCREDITATION TEN YEAR PROJECTIONS.....	468
APPENDIX 18. SUMMARY OF ISO 65 GUIDE “GENERAL REQUIREMENTS FOR BODIES OPERATING PRODUCT CERTIFICATION SYSTEMS”	472

List of Tables

Table 1. Phases toward the establishment of the Sustainable Tourism Stewardship Council.....	15
Table 2.1. Summary of dissemination and consultation tools by audiences	51
Table 2.2. Sustainable tourism and development workshops	52
Table 2.3. IYE workshops	53
Table 5.1. Breakout of organizations studied in each category	133
Table 5.2. Comparative analysis of accreditation and certification bodies	148
Table 5.3. Definition of fees and other revenue sources.....	151
Table 5.4 Funding sources used by ten organizations	160
Table 5.5. Accreditation fees charged by select organizations.....	162
Table 6.1. Network budget (expenses)	185
Table 6.2. Network - personnel.....	186
Table 6.3. Network 2-year budget (expenses & revenues).....	187
Table 6.4. Association personnel	195
Table 6.5. Association budget (expenses).....	206
Table 6.6. Association implementation budget.....	208
Table 6.7. Association revenues	210
Table 6.8. Proposed membership fees to the STSC-Association (in US \$).....	211
Table 6.9. Association net revenue	212
Table 6.10. STSC-Accreditation personnel	221
Table 6.11. STSC-Accreditation expenses	231

Table 6.12. STSC Accreditation implementation budget	233
Table 6.13. STSC-Accreditation revenues.....	236
Table 6.14. Proposed membership fees to the STSC-Accreditation (in US \$).....	236
Table 6.15. Royalty fees for accreditation.....	238
Table 6.16. STSC-Accreditation net revenue	239
Table 6.17. Total fee package for STSC accredited certification programs	240
Table 6.18. Total accreditation & membership fees for small certification programs amortized over 3 years.....	241
Table 6.19. Total accreditation & membership fees for medium certification programs amortized over 3 years.....	241
Table 6.20. Total accreditation & membership fees for large certification programs amortized over 3 years.....	242
Table 6.21. STSC ten year summary projections 2003-2012	243
Table 7.1. VISIT Fields for Product Environmental Criteria	262
Table 7.2. Draft STSC accreditation criteria for future discussions	267
Table 8.1. Marketing strategy - summary (1/5)	278

List of Figures

Figure 1.1. Simplified links between accreditation and stakeholders.....	38
Figure 2.1. STSC project steps.....	47
Figure 4.1. Geographic scope of certification programs.....	71
Figure 4.2. Certification programs by target sector (%)	74
Figure 5.1. List of organizations included in benchmarking study	132
Figure 5.2. Organizational chart of the International Accreditation Forum (IAF)	137
Figure 5.3. ISO organizational chart.....	145
Figure 5.4. Funding sources of accreditation and certification organizations.....	161
Figure 5.5. Annual operation costs.....	166
Figure 6.1. STSC-Network organizational chart.....	178
Figure 6.2. STSC-Association organizational chart	194
Figure 6.3. STSC-Accreditation organizational chart	220
Figure 7.1. Standards criteria for sustainable tourism certification.....	254

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Figure 7.2. Summary of principles from Agenda 21 for the Travel and Tourism Industry..... 256

Figure 7.3. WTO Global Code of Ethics for Tourism..... 257

Figure 7.4. UNEP Principles for Implementation of Sustainable Tourism..... 259

List of acronyms

ABTA	Association of British Travel Agents
ACTA	Associazione Cultura Turismo Ambiente
AGM	Annual General Meeting
AIDA	Awareness, Interest, Desire, Action
AJA	Anglo Japanese Registrars
ANSI	American National Standards Institute
ASAOS	Supreme Board for Awarding Ecological Labels
ATON	Australian Tourism Operators Network
B2B	Business to Business
BEST	Business Enterprises for Sustainable Travel
BMP	Best Management Practices
BSI	British Standards Institute
CAM	Commission for the Americas
CAN	Conservation Agriculture Network
CAPAS	Central America Protected Areas System
CASCO	Committee on Conformity Assessment (ISO)
CAST	Caribbean Alliance for Sustainable Tourism
CBD	Convention on Biological Diversity
CEC	Commission for Environmental Cooperation
CEPAA	Council on Economic Priorities Accreditation Agency
CI	Conservation International
COP4	4 th Conference of the Parties
COPOLCO	ISO's Committee on Consumer Policy
CRC	Cooperative research Center
CREM	Consultancy and Research for Environmental Management
CST	Certification for Sustainable Tourism (Costa Rican program)
DIY	"Do It Yourself" stores
EA	European co-operation for Accreditation
EAA	Ecotourism Association of Australia
EC	European Commission
EC DG ENV	Directorate General Environment
EEA	Ecotourism Association Australia
EMAS	Eco-Management and Audit Scheme
EMS	Environmental Management System
ENS	Environment News Service
EU	European Union
EU LIFE	European Union Instrument for Funding Environmental Projects
FEEE	Foundation for Environmental Education in Europe

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

FEMATOUR	Feasibility and Market Study for a European Eco-Label for Tourist Accommodations
FLO	Fair-trade Labeling Organizations International
FSC	Forest Stewardship Council
GATS	General Agreement on Trade in Services
GBP	British pounds
GG21	Green Globe 21
GNP	Gross National Product
IAF	International Accreditation Forum
IEC	International Electrotechnical Commission
IEMA	Institute of Environmental Management and Accounting
IFOAM	International Federation of Organic Agricultural Movements
IGTOA	International Galapagos Tour Operators Associations
IIED	International Institute for Environment and Development
ILAC	International Laboratory Accreditation Cooperation
ILO	International Labor Organization
IOAS	International Organic Accreditation System
IRCA	International Register of Certificated Auditors
ISEAL	International Social & Environmental Accreditation Labeling
ISO	International Organization for Standardization
ITB	International Tourism Bourse
IUCN	World Conservation Union
IYE	International Year of Ecotourism
JAS-ANZ	Joint Accreditation System of Australia and New Zealand
LA21	Local Agenda 21
MAC	Marine Aquarium Council
MLA	Mutual Recognition Arrangements
MSC	Marine Stewardship Council
NEAP	Nature and Ecotourism Accreditation Programme
NGO	Non Governmental Organization
NOP	National Organic Program
OTS	Office of Tourism and Sport
PATA	Pacific Asia Travel Association
PROARCA	Regional Environmental Program for Central America
QTC	Quality Tourism for the Caribbean
RAB	Registrar Accreditation Board
SA 8000	Social Accountability 8000
SABS	South African Bureau of Standards
SAI	Social Accountability International
SAN	Sustainable Agricultural Network
SGS	Societe Generale de Surveillance
SITCA	System of Integration in Central America
SME	Small and Medium Enterprise
SMS	Sustainability Management System
SSNC	Swedish Society for Nature Conservation
StC	Stakeholders Council
STSC	Sustainable Tourism Stewardship Council
SWOT	Strengths, Weaknesses, Opportunities and Threats

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

TAB	Technical Advisory Board
TIA	Travel Industry Association of America
TIANZ	Tourism Industry Association of New Zealand
TIES	The International Ecotourism Society
TNC	The Nature Conservancy
TOI	Tour Operators Initiative for Sustainable Development
TOR	Terms of Reference
TUI	Turistik Union International
UK	United Kingdom
UKAS	United Kingdom Accreditation Service
UN	United Nations
UN-CSD	United Nations-Commission on Sustainable Development
UNCTAD	United Nation Conference on Trade and Development
UNEP	United Nations Environment Programme
UNESCO	United Nations, Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
USA (US)	United States of America
USD	United States Dollars
USP	Unique Selling Proposition
VAT	Value Added Tax
VISIT	Voluntary Initiatives for Sustainability in Tourism
WES	World Ecotourism Summit
WSSD	World Summit on Sustainable Development
WTO/OMC	World Trade Organization
WTTC	World Travel and Tourism Council
WWF	World Wide Fund for Nature (in U.S. & Canada: World Wildlife Fund)
ZTSC	Zone of Sustainable Tourism in the Caribbean

1. Introduction

1.1. Context¹

Since the 1987 Brundtland Commission and the 1992 United Nations Conference on Environment and Development (Earth Summit), the quest for achieving development that meets the needs of the present without compromising the ability of future generations to meet their own needs acquired a name: “sustainable development” (Brundtland Commission, in Tietenberg, 1996 p. 539). Many definitions, most of them quite vague, have been given to what constitutes sustainable development. Nevertheless, this concept has influenced all productive sectors worldwide. The tourism industry is not an exception.

Tourism has become the world's largest industry, with nature-related tourism calculated to be its fastest growing market segment (TIES in USDA et al, 2001, p. 5). Once described benignly as the “industry without smokestacks,” tourism is now widely recognized to include both opportunities and dangers. After the Earth Summit, the World Tourism Organization (WTO), the World Travel & Tourism Council (WTTC) and the Earth Council presented the Agenda 21 for the Travel & Tourism Industry, which translated the outcomes of the Earth Summit “into a program of action for travel and tourism” (WTTC et al, 1995, p. 4). According to this document, “*sustainable tourism* products are products which operate in harmony with local environment, community and cultures, so that these become the permanent beneficiaries and not the victims of tourism development” (WTTC et al, 1995, p. 30). Additionally, the rise of *ecotourism* over the last two decades, as both a set of principles and a social movement, has challenged the tourism industry to adopt practices that ensure sustainable development. The declaration of 2002 as the International Year of Ecotourism and the convening of the World Ecotourism Summit in Quebec City signal that ecotourism is now a globally significant force. Thus, today’s tourism industry can be divided into three broad categories: mass or conventional tourism, sustainable tourism, and ecotourism (see also definitions in the Glossary). Based on these concepts, sustainable tourism and ecotourism are heavily dependent on protecting rather than exploiting natural resources. Ecotourism potentially offers numerous local community benefits, including education, employment, and respect for local cultures. But how do we translate these concepts into practical actions that will move the tourism industry towards sustainability?

Several tools, most voluntary, have been designed and implemented by tourism experts, governments, and non-governmental organizations (NGOs) to promote and sustain environmentally and socially sound tourism operations. They include technical assistance, environmental impact studies and assessments required by governments or international aid and lending agencies, policy statements, codes of conduct, award programs, research departments or

¹ Excerpted from Sanabria, R. (2002) in *Ecotourism and Certification: Setting Standards in Practice*, Martha Honey, ed. Copyright © 2002 Martha Honey. Reprinted by permission of Island Press, Washington, D.C. and Covelo, California.

projects, public education to travelers and local communities, informational materials for travelers and tourist guides, travel programs, and the development of so-called “sustainable,” “responsible” and “eco” tourism projects and facilities throughout the world.

The emergence of these concepts, coupled with the need for providing a mechanism for guiding change towards a more environmentally and socially sound tourism industry, the need to complement governmental regulatory mechanisms, and the need to acknowledge the efforts that many tourism companies have implemented to “green” their operations, have stimulated the demand for setting standards for the tourism industry through another tool: *certification*.

The decade since the 1992 Earth Summit has seen the rapid growth of “green” certification programs, another important tool for measuring the impacts of tourism businesses and awarding logos to those that meet pre-established criteria. Studies by the United Nations Environment Programme (UNEP) and the World Tourism Organization (WTO) both find that certification can be a valuable tool for sustainable tourism. A recent analysis commissioned by the WTO of more than a hundred voluntary tourism initiatives concludes that certification and ecolabels are “revealing tremendous potential to move the industry towards sustainability” (WTO, 2002, p. 12).

Concerned about the unplanned and unchecked growth of tourism development in Latin America, during the summer of 1999, the Rainforest Alliance explored the subject of tourism certification in that region (Sanabria, 1999). This initial study concluded that as the exploding international tourism industry increasingly affects developing countries, as tourists become more environmentally sensitive, and as the tourism industry becomes more aware of the economic benefits of environmentally and socially sound tourism operations, certification via a credible, voluntary, independent, third-party mechanism represents an important tool.

Geographically, these certification programs are organized on a global, regional, national, or sub-national scale, with the majority being implemented within individual countries. In terms of methodology, they utilize either process standards in the form of ISO (International Organization for Standardization) and other environmental management systems or performance standards in the form of concrete benchmarks; many newer programs combine process and performance standards (see Chapter 3 and definitions in the Glossary). In terms of the market segments they cover, this vast array of tourism certification programs can be divided into three broad categories: those that cover the conventional or mass tourism market, those for sustainable tourism, and those for ecotourism. The latter two are typically the most rigorous in terms of measuring sound environmentally and socially responsible practices.

Credible and transparent certification programs provide a tool to reward tourism operations that employ “best practices” and to differentiate them from less environmentally and socially responsible endeavors. Through voluntary, independently- assessed sustainable tourism and ecotourism certification programs, tourism businesses, attractions, and activities can demonstrate commitment towards conserving biodiversity and fostering social well being. Certification programs can also provide businesses with guidelines for improving their environmental and social performance. Logos offer opportunities for market distinction and could give consumers a tool for identifying socially and environmentally responsible hotels, tour operators, guides, and other parts of the tourism industry. According a report by Worldwatch Institute, “Savvy consumers with environmental protection at heart are having a positive impact on the Earth's ‘vital signs’” (ENS, 2002a, p. 1). Capturing this new tourism market presents a window of

opportunity for local communities and entrepreneurs to secure the long-term financial viability of their tourism operations.

However, one central issue confronting every certification program is *credibility*. As ecotourism and certification expert Amos Bien states, "There is an indispensable requirement for all certification systems: credibility. A system without credibility does not have a market; it does not convince clients and it does not demonstrate anything" (Bien, 1999a, p. 2). And according to UNEP official Jacqueline Aloisi de Larderel, "Credible ecolabels promote sustainable consumption patterns by providing concise and accurate information to consumers to help them identify those products and services which incorporate a good level of environmental performance" (Aloisi de Larderel in Font & Buckley, 2001, p. xv).

Yet, like the tourism industry itself, tourism certification programs need to be rigorously assessed and monitored. Tourism certification programs are being created and launched without coordination, adding costs and minimizing their effectiveness. Standards and criteria can vary widely from among different certification programs. Often consumers fail to recognize brands that have limited budgets and marketing tools. Many businesses question whether it is worth the time and effort to become certified.

In other sectors, the credibility of both certification programs and the certifying agents (the certification programs or auditors) is to be determined and measured by an accreditation body. *Accreditation*, in its simplest conceptualization, is the process of qualifying and endorsing entities that perform certification of companies, products or services. Being accredited works as a "license" to perform certification based upon agreed principles and standards. Through accreditation, certification entities can demonstrate their capacity to undertake certification and, thus, build credibility around their systems. Many countries have their own national accreditation bodies, such as the United Kingdom Accreditation Service (UKAS), the Joint Accreditation System of Australia and New Zealand (JAS-ANZ), and the South African Bureau of Standards (SABS). There is a large number of such agencies globally that accredit around 14,000 certification bodies, which are licensed to work in specific countries under particular standards.

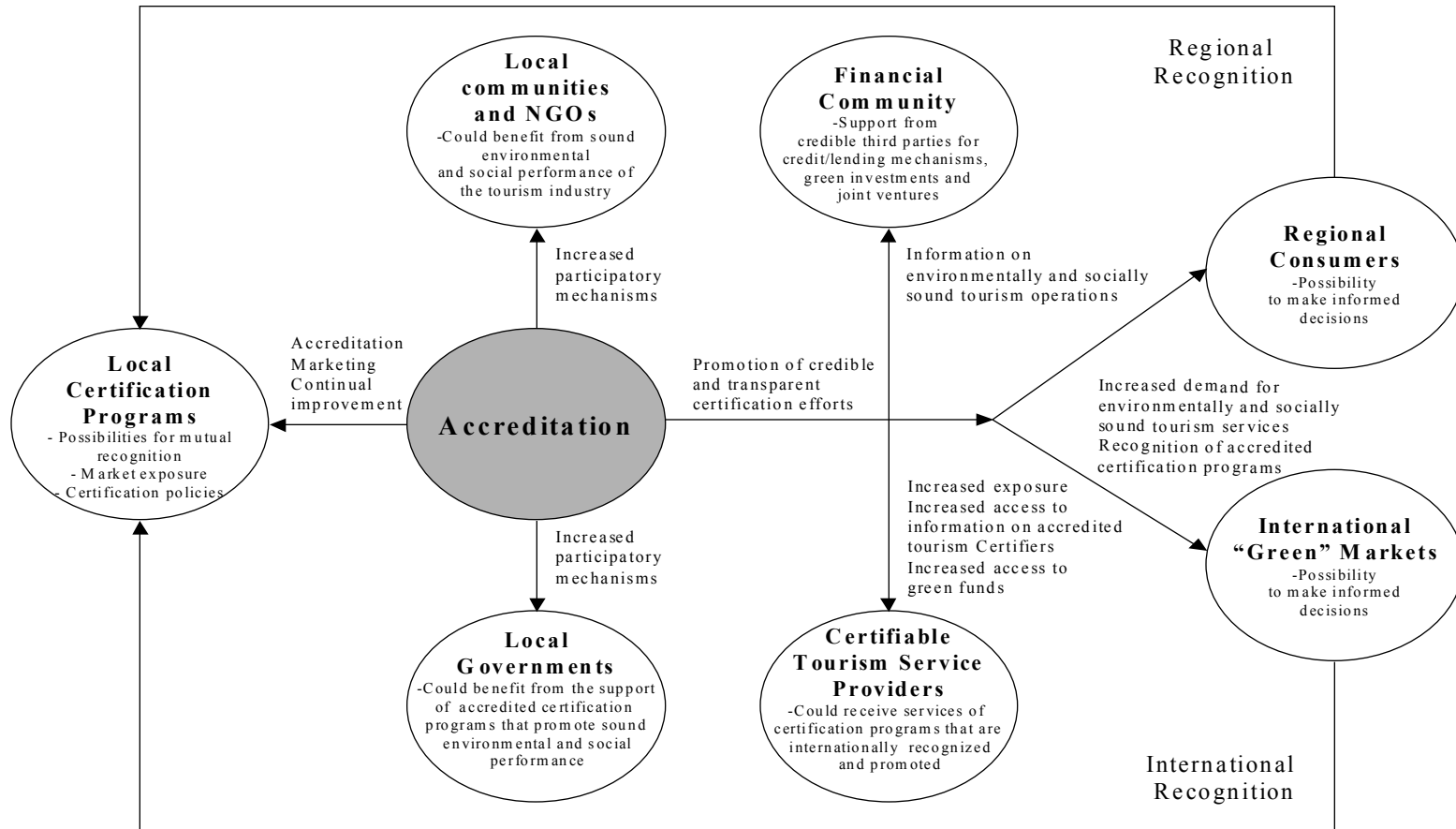
Based only on this conceptualization, accreditation could be seen as a bureaucratic, regulatory system. However, if accreditation is seen as only one of the components of a "stewardship" system, it could become a vital complement to certification programs. Stewardship systems or councils have been implemented in several industries as "multi-stakeholder partnerships designed to provide a forum in which various [entities] with different interests in the targeted sectors can engage in collaborative solution-oriented dialogue to their mutual advantage, and create market-based incentives to stimulate the production and consumption of certified sustainable products" (Woolford, 1998, p. 5). Stewardship councils accredit certification programs based on their performance and help ensure that certification is being conducted through objective and transparent mechanisms and according to criteria and standards that meet an internationally accepted framework and principles. Over the last several years, stewardship councils have been developed for organic agriculture, sustainable forestry, fisheries and aquariums, as well as for social accountability efforts.²

² Some examples of performance-based stewardship councils are: the Forest Stewardship Council (FSC) for certification of sustainable forestry, the Marine Stewardship Council (MSC) for certification of sustainable fisheries, the International Federation of Organic Agriculture

Done properly, stewardship councils have numerous advantages. They can build credibility and transparency because they strengthen stakeholder involvement. For instance, the Forest Stewardship Council (FSC), an accreditation body for certification programs of sustainable forestry, was funded and continues engaging “a diverse group of representatives from environmental and conservation groups, the timber industry, the forestry profession, indigenous peoples' organizations, community forestry groups and forest product certification organizations from twenty-five countries” (FSC, 2001, p. 1). Figure 1.1 illustrates the links between the accreditation function of a stewardship council and the different stakeholders.

Movements (IFOAM) for certification of organic foods, and Social Accountability International (SAI) for certification of social responsibility standards.

Figure 1.1. Simplified links between accreditation and stakeholders



Stewardship councils can also facilitate international and regional recognition. Using the same example, the FSC engages in worldwide campaigns to promote the use of certified woods. Some of the mechanisms FSC uses include retail postcards, brochures, press releases and the Internet, all of which give exposure to accredited certification programs at the industry, consumer and retail levels. FSC also lists in its public documentation all the accredited certification programs so timber companies interested in certifying their operations can contact these certification programs. Stewardship councils help to promote internationally recognized brands that facilitate consumer choice. Furthermore, stewardship councils allow for better organization in terms of harmonization of policies, procedures, and standard setting among accredited certification programs. Because they measure the same criteria across different certification programs for the same type of product, they also permit economies of scale for promotion and research.

Stewardship councils represent forums for continuous improvement and conflict resolution. They can help certification programs stay abreast of changing international laws. They attract political and financial support, and protect consumers, industry, and certification programs against false claims. Through international accreditation, certification programs demonstrate their environmental and social commitment to consumers.

While the forestry and tourism industries may differ significantly on the ground — for instance, in tourism, single products are not easily identified and there is a greater number of stakeholders involved — the success of sustainable forestry certification and the experiences, achievements, and limitations compiled by accreditation bodies such as the FSC, make developing a similar model for tourism well worth considering.

While the Rainforest Alliance was conducting its initial study, several other experts and organizations independently concluded that there is a need for an accreditation system in tourism certification. Justin Woolford at WWF-UK found that an accreditation agency in the tourism sector similar to the FSC in forestry has “a significant part of applicability and opportunity” not only in terms of its “theoretical and conceptual feasibility, but also in the degree to which stakeholder attitudes produce a positive response” (Woolford, 1998. p. 113).

In Central America, Amos Bien explored the feasibility for expanding the Costa Rican Certification for Sustainable Tourism (CST) system to other countries in this region. Bien concluded that one of the limitations for implementing the CST in other nations is the lack of an accreditation scheme (Bien, 1999b).

Similarly, international consultant John Shores published an article called *The Challenges of Ecotourism* on a nature-tourism Web site www.planeta.com, in which he stated: “It is in the best interest of local communities, the travel industry, and protected area practitioners that ‘green’ stamps and labels be adopted” (Shores, 1999, p. 3). However, Shores adds that it is necessary for these labels to “have precise requirements, that the requirements be respected, and the public be informed and motivated to insist on compliance.” Even though Shores does not mention accreditation in this paper, he does identify problems that could be solved if an accreditation body were in place. Travelers need to be able to distinguish among different advertising claims. Green labels or seals could help, but without a set of accepted criteria, independent monitoring, and consumer information, they will not have any meaning. “The time has come for establishing criteria that focus on the conservation of the resources, both cultural and natural. The standards must be clear and defined in steps or phases so that travelers can make rational choices among tours and operators” (Shores,

1999, p. 4). Establishing such requirements and promoting consumer awareness are clear responsibilities of an accreditation body, as is checking the quality and accuracy of the monitoring.

In their essay evaluating ecotourism certification, Megan Epler Wood, then president of The International Ecotourism Society (TIES), and Elizabeth Halpenny, TIES' former projects director, write that problems are becoming more apparent with the fragmentation of many different certification programs. With no international accreditation system to monitor tourism labels and with no "international standards for ecotourism certification, there is a greater possibility of opportunism, graft and corruption, and profit-making approaches" (Epler Wood and Halpenny in Font, 2001, p. 124).

Several United Nations (UN) agencies have also demonstrated awareness and involvement in these issues. "Ecolabels and voluntary schemes in tourism should serve to stimulate the continuous introduction of sustainable practices," said Eugenio Yunis (2001), Chief of the Sustainable Development of Tourism at the World Tourism Organization (WTO). However, in a 1998 study on ecolabels in the tourism industry, the United Nations Environment Program (UNEP) concluded that there is "a need for internationally recognized standards for environmental labels." Later, Epler Wood and Halpenny also pointed out that in the 1999 meeting of non-governmental organizations at the UN Council on Sustainable Development (CSD), many participants agreed on the need for a worldwide standard for tourism labeling to diminish consumer confusion. Participating NGOs recommended that the UN CSD "invite public, private, and NGO certification initiatives to join in an evaluation process to determine [and distribute] what are the best procedures for tourism certification and monitoring" (Epler Wood and Halpenny in Font, 2001, p. 125).

While there has never been an accreditation system tailored to the tourism industry and the significant challenges that need to be overcome are undoubtedly complex, the potential benefits for the tourism industry, governments, certification programs, NGOs and travelers led the Rainforest Alliance to propose further investigations on sustainable tourism accreditation. At the November 2000 Ecotourism and Sustainable Tourism Certification Workshop organized by the Institute for Policy Studies and held in New Paltz, New York, participants endorsed the Rainforest Alliance's proposal to initiate this "*Feasibility Study, Organizational Blueprint and Implementation Plan for a Global Sustainable Tourism Stewardship Council (STSC)*" (Honey and Rome, 2000).

Begun in 2001 with support from the Ford Foundation, this project's objective was to investigate the possibility for establishing an international stewardship council to promote globally recognized, high-quality certification programs for sustainable tourism and ecotourism through a process of information sharing, marketing, and assessment of standards. At the May 2002 World Ecotourism Summit, UNEP Executive Director, Klaus Toepfer outlined the need for both certification and accreditation programs, stating that "UNEP and other partners in the Sustainable Tourism Stewardship Council are considering the creation of an international accreditation body for ecotourism and sustainable tourism" (ENS, 2002b, p. 2). And the Summit's final communiqué, the Quebec Declaration on Ecotourism, calls on governments to "use internationally approved and reviewed guidelines to develop certification schemes..." The STSC project has incorporated this and other recommendations related to the need for sound certification programs and accreditation.

The initial scope of the feasibility study proposed by the Rainforest Alliance was modified at the aforementioned workshop to encompass not only ecotourism but also sustainable tourism certification programs. It was agreed that it would be more useful to focus on both sustainable and ecotourism certification programs because these are linked and cover a wider portion of the market. These programs, especially ecotourism certification programs, are most important in terms of conservation and poverty alleviation. Certification programs for ecotourism positively and proactively contribute to both conservation and local community well-being, and are not simply limited by “do no harm” or mitigate negative impacts. However, by setting strong criteria for sustainable tourism and ecotourism certification, the STSC study hopes to influence and help raise the bar for conventional tourism.

The information presented in this report summarizes the STSC’s main conclusions and recommendations as of December 2002. These findings are a result of STSC’s 15-month consultation process with over 250 participants at workshops held around the world, a consultation of World Tourism Organization government members on their willingness to support accredited certification, and more than 1,000 other experts who were contacted by postal and electronic mail.

1.2. Background on the Rainforest Alliance

The Rainforest Alliance is an international nonprofit organization dedicated to the protection of endangered ecosystems and the people and wildlife that live within them by transforming land-use management, business practices, and consumer behavior. The work of the Rainforest Alliance is guided by these core values: 1) respect and concern for natural environments and local peoples, 2) dedication to pioneering pragmatic means for enabling social and eco-responsible action, 3) belief that success is only achievable through collaboration, and, 4) unwavering commitment to integrity in its activities.

Since its founding in 1987, the Rainforest Alliance has played a leadership role in entrepreneurial conservationism, identifying new opportunities, and acting as an innovator and a catalyst for change. Based on its experience, the Rainforest Alliance believes that only through "collaborative sustainability" -- partnering with business, workers, scientists and local community leaders -- is it possible to develop socially and environmentally responsible as well as economically viable best management practices (BMP) for using our natural resources sustainably. Its goal is to improve the management of natural resource-based, extractive activities in areas of high biodiversity. Certification is seen as a tool to hold companies accountable, to enable consumers to make informed choices, and to help advance human commitment to living responsibly with nature, protect biodiversity, and provide economic equity to populations in need.

In 1989, the Rainforest Alliance became the first organization to conceive of forest certification and the first to issue a certificate for sound forest management, helping forestry certification become a worldwide movement. Its SmartWood program was the first forest management certification program of its kind, operating in all forest types worldwide. As of December 2002, SmartWood has certified more than 850 operations and demand for certified forest products from these operations is increasing rapidly. Products crafted from SmartWood certified wood now include furniture, musical instruments, flooring, and picture and window frames. The international FSC, whose establishment was supported by the Rainforest Alliance, has accredited SmartWood for its certification of forestry

operations. SmartWood has also worked with a worldwide network of regionally based conservation organizations to implement certification services in tropical, temperate and northern regions. Additionally, this program has developed the innovative SmartWood Rediscovered Program, which certifies salvaged or recycled wood from buildings that are being demolished, laid to waste, or rescued from rivers and streams.

The Rainforest Alliance was also the first organization to tackle the certification of sustainable agriculture in the tropics, helping the banana industry transform its land-use and business practices. Rainforest Alliance's Conservation Agriculture program, winner of the 1995 Peter F. Drucker Award for Nonprofit Innovation, transforms the social and environmental impacts of tropical agriculture, including bananas, coffee, cocoa, oranges, flowers, foliage, and other export crops. The Rainforest Alliance and its partners throughout Latin America formed a coalition of independent, nonprofit conservation groups that work with farmers to develop social and environmental guidelines for sustainable agriculture called the Sustainable Agriculture Network (SAN). Food products from Rainforest Alliance certified farms are distinguished in the marketplace by ecolabels, giving consumers a way to show their support for responsible farmers. As of December 2002, this coalition had certified more than 125,000 acres in tropical farms and was using certification standards that promote the conservation of wildlife, reforestation along waterways and roads, and a safe, healthy environment for workers and their families.

SmartVoyager, Rainforest Alliance newest certification program, is a joint effort of Conservación y Desarrollo (Conservation & Development), a nonprofit conservation group in Ecuador and the Rainforest Alliance to certify responsible management of tour boats in the Galapagos Islands. The SmartVoyager seal of approval gives travelers the assurance that they are supporting operators who care about the environment, wildlife conservation, and the well-being of workers and local communities.

These Rainforest Alliance's certification programs help protect biodiversity, local communities, and human health, while allowing companies and workers to produce coffee, harvest lumber, and conduct ecotours, among other activities. Through these pioneer programs, the Rainforest Alliance has developed an international reputation for credibility in the development of BMP and certification. By sharing expertise and understanding each other's needs and constraints, NGOs, producers, and other stakeholders can achieve practical, on-the-ground solutions to complex social and environmental problems.

1.3. The Need to Explore a Stewardship Council Model

In discussions with government officials, conscientious entrepreneurs, tourism professionals, and other conservation, social and cultural advocacy groups, the Rainforest Alliance has pinpointed two principal reasons for exploring the development of a Sustainable Tourism Stewardship Council: verification and continual improvement.

Independent verification of the processes utilized for providing certification services can build credibility while ensuring that certification programs (and their certified operations) engage, over time, in continual improvement efforts towards higher standards that will raise the bar and move the tourism industry to a higher level of sustainability through certification. The rationale to support both verification and continual improvement are as follows (Sanabria in Honey, 2002):

Conserving Biodiversity

The Rainforest Alliance as well as many conservation leaders, from the presidents of major NGOs and foundations to the chiefs of Amazon tribes just entering the cash economy, recognize the potential of sustainable tourism (and ecotourism) operations as one of the options that conservationists can offer to rural people who want to conserve both their social and cultural structures and their forests, coastlines, coral reefs, wetlands, or other ecosystems, while accruing economic benefits.

Over the last two decades, a handful of lesser-developed countries such as Costa Rica have joined the ranks of developed nations largely through the growth of nature-related tourism. Nature tourism has become one of Costa Rica's top industries, surpassing coffee and bananas. And Costa Rica is not the only example. The tropics are dotted with tens of thousands of enterprises that now depend on tourism. Conservationists can also point to dozens of world-class attractions that were "saved" by tourism, from national parks in Africa, to the Galapagos Islands, to the cloud forests and turtle beaches of Costa Rica, to Khao Yai National Park in Thailand.

Most conservationists, village leaders, and governments recognize that tourism, including much that calls itself ecotourism, has pitfalls, some hidden and some obvious. For example, when a natural area is transformed into miles of concrete and steel, clearly tourism can be viewed as destructive as other economic activities, such as slash-and-burn farming, unsustainable logging, oil drilling, and mining. Tourism development requires infrastructure – hotels, roads, parking lots, trails, restaurants, and other services. Success and profit breed more development, which can quickly overwhelm a vulnerable natural area. Improperly managed tourism causes pollution and erosion, disturbs wildlife, tramples delicate plants, mars scenery, and brings undesirable influences to once-isolated cultures (Rainforest Alliance, 2001).

Governments are critical in determining what types of operations are built and promoted and few governments have demonstrated sufficient resolve and consistency to guide tourism development. Ideally, carefully planned tourism should represent an integral part of a country's development strategy for promoting conservation and improving the well-being of local communities. Nonetheless, once an area has chosen the mass tourism option, it forever forfeits the chance to develop a more sustainable and ecofriendly tourism business. Some state and national governments have surrendered to the economic lure of mass tourism, choosing visitor volume over quality of experience, abandoning other conservation and social goals in the process. There are many examples around the world where tourism has spawned crime, drug use, and prostitution. Many indigenous and rural community leaders often have good ideas and the best of intentions, but neither the political power nor the access to international markets to implement them (Rainforest Alliance, 2001). Certification of environmentally and socially sound operations through accredited programs can support governmental, non-governmental, and private initiatives for conserving biodiversity.

Fairness to Consumers

Certification could play a valuable role in boosting the market for legitimate sustainable tourism operations by creating a link between destinations and "green" markets. However,

despite the growth of nature-related travel and the number of conscientious travelers, there are significant constraints in the development and marketing of environmentally and socially sound tourism operations.

Since most tourists are from outside the region they are visiting, they need to be able to understand the local context and recognize a credible certification seal when choosing the destinations they travel to and the services they purchase. However, the lack of an international stewardship and accreditation body to increase the credibility of certification in industry, government, conservation, social advocacy, and consumer circles diminishes the positive impact that certification programs could have. Marketing efforts through an international stewardship and accreditation system can enhance the possibilities for achieving this cross-regional recognition and understanding of certification.

Furthermore, the international community needs a tool to address the fragmentation of certification programs that currently exist in order to help sustainable tourism suppliers and conscientious consumers truly and effectively contribute to biodiversity conservation and social welfare. Tourism operations are seeking ways to differentiate themselves and appeal to these environmentally and socially conscious consumers. Certification represents a viable tool for achieving such differentiation and promoting positive changes in the field. However, the lack of stakeholders' participation in defining certification standards, the lack of transparency on who will set these standards and how to implement them, the lack of clarity in the evaluation and monitoring systems used, the absence of harmonization and mutual recognition among certification programs, and the manipulation of the terms "sustainable" and "ecotourism," diminish the potential benefits of certification and lead to consumer confusion.

Meanwhile, destructive tourism operations, sometimes masked behind "green" propaganda, have pushed many natural areas beyond their capacity. In many countries, the boom of the nature-based tourism movement has allowed for "free riders" to emerge: companies that claim to provide eco-services when in reality they follow only superficially sound ecotourism principles and practices. Accredited certification programs can help by recognizing only those operators that comply with internationally agreed upon criteria. Travelers can then make informed decisions. Environmentally and socially concerned tourists are typically well educated, professional, have a good grasp of technology such as the Internet, and usually rapidly learn about and recognize quality products. Therefore, credible certification programs provide market advantages. Consumers deserve to know that a nature lodge that calls itself "green" or a mountain trek that claims to be environmentally sensitive truly is.

Equitable Access

Some certification experts argue that while an international certification program could be easier to market and win consumer support, national and regional certification programs have the advantage that they are run by persons with knowledge of the local environmental, social, political and economic realities. However, national or regional certification programs often are unable to promote their logos widely because they have limited access to financial and technical resources and information, as well as a lack of networking and marketing experience. In addition, many local certification programs are not compatible with other programs, contributing to consumer confusion.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

An international accreditation entity could establish generic criteria for ecotourism and sustainable tourism, accredit the certification programs, guide the definition of local standards for each country or region, guarantee stakeholder participation, promote the accreditation system and standards on an international level, perform random audits of certification programs and certified companies and, thus, increase credibility of certification programs. Certification programs and operations that perform environmentally and socially sound activities in the tourism arena deserve to be recognized by a truly independent third party. An accreditation body could provide its services to large and small certification operations in nations with sophisticated tourism industries as well as in countries just beginning to invest in tourism. In addition, an accreditation body for sustainable tourism could raise the environmental and social standards for all sectors of the tourism industry worldwide.

2. Methodology

In August 2001, the Rainforest Alliance proposed a methodology for developing this project based on: 1) the need for a highly participatory and transparent approach, with of a broad range of stakeholders and 2) the need to answer some remaining questions regarding market demand, financial sustainability, and appropriate organizational structure and governance of a Sustainable Tourism Stewardship Council.

This chapter delineates the methodology used to encourage stakeholder participation around accreditation discussions and to respond to key market, financial, structural, and implementation questions that this project is trying to answer through stakeholder participation and research. The steps undertaken to develop this project are described below and are also shown schematically in Figure 2.1.

Information Collection

In 1998, the Rainforest Alliance began collecting information about tourism certification. Its staff undertook a preliminary study of this information that led to the development of the STSC proposal. All documents were made available electronically by posting them online at www.rainforest-alliance.org. This information was complemented with a series of interviews with representatives from international conservation organizations, certification specialists and representatives from certification programs. From these interviews, an initial group of advisors³ was consolidated, who helped further develop the conceptualization of the project.

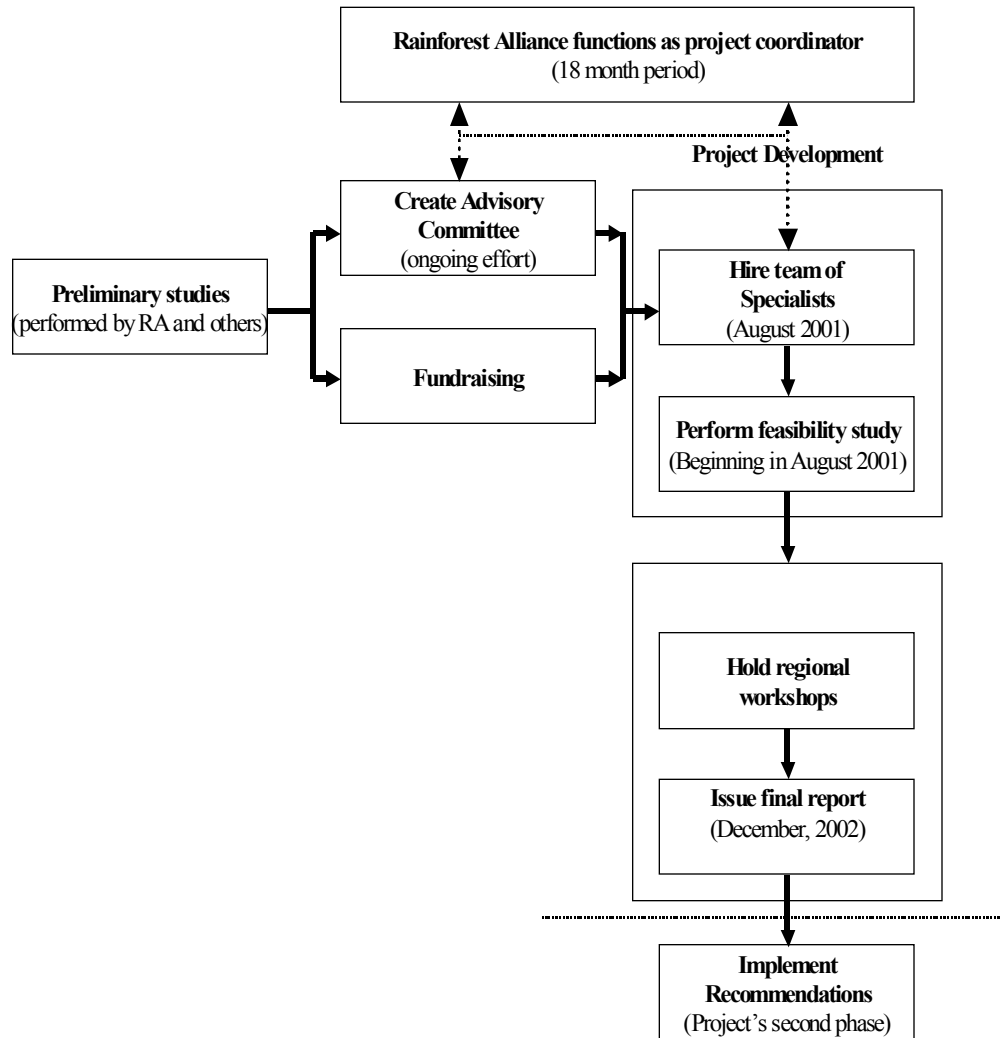
This project was initiated with broad stakeholder support

The Rainforest Alliance received endorsement for the need to explore the possibilities for establishing a STSC by the participants at the Ecotourism and Sustainable Tourism Certification workshop convened in November 2000 by the Institute for Policy Studies in New Paltz, New York, which reviewed progress in sustainable tourism and ecotourism certification. The workshop, financed by the Ford Foundation, was attended by 44 experts involved in this event represented a wide range of countries, non-governmental organizations and levels of development of certification programs. Participants came from 20 countries and delegates had experience of sustainable tourism and ecotourism certification programs such as Blue Flag, CST, Green Globe Asia Pacific, CAST, QTC, NEAP, TIANZ, Kiskeya Alternativa, ISO 14000, Alianza Verde's Green Deal, PAN Parks, SmartVoyager, Horizons and new certification initiatives Brazil, Kenya, Peru, South Africa,

³ The initial group of advisors included the following specialists: Andrew Drumm, The Nature Conservancy; Martha Honey, Institute for Policy Studies; Michael Kiernan and Chris Wille, Rainforest Alliance; Greta Ryan, Conservation International; Lawrence Pratt and Crist Inman, Central American Institute of Business Administration (INCAE); Abigail Rome, ecotourism specialist; and Arthur Weissman, Green Seal.

Sri Lanka, Fiji, and Vermont (USA). Conservation and environmental organizations included UNEP, ECOTRANS, Ecotourism Association of Australia Imaflora, Mafisa, Oceans Blue Foundation, TIES, CREM, CEC, PROARCA/CAPAS, Rainforest Alliance, WWF/UK, Conservation International, Ecotrust Canada, and SOS Mata Atlantica. Other organizations present with expertise in tourism and ecotourism certification and environmental management included BEST, Ecoresorts/African Ec lodges, Lindblad Expeditions, Rainforest Expeditions, R.B. Toth Associates, Environmental Training and Consulting International.

Figure 2.1. STSC project steps



Project Supervision

After the endorsement of the proposed STSC project by the Ecotourism and Sustainable Tourism Certification Workshop, the original group of advisors was enhanced with representatives from a coalition of organizations, as listed in Appendix 1. This group, which was constantly strengthened with new voluntary members throughout the development of the project, contributed with expertise in areas such as biodiversity conservation, certification

and accreditation, sustainability of tourism enterprises, indigenous cultures, and environmental education. They also contributed to the understanding of the political, economic, cultural, social, and environmental elements inherent in the tourism industry. In addition, it was considered necessary to have direct participation from persons engaged in certification programs and the tourism industry who have firsthand knowledge of some of the problems and obstacles with certification programs. By the end of July 2001, the STSC group of advisors was structured into the following two committees:

- **Executive Advisory Committee:** comprised of individual experts and representatives from the different stakeholder groups including environmental and social NGOs, private sector associations and intergovernmental agencies. The Executive Advisory Committee was responsible for the overall supervision of the project, for making decisions by consensus or majority of votes, approving public statements, and providing guidance in fundraising efforts.
- **Core Consultation & Advisory Committee:** comprised of representatives from independent tourism companies, tourism certification programs, organizations associated with specific certification programs, and other stewardship councils or accreditation organizations. This group of advisors represented the main source of information and feedback for the team of specialists that develop this study.

All advisors in both committees had the following responsibilities:

- Represent their organizations.
- Nominate other organizations and individuals that should become part of this effort to ensure representation of all stakeholders.
- Evaluate project's progress (updates and final results).
- Respond periodically to queries by consultants.
- Provide advice on potential new directions for the study.
- Allow use of names and affiliations on publications.
- Represent the project to their constituents, staffs and members.
- Participate in quarterly discussions via Internet to evaluate project's progress.
- Participate in a minimum of two and a maximum of four advisors' meetings or conference calls.

Consultation with the STSC advisors was vital to finalize the project's proposal. At the same time, this core group represented an international, multi-stakeholder team of specialists that steered and supervised the development of this project through a transparent and participatory process.

Project Coordination and Fundraising

The Rainforest Alliance's Sustainable Tourism Division functioned as the project's coordinating body. The Rainforest Alliance was viewed as well suited because it is an international, independent, non-profit organization with expertise in certification, accreditation, and consultation processes as well as a balanced understanding of

conservation, socio-cultural issues, and economic objectives. After reaching consensus from the STSC advisors over the project's proposal, the Rainforest Alliance received funding from the Ford Foundation to begin the project. In-kind support from all STSC advisors and collaborators, as well as from event organizers during the activities of the International Year of Ecotourism (IYE) in 2002 (see below for list of events), was vital for the development of the project.

Project Development

The project period of investigation was from August 2001 to November 2002. This span of 16 months was set at the planning stage according to the financial and human resources available to carry out the tasks involved.

The Rainforest Alliance, with supervision from the Advisory Committees, hired a team of specialists from the Centre for the Study of Small Tourism and Hospitality Firms at Leeds Metropolitan University and the Centre for Responsible Tourism at the University of Greenwich in the UK, and Abel Projects Aps in Denmark to carry out the study. These specialists together with the Rainforest Alliance staff became the project's team, whose objectives and deliverables were grouped in the following four clusters. These objectives are identified and justified in the Terms of References in Appendix 2.

1. Stakeholder participation

Objectives

- Ensure the involvement of representatives from different geographic regions and with different interests including representatives from NGOs, certification programs, governmental and intergovernmental agencies, and members of the tourism industry to participate in the discussions concerning the viability of a sustainable tourism accreditation body.
- Maintain an open and participatory approach, and perform the necessary actions to ensure good participation.
- Document and prepare reports of recommendations based on the outcomes of stakeholder meetings.
- This cluster initially included the development of at least three participatory workshops in different regions; a total of fifteen workshops took place during the consultation phase.

2. Market demand

Objectives

- Determine what the various stakeholders -- consumer, tourism operators, certification programs and ultimately countries and regions -- need from an accreditation system.

3. Financial sustainability

Objectives

- Undertake a benchmarking study of other financial models implemented by relevant accreditation agencies.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Study the financial feasibility, provide potential phases, and recommend a financial model for establishing and maintaining an accreditation organization.
4. Organization and implementation
- Objectives*
- Produce a report on the most effective organizational structure and financial model, with the necessary timing and staffing implications, for a potential STSC, as well as the steps for its implementation.
 - Study the feasibility of defining minimum international accreditation standards.

2.1. Background tasks

Background materials were developed by the Rainforest Alliance, through the identification of audiences, the painstaking construction of the consultation and dissemination database from the results achieved, and the development of corporate materials to standardize communications.

Identification of audiences

The dissemination and consultation strategies started with the identification of key audiences. The first stages involved the preparation of short documents to outline the purpose of the project together with a list of methods to participate, and to distribute them through the channels mentioned in subsequent chapters, to gain a core consultation group. As of December 2002, the database had around 1,400 individuals and organizations that were either directly involved in certification, are stakeholders in the process or have shown an interest in participating. The database was updated daily from all information transactions between the project team and its members. The database became a key tool for the dissemination and consultation process, since all entering and leaving communications with stakeholders was collated here, with references to other material that they provided and where they were consulted.

STSC corporate image

The project team devised a corporate image that included letterhead paper and presentation templates, and a suite of proposals for a logo. The templates are currently used, whereas the logos were saved for consideration at a later stage, and it was considered that introducing a STSC logo for the project could be misunderstood and create more conflict than benefits.

STSC's Web site

The Rainforest Alliance hosted the project's Web site www.rainforest-alliance.org where all the information about this project was posted to ensure public access. Some of the s that this comprehensive site offers are:

- Project Objective
- Project Summary
- International Advisory Committees
- Project's Team

- Monthly Activities
- Consultation Activities
- Consultations Results
- Confidentiality Agreement
- Resources
- Press Releases
- Contacts

2.2. Stakeholder participation

The project team developed a monthly plan of activities (see Appendix 3), and the central part of this plan was to develop a strategy to engage stakeholders through a participatory approach and to use the feedback from stakeholders in the development of proposals. This section presents how this strategy was devised from the point of view of the audiences, the communication and consultation tools, and the background activities to reach those audiences, as outlined in Table 2.1.

Table 2.1. Summary of dissemination and consultation tools by audiences

	Press	Industry	Academia	NGOs	Certification/ accreditation	Markets	Governments
Dissemination							
Press release	X						
Invitation letter		X	X	X	X	X	
Academic publications			X	X			
Consultation							
Workshops		X	X	X	X	X	
Postal		X	X	X	X	X	X
Electronic		X	X	X	X	X	
Expert interviews		X	X	X	X	X	
Advisory Committees		X	X	X	X	X	
Background work							
Identification of audiences							
Dissemination and consultation database							
STSC corporate image							

2.2.1. Consultation tools

The consultation tools consisted of workshops, postal consultation, electronic consultation, expert interviews and feedback recommendations from the Advisory Committees. Consultations were managed through a detailed database of over 1,000 stakeholders to keep records of every communication with each stakeholder, including letters sent, requests for information, and participation at events. The database is not publicly available in line with data protection legislation. However, a list of the individuals and organizations that participated in the different consultation activities is presented in Appendix 4.

Guiding questions

A short list of questions was designed to guide the discussions at workshops, interviews, and electronic discussions. This questionnaire was initially tailored to target the questions for which that the study had to provide responses. This initial list of questions was tested in two of the initial consultation workshops (Brazil and Belize). Due to the mix of stakeholders participating in the consultation and the different levels of knowledge about certification and accreditation, the project team with the support from The International Ecotourism Society (TIES), modified the questions to allow more general discussions around issues concerning certification before diving into accreditation-related questions. The final list of questions was used only to guide the discussions but the facilitators had the flexibility to open the discussions to other related topics of interest for the audience.

Workshops

Workshop consultation were planned as a method to gain in depth information from a variety of experts, mainly qualitative data that would not be apparent or would be missed out if postal consultation only was undertaken. The initial workshops were more exploratory, whereas the later workshops were used to test some of the recommendations that have been put forward earlier. A list of locations is presented in Tables 2.2 and 2.3.

Table 2.2. Sustainable tourism and development workshops

Workshop	Location	N. Participants
Ecotour Amazonia	Manaus, Brazil	34
VII Seminario Conselho Nacional da Reserva da Biosfera da Mata Atlantica	Florianopolis, Brazil	34
Ecotourism Association Australia Annual Conference and World Tourism Convention	Perth, and Hobart (Tasmania) Australia	35 approx.
Equity for a Small Planet IIED conference	London, UK	10 approx.
World Travel Market	London, UK	36
Reisepavillon	Hannover, Germany	25 approx.
International Adventure Travel and Outdoor Sports show	Navy Pier, Chicago, USA	17
ITB Berlin	Berlin, Germany	26

Table 2.3. IYE workshops

Workshop	Location	N. Participants
Central America	Belize city, Belize	23
South Asia	Gangtok, Sikkim, India	30
Andean South America	Lima, Peru	90
South East Asia	Chiang Mai, Thailand	18
East Africa	Nairobi, Kenya	30
Arctic countries	Hemavan, Sweden	61

World Tourism Organization government member postal survey

The World Tourism Organization kindly offered to facilitate a survey of 139 WTO government members regarding their views on certification, accreditation, financing and marketing in the context of the proposed Sustainable Tourism Stewardship Council. The survey was undertaken in three languages (English, Spanish, French). The questionnaire was designed in order to obtain responses that could fulfill the objectives and deliverables of the feasibility study of the STSC, which have been grouped in the following four clusters: stakeholder participation, market demand, financial sustainability, organization and implementation.

The answers received were from 26 countries; the response rate was 19%. The responses were analyzed in consideration of their region of origin according to the regional subdivision of the of the member states of the WTO (Europe, Africa, Americas, South Asia, Middle East, East Asia/Pacific). This is in order to contextualize the finding within the political, economical, sociological and technological situation of their countries. It was assumed, in the interpretation of the data, that the technical terminology (especially definition of the terms ‘accreditation’ and ‘certification’) is clearly appreciated by the respondents. The countries that responded were:

- **Africa:** Eritrea, Kenya, Mauritius, Namibia, Seychelles, Swaziland, Tanzania, and Zimbabwe.
- **Americas:** Chile, Columbia, Ecuador, Jamaica, Mexico, and Paraguay
- **Asia and the Middle East:** Republic of Indonesia and Iran.
- **East Europe:** Azerbaijan, Czech Republic, Hungary, Kyrgyz Republic, and Poland.
- **West Europe:** Albania, Austria, Cyprus, Malta, and Turkey.

The summarized information from the questionnaire was used as contextual information in which to frame the proposed function of the STSC, in order to appreciate the extent to which the presence of a global accreditation body for tourism could imply costs and benefits.

General stakeholder postal survey

Postal consultation was also used to gather information from key stakeholders who did not participate on consultation workshops. A questionnaire was designed in order to obtain responses from a wide range of respondents in order to examine a variety of point of views and different perceptions of the issues under exam.

The questions were grouped in four categories -- certification, accreditation, financial aspects, willingness to pay, marketing and acceptance -- in order to reflect the deliverables of the STSC study. The questions were open and a qualitative approach analysis was used.

The period of analysis was from January to March 2002. The questionnaire was sent by email or post to 901 potential respondents from public and private sectors and NGOs. The interviewees were from a range of expertise such areas as tourism, the environment, certification, and accreditation, and included consultants, academics, tourism industry and tourism associations.

The response rate was 4% or a total of thirty-six responses of those surveyed. The response rate of the survey was low considering that it had been e-mailed to the entire database developed for the STSC project, which included about 1,000 institutions and experts. Given the small sample of responses, the results were not used to draw conclusions in isolation, but rather as a complement to the results obtained through the other questionnaires and the workshops. The responses were summarized and used to supplement the consultation workshops, which supplied the main body of information for the whole project.

The following is the list of organizations that responded to this survey.

- **Tourism certification bodies:** Green Globe Asia Pacific, Committed to Green Foundation, Quality Tourism for the Caribbean (QTC)/Caribbean Alliance for Sustainable Tourism (CAST), Asociacion Alianza Verde, Destination 21, PAN Parks Foundation.
- **Tourism industry:** Turtle Island Resort, Aventura Pantera, Mt Buller Resort Management Board, Sunny Land Tours, CMH Helicopter Skiing.
- **Tourism industry associations:** International Hotels Environment Initiative, Ecuadorian Ecotourism Association.
- **Accreditation and certification specialists:** R. B. Toth Associates, Social Accountability International, ISEAL Alliance, ICEA (Institute for Ethical and Environmental Certification), SGS Tecnos, James Sullivan (Accreditation and Certification Consultant), Suprpto (Executive Senior of KAN).
- **NGOs and Academics:** WWF-UK, Cooperative Research Centre for Sustainable Tourism, IUCN (The World Conservation Union) and SNV (Netherlands Development Organization), Johnson State College, University of Reading, West Virginia University.
- **Other stakeholders:** Rick Murray (various positions), Parks Victoria – Australia, Missing Link, Christine Schwinn (Ecotourism Marketing Consultant), Anne Becher (co-author New Key to Costa Rica Travel Guide Book), Plan21, Institute of Natural Resources, BrazilMax.com, CEGESTI, Tourism Board, Othon P. Blanco Municipality (Mexico), INPECO – Instituto Português de Ecologia.

Electronic

The electronic consultation was two folded. First, to monitor and participate in the e-conferences on ecotourism certification hosted by Planeta.com, and keep records of messages sent in order to introduce those opinions in the consultation. Second, as a backup to postal consultation for questionnaires and the review of the first draft of proposals.

Expert interviews

Expert interviews were used throughout the project, in the initial phases to set the parameters of the task and in the later stages to test the feasibility of specific proposals. Expert interviews were particularly used to consult accreditation bodies in the changes that accreditation is undergoing in other sectors beyond the published information available for benchmarking.

Advisory Committees

The two Advisory Committees have been involved throughout the project in formal and informal support, ranging from providing contacts, reviewing chapters of the main report, and providing copious recommendations. Nineteen of the thirty nine members of the Advisory Committees met during the International Year of Ecotourism Summit at Quebec in May 2002 to review the first draft report, which provided clear direction to the rewriting of the document and considering alternatives to the proposals developed at the time. The team developing the proposals responded to the 30 pages of recommendations provided by the Advisory Committees.

2.2.2. Market demand

The methodology used in the preparation of this report is qualitative. Quantification of the responses was not considered appropriate when the audiences had a significantly different knowledge of the topics raised and also when a large part of the discussion was around the meanings of issues rather than the number of organizations willing to support one specific statement. The results of discussions on willingness to pay and market demand reinforced the suitability of this methodology. Participants to most workshops were not willing to forecast a specific market demand for a service that was not clear. Most predictions were of low market demand due to the lack of knowledge on what a STSC could achieve or stated market demand conditional to a variety of actions by other stakeholders or a specific nature of the STSC. For these reasons the comments gathered were used to propose that for an optimum market demand the STSC should be organized in those ways that the consultation proposed, and it is only after producing more specific proposals and probably after a test phase that market demand will become clearer, at which stage it might be reasonable to attempt quantifying this demand. See section 4.5 for results.

2.2.3. Benchmark studies: organizational structure, governance, and finances

The methodology for this section is qualitative. The data for this section came from interviews and written questionnaires via email, as well as from annual reports, organizational literature, and Web sites. In all, fifteen organizations were included in the analysis, and several other experts were surveyed. See Chapter 5 for results.

2.2.4. Dissemination by audiences

The dissemination strategy used three tools: broad press releases to generate interest and reach broader audiences, industry updates sent to all members of the STSC database, and academic publications to address more in depth some of the key issues raised in the consultative process. The outline of which tools were used for each stakeholder group follows.

Press and Publications

Two press releases were sent to both specialized ecotourism and sustainable tourism press and electronic distribution lists to present the project with the aim of generating further interest for consultation workshops. This was successfully achieved, and usage of the press has been a second priority in managing consultation workshops.

Articles about the STSC and references in several publications were published during the development of this project (see Appendix 5).

Industry

Industry was targeted through workshops and postal and electronic communications. It was expected that a limited proportion of the industry would participate, for two reasons. Firstly, because of focusing on other priorities such as the effects of the September 11th, 2000 terrorist attacks on the tourism industry. Secondly, because certification bodies have not been keen on the idea of STSC contacting their members directly, as some considered this approach could be competition for their current certification programs and felt uneasy about it. Industry consultation took place by contacting industry associations through workshops, questionnaire and expert interviews. The project resources did not allow for in-depth consultation to this group, and data could be biased towards those industry members that have shown an interest in the subject.

Academia

The project team has used the traditional electronic distribution lists to contact academia, from which a variety of contacts and questions arisen.

The publication in academic circles was used as a method to address some of the key challenges of the STSC, and to justify the choices made in the process. The main question asked in the first contacts with academia was whether setting global standards would mean that large corporations from developed countries would have the means to keep the paper trails and to pay for consultancy fees, whereas smaller, community based operations would be left out of the market. To answer how the project team has addressed this point, an academic refereed journal article was written outlining the potential pitfalls of accreditation from a social exclusion point of view, and how the methodology of this project takes these issues into account and tries to deal with them (see Font & Sallows, 2002). Further academic papers were published on the feasibility of ecotourism certification (see Sallows & Font, 2003), the need for government intervention in supporting small firms access to certification (see Maccarrone-Eaglen & Font, 2002), and the rationale behind the STSC study (see Sanabria, 2002, in Honey, 2002). See Appendix 4 for a list of these and other papers. By the conclusion of this project, Stanford University (USA) was also finishing a case study on the STSC for academic purposes.

Certification bodies

Certification bodies have been consulted through pre-established channels and contacts, since this is a topic that affects them directly and the project team does not want to create a wrong precedent. Electronic and postal awareness raising materials were sent to them directly, with exception of those labels within the European VISIT scheme for which Ecotrans acted as a means of consultation. A variety of certification programs made contact with the project team and participated in the first round of workshops, and several responded to postal consultation and further expert interviews.

Accreditation bodies

Accreditation bodies were contacted in relation to all project clusters. For cluster 2, Market Demand, to understand the catalysts for change within the industry that have generated demand for sustainable products. For cluster 3 and 4, Financial Feasibility and Organizational Blueprint, to learn about the cost of setting up and operating systems, and the form that these systems have taken. The International Social & Environmental Accreditation Labelling (ISEAL), an alliance of stewardship councils for other sectors, was the main source of contacts, with whom the Rainforest Alliance had established communications at the beginning of the project. Contact was established mainly by e-mail and telephone expert interviews, with exceptional participation in workshops. The project funds did not allow for gathering accreditation bodies in one forum.

Non-profit organizations

Because it was believed that the issues raised by academia would be similar to those raised by non-profit organizations, dissemination to these two groups was closely linked.

Governments

Governments were targeted for consultation and dissemination at the same time, through requests to record their position and willingness to take actions through a questionnaire sent in conjunction with the World Tourism Organization. The evidence collected from the WTO government member survey was the crucial source of information from this group. Some government representatives participated in workshops and interviews, although this was rare.

Consumers

This target group was not consulted for a variety of reasons. First, outreach to consumers was not part of the proposed scope of this project. Second, the global scale of the STSC study made it unfeasible to undertake cost-effective and yet representative market research. Third, consumer marketing is expensive and the proposals for a STSC could not justify the costs when other consultation methods suggest that business-to-business marketing will be more cost-effective. The project team undertook a review of published material on consumer willingness to pay for certified tourism products, and benefited from research conducted by VISIT as part of the Reiseanalyst survey of the German market (a VISIT internal document, not widely distributed).

3. Tourism certification

This chapter provides background information on tourism certification to contextualize the proposals for a STSC. It reviews the recent developments, the geographical coverage of certification programs, and the involvement as well as concerns of various stakeholders.

Tourism standards come in a variety of forms, and may consist of internal company standards, industry codes of practice, guidelines, awards and certification programs, as well as some more general international “agreements” and proclamations. Since the early 1990s there has been a huge growth in the number of tourism standards, with some 104 ecolabels, awards and self-commitment standards identified by WTO (2002). The basic pre-requisite for something to be called a standard is that it is documented and establishes a set of rules, conditions or requirements (Font and Bendell, 2002). Some standards can be as simple as an expression of principles, without establishing any systems for implementation, monitoring or verification of compliance. In general internal standards, industry codes of practice, guidelines and awards would fall into this category. Certification programs, on the other hand, are monitored and/or assessed. They examine, measure, test or otherwise determine the conformance of a business, product, or professional with the requirements specified in the standard.

3.1. Recent developments

While tourism certification programs designed to measure quality, service and cost are more than a century old, programs based on environmental and social criteria date mainly from the late 1980s and 1990s. These newer “green” programs within the tourism industry use one of two methodologies, process or performance. Process-based certification programs involve setting up environmental management systems that vary from business to business. The most widely used is ISO 14001, a set of standards created in 1996 by the International Standards Organization. In Europe, the European Commission (EC) has recognized a variant of ISO known as the Eco-Management and Audit Scheme (EMAS).

The tourism industry, however, is characterized by small firms that cannot easily apply EMAS and ISO systems, which are costly, time-consuming, often require outside consultants, and are best suitable for large companies. More suitable are performance-based certification programs that include a set of criteria or benchmarks against which all businesses are judged. Many of the best-known certification programs for the ecotourism and sustainable tourism markets are performance based, although a number of programs combine process and performance criteria.

One of the oldest and most successful programs is Blue Flag, which certifies beaches and marinas and has since started in 1985, received EC support. The program expanded via the Foundation for Environmental Education in Europe (FEEE), had, by 2000, certified about 1800 beaches and 600 marinas (Font & Buckley, 2001). In 2001 the program was extended to South Africa and the Caribbean (Font & Mihalič, 2002). It also operates in Costa Rica.

In 1994, Green Globe became the first tourism certification program to operate at an international level. However, its credibility was undermined because it did not have a

recognized set of performance standards and instead certified companies based only on a statement of intent. Several years later, Green Globe moved to certification based on the commitment and process, utilizing the Environmental Management System (EMS). In the late 1990s, Green Globe expanded its global connections through its association with CRC Sustainable Tourism in Australia, and alliances with PATA Green Leaf, the Caribbean Alliance for Sustainable Tourism (CAST), and Green Key. However, its market impact has been diluted by the extensiveness of the program. At present, Green Globe's most active division is in Asia Pacific and it has formally established collaboration with the Tourism Industry Association of New Zealand (TIANZ) and supporting the New Zealand Tourism Strategy (OTSp, 2001).

Green Globe has also prepared a series of standards for specific sectors in a package called "The Green Globe Path to Sustainable Travel and Tourism - As simple as ABC." It also provides training courses for external assessors (Green Globe, 2001 a and b). In spite of its strong expansion, Green Globe has received criticism from conservation and environmental NGOs (e.g. WWF-UK) for giving companies recognition on the basis of commitment only and for becoming a for-profit organization (Synergy, 2000). Despite this, as will be discussed later in this report, Green Globe is reviewing its criteria to include more performance related criteria.

In December 1998, the UNEP published a first analysis of tourism certification programs called Ecolabels in the Tourism Industry. It found that programs were concentrated mainly in Europe, with a handful in other geographical regions, including the Certification for Sustainable Tourism (CST) in Costa Rica, the Nature and the Ecotourism Accreditation Program (NEAP) in Australia, and Ecotel, a program run worldwide. The proliferation of initiatives then led the World Tourism Organization (WTO) to propose that the United Nations' Seventh Session of the Commission on Sustainable Development (UN-CSD7) explore their efficacy.

In 1998, the EC contracted several NGOs to undertake a study and consultative process on the feasibility of a single European Ecolabel for hotels. The exercise was completed in August 2000 and is documented in a report called Feasibility and Market Study for a European Eco-Label for Tourist Accommodations (FEMATOUR) This report blames the limited industry participation in the project on the differences in the certification systems within each member state (CREM, 2000; EC DG ENV, 2000). In March 2000, these issues were also discussed and clarified at the International Tourism Bourse (ITB) in Berlin, by a board of tourism professionals invited by the German organization, Ecotrans.

In November 2000, in New Paltz, New York, an international Ecotourism and Sustainable Tourism Certification Workshop was organized by the Institute for Policy Studies. The product emerging from that meeting, known as the Mohonk Agreement, outlined the fundamental Principles of Ecotourism and Sustainable Tourism Certification. In this context the Rainforest Alliance proposed to study the feasibility of a Sustainable Tourism Stewardship Council (STSC), which could act as an accreditation body for sustainable tourism and ecotourism certification programs. The attendants at this workshop unanimously endorsed this proposal.

In 2001, the WTO contracted research through the European Network for Sustainable Tourism Development (Ecotrans) and Oceans Blue Foundation to identify the current ecolabels, awards and codes of practice, in order to gain a truly global understanding of what programs exist and in what form. Around 500 initiatives were identified, from which

104 were selected for further analysis. This reflects both the number of efforts operating in parallel to promote sustainable tourism, and shows the potential for cross-fertilization and benefits of economies of scale. At the same time, the WTO was dedicating its 37th meeting of the Commission for the Americas (CAM), held in May 2001 in Oaxaca, to tourism standards, including largely efforts to certify standards.

Increasingly governments and NGOs are supporting new ecotourism and sustainable tourism certification programs. These range from EU programs such as the WWF Artic, and the Ecotourism Society of Sweden, to new Latin American programs in Brazil, Peru, Ecuador, Bolivia, and elsewhere, to new initiatives in Kenya and South Africa, as well as a Fair Trade for Tourism Network intended to cover all of Africa. At the same time programs are looking for common components, with Green Globe 21 entering into a working agreement with NEAP and promoted by Ecotourism Australia (formerly Ecotourism Association of Australia). Governments have stepped up their participation, with the CST potentially becoming the most powerful sustainable tourism concept, to be adapted to the local realities across most countries in Latin America. The EU has revived its interest in environmental accommodation certification standards, and is co-funding of the Voluntary Initiatives for Sustainability in Tourism (VISIT) project, bringing together 10 European labels to work on common marketing, standards, and processes.

This STSC feasibility study has also considered the existing context of certification programs in order to guarantee a realistic outcome in analyzing the environmental, political, social, and economic issues related to the study. The organizations and current issues outlined above are only an example of the complex, fast changing nature of tourism certification today.

3.2. Geographical coverage

The geographical spread of tourism certification varies greatly with Europe having the largest number of programs. The following review demonstrates the need for rationalization of these programs in different regions.

Europe

According to the WTO (2002) study on voluntary initiatives, more than fifty certification and labeling programs operate in Europe. This multiplicity of programs has created a need for finding ways to increase communication, coordination and mutual recognition among programs. For example, VISIT is a European Commission-funded project that aims to provide a networking platform for collaboration among European tourism certification programs. VISIT demonstrates how these programs can be an effective instrument in moving the European tourism industry and consumers towards sustainability. To reach its goal, VISIT has four interrelated objectives (VISIT, 2002):

1. To demonstrate how broadly accepted environmental indicators (not social and economic ones) and benchmarks for tourism certification programs (accommodation and destinations) can contribute to an assessment of environmental effects of various ecolabels and other instruments.
2. To demonstrate how a partnership of tourism certification programs can be achieved, lead to common standards and contribute to increased transparency, quality, and joint promotion.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

3. To demonstrate how labeled enterprises (specially small and medium sized enterprises) and products can be integrated into European tourism offers by information and matching activities towards the tourism industry.
4. To demonstrate how consumer awareness and demand for environmentally friendly tourism be increased by implementation of a European image campaign during both 2002 (the “International Year of Ecotourism”) and 2003.

The VISIT image is based on the word *visit*. It has no unique logo; rather the ten logos of the ecolabels that are part of VISIT are all used. These are the Austrian national label, Blue Flag, Green Globe 21, Green Key (Denmark), Green Keys (France), Green Tourism Business Scheme (Scotland), Legambiente (Italy), Luxembourg Tourism Certification program, Milieubarometer (Holland), and Nordic Swan (Scandinavia). While it was decided not to have a new, all-embracing VISIT logo so as not to supersede the existing logos, the resulting image of VISIT is confusing, and therefore not suitable for a global system.

The experience of VISIT is key to the feasibility study of STSC since this provides a testing ground for many concepts. At the same time, the STSC proposals are important to put the VISIT work in a global context. To this effect VISIT and the STSC project team signed a cooperation contract for collaboration and sharing information.

Besides VISIT, the European Union Ecolabelling Management Board has been working for several years on developing a European standard on environmental management for tourism accommodations. This label is to be implemented by the current twenty-five members of the European Union.

Central and South America

In Central America there is an intergovernmental agreement to expand the Costa Rican CST program to other countries in the region, including the Caribbean. CST is rapidly becoming a truly regional program with governmental support throughout the Americas.

In September 2001, a workshop took place to discuss the regionalization of the CST throughout Central America, under the SITCA (System of Tourism Integration in Central America). Central American tourism ministries signed up to introduce CST, and they agreed and signed proposals for the development of multi-stakeholder, national certification commissions, autonomous to each country but with commonalities (anon, 2001a; 2001b, 2001c). These national certification commissions needed to roll out CST programs in each country were scheduled to be under way by early 2002. However, due to limited resources these commissions have not been established. As of December 2002, CST continues to be applied only in Costa Rica.

In September 2001, at the First Iberoamerican Meeting of Tourism Ministers held in Cusco, Peru), ministers from Argentina, Brazil, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Spain, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Portugal, Dominican Republic, Uruguay, and Venezuela signed an agreement to adopt standardized principles and parameters, similar to the CST, for economic, environmental, social, and cultural sustainability. At this meeting, the Costa Rican Minister of Tourism presented a paper suggesting that “the fundamental idea is to develop a system of accreditation internationally recognized as the only instrument of certification that can be available to all the countries in the region at the lowest cost possible and with the maximum level of credibility” (Niehaus Bonilla, 2001).

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

The support for CST throughout the Americas was strengthened at the Third Summit of Heads of State and/or Government of the Association of Caribbean States, held in Margarita, Venezuela, in December 2001 (anon, 2001b). An Action Plan based on the Declaration of Margarita states that sustainable tourism should, amongst others, establish a mechanism for the delivery of technical assistance, with the aim of meeting the requirements of the criteria established for incorporation in the Zone of Sustainable Tourism in the Caribbean (ZTSC). Again, it was agreed that these criteria would be similar to the CST.

In recent months, other Latin American countries outside Central America, like Peru, Ecuador and Mexico, have demonstrated interest in utilizing the CST. In October 2002, the Ecuadorian Minister of Tourism signed a cooperation agreement with the Costa Rican Minister of Tourism. Part of this agreement entails the use of CST.

Asia Pacific

At an Asia-Pacific level, Australia and New Zealand have commenced promoting the Green Globe program, and have secured government support in financial terms to do so. Green Globe 21 has also opened an office in China and is active throughout other parts of the Pacific region. Green Globe 21 and NEAP have formed an alliance to promote ecotourism certification and in 2002, Green Globe and NEAP jointly launched a new International Ecotourism Standard, based on a modified version of NEAP's ecotourism criteria. This new program also offers considerable technical support to those seeking certification. Green Globe Asia-Pacific officials say that they expect other countries in the region to benefit from belonging to this program, rather than developing their own programs.

Africa

At this point there is no program that covers the African continent. Several countries, including Kenya, South Africa, and Zimbabwe, have conducted preliminary activities to determine the feasibility of establishing tourism certification programs. They have received positive feedback, and the program of the Ecotourism Society of Kenya (ESOK) is currently being readied for launch. The South African government has been developing a Responsible Tourism Guidelines that do not at present involve certification. But these guidelines do recognize that certification can play a role in promoting sustainable tourism in that country. The Fair Trade in Tourism Network initiative, under the auspices of Tourism Concern, has made a difference in the region but since the project has run out of funds, only the Fair Trade Tourism South Africa program seems to be active.

Arab League

The Via Nova Group, and in cooperation with environmental and tourism NGO's, tourism companies, and governmental agencies are discussing the possibilities of creating a regional sustainable tourism certification program that would include all related stakeholders. The Via Nova Group was established in 2002 by specialists in sustainable tourism development in Jordan, Egypt, Syria, Lebanon, Saudi Arabia, Qatar, Bahrain, United Arab Emirates, Yemen and Oman.

During the west Asian regional meeting of UNEP, the interest in the establishment of this network was overwhelming and eventually Via Nova Group was asked by the UNEP and the participating countries to prepare a study on the mechanism and the steps that need to be

taken in order to implement such a program. This will be presented to the ministers of environment and tourism committee of the Arab League for approval and adoption. Via Nova has been in contact with STSC to co-ordinate efforts and the possibility of a Sustainable Tourism Certification Network for the Arabic Region is moving ahead.

Global

In addition to these strong regional approaches, the ISO 14001 Standard has been used in larger tourism enterprises, predominantly hotels, across the globe. Nevertheless, given the size of the tourism industry the take up rate of ISO 14001 is relatively small (BSI, pers. comm.). Programs such as Blue Flag are moving from a European to a global coverage. Green Globe and Ecotel are also global programs that do not fit into the regional structure.

3.3. Industry impact and market penetration

Voluntary standards in tourism are a valid method to show best practice and industry leadership. They provide a range of capacity building benefits on environmental management, eco-savings, and support to green marketing claims. However, there is no data to suggest whether tourism businesses perceive the internal benefits (eco-savings and environmental management) as greater than the external benefits (“green” marketing). Such data would provide evidence to suggest the potential for expanding the current standards across the industry. The data collected for the WTO (2002) shows that certification programs are struggling to increase the perception of benefits beyond the committed few, and this is a costly and time-consuming exercise.

The WTO study (2002) also found that despite the large number of tourism programs globally, they have had a negligible impact on changing industry behavior towards more sustainable practices. In addition, there is, on average, a low number of certified companies per program. At best programs have 5% of the market share of companies for a tourism sub-sector in a given destination. The one major exception is Blue Flag, which has a large market share due to its niche of certifying beaches and marinas only. Most programs report that they are running at resource capacity, and would not be able to cope with an increased number of companies because certification fees might not cover the costs.

Despite these realities, certification of sustainable tourism is perceived as providing competitive advantage (Mihalič, 2000), and this is one of the key reasons for industry interest in the STSC. Competitive advantage is however relative to the share of competitors meeting those standards, and any efforts to increase the number of applicants for certification should consider at which point they need to promote benefits other than marketing competitiveness as their selling point. Also competitive advantage is relative to the customer’s perceived link between sustainability, or environmental quality, and the core of the product being purchased. Blue Flag has been successful in promoting itself because beach users equate it with health and safety standards, which they consider more meaningful (Font, & Mihalič, 2002). Ecotourism companies are more likely to show an interest in proving their sustainability than tourism businesses that rely less directly on environmental quality of destinations.

Thus the question of effectiveness of such a large number of relatively small programs must be asked – is the fact that there are so many programs contributing to the lack of effectiveness on a broader scale, as the tourism industry does not see competitive advantage in participation, and consumers do not see the importance of choosing certified products

and services? How could this current situation be resolved, so as to increase consumer recognition of tourism certification and positively influence consumer choice of holiday product or service? How have these issues been dealt with in industries other than tourism?

It is now pertinent to examine the role accreditation could play in improving the current low take up rate of environmentally and socially responsible tourism certification programs.

3.4. Small and medium enterprise access

Certification programs for environmental and/or sustainability are increasingly allowing small firms to enter into a competitive playing field with larger firms so long as these small firms have access to capacity building and financial support to cover the costs of verification. Small and medium enterprises (SMEs) are defined here as having less than 250 employees and less than \$45 million in annual turnover (Taylor, Simpson and Howie, 1995). It is recognized that the needs of the many even smaller microfirms may be very different.

In consultation workshops, small firms repeatedly acknowledged the difficulties they faced to compete against larger firms, and how certification might pose more threats than advantages; the STSC Advisory Committee raised the same concern. Five key issues that impact the ability of small firms to assess certification are considered here. These are: 1) the nature of small business ownership, 2) the impact of government regulation, 3) financial arrangements, 4) marketing capacity, and 5) access to the discussions on the setting of standards. The conclusion is that SMEs need support from governments, multilateral agencies, and international aid organizations to participate in certification programs.

Ownership

SMEs owners also manage these companies (in the majority of the cases), therefore the decision making process is largely dictated by one or a very few individuals. Research, though limited, shows that SMEs owners can be classified as those interested in personal satisfaction at work, those seeking financial achievement, and those interested in owning and managing the company. Even though not central to this study, it would be unwise not to consider that the attitude of SME owners may affect their involvement in certification.

Regulation

Regulation can be used by governments to ensure a more sustainable use of resources, but this is usually done only when other softer tools, such as voluntary initiatives and market incentives, do not meet the requirements for resource conservation.

High taxation and regulations, in addition to lack of sufficient resources to obtain necessary access to information, typically constrain small business in their development and in taking new initiatives. Increased intervention means added costs to governments and there are valid arguments for de-regulation based on the assumptions that entrepreneurial behavior (usually leading to the creation of small firms) flourishes when governments reduce the regulatory burden. The promotion of voluntary standards by the public sector is not well studied. Voluntary standards can be seen both as a method for de-regulation and regulation; de-regulation because it is a soft tool to encourage certain behavior, yet also as regulation because voluntary standards with a high take up can become de facto requirements to trade.

Preferential treatment for SMEs within the regulatory framework also has its challenges. Thomas (1996) reports it can lead to complacency and, moreover, it can encourage subcontracting as big businesses attempt to use small companies to avoid regulation and taxes.

The rules of the General Agreement on Trade in Services (GATS), for instance, makes it unlikely that sustainable tourism and ecotourism certification will become mandatory (Font & Bendell, 2002). Making certification a mandatory requirement for trade, with government backing of the programs, can have a negative effect on small firms that do not have the capacity to meet standards, or to comply with the additional paper trails and inspections. In these circumstances small companies have to rely on external financial help and governmental subsidies, in order to employ certification as a tool to obtain competitive advantage.

Finance

It is problematic for SMEs to make investments in certification programs that do not directly lead to increased business and this will limit the ability of SMEs investing to improve their sustainability standards. Further, lenders require a guarantee that small firms cannot always provide, which places them on a higher risk category for borrowing (Taylor, Simpson & Howie, 1995). Yet most pro-environment investments required by sustainable tourism and ecotourism certification criteria lead to short term returns on investment through “eco-savings”, which have been reported to save up to 30% of the energy and water bills of accommodation providers (VISIT, 2002).

If certification programs work jointly with financial institutions and governments to prove that the investments are low risk, small firms will have higher chances of accessing softer credits. Yet governmental intervention and the ability to assist small firms differ across countries. In the EU, governments have created funds to support small tourism and hospitality firms with grants and accessible rates loans. The schemes are structured in order to avoid disparity between the member states. In contrast, governments in developing countries do not have the financial and technical resources to provide such assistance to SMEs.

Marketing

Marketing by small businesses is mainly based on ‘intuition’ rather than strategic planning. Friel (1998) reports on a survey of small firms that only 37% of tourism and hospitality SMEs consider marketing important. Marketing costs are high so small firms tend to rely on providing a high level of service and on repeated customers.

Most tourism certification programs promote themselves as a source of competitive advantage by providing a distinguishable marketing tool, i.e., a logo. The actual impact of certification programs has been more obvious in eco-savings than in added business. This study has considered the feasibility of using accredited certification as a tool within sustainability purchasing policies of tourism distribution channels in order to give a tangible marketing edge to businesses certified by accredited certification programs. The costs of consumer marketing are often prohibitive and unlikely to make an impact on the market when comparing the operating budgets of certification programs and a possible STSC against large tourism firms. Government intervention to promote firms within each country

that have met international sustainability standards would be the more viable avenue, and one in which governments were consulted.

Ability to Participate

One issue is whether SMEs will have the time to attend certification and accreditation workshops. Comparisons between large chains and SMEs show how the latter are often at a disadvantage: low productivity, poor product quality, and a lack of access to credit and training. Small firms will most likely not have the resources to participate in these discussions. While linking STSC consultations to major tourism trade events in a variety of countries has increased participation by SMEs, the companies attending these events are still mostly those in a better economic position (Pam Wight, pers. comm.).

A company's size also impacts job specialization, resources, and ability to address external certification. A large number of firms owned by locals in developing countries are small firms. There is an issue of equity here, since small firms as certification applicants, and certification programs in developing countries, will not have the systems in place that global standardization efforts require. In developing accreditation criteria and procedures, it is necessary to take into account the "smallness factor" and not consider the inconsistency between the practice in these countries and the imported models as a fault, but rather the inadequacy of the model. It is imperative that certification programs be culturally sensitive, and not become a new technique to enforce corporate philosophies and work practices devised in developed or Northern countries. Obviously there are also small companies in the global North, but governments in these countries often have the means to introduce incentives and training programs to raise awareness and capability within small firms. The European Union, for instance, has done so through LIFE program, a source of funds currently contributing to EcoTrans' VISIT project (EcoTrans, 2001).

SMEs need public sector support

There is a strong feeling that the public sector will have to absorb some of the costs to motivate companies to 1) invest to improve quality standards, and 2) pay the price to be regularly verified as meeting those standards. The push for certification at the national level needs to be an integrated system that not only gives the opportunity to be certified, but also gives support to apply for certification through soft credit schemes, training and access to markets. This view is also shared by the governments responding to the survey administered by the WTO on behalf of the STSC (see section 4.4). The consultation process suggests that companies entering certification will require a start-up subsidy in the form of grants to invest in capacity building, marketing and "green" technologies to meet the standards in the first place or to have clear proof that the investment can be offset in the medium term through reduced operational costs from eco-savings. These grants, and capacity building, are most necessary for SMEs. It is acknowledged that usually grants are for product development and upgrading, not marketing. There is awareness that this start-up fund will have limitations in time and overall amount and this is desirable, since the system needs to become financially sustainable. As an example, the CST is currently subsidized by the Costa Rican government that, in turn, subsidizes application fees by tourism firms. This is not a viable long-term strategy, and therefore the public sector's subsidy here is not for raising the company's standards but for the certification procedure.

Responsibilities on access to funds need to be divided between the certification and accreditation bodies. Capacity building for applicants should be available to meet

certification standards and there should be criteria requirements to prove that a certification system is well managed (as ISO guides also suggest). Some governments will have environmental and business development policies that will partly subsidize improvements in the quality and eco-efficiency of buildings. Access to ethical investment funds should be considered as a function of the accreditation body, by linking with fund managers to use accredited tourism certification as a method to select companies for investment. Finally the accreditation body should act as a lobby to motivate the purchase of certified products by distribution channels, at least in the major tourist destinations that receive the largest tourism flows.

3.5. Role of governments and intergovernmental agencies

Given the increasing interest in voluntary standards for sustainable tourism and ecotourism, some governments have begun to try to improve industry participation in these voluntary initiatives. Sustainable tourism and ecotourism certification programs rely to a great extent on government support, through running the programs and providing incentives, but not to the extent of making standards mandatory. Without such support it is claimed that two-thirds of the programs would not survive, and it would be impossible for sustainable tourism standards to be implemented in many countries.

The public sector helps with general awareness-raising through the publication of brochures and leaflets promoting destinations and businesses that are certified, and this is quite common across a wide range of the ecolabels assessed in the WTO report of voluntary initiatives (2002). Awareness-raising, however, usually takes place as part of a more active approach from the public sector. Some twenty of the fifty-nine standard certification programs in this report are lead by government agencies, and a further eighteen have government involvement either through direct financial support, marketing support, expert know-how in setting standards, verification procedures, or surveillance of procedures being followed by the certification body. Government agencies involved generally include both environmental ministries (or the equivalent) and tourist boards; in fewer cases, standards institutes are involved.

Government financial support is crucial to half the programs analyzed by the WTO. Grants or loans are available through a variety of schemes for consultants and assessment processes. This is true generally for European schemes, and also for programs such as the CST. Certification programs witness a vast increase in applications when these are subsidized.

Thirty-eight out of the fifty-nine programs have government involvement in highlighting and advising on best practices. Marketing is a key benefit promoted to applicants of most programs, and government support can be the single most important incentive leading businesses to apply. Several governments support certified businesses by including them in accommodation listings and even offering additional, preferential marketing. Governments also promote them at travel fairs and on the official tourist boards' Web sites. Preferential marketing is an area for debate, with strong arguments against it from those companies that do not have the capacity to apply in the first instance.

Government and intra-governmental agencies are creating institutional building blocks to develop international comparability and transferability of standards, although these are at an

early stage. The WTO has shown interest in the feasibility of international sustainability standards, as has the UNEP. There are regional efforts to set standards; governments are funding projects to transfer expertise across countries (CST in Central America) and to assess equivalency and raise standards across current programs (EU LIFE funding behind VISIT).

Despite the evidence provided here, government measures in support of voluntary standards for sustainable tourism and ecotourism are fewer in number and in funds than for some other industries. This may be due to the fact that voluntary standards are themselves not well developed in the tourism sector, when compared with other industries, such as forestry and agriculture, so that governments are not yet aware of the opportunities there are for supporting them as part of their sustainable development policy goals.

4. Consultation and needs assessment

This chapter links the methodology for the project with the proposed phases. The consultation and needs assessment is the result of the workshops, questionnaires, interviews and other methods of consultation described in Chapter 2.

4.1. Stakeholder and consumer profiles

This section introduces the main stakeholders considered and highlights key issues that the consultation process has brought up as being important to their participation and acceptance of a potential STSC. It first presents the generic issues and it then considers specific profiles for certain stakeholder groups that have been identified as key to the feasibility, and which have been consistently followed through the report. These are certification programs, governments, industry and industry associations, tour operators, NGOs and consumer associations, intergovernmental agencies, donors and financial institutions, accreditation organizations and tourists.

Generic

Communicate the need for accreditation

A potential STSC would be entering a market where certification itself has had little or no impact in consumer behavior, and limited impact on the behavior of distribution channels. The first role of the STSC would be to articulate and disseminate the benefits for different stakeholders of certification and accreditation. This message will be costly and the benefits are long term; the validity of the STSC cannot be measured in the short term in number of certification programs accredited, or increase in certification applications. There is an element of industry and consumer education that increases the price of the service in the short term, until certain economies of scale are reached and consumer awareness can be improved.

The marketing consequences are that STSC should focus on penetration marketing to achieve the economies of scale required. This requires low, subsidized prices in initial period and high involvement with key certification bodies to reach economies of scale. At this early stage low promotion, high-two way discussions with key companies will be more successful.

Branding will be controversial

Branding is the method used to differentiate a product. The strength of the brand will depend on the homogeneity of certified products, which at this stage are not homogeneous, and the selling proposition needs reconsidering. It has been suggested throughout this research that the use of an eco-label is important for exerting pressure to change. The brand

awareness of Green Globe or Blue Flag, especially in Europe, to mention just two, is far greater than what STSC could achieve in the short run. Brand creation and development is costly, and STSC would require considerable investment that has, to different extents, been undertaken by each certification body.

In the case of certification and accreditation, the issue of whose logo will be used can create barriers to otherwise good working relationships. The experience of VISIT is that of using the logos of the different certification programs, and VISIT has adopted a corporate image in the scheme's name, but avoided a logo. It is recommended that STSC takes the same approach and does not attempt to replace the logos of certification programs.

Many stakeholders but few levers for change

Sustainable tourism has many stakeholders (some key ones identified in this document), and the process of introducing standards requires careful consultation of those. At the same time the mechanisms available to influence sustainable management, within the role and budget of an accreditation body, are few.

The research conducted for this document highlights that the ethics of non-equitable processes are key issues to consider. This document is the result of combining both bottom-up consultation of key issues, and then contextualized those key issues against the practicalities of proposals with specialists, and the feasibility of influencing change by opinion leaders. It is believed that a relationship marketing approach is needed in this project, characterized by targeting few opinions leaders that can cascade the message down, since STSC will have limited means to reach a wide range of target markets directly.

STSC must segment target markets according to the ability to reach economies of scale in the short term that make it operationally feasible. This means that some regions in the world will have to be prioritized. It is proposed that priorities are allocated on the basis of ease of success. Therefore target markets should be chosen on the basis of regions with physical presence of certification programs, their market penetration, the benefits sought by certification programs, the volume of usage, the attitude towards the product, and financially feasible certification programs.

Global standards are appealing and dangerous

In a global marketing strategy, the decision has to be made between standardization of the services and adaptation to the local conditions. Creating global standards of performance for the tourism and hospitality industry are both appealing and dangerous. Their appeal lies in the ability to manage and compare tourism companies with a single tool. The reality is that there are economic, social and geographical limits to the feasibility of introducing hard standards, which need to be taken into account to make any proposed standard meaningful, achievable and equitable. The feasibility of international standards for the process of accrediting are considered, as well as the rationale for adapting agreed international sustainability guidelines to local conditions by different certification programs.

Certification programs

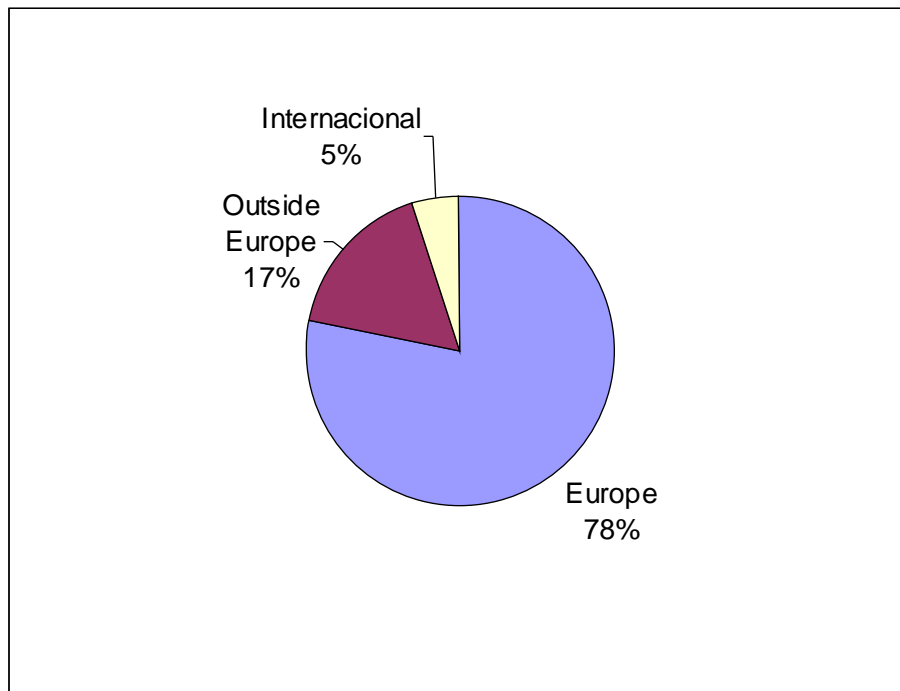
The consumers for an accreditation body are the certification bodies themselves. This section reviews tourism certification programs against seven characteristics that a market needs to display to be appealing: it needs to be 1) measurable, 2) accessible, 3)

homogeneous, 4) sustainable, 5) significant, 6) unique, and 7) stable. Most data used in this section has been taken from the recent WTO (2002) report on voluntary initiatives for sustainable tourism.

Measurable

It is a measurable market, in as far as there are recent surveys of the market and therefore an accreditation body can establish its market share. A recent study commissioned by the WTO (2002) analyzed 59 certification programs for tourism and hospitality (see list in Appendix 6). As shown in Figure 4.1, 12 programs target tourism companies from more than one country, and 12 programs target companies outside Europe (with some overlap between them). This highlights a large number of national systems highly concentrated in Europe.

Figure 4.1. Geographic scope of certification programs



Source: WTO, 2002.

Accessible

Certification programs are partly accessible; in as far as these can easily be contacted and working relationships have been initiated with a significant proportion of them. Yet it is not readily accessible from a demand point of view.

Homogeneous

Certification is not homogeneous in several ways. The gaps are significant and even the largest product cluster, environmental certification of hotels, is not equally distributed geographically. Despite the growing number of standards and other initiatives for sustainable tourism, the certification criteria are mainly environmental, and initiatives are

generally directed to the hospitality industry. It will be difficult to introduce social standards to programs that do not currently have them since the environmental message is easier to communicate to the tourist than the socially responsible message; people are more ready to buy into green destinations than to think about child sex tourism-free destinations (World Travel Market consultation workshop). At present, some of the human rights issues will be meaningful to the investors and the destinations, not to the tourists.

Sustainable

At present certification programs are not financially sustainable. Over half the tourism certification programs do not charge application fees, and those charging do not reflect the full cost of the service, generally covering their operating costs through subsidies. A third of the programs are led by governmental organizations, and two-thirds of the ecolabels are led by private tourism associations and other non-governmental organizations or consultancies. The costs for the development of eco-labels are covered by the private (one third), the public (one third) or corporate private-public sources (one third). The tourism industry is made up of small and medium firms with limited ability to pay for certification. The number of certified firms per certification program is below 50, the low economies of scale make it difficult to earmark resources for additional services.

Significant

The market is not significant enough to make the operation of a STSC self-financing based on fees alone. Europe has certified about 2% of their target groups in the countries where ecolabels are operating. In 2001 about 7,000 tourism products were certified worldwide, most of them in Europe (about 6,000) (WTO, 2002). Blue Flag is the market leader for a specific niche market, certifying over 2,700 beaches and marinas, again mainly in Europe (Font, 2002). Besides Blue Flag, individual certification programs do not have a significant share of their target markets.

Unique

The tourism sector is unique: certification programs can prove better performance and/or better management of their products than non-certified products. WTO (2002) suggests that the environmental performance per certified accommodation enterprise can be taken as about 20% better than the average performance of enterprises in Europe. For example, certified European accommodations consume 20% less energy and water per day. Other programs will not have quantifiable performances but can guarantee that their awardees have better management systems. The issue here is how to turn this uniqueness into a Unique Selling Proposition (USP) that is meaningful to consumers. USP is a marketing term that is used to define the difference that a product or service will have from its competitors; a difference that consumers want to purchase and pay for, and that can be communicated.

Stable

The market is only partly stable. Forty-seven percent of the reviewed eco-labels in the WTO study (2002) were implemented between 1996-2000, 47% are older, while 6% are still in their testing and implementation phase. It could be argued that the initial certificates are usually awarded to companies that already meet the standards prior to the label; only after the first few years, certifications are the result of improvements made in order to

achieve the standard. Only 20% of the medium aged eco-labels noticed significant increase in the number of their applicants every year.

Governments

Tourism certification differs from other sectors in as far as there is high public sector involvement. Accreditation benchmarked from other sectors does not include government or intergovernmental agency participation yet in tourism this sector is crucial. Several governmental institutions can be involved, the most common being national tourist boards, environment departments, and national standardization offices. The issues raised below are key to the profile of government intervention.

High involvement

Governments, in the form of environmental and tourism units, are highly involved in the funding and marketing, and in some instances are directly involved in the management of sustainable tourism and ecotourism certification programs. Certification is perceived as one of the tools that the public sector can use as a voluntary incentive to improve practice, create industry leaders, and test the feasibility of proposals prior to considering them for legislation. In a survey conducted as part of the STSC project through the WTO (see below), the responses received pointed towards support of proposals for an accreditation body that enable governments to use certification for international marketing and raising standards. The same survey highlighted that national tourist boards would be willing to do international marketing of certified providers.

GATS limitations

There is a fine line between standards being voluntary in nature and facilitators to international tourism trade, and standards becoming requirements to trade and therefore barriers for those companies that do not have the means to achieve them. A recent study for the World Tourism Organization (Font & Bendell, 2002) has highlighted the limitations that linking voluntary approaches to trade negotiations would bring to a STSC.

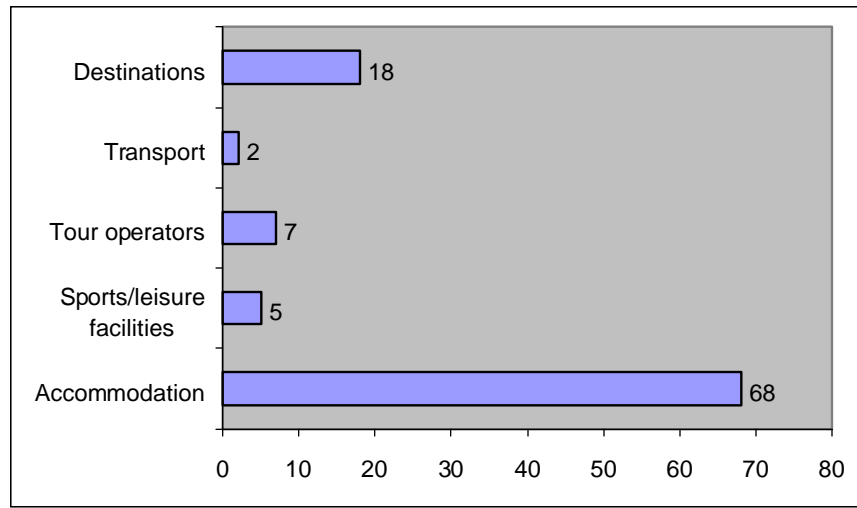
Advantage over private certification

An analysis of data from another WTO report (2002) suggests that government-run certification programs will have advantages over privately run ones in as far as they are likely to be partly subsidized and give applicants access to free consultation prior to assessment.

Industry and industry associations

The current certification programs target specific sectors of the tourism industry, with limited results in terms of take-up, and without reliable evidence of how they influence behavior change. Figure 4.2 presents key issues for the sector.

Figure 4.2. Certification programs by target sector (%)



Source: Font & Bendell (2002) adapted from WTO (2002).

Accommodation focus

Out of the 59 ecolabels analyzed in the WTO report, 39 in Europe target exclusively or mainly accommodation providers. Accommodation certification is easier because the product is more standardized and the issues are common, despite some benchmarks needing to be context-specific. If an accreditation body works with the current certification programs, certifying environmental standards for accommodation will be the simplest.

Applicant cost-benefit

The costs of certification have been kept low through subsidies because most programs are run by environmental experts, not marketing experts. More emphasis needs to be put on the benefits to the firm. Some of the incentives are eco-savings through better environmental management, and the competitive advantage gained through green marketing. Accreditation can help in ensuring that performance standards are equal across certification programs, but for the applicant, the key benefit of adding accreditation on top of the current certification is likely to be the access to international marketing and the gain of credibility for programs independently assessed. This should be the message in the accreditation's Unique Selling Proposition (USP).

In the short term, small firms need financial support. Effectiveness of ecolabels is partial due to the cost. Although certification is generally subsidized, it was still perceived that affordability at the national or regional level, for small firms is an issue, and that larger businesses will be more likely to apply; they also have the paper systems and organizational structure to respond to the demands of certification. Nevertheless, the 2002 World Ecotourism Summit (WES), with significant participation of small-scale ecotourism operations, became the venue for the announcement of several new certification initiatives. The final communiqué from this summit, the Quebec Declaration on Ecotourism reviewed by all participants, included clauses that support the use of this tool. The challenge lays is to really make this tool accessible to SMEs.

Sustainability follows quality

“Green” certification programs are expected to include criteria for quality, health and safety, and sustainability (i.e., economic, social and environmental criteria). If there are strong governmental regulations on health and safety, the certification criteria might simply require compliance with such regulations. If these are not well regulated, they are usually included as part of the certification criteria. On quality, in most places hotels would also be rated on the star system for quality. However, most existing “green” programs try to measure visitor satisfaction of the quality of service and other quality related criteria. Thus, certified tourism operators often provide a safe, hygienic and good quality service. However, it is often not clear if consumers prefer those services for their environmental performance, for the quality of their services, or for both. For example, according to Green Tourism Business, Scheme there has been a 10% higher occupancy in their certified businesses (Font & Buckley, 2001), but this growth may be due to the fact that certified businesses are also the ones that offer better quality and have a better work environment.

Tour operators

Tour operators are considered here separately from the rest of the industry for two reasons. First, the majority of tourism certification programs do not target tour operators; instead, they focus on tourism services provided at the tourist destination. Several programs, like the UNEP’s Tour Operators Initiative for Sustainable Tourism focus on voluntary self-commitments, with less rigorous of verification and compliance assessments (WTO, 2002). In 2002, Costa Rica’s CST program began field-testing new certification criteria for tour operators. Green Globe 21 also certifies tour operators.

Second, certification of tour operators is difficult because many companies sell a range of tours that may include cruise ships as well as more eco-friendly and responsible tours. This means that tour operators have limited control over individual supplier, making it is difficult to measure the sustainability of all of a tour operator’s providers. The NEAP program in Australia addresses this problem by certifying individual tours offered by operators, rather than the entire company. Sustainability purchasing policies and supply chain management are needed for tour operators (as suggested by the Tour Operators Initiative for Sustainable Tourism), but at present there are no standards that can be monitored and transferred internationally. Nevertheless, it was brought up during the STSC consultation that tour operators could become vital vehicles for marketing and utilizing certification of accommodations, tours and tourist attractions.

Lack of Easy Access to Information

As previously stated, there are some 7,000 certified tourism businesses, products and services, and the average number of certified companies per certification program is below 50. However, tour operators who do want to give preference to certified products often do not have the information about which products are certified. STSC could make a meaningful difference to the marketing of certified services by creating a database of all certified tourism products. Veronica Perry, independent consultant in the US, prepared a database of approximately 3,000 eco-labeled hotels for the Washington, DC-based PA Consulting, but this project came to a standstill after the September 11, 2000 terrorist attacks. Responsibletravel.com has also identified certified hotels as a product that can be marketed directly to consumers. VISIT has proposed undertaking a similar exercise for

certified products in Europe. For this to take place, the different certification programs need to pull efforts together and to ensure certified products are useful to tour operators as part of their supply chain management.

The distribution channel

Tour operators are the key distribution channels of holidays to a large segment of the market. Although independent travel and direct, particularly online, purchases are growing fast, it is anticipated that the marketing budget for STSC will not allow for an effective customer awareness campaign, in which case demand for accreditation will not come from the tourist. Therefore, tour operators as distribution channels become the key vehicle to deliver, as identified in a variety of consultation workshops and the stakeholder questionnaire later summarized in this chapter.

NGOs and consumer associations

There is a wide range of non-governmental organizations working to promote better practices at tourist destinations, and of consumer associations lobbying for better practices by the tourism industry. Both could benefit from international standards as envisioned by the STSC. Such international standards would also give a common ground to the different NGOs and would allow consumer associations at the generating market to work jointly with NGOs concerned about sustainability in the tourist destination.

Intergovernmental institutions

There are key intergovernmental institutions, such as WTO and UNEP, supporting sustainability initiatives in tourism whose endorsement is crucial to the success of the STSC.

International Protocols

There are a variety of international protocols, declarations, agreements and guidelines relating to the implementation of sustainable tourism. Many have received wide endorsement, but there are few mechanisms in place to put these into practice. Examples include the WTO/OMT Global code of ethics for tourism, the Convention for Biological Diversity (CBD) Tourism Guidelines, the UNEP Principles for Implementation of Sustainable Tourism, and ILO labour standards. Since these agreements are generic and cannot easily be applied to the individual businesses, a global accreditation system could be a useful vehicle.

Donors and financial institutions

There is a wide range of donors and financial institutions investing in sustainable and ecotourism development projects, generally in developed countries, with the aim of using them for poverty alleviation and biodiversity conservation. Increasingly donors and financial institutions have introduced environmental and social scans prior to allocating funds.

Donors and financial institutions could further benefit from an independent mechanism to ensure that the projects where they will invest have a track record of sustainability or have set targets to achieve sustainability standards through clear procedures.

Accreditation bodies

There are a growing number of international accreditation bodies that set and monitor international standards for the production, distribution, and consumption of raw materials, manufacturing, working conditions and services.

A STSC accreditation body has to follow internationally agreed accreditation procedures, and this has implications for the organizational blueprint and the accreditation criteria. ISO and ISEAL guidelines need to be incorporated (ISEAL is an alliance of performance-based stewardship councils for different sectors; see Chapter 5).

Tourists

Sustainability is only one “leg”

A variety of visitor surveys indicate that the accommodation's quality, the safety and security of a destination, the activities available, and the price are all important factors when choosing a holiday. This means that selling holidays solely on sustainability criteria is likely to appeal to only a small market. Ecolabels need to take into account a destination's quality, as well as health and safety factors (Font & Mihalič, 2002). For the consumer, an ecolabel is an indicator of good quality, good health and safety standards, and good environmental and, often, social performance. As certification expert Robert Toth puts it, consumers view today's “green” certification programs as being a “three legged stool,” i.e., as including considerations on health and safety, quality, and sustainability criteria (Toth in Honey, ed., 2002). Some of the most successful “green” award and certification programs such as Blue Flag that covers beaches and marinas include health and safety as key elements of their criteria. However, the inclusion of health and safety requirements is not a trivial issue. As Toth states “the cost of insurance for a standards developer whose standards impact safety and health is considerably more than for one whose standards address more innocuous issues. This increases legal liability of the standards developer or the liability of certifiers and assessors” (Toth, pers. comm. 2003).

Brand confusion and low brand recognition

At present, most ecolabels have low brand recognition and low consumer demand. The large number of ecolabels is confusing, and consumers will be helped by a reduction of the number of ecolabels, and by their clear, streamlined, and uniform messages. However, where brand recognition has been achieved (i.e. Blue Flag in Europe and NEAP in Australia) these brands may prove stronger than a new accreditation brand.

Tourist demand is not driving certification

One of the conclusions of this study is that, at present, tourist demand for sustainability has not been a significant leverage for changing industry behavior. Certification programs are facing financial challenges that have resulted in weak marketing efforts of individual “green” certification programs.

Preliminary studies in Germany suggest that consumer awareness of ecolabels is low, and that tourists perceive certified products as being more expensive (Lubbert, 2001). Data collected in the context of the VISIT initiative through the German travel survey

Reiseanalyst provided more useful data. However, at present the evidence suggests that “green” marketing on sustainability grounds only attracts a small market for very specific products. TUI, the largest tour operator in Europe and operating in a variety of countries, had been communicating environmental performance in their brochures through their “green thumb,” which gave environmental information to consumers at the time of making a purchase. This tour operator decided to create a section of environmentally friendly holidays within their main Summer Sun brochure, but the bookings for those hotels were much lower and this tour operator has decided to withdraw their “green thumb” message from their brochures. This in turn has sent a message of caution to other tour operators regarding using environmental quality as a selling proposition for mass holidays (Visser, pers. comm.).

While mass marketing by a STSC is likely to be prohibitively high, awareness campaigns by national tourist boards could prove successful in promoting certified products. For example, the tourism board in Queensland, Australia, has helped increase tourists’ awareness about NEAP certified products. In a consumer survey about ecotourism certification undertaken by Tourism Queensland in August 2000, 32% of the interviewed visitors were aware that the tourism operation they visited was certified before deciding to visit it. Of those, 28% said certification had a lot of impact on their purchasing decision (Queensland tourists: 8%, other Australian visitors: 22%, and international visitors: 55%) (Tourism Queensland, 2002).

4.2. Stakeholder consultation workshops

This section presents key issues arising from the stakeholder workshops undertaken worldwide as outlined in the methodology in Chapter 2. It pinpoints how these results need to be taken into account in writing the proposed STSC implementation plan (see later Chapter 6). Detailed minutes from each workshop are available on the STSC Web site at www.rainforest-alliance.org.

The wide geographical range of workshops and large number of participants meant that different workshops raised a variety of sometimes contradictory issues – a result that, due to the very nature of an open stakeholder consultation, was expected and welcomed. The workshops have been grouped into two sets. The first are sustainable tourism and development workshops that include a variety of forums run worldwide by the project team and collaborators. The second group represents the workshops linked to the regional preparatory meetings held during the International Year of Ecotourism (IYE). These were generally run by TIES, with participants who were attracted by the IYE. The following sections discuss the results of these two sets of workshops.

4.2.1. Sustainable tourism and development workshops

This section reports on the results of nine different workshops held in Brazil, Australia, UK, the United States, and Germany, targeting mainly stakeholders involved in sustainable and eco-tourism, as well as some accreditation and standards experts. Participants in these workshops generally endorsed the concept that the tourism industry be held accountable for its impacts and were aware of the marketing benefits of bringing together the strongest certification programs under a global accreditation body. At the same time, however,

participants raised a variety of concerns in terms of the mechanisms to implement a tool that is effective, streamlined, and not overly costly.

Ecotour Amazonia (Manaus, Brazil, September 2001)

The workshop split the 34 participants into four sub-groups to allow for maximum input from each individual. It was found that the participants' level of knowledge on certification and accreditation was low, and had mainly been gained through two workshops on sustainable tourism certification led by WWF-Brazil, and the Brazilian conservation foundation SOS Mata Atlantica. The first one took place in Parati, Brazil, in March 2001, and the second took place at the same Ecotour Amazonia conference before the STSC workshop. Of specific relevance here were the group's perceptions of benefits and disadvantages of accreditation.

As the group was less knowledgeable on the specifics of certification and accreditation, most of their stated benefits came from their perception of what accredited certification could do for certified tourism businesses. Therefore marketing advantages were listed as top, including product differentiation, competitive advantage, access and promotion in the international market, increase in ecotourism demand, and credibility in the industry to consumers. Other benefits included supporting the principles that guarantee sustainable tourism practices, international presence of certified products, and guaranteeing the quality of the service given by certification programs.

Participants also listed non-marketing benefits of accreditation, including help with fundraising for certification, increased the credibility on accredited certification programs among entrepreneurs looking for a credible program to certify their operations, high quality employment generation, and access to information generated in international meetings. Participants also concluded that the benefits that accreditation might bring to certification programs could include facilitating cooperation, interaction, and exchange of experiences between programs. Additional benefits of accreditation listed by the participants included the following: greater improvements of the product, the environment, and the broader society; improved management of natural, cultural and tourism resources; and equity in the distribution of benefits among participants and financial support.

Participants listed a number of challenges of accreditation, including the costs for obtaining certification and the consequences of unfair competition and formation of oligopolies. Other issues included possible delays in the processes of accreditation and certification, possible increases in certifications costs, use of criteria not applicable to local realities, inappropriate external intervention, required use of outside consultants, imposition of new management systems, homogenization and loss of individuality, and difficulties meeting criteria. It was feared that as a result of these challenges, many companies might not be able to comply with certification criteria.

All participants concluded that that accreditation is a "good thing," and that the proposed initiative on sustainable tourism certification in Brazil should continue to work alongside the proposals for the STSC. Participants then outlined conditions that an accreditation body should meet to be beneficial:

- It must represent diverse sectors (social, economic, environmental) in order to achieve legitimacy and financial support, and to avoid conflicts of interest for not having a balanced participation of all stakeholder groups.

- It must identify the tangible benefits of the accreditation system.
- It should include both international staff and regional representatives.
- It should include representatives of the certification programs.
- It must be supported with market and client research to verify the need of an accreditation body.

VII Seminar of the National Council of the Mata Atlantica Biosphere Reserve (Florianopolis, Brazil, October 2001)

The workshop in Florianopolis used the audience of 34 people gathered by WWF-Brazil for a Sustainable Tourism Certification Workshop. Participants' knowledge of certification, including of specific proposals for Brazil, was high.

They stated that the benefits were that accreditation guarantees high quality of certification programs while respecting the standards, principles, and criteria of sustainable tourism. In addition, they foresaw that an accreditation body could serve as a clearinghouse, could facilitate an exchange of experiences among certification programs, and could increase credibility of certification programs. They also listed several marketing-specific benefits including broader dissemination of and elevating the international importance to responsible eco-seals and logos.

The negative aspects of accreditation were as follows: Excessive standardization of certification programs that might neglect local realities; bureaucratization and centralization of the process; failure due to its newness; opening spaces for new certification programs that are not agreeing with the principles of sustainability or with an incorrect appropriation of the terms ecotourism and sustainable tourism; lack of clarity about the scope of certification programs; and a favoring of those companies with more economical power.

The participants agreed that accreditation would be positive if the following conditions were met:

- Total transparency of the accreditation body.
- Council elected by certification programs with worldwide representation.
- Regional offices.
- Itinerant headquarters that rotates among regional offices.
- Egalitarian methodology for certifying entrepreneurs and businesses.
- Broader assistance to tourism enterprises through an investment fund and marketing efforts.

Ecotourism Association of Australia Annual General Meeting and World Tourism Convention (Hobart and Perth, Australia, October 2001)

The results of the two workshops held in Australia have been merged together in the following discussion. The audiences were largely ecotourism and nature-based tourism practitioners, policy makers, academics, and tourism consultants who shared a strong

interest in tourism accreditation issues. Considering the high level of development of certification in Australia, the questions asked to the participants were more in depth. The participants identified and summarized the strengths of a global accreditation body as follows:

- Establishment of baseline standards/criteria.
- Assistance to governments and/or tourism businesses in selecting the right certification program for their region.
- Assurance of quality and improvement of certification programs.
- Education about and promotion of business capacity and ethical investment.
- Improvement of management and risk prevention.
- Creation of a global monitor for the industry.

However, participants also identified some challenges that accreditation needs to overcome:

- Potential to become an additional cost layer.
- Standardization could lead to reduction in innovation, competitiveness and local relevance.
- Consumers could potentially become further confused by yet another logo (if a logo for accreditation of certification programs is proposed).
- Global standard might be perceived as form of “colonization” or exploitation of the North over the South.

Opinion and suggestions given reflected this type of evaluation. Key characteristics of a tourism accreditation body should be its independence, autonomy, transparency, and suitability to the industry. Its criteria and the assessment process should be rigorous and regularly reviewed in order to obtain maximum quality. A global accreditation body should accredit only certification programs that operate according to agreed upon and high-quality criteria. The baselines to be considered should be the Mohonk Agreement that outlines general principals for sustainable tourism and ecotourism certification (Honey and Rome, 2001) and ISO 61 Guide.

The participants also considered that an accreditation body should be multi-sectoral and should influence tourism education in order to spread awareness of the certification programs. They also underlined that collaboration with governments and international agencies, such as UNEP and IUCN, as vital for reciprocal support.

It was found that Australian consumers are willing to pay more for certified products, however participants were concerned that accreditation would add another layer of costs to tourism products. If certification programs agree to self-comply with the Mohonk Agreement as a model that ensures sound certification programs, it would be unnecessary to add further bureaucracy to the certification and accreditation systems.

In terms of organizational structure it was suggested that an accreditation body be housed in an international agency such as UNEP or IUCN and have a representative governing board. Fees should be kept at minimum, auditors paid on a per job basis, and confidentiality be assured for certified companies.

A global accreditation body should provide international marketing and promotion as well as education to the industry. It was not recommended that a unique logo be developed at this stage since accredited certification programs will need to find a way of making the accreditation message compatible with their own branding.

Equity for a Small Planet IIED Conference (London, UK, November 2001)

The STSC project used the workshop organized by the International Institute for Environment and Development (IIED) “Equity for a Small Planet,” part of the IIED’s 30th anniversary conference, in a session called “Standards and Certification: A Leap Forward or a Step Back for Sustainable Development.” This workshop gave access to about ten experts from other industries, mainly forestry, who discussed the impacts that accreditation and certification has had on poor people in Southern hemisphere countries. The conclusions of the workshop were:

- Tourism accreditation should be based on diversity, not importing and imposing values from the North.
- Certification should be used with other tools, such as environmental impact assessments (EIA) and environmental assessments (EA).
- There is a need to critically query whether people need accreditation.
- Civic society partnerships should be strengthened.
- Certification cannot be imposed since it is not always good for the economy of developing countries where other needs might come first.
- It is better if accreditation programs can stay outside World Trade Organization agreements.

The following are some of the findings and statements provided by the participants to support the conclusions of this workshop.

Market demand: Accreditation will provide industry credibility

This is certain for the forestry industry, which has been criticized for its destructive practices and where companies with high standards and the means to work towards accredited certification can demonstrate they can adopt sustainable environmentally and socially practices.

Market demand and levers for change

An accreditation body does not have the funds to do consumer awareness campaigns. The Forest Stewardship Council (FSC) has used pressure on distribution channels (mainly DIY or “do-it-yourself” chains that offer construction products to consumers) as the lever for change, backed with the possibility of boycotts. Northern hemisphere demands for certified products have changed the requirements of Southern hemisphere producers. Besides external pressures from markets in the North and conservation organizations, wood producers have also found incentives for certification when it helps provide access to resources and markets. One example mentioned in the workshop was access to land for community groups. Similarly in tourism, access to land can be used as an incentive, with

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

governments granting certified businesses preferential access to national parks or other public goods, or granting access to publicly funded mechanisms for promotion.

It was also suggested that the tourism equivalent lever for change to the DIY retail store is probably the tour operator. While travel agents typically sell a wide variety of prepackaged tours, tour operators market far fewer and often customized tours and the messages in tour operators' brochures can be monitored.

In the mining industry, the lever is the financing institutions and banks, which in the past would have not been considered a likely partner for environmental and social standards. However, discussions with a variety of ethical investment fund managers and development banks have resulted in the strong likelihood that their investment funds be tied to externally recognized standards. There are several caveats: such bank lending and investment require economies of scale, and community groups and small firms are very reluctant to put their land as a collateral for a business loan.

Blueprint: Queries on government involvement

There are advantages to not having government's declare certification and accreditation mandatory, mainly because they would be susceptible to trade discrimination regulations and agreements. The participants perceived it better that accreditation remained voluntary and not government regulated since otherwise it would fall under World Trade Organization's trade agreements as environmental and social barriers to trade. If voluntary, accreditation is outside trade agreements.

Blueprint: Models for setting accreditation

According to some participants, the FSC is a top-down structure, using pressure and threatening boycotts of lumber and furniture retail stores in Northern countries as the lever for change. Only gradually are bottom up initiatives gradually entering the system through social working groups and national groups to adapt global criteria to their reality. In contrast, the International Federation of Organic Agricultural Movements (IFOAM) (see Chapter 5) is the result of a long term, bottom up approach that has been participatory and all-inclusive, but one that has taken 50 years to reach its current level of success.

Criteria: All industries need simpler systems for certification

There is a need to consider using ISO norms for the process of accreditation procedures and working with national normalization or standardization offices, with the caveat that many countries do not have such offices or these lack resources and expertise in tourism. Participants argued that FSC has tried to implement Western, scientific principles to forest management where, in many countries, small businesses and communities need to survive with limited means. Since in some instances, only larger, higher volume and more profitable companies could meet FSC certification standards, participants queried whether community groups should be accountable to the same criteria as transnational corporations. The tourism industry has to think carefully about the costs and economies of scale required to make certification work, since the large majority of firms are small.

Criteria: Voluntary, market-based initiatives have not fully stopped bad practices

In the forestry sector, deforestation has not been stopped simply by introducing certification and accreditation schemes. According to some participants, FSC has one single high

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

standard (meaning that it offers only one level of certification), and this has served to make good companies work towards being better, but it has not provided sufficient incentive to companies that view the standard to be too high for them to meet. This weakness in the FSC certification program demonstrates the need for tourism certification to be stepped, thereby allowing for a larger number of companies to achieve some recognition at various levels. Further, participants queried whether capacity building and encouraging continue improvement should not be central aims of accreditation/certification programs, rather than simply gaining a logo.

Criteria: Need to include social issues

Environmental issues are well identified, benchmarked, measured, and monitored through certification and accreditation. In contrast, ethical, social, and fair trade (ensuring appropriate prices to local producers or service providers) issues, are either underrepresented or wholly ignored in many programs. Participants identified this is an issue for concern that needs to be addressed.

Criteria: Supply chains and backward linkages

Participants perceived that standard principles found in accreditation programs in other industries, including supply chain management and backward linkages, will have to be adapted to the reality of the tourism industry. It is, for instance, not possible to expect tour operators to certify full vacation packages, including each component and its linkages. The product is too heterogeneous and varied to make this feasible.

World Travel Market (London, UK, November 2001)

This section includes the summary of four workshops held during this annual tourism and travel trade show. The focus groups were very heterogeneous and included academics, consultants, experts in conservation, certification, and accreditation, as well as representatives from different sectors and associations of the tourism industry. The summary is structured to identify eight different areas: benefits, disadvantages, various issues and conditions, organization structure, financial structure, implementation, marketing and, recommendations, on the feasibility of the STSC.

Benefits

Participants identified consistency of standards as a key benefit that accreditation and certification can help achieve.

Accreditation and certification bodies can obtain recognition among tourists and can serve as a standard that helps to mediate disputes among stakeholders. An accreditation body could also help alleviate the marketing limitation that some certification bodies experience.

NGOs would benefit from an accreditation body because they could have a voice in setting standards and could receive support to help develop sustainable tourism and ecotourism projects. Governments could also play a role in setting principles of sustainable and ecotourism.

The tourism industry's "green" claims as a whole would be perceived as more credible, and the image and reputation of destinations would be improved by sound certification programs. Small operators would have access to new markets and operators, in general, would benefit from a reliable source of technical advice and information.

Host communities would benefit from certification and accreditation, as their local priorities would be taken into account with the establishment of appropriated procedures.

Disadvantages

Small-scale companies and communities at the destinations are often not organized and/or financially able to participate in these processes and this could represent an entry barrier in the market.

General issues and conditions

At present most certification programs do not have the capacity and financial resources to advertise effectively to the public but increasing consumer demand for tourism certified products remains a long-term goal. In addition, raising awareness of the importance of socially and environmentally responsible tourism in the host country would also benefit certification and accreditation processes. Other participants contended that effectiveness of certification and accreditation depends on the ability that the industry itself has to reach its consumers; proactive entrepreneurs should lead and educate the market about accredited certification.

While in some markets, certification is perceived as synonymous with quality (as measured, for instance, by the five star rating system), the challenge is to create widespread awareness of social and environmental standards both within the tourism industry and among the public. The effectiveness of certification programs is related to a variety of issues, including saving on marketing expenditure, education, the structuring of the programs, and the use by outbound tour operators that want to sell certified products. At present, the bevy of ecolabels creates confused messages and prevents the growth of consumer demand. Certification costs can also represent a serious obstacle for small and medium enterprises. Workshop participants concluded that government support for certification schemes is very important. This support can come through legislation, financing, technical support, incentives to certified operations and advice. Furthermore, certification can be more effective if health and safety, as well as quality, criteria are included in the schemes. Finally, some tourism certification programs are small – covering limited geographical areas or small slices of the tourism market -- and this can create obstacles to establishing a global accreditation body.

Organizational structure

It was proposed to analyze the structure of ISEAL members (see Chapter 5), since these are also stewardship councils for other sectors with longer trajectories, or to create a tourism division within ISEAL. It was strongly recommended that the structure be regional one with the capacity to address specific issues within particular countries. A participant suggested having a more complex pyramid structure, with country representation, then regional representation, and finally an elected representative from the region who would sit on the council of the accreditation body. This sustainable tourism and ecotourism accreditation body should be reviewed by peers (other accreditation bodies) working with other

industries. It was further suggested that in filling the board, it is important to select persons with solid reputations, to avoid possible conflicts of interest, and to rotate the chief executive among the NGOs. Representatives of national tourism boards should be allowed to be represented in the board. Finally, the organizational structure should be flexible to accommodate necessary reforms, include an appeal system, and include different membership categories. .

Financial structure

Workshop participants offered a variety of suggestions for how to finance an accreditation body's operations.

- Charging fees to applicants for consultation on capacity building and other services.
- Receiving support from governments, UNEP and WTO.
- Including the cost of accreditation and certification in the holiday price paid by the tourist.
- Fees from certification programs.
- Businesses, tourism associations, and consumers should pay; however, this point was controversial because some thought this was not feasible.

It was agreed that a financial model could not be set until a careful cost-benefit analysis had been done of what it will take to set up and run an international accreditation body.

Implementation

It was considered premature to suggest an implementation plan at this stage, however it was suggested that it would be useful to collaborate with existing accreditation bodies and regional initiatives such as VISIT. Whatever the implementation plan, it will need to fit with tourism industry initiatives in order to get industry support.

Marketing

Participants viewed marketing as very important for the development of an accreditation body because it can raise consumer and industry demand for certification. To avoid further confusion among the consumers it was suggested the use of the international accreditation logo together with existing ones for individual certification programs. Alliances with international organizations such as TIES, WTO and UNEP and collaboration with NGOs should be forged to help spread awareness and educate the industry.

Recommendations

General recommendations included that it is necessary to obtain consumers' feedback before creating the STSC, and that it is important to implement environmental education for consumers, suppliers, and employees.

Recommendations for setting criteria: There was not an agreement among workshop participants as to whether the criteria should be performance based or process based or a mixture of both. However, participants suggested using guidelines from existing programs, while making the accreditation scheme independent, neutral, and based on stakeholder consultation. As setting criteria is complex, it was suggested devising a flexible scheme

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

with general standards plus specific indicators for each region and each sub-sector (accommodations, guides, tour operators, etc). In addition, there is a need to establish the scope of the assessors' technical competence. Recommendations for setting verification criteria included that the assessed certification programs should be required to produce appropriate documentation, and that the accreditation assessors should work on a regional basis. Certification bodies should be physically inspected and assessed initially, followed by an onsite reassessment every two or three years, in addition do random audits.

Recommendations for creating comparable criteria among programs: Certification programs must be multistakeholder, transparent, market-friendly, and include health and safety, quality, and sustainability criteria. Global standards should be set but allow for variations among regions since different regions have different priorities and physical, economic, cultural and social realities. Compliance needs to be demonstrated on paper, including the creation of a matrix with the most important criteria and a numerical system to help compare criteria across regions. This international accreditation body for sustainable tourism and ecotourism should be linked to accreditation or standardization bodies in each country.

Further suggestions

The STSC standards should reflect every day business realities, include the whole range of tourism producers, and be structured so as not to become a barrier for SMEs. STSC should carefully consider the pros and cons of using multiple logos of the accredited certification program versus one single logo, as some certification programs would like to maintain their own image. Finally, the accreditation body should target tour operators to encourage them to use certified products as they can influence their supply chain through green purchasing policies.

Reisepavillon (Hannover, Germany, January 2002)

The project team established close consultation with VISIT, a European Commission-funded project that aims to provide a networking platform and collaboration among some European tourism ecolabels. The Reisepavillon meeting of European tourism certification programs and experts was a useful venue to discuss how STSC proposals could work alongside VISIT activities while also ensuring a balanced participation by programs in other regions. The VISIT project helps demonstrate how ecolabels can be an effective instrument in moving the European tourism industry and consumers towards sustainability. The experience of VISIT is key to the feasibility study of STSC since this provides a testing ground for many concepts. At the same time, the STSC proposals are important to put VISIT's work in a global context. The following points are lessons learned for the STSC proposals during the Reisepavillon consultation

Marketing strategy

In VISIT's experience, sustainability as a Unique Selling Proposition appeals only to a narrow market, and it was concluded that STSC would be more likely to succeed if it positions sustainability criteria along side quality and health and safety criteria. This is summed up in the marketing slogan of VISIT, which is "caring for the environment is caring for the guest."

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Participants argued that a single STSC logo would be controversial. VISIT has opted for not having its own logo and STSC might prefer to do the same. But participants recognized that it is vital for STSC to fully consider the implications for both consumer and business-to-business marketing of not having an identifiable logo.

Consumer marketing is staff intensive, costly and time consuming. It is best for STSC to work with other organizations such as NGOs, committed tourism associations, travel book publishers, tourist boards, among others in order to do marketing most effectively and economically. Measuring the effectiveness of an accreditation body's marketing campaign is, however, complex because it has limited methods for getting feedback.

A searchable electronic database can be a powerful tool to help with marketing, but it is complex to get the standardized data from the certification programs.

The key to marketing certified products is to develop a standardized, transparent message from a pool of suppliers large enough to be meaningful to a tour operators' supply chain management. Tour operators purchase products from a variety of countries and they do not want to learn about many different tourism certification programs; instead, one centralized point can provide them clear information about a larger number of certified tourism suppliers and the assurance that all these suppliers meet set standards.

Organizational blueprint

STSC should consider regional networks as part of its structure. VISIT is strongly positioned in Europe and is undergoing the process of setting itself up as a European accreditation organization for tourism ecolabels, having received good support from national and European-wide tourism industry organizations.

Participants argued that VISIT can be a testing ground for STSC, since it is several years ahead in its development. With EU funding, VISIT is working as a network to develop common marketing actions and set agreed upon environmental standards for tourism certification in Europe. VISIT envisions itself evolving from a network towards an accreditation body and therefore issues of managing membership base, which can arise for STSC, can be monitored first by VISIT. However, the situation in Europe is not comparable with realities in many developing countries since VISIT only includes environmental, not social or economic, criteria.

Standard and accreditation criteria

VISIT has developed its own VISIT standard and it is proposing to benchmark and certify performance of companies based on consumption of energy, water, waste and other key criteria. This report recommends that the VISIT standard should be used by STSC as one of the key documents in considering its own standard and accreditation criteria (see Chapter 7). VISIT has considered ISO conformity assessment guides and ISO 14024 standard (a set of principles that a certifier should follow when developing environmental criteria for a product), and adopted them where relevant. VISIT is seen as offering STSC some important directions, conclusions, and the first regional input.

International Adventure Travel and Outdoor Sports Show (IATOS) (Chicago, USA, February 2002)

Seventeen individuals participated in the STSC workshop held at this event. They concluded that the STSC could be beneficial both as clearinghouse for consumers helping promote certified products to consumers and provide information about accredited tourism certification, and as a way to make certification programs more comparable and standardized. They felt that accreditation would help to consolidate various ecolabels and terminate the weaker ones. At the same time, they pointed out that there would be resistance from ecolabels that “won’t make the grade,” raising issues about the role of the STSC as a mechanism for helping weaker programs to improve and eventually become accredited.

Marketing

They concluded that perceived business awareness of certification is high, but consumer awareness is low. Europeans and Australians are most aware because of stronger and greater numbers of programs in these areas. Media and travel writers can potentially play a marketing (at least awareness) role. Marketing should target tour operators, first to sell certified products as part of current packages, then to generate consumer education and demand. They noted that an accreditation body needs to provide added value and that at present willingness to pay data is not available since the benefits of STSC has not been fully determined. Any certification program fees should be linked to the size of the operations.

Organizational blueprint

It was proposed that STSC could start as a forum/network, to reduce cost and gather support. Several options for possible next steps were discussed, along with their strengths and weaknesses.

- The establishment of the STSC linked to a network of universities, with a rotation of the “lead” university. This could provide cost effective research and development.
- Establishment within a centralized body such as the WTO.
- A decentralized body, set up to deal with particular regional issues, which could be cost effective.
- Web based forum that is “virtual” with no physical headquarters.

From these options it was agreed that whatever the makeup of the organization, it must actively involve multiple stakeholders, although it was recognized that an accreditation body would not have the resources to go out and speak with individuals in various localities. Other specifics included that the STSC have an advisory board, that government

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

involvement, acceptance and promotion is imperative, and that involvement of large international NGOs is vital. Participants further noted the need to look in depth at certification and accreditation systems in other industries and at national accreditation bodies, to see how the STSC can relate to them.

Standard and criteria

The following are some key issues that were raised with regards to international sustainable tourism and ecotourism standards, and accreditation criteria. It was suggested that ecotourism and sustainable tourism should be kept as separate standards. At the same time, mass tourism has to become sustainable too, and the mass tourism industry should not be handed a reason to not to be sustainable. Rather, it is anticipated that strong standards for ecotourism and sustainable tourism can help raise the performance bar for mass tourism as well and that, eventually, certification and accreditation can focus squarely on this, the largest sector of the tourism industry. It was also suggested that the actual benefits from accreditation need to be clear and tangible, and that the standard and criteria are vehicles for achieving this. Like elsewhere, the consensus here was to have global principles with local variations.

In terms of expectations from certification programs, it was mentioned that STSC could ensure certification programs include a degree of appropriate training and skills development and that certification must be third party and independent, not second party. The Mohonk Agreement might serve as a useful set of criteria for the STSC as there is a lot of overlap in the different certification programs that were represented at the 2000 Ecotourism and Sustainable Tourism Certification Workshop (Honey and Rome, 2001).

ITB Berlin (Germany, March 2002)

Twenty-six individuals participated at the STSC consultation in ITB, the world's largest annual tourism trade fair, with good representation from tourism industry associations, NGOs, tourism certification programs, and other experts and interested parties. Outcomes of this STSC workshop are presented below.

Marketing

Short and medium term actions need to be carried out throughout the supply chain, linking tour operators with certified products. STSC must push tour operators to participate.

Consumer marketing is a long-term strategy because the consumer is hard to reach and to convince. A consumer marketing strategy requires different skills and tools than communicating to other stakeholders. Brand awareness will be expensive, confusion between brands and brand/logo ownership will be a difficult issue to resolve. For consumers, one logo would be best. Tourism certification needs fewer and clearer messages that are better communicated. It was suggested that the environmental and social criteria be packaged together with better quality criteria.

Willingness to pay

Willingness to pay depends on STSC's ability to meet the needs of various stakeholders. Broadly stated, these are that investors need credibility, industry needs demand, and consumers need a clear message. To be effective, STSC needs to take a businesslike

approach to convince companies to apply for certification and this in turn creates a platform for accreditation. Fewer labels and clearer messages can simplify the process.

Some of the participants with experience in developing countries believed that tourist boards from developing countries could be willing to pay for “credible” tourism certification programs, as this will be a tool to help protect their resource base and to position their countries or locations as sustainable destinations. Accreditation can be sold as the “credibility” element.

Organizational blueprint

Those involved should include UNEP and WTO, as well as government environmental and tourism ministries. Governments have to play a major role in supporting the STSC. The structure proposed by the participants includes a council, a small executive committee, and a broad range of stakeholders who are involved in a larger consultative body.

There were conflicting views on whether the STSC could effectively keep the current certification labels and independence of the current programs while creating a meaningful umbrella organization and single ecolabel. For example:

- It seems important to respect existing ecolabels while creating one umbrella label that is clear and will help to remove confusion. STSC should protect eco-labels that are doing a good job and help improve those that are not.
- It was suggested that the number of existing labels or future labels in countries is irrelevant, and that the efforts should be placed on creating one label with baseline standards and using this to raise awareness and involve stakeholders. Over the years the number of ‘local’ labels is likely to diminish and those remaining will have to link to the STSC’s one international label.

Financial feasibility

Certification programs should pay a fee, but it is recognized that they are all struggling financially. In addition, if they are the source of funds for an accreditation body, this could present a conflict of interest since the STSC will need more programs to apply.

It was suggested that the STSC secretariat could be sponsored by international organizations such as UN agencies and major environmental groups such as Conservation International. It was also suggested that funding might be sought from the World Bank’s International Finance Corporation, the Ford Foundation or other charitable foundations, and from some governments. Tour operators should not be targeted for financial contribution; instead their contribution would be more efficient as users of certified businesses.

4.2.2. International Year of Ecotourism (IYE) preparatory workshops and summit, 2001-2002

The International Ecotourism Society (TIES) prepared, together with the Rainforest Alliance, consultation workshops for six regional International Year of Ecotourism preparatory conferences. The outcomes of these preparatory conferences were fed into the Summit. A concrete result was that accreditation and certification were mentioned in several places in the Summit’s final declaration. In addition, a variety of other parallel events, including electronic conference, were held to gather input from those who could not

attend the regional preparatory workshops. This section reports on the STSC related outcomes gathered from these various IYE events.

Mesoamerica (Belize City, Belize, November 2001)

The Central America region is making an effort to set certification standards for each country. The participants' discussions on accreditation and certification is summarized as follows:

Benefits

Certification can help to reduce operating costs through ecosavings. Certification represents a way to differentiate ecotourism and sustainable tourism businesses from traditional packages and mass tourism. Both accreditation and certification are seen as an incentive to make improvements, with accreditation giving legitimacy and reliability to certification as well as providing the industry with information on the benefits of certification.

Challenges

There was the perception of imbalance, as not all companies have the same access to certification. In addition, it was recognized that it is difficult to cover all sectors of tourism supply chain

Opinions

The participants were not sure if certification was an effective tool to generate consumer demand. Demand needs to be created and certification can have an impact if it becomes a tool to improve overall quality and sustainability of businesses. Accreditation should provide competitive advantage to certification programs. It was also noted that the costs for accreditation (and certification) should be passed to businesses and finally to consumers. But others contracted this conclusion, arguing that if certification increased the price of tourism services this was not acceptable. There was agreement, however, that the costs of certification should be linked to the company size.

Accreditation should function as a guideline for old and new certification programs and provide capacity building. Accreditation should oversee and monitor, as well as give official recognition to, certification programs.

Suggestions and recommendations

An accreditation system should be transparent, neutral, and devoid of any conflict of interest, with a central headquarters and regional offices. It should have an NGO status. Its role would be to create a standard for classifying programs, verify that they meet the required standards, and promote those that it accredits.

The public sector should absorb part of the costs of certification and give subsidies to organizations to start new programs, including provisions for building capacity, marketing and improving technology. The accreditation body should serve as an intermediary between certification programs and governments and support applicants to get access to ethical investments funds.

The Central American participants examined few alternatives but the preferred was that the structure of an accreditation body in a pyramidal form, starting from National Commissions of Accreditation, which would adapt its principles to CST, these commissions would converge into a Regional Central American body. In this process there should be the involvement of both public and private sectors, however the accreditation body should not be dependent on the government.

It was suggested that accreditation should help set core standards common to all certification programs and lead to adopting the same quality standards regardless of the location or company size, while being flexible enough standards meet local differences.

South Asia (Gangtok, Sikkim, India, January 2002)

The level of awareness of certification programs in this region was found to be quite low. The region presents particular geographical characteristics and tourism infrastructure is often very simple. In this context the respondents identified the following issues on certification and accreditation:

Benefits

Participants agreed that certification would make a product more marketable because it will provide differentiation, added value and higher quality; it will also help to expand the “green” tourism market as well as education opportunities on environmental issues.

Challenges

Certification can require businesses invest more staff time and financial resources. Small companies are likely to experience difficulties in accessing certification programs and meeting the criteria. Participants were uncertain as to whether certification programs should be run by the government or by the industry.

Opinions

Participants were not clear if the existing certification programs they have heard of are process or performance based. Accreditation could be of assistance to governments. An accreditation body should market certification programs, as well as set minimum standards and act as a networking body. Accreditation could benefit consumers, the environment and local communities. Implementation of an accreditation body should be cost effective and have reasonable fees.

Recommendations

It is important to protect the use of the term ‘ecotourism’. Accreditation should be multi-stakeholder and non bureaucratic. Accreditation needs a pilot project and the involvement of the leading NGOs. Regional accreditation coordination would be appropriate. In this region there is the need of consolidating certification first.

Andean South America (Lima, Peru, February 2002)

Participants to this workshop, who came from Colombia, Venezuela, Ecuador, Peru and Bolivia, were aware of certification, however the level of involvement and familiarity with specific programs varied. It was largely a gathering of NGOs, academics, and community

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

representatives. The private sector was not well represented at this meeting. The outcomes of this workshop were the following:

Issues

A major concern was the cost of creating and running an accreditation body and whether accreditation could provide adequate oversight of all existing certification programs. Two further concerns were the lack of consumer demand for certified products, and whether small players would be able to access certification and accreditation schemes.

Benefits

Certification and accreditation programs probably could help to avoid misuse of the word “ecotourism.” Education on environmental standards and better protection by the tourism industry were also listed as benefits, together with better ability for businesses to compete in the market, access to updated information, and a general improvement of the tourism industry’s image.

Suggestions

The STSC accreditation body should involve all stakeholders, have regional branches, be neutral, and not be “politicized.” It should also list the negative practices that must be avoided. It should seek government assistance to tourism operations so they can participate in tourism certification programs. It should provide training for consultants and auditors.

South East Asia (Chiang Mai, Thailand, March 2002)

Participants from this region had a good knowledge of certification and accreditation schemes. They identified the following issues on certification and accreditation:

Benefits

Key benefits of certification mentioned included the promotion of environmentally and socially responsible products, development of new market segments, and ability to foster a good reputation for businesses.

Challenges

Key challenges of certification mentioned included high financial and time investment and long implementation period, especially for small firms. The difficulties of educating the tourism industry and consumers about certification were also raised.

Opinions

Existing certification programs include a mixture of process and performance criteria. Market demand for certification is limited to traditional programs guaranteeing quality and safety of a tourism product. Participants identified the core standards for certification as energy use, recycling, and minimizing waste. Accreditation should involve regional consultative groups from the private and public sectors, as well as from NGOs.

An accreditation body can assist in marketing certification programs and certified products, coordinating with governments to develop products and policies. It can also provide

training, assist with funding, serve as a monitoring body, and develop sustainability indicators and criteria.

Potential beneficiaries of an accreditation body would be consumers, services and amenities providers, protected and natural areas, the environment used by businesses, and local communities. Implementation of accreditation should start at a national level and then develop at regional levels, taking into account local needs, infrastructure, policy, and legislation.

Recommendations

There is a need to develop educational programs on certification for consumers, operators, and governments.

East Africa (Nairobi, Kenya, April 2002)

The knowledge of certification programs in this region was quite low and concentrated mainly in Kenya. The main regional issues related to certification included usage of land, ownership and rights, human-wildlife conflicts, and competition for resources. In Kenya, there is a national tourism certification program being developed, and in Tanzania, operators are developing sustainability standards. Uganda is the least developed country in terms of tourism certification. Respondents at this workshop identified the following issues related to certification and accreditation:

Benefits

Three key benefits were mentioned. First, environmental and social improvements on the ground. Second, products would become more valuable through marketing of certification and this would open new marketing opportunities. Third, a global accreditation body would bring credibility to tourism certification programs.

Challenges

There were a variety of challenges mentioned, including lack of financial and technical resources, the high cost of training and management of programs, the significant investment in time businesses need to implement any changes or reforms. It was perceived that small businesses would be at a particular disadvantage for all of the above reasons.

Besides on the challenges for specific businesses applying to be certified, there were also overall challenges to be faced in creating a certification program. The absence of regulation and legislation was mentioned as a hindrance to introducing both certification and accreditation. In remote areas, there is a grave lack of updated information and technical advice in how to meet assessment criteria.

Opinions

There is not demand for certification but only a perception and need for information. As a consequence, it was felt that certification cannot work if it is based only on consumer demand. An accreditation body should involve governments, NGOs, conservation agencies, consultants, academics, and researchers. An accreditation body should help with market

promotions, with developing guidelines for quality assurance, and help operators find financial assistance to become certified. It was concluded that consumers, governments, donors, communities, conservation agencies, and investors could all benefit from an accreditation body. Implementation of accreditation should follow a prescribed series of stages and should follow the phases of: criteria, awareness and education and development of criteria from local to national to regional levels.

Recommendations

Regional accreditation coordination should minimize the bureaucracy. Accreditation should be affordable to all countries. Accreditation should ensure local representation and subsidies for local partners. Accreditation should cover all tourism sectors. An accreditation body should involve all stakeholders, being consistent, transparent, credible, and impartial. It should be economically sustainable, enhancing employment, respect local culture and lifestyles, and conserve biodiversity.

Arctic (Hemavan, Sweden, April 2002)

This workshop included 65 participants from Canada, Denmark, Finland Iceland, Norway, Russia, Sweden and the United States. They possessed a substantial knowledge of certification programs because the presence of certification programs in this region is very high. The respondents identified costs and benefits of the possible existence of an accreditation body and expressed their views towards the STSC initiative.

Benefits identified were:

- Marketing as an accreditation body would add credibility to an organization within the industry.
- Networking and sharing of information on best practices.
- Better operational framework for business.

However, these respondents agreed that further market research should be conducted at the consumer level to gain a 'global' perspective from this group of stakeholders, in particular because of the German experience with an ecolabel for SMEs that was found to be ineffective at consumer level. In addition, participants were not positive about the idea of implementing an international accreditation body, arguing that it is too ambitious and they further identified the following problems:

- Some business could not afford another layer of costs to finance an accreditation body and they wouldn't be available to pay for a logo.
- It is hard to apply to existing certification programs.
- It will involve significant implementation costs.
- There is risk of conflicts with certification programs already well established.
- Will be difficult to establish adequate management and leadership.

In spite of their negative position, the respondents suggested that a potential accreditation body should be centralized, be customer oriented, and grow slowly by creating alliances.

IYE e-conference (Planeta.com, April 2002)

WTO and UNEP organized a pioneering forum that was conducted solely on the Internet using a popular tourism list-server hosted by Planeta.com and facilitated by Ron Mader. Theme 2 “Regulation of Ecotourism: Institutional Responsibilities and Frameworks” covered issues of importance to the STSC proposals. This online discussion covered the following points:

Effective certification programs need to inform the traveling public about ecotourism products and services. Certification and accreditation should include as a priority a media campaign and a coalition of communication professionals who can effectively deliver the message. If tourists are not requesting certification standards, one participant argued, certification programs may be “putting the cart before the horse” and delivering a service for which there is no demand for yet.

Other participants noted that even if tourists do not seek certification programs, business-to-business operations do pursue them. For instance, tour operators could seek to work with local operators and accommodation providers that are acknowledged as being sustainable because their tourists will enjoy a better experience. Well-designed certification programs can help achieve the objectives of ecotourism by giving marketing advantages and other incentives to certified ecotourism operators.

National broad-based coalitions have the best records for developing certification. One example frequently cited was Australia’s NEAP, which was developed as the result of multi-sector discussions among the government, the private sector, and academics.

International Year of Ecotourism Summit (Quebec, Canada, May 2002)

The World Ecotourism Summit (WES) in Quebec represented the culmination of the series of preparatory meetings. The tangible outcome of WES was the Quebec Declaration on Ecotourism. Several key recommendations made in the Declaration refer specifically to ecotourism certification and accreditation. These include:

- For national, regional and local governments

“Use internationally approved and reviewed guidelines to develop certification schemes, ecolabels and other voluntary initiatives geared towards sustainability in ecotourism, encouraging private operators to join such schemes and promoting their recognition by consumers. However, certification systems should reflect regional and local criteria. Build capacity and provide financial support to make these schemes accessible to small and medium enterprises (SMEs). In addition, monitoring and a regulatory framework are necessary to support effective implementation of these schemes.”

- For the private sector

“Adopt as appropriate a reliable certification or other systems of voluntary regulation, such as ecolabels, in order to demonstrate to their potential clients their adherence to sustainability principles and the soundness of the products and services they offer.”

- For intergovernmental organizations, international financial institutions and development assistance agencies

“Develop or adopt, as appropriate, international standards and financial mechanisms for ecotourism certification systems that take into account the needs of small and medium sized enterprises and facilitates their access to those procedures, and support their implementation.”

4.3. Stakeholder survey

The questionnaire was designed in order to examine a variety of points of view and perceptions from a wide range of stakeholders regarding key questions that each project cluster was trying to answer. The period of analysis was from January to March 2002.

In order to reflect deliverables of the STSC feasibility study, the questions (shown in Appendix 7) were grouped in five sections: 1) certification, 2) accreditation, 3) financial aspects, 4) willingness to pay, 5) marketing and acceptance. These questions were open and a qualitative approach analysis was used.

The questionnaire targeted stakeholders that had shown an interest in the progress of the project as a result of the use of electronic forums and press releases to disseminate information about the project. It was sent by email or post to 901 potential respondents with a range of expertise in areas such as sustainable tourism, environmental and social impact of unsustainable tourism practices, certification, and accreditation. NGOs, consultants, academics as well as representatives from the tourism industry and the governmental public sector were included. The response rate was 4% with thirty-six questionnaires sent back to the project team.

Due to the low response rate, the outcomes of this survey were not considered the sole source of primary information of the project but they were summarized in order to supplement the outcomes of the international workshops, which supplied the main body of information for the whole project.

In spite of the explanation of definitions and technical terms at the beginning of each section of the questionnaire, it is possible that the responses were biased because of misinterpretation of terminology. The respondents are listed below:

- **Tourism certification bodies:** Green Globe Asia Pacific, Committed to Green Foundation, Quality Tourism for the Caribbean (QTC)/Caribbean Alliance for Sustainable Tourism (CAST), Asociacion Alianza Verde, Destination 21, PAN Parks Foundation.
- **Tourism industry:** Turtle Island Resort, Aventura Pantera, Mt Buller Resort Management Board, Sunny Land Tours, CMH Helicopter Skiing.
- **Tourism industry associations:** International Hotels Environment Initiative, Ecuadorian Ecotourism Association.
- **Accreditation and certification specialists:** R. B. Toth Associates, Social Accountability International, ISEAL Alliance, ICEA (Institute for Ethical and Environmental Certification), SGS Tecnos, James Sullivan (Accreditation and Certification Consultant), Suprpto (Executive Senior of KAN).
- **NGOs and Academics:** WWF-UK, Cooperative Research Centre for Sustainable Tourism, IUCN (The World Conservation Union) and SNV (Netherlands Development Organization), Johnson State College, University of Reading, West Virginia University.

- **Other stakeholders:** Rick Murray (various positions), Parks Victoria – Australia, Missing Link, Christine Schwinn (Ecotourism Marketing Consultant), Anne Becher (co-author New Key to Costa Rica Travel Guide Book), Plan21, Institute of Natural Resources, BrazilMax.com, CEGESTI, Tourism Board, Othon P. Blanco Municipality (Mexico), INPECO – Instituto Português de Ecologia.

The results of the general stakeholder questionnaire were wide ranging and the summary below sums up the key issues around which consensus was reached.

Certification

The respondents believe there is a low level of consumer awareness, recognition and therefore market demand. Current certification programs are generally not managing to market their products and programs are financially constrained. The respondents perceive that tourism certification presently is not seen as good value for money/effort, and broader benefits are needed or the current key benefits reinforced. If accreditation is to help certification develop successfully, small firms will probably not be in a position to make use of these programs without support.

Promotion of certification to prospective applicants

Raising the awareness of industry is a key priority, based on the results from this survey. Individual certification programs could use the backup of an international structure such as STSC as a key benefit to applicants.

High costs versus benefits

There is a general perception of poor marketing and high costs for current certification programs, with a few exceptions for specific programs and markets. STSC needs to focus on increasing international marketing benefits and other benefits need to be spelled out.

Supporting new certification programs

Existing certification programs are not evenly spread, and in some regions these are not likely to be created and maintained without support. STSC needs to consider how introducing an international structure can help countries with limited resources or experience to create and operate successful certification programs. If this level of support is not available, STSC needs to consider whether countries that cannot have certification will be put in a disadvantaged position.

Small firm access

Small and medium enterprises (SME) access to accredited certification programs is an issue. Some believe that, because of their size, they do not see the advantage of being certified and, as a consequence, the STSC wouldn't have any connection with them. On the other hand, others support the idea that SMEs would see advantages to being certified because they could have another powerful marketing tool that could attract more customers interested in quality products. STSC development plans need further research regarding SMEs because these businesses represent a substantial slice of the tourism industry. There is a need to evaluate, in each region, the specific needs SMEs have.

Low consumer awareness and demand

There is little consumer knowledge of certification, in spite of awareness in some sectors and in some regions, especially for foods and forestry products. It is perceived that this is the reason for little or non-existent market demand for tourism certification. The cost of raising awareness, generating recognition, and motivating purchasing decisions is long and expensive. As a result, a potential STSC needs to consider other short-term strategies.

Accreditation

Accreditation is not clearly understood by many stakeholders. However, it is generally seen as a way of obtaining both transparency and comparability of certification programs. The establishment of a global accreditation body is perceived as a medium term project, requiring additional efforts to achieve its aims and fulfill the expectations of the stakeholders.

Misunderstanding of concept

Accreditation worldwide, according to the respondents, is not homogeneous and the disparity affects the way in which accreditation is perceived. However, in some regions (such as Australia) and in some occasions, it is used interchangeably with certification. In some countries the role of accreditation is held by the government and probably, for this reason, in this context, there is no need perceived for a global accreditation body. An awareness of certification and accreditation functions at different levels is a fundamental issue that needs to be addressed.

Credibility

An accreditation body needs to be credible and, at the same time, give credibility to the certification programs; it should represent a reference point for reliability and transparency, and not be perceived as seeking profits.

Consistency

As the respondents also see a global accreditation body for tourism as a way of sorting differences and obtaining more comparable certification programs, the implication for the STSC could be, again, a long term process of studies of markets and existing certification and accreditation schemes worldwide.

A significant challenge for the STSC could be how to harmonize comparability of certification programs with the necessity of adapting the programs to the differing needs of different regions and countries. These issues could probably find an answer in the pressure that the accreditation body would put on certification programs to comply with some general rules that should guarantee a baseline comparison.

Stepped implementation

Implementation of an accreditation body also implies further research and evaluation of each of the steps suggested. It is necessary to develop the STSC body in conjunction with

the social, economical, political, technological, environmental and legal factors of various regions.

Financial aspects

The stakeholders polled in this consultation indicated a demand for accreditation and other coordination efforts such as consistent regional and international standard-setting, marketing, and training. Accreditation activities should be self-financing, charged through a fee schedule set to capture costs plus a reasonable margin, and graduated to accommodate differences in certification programs, business size, and turnover, as well as the complexity of the accreditation process per certification program. There is concern that small certification programs from developing countries will need subsidies to participate in a global accreditation program. A variety of funding mechanisms, including tourism industry and government support and foundation and donor grants, were seen as a viable mechanism to pay for the non-accreditation activities. The stakeholders were mindful of the need to prevent funding sources from influencing the impartiality and independence of the accreditation process.

International agencies such as the WTO, UNEP, United Nations Development Programme (UNDP), and the World Bank were seen as potential agencies to fund such an international Sustainable Tourism Stewardship Council (STSC). They could also be responsible for providing in-kind administrative support, political coordination amongst participating governments, and information dissemination. These results suggest the following financial considerations for the STSC proposals.

Accreditation and certification experts agree that the costs of accreditation must be borne by participants on a cost-recovery basis. This should be a break-even plus some margin for the accreditation unit. There is concern, however, that small certification programs in developing countries may need subsidies to cover these accreditation costs. Nearly all respondents agreed that a fee schedule should be developed with some differentiation according to size and turnover of the certification program, and depending upon the complexity of the accreditation.

There was fairly broad consensus that a diverse funding base would be necessary to make operational the accreditation body and other services as identified above. This includes grants, fees for service, and governmental support from both destination and originating countries. There is also consensus that the industry should at least partially cover the costs that are associated with setting-up and running a future STSC, as long as their financial support and participation did not jeopardize the independence and impartiality of the accreditation activities. There was very mixed opinion about the feasibility and desirability of implementing a “green tax” on tourists or tourism venues (e.g., hotels).

The consultation also revealed that the stakeholders see it as very important to get international agencies such as WTO, UNEP, UNDP and the World Bank involved in the establishment of a global ecotourism and sustainable tourism accreditation body. Primary activities for such agencies are to contribute with funding, give credibility to the program, provide political support and coordination of government sustainable tourism efforts, and collaborate with information dissemination.

Willingness to pay

The majority of respondents admitted that there was simply not enough information available about the costs and benefits of a global STSC to predict the willingness to pay on the part of tourism certification programs. There was consensus that small certification programs from developing countries would need subsidies. The consequences for the STSC proposals were:

- Need to clarify the types of fees that might be charged.
- “Acceptance” and “membership” fees were not embraced by accreditation and certification experts. Rather, the application fee and the fees related to initial assessment and subsequent audit would be a sufficient source of cost recovery.

Marketing and Acceptance

From a marketing point of view, the highest area of consensus was around the STSC lobbying tour operators to use suppliers certified by an accredited certification program in their packages. There was also general agreement around the proposition of national tourist boards supporting the promotion of tourism businesses certified by an accredited certifier, since this requires equitable entry to certification. There was less than 50% consensus on the propositions of lobbying shareholders of large corporations to encourage their companies to become certified by an accredited certifier, and lobbying financial institutions to provide soft credits to companies aiming to achieve accredited certification. The results from this questionnaire suggest prioritizing stakeholder-specific actions in the marketing strategy as follows:

Tour operators

First priority area. Lobbying for tour operator associations to include sustainable supply chain management in their codes of practice, monitor enforcement through percentage of suppliers that are certified by an accredited certification program.

National tourist boards

Second priority area. Key to consumer education, and to ensure representation at trade fairs and events. Variable across countries, and should be managed together with government support for access to certification.

Shareholders in large corporations

Low priority. Large corporations are being forced to improve their corporate social responsibility profile if they want to sell shares to pension funds, as pension funds are requested to report on their corporate social responsibility investment. Yet targeting these large corporations was perceived as a highly resource intensive task and it requires expertise. For these reasons, marketing to large corporations should not be considered a priority at this stage. Instead the STSC could work in collaboration with industry associations.

Financial institutions

Low priority. Encourage certification bodies to identify sources at national level.

Consumers

Low priority. Changes to consumer behavior will require high marketing budgets that STSC is not likely to achieve in the short term. Purchases through tour operators’ packages should

be reinforced with sustainability information on why accredited products are better and encourage loyalty.

4.4. WTO government members survey

The WTO's Sustainable Tourism division has been a major supporter of the STSC feasibility study and it offered to collaborate with the STSC project team by undertaking a worldwide consultation through its network of ministries of tourism and tourism bureaus in WTO's member states. WTO is a UN-related institution based in Madrid that collects data on tourism and lobbies on behalf of the industry. Founded in 1975, WTO members include 141 national governments -- tourism ministries and bureaus -- 7 associate members, and more than 340 affiliates representing tourism-related businesses. Governments for some major tourism destinations such as the UK, United States, and Australia are not members. Ministries of tourism around the world represent an important source of primary information useful in analyzing tourism certification and accreditation within particular political, economic and, cultural contexts. They can supply information about the current status of tourism certification in their countries and give suggestions about the utility, advantages, and drawbacks of STSC's proposal for an international accreditation scheme. A summary of the context of governmental support to tourism certification initiatives is provided in Chapter 3, section 3.5.

This section contains the results of a questionnaire (see Appendix 8) produced in three languages (English, French and Spanish), which was distributed by WTO's Sustainable Tourism division during the first semester of 2002. This survey was presented as a continuation of the questionnaire circulated by WTO in 2001 to all its member states with the aim of creating an inventory of voluntary initiatives for sustainable tourism (WTO, 2002).

The objective of this survey was to collect the views from a sample of tourism governmental agencies regarding the feasibility of the STSC. The questions were divided into four groups: 1) certification, 2) accreditation, 3) financial aspects and 4) marketing and acceptance.

The survey was sent to all WTO member states and 26 tourism ministries responded. Classified by region, they were:

- **Africa:** Eritrea, Kenya, Mauritius, Namibia, Seychelles, Swaziland, Tanzania, and Zimbabwe.
- **Americas:** Chile, Columbia, Ecuador, Jamaica, Mexico, and Paraguay.
- **Asia:** Republic of Indonesia.
- **Middle East:** Iran.
- **East Europe:** Azerbaijan, Czech Republic, Hungary, Kyrgyz Republic, and Poland.
- **West Europe:** Albania, Austria, Cyprus, Malta, and Turkey.

The response rate breakdown per region is as follows:

- Twenty percent of the European member states sent their responses to the survey, and this sampling can be considered representative since it ranges from very well known tourist destinations (including some of the top 15 tourism destinations in Europe such

as Hungary, Poland and Austria) to relatively recently formed states such as the former federation of Russian republics. Nevertheless, member states from other top tourism destinations in Europe such as France, Spain, Italy, Germany, and Greece, did not respond (WTO, 2002).

- Sixteen percent of the African member states gave feedback and they also range from very popular to less developed tourist destinations, although South Africa, an important tourism destination which is beginning to experiment with certification schemes, did not respond.
- Twenty-seven percent of the member states in the Americas responded, including Mexico, one of the top tourism destinations in Latin America. Canada, also a top tourism destination, did not respond, as well as Costa Rica, which has one the best-known certification programs for sustainable tourism.
- Only one response was received from two other regions, Asia and the Middle East, and therefore no meaningful conclusions can be drawn from these regions.
- With the exception of Asia and the Middle East, a statistically significant sampling of WTO members responded from each region. However, again, WTO does not include some of the countries that are major tourism destinations, and clearly STSC needs, in the future, to make efforts to reach and involve these countries as well.

4.4.1 Governments' responses on the feasibility of the STSC

The full texts of the responses to the survey are shown in Appendix 9, grouped by region. In this section the results have been collated, compared, and contrasted. The information collected provides useful insights about how governments view the costs and benefits of establishing an accreditation body for sustainable tourism and ecotourism certification. This data is particularly instructive as to the views of developing nations since the majority of responses came from Southern countries. Some questions, however, were not answered in full. There were two responses from Turkey, one from an industry group and one from the government; for the purposes of this analysis only the government response was used.

Certification

The questionnaire included the following introduction to the certification section:

“The proposed STSC under consideration will work with current certification programs, not replace them. For this reason we need further information from the WTO questionnaire last year regarding your government’s use of certification programs in a range of industries, including tourism, and how such programs are accepted in the market place.

Certification is the procedure by which a third party (the certifier) gives written assurance to the consumer that a product, process, service or management system conforms to specified requirements.”

Questions

1) Does your government have a national standards office to develop standards in your country? Who is the contact that most closely works on standards for tourism and hospitality companies?

- All the European respondents answered that their countries have offices that set standards and most respondents could name individuals or organizations that are involved in setting tourism standards. In some cases, setting standards is a responsibility of the national standard-setting body, and in other cases is a responsibility of the tourism authority.
- Five out of eight African respondents said they have a national office for standards development.
- The respondents from the Americas do have national standards, however tourism standards are usually the responsibility of tourism ministries or other bodies outside the national standard setting body, with exception of Colombia who reports responsibilities for setting operational standards for hospitality, travel agencies, tour guides and restaurants. Standards do not relate to sustainable tourism.
- The respondents from Indonesia and Iran reported having national standard offices covering all sectors, including tourism.

2) If yes, are auditing and certification services carried out by government personnel, or by private sector certification bodies?

- In Western Europe, those responding said it is a role of the government to conduct the audits. Interestingly, the Austrian government uses tourism auditors from a consumer association.
- In the other regions, the auditing task is undertaken either by the governments or by private companies or by NGOs or by both private and public sector representatives. Five of them, however, did not answer this question.

3) Which certification programs operate in your country? (Either generic certification bodies that certify tourism companies, or tourism-specific schemes)

- In Africa, only Kenya and Namibia (out of seven respondents) reported having tourism certification programs, either governmental or run by NGOs.
- In the Americas, respondents described a variety of approaches: Ecuador and Jamaica mentioned tourism-specific certification programs while the other countries mention ISO-related programs that tourism companies can be certified to, usually through private certifiers.
- Certification programs such as Blue Flag, Green Globe 21, Austrian Ecolabel and SmartVoyager were mentioned. Additionally, there was reference to private certifiers that certify to ISO 9000 and 14000 standards.

4) What tourism ecolabeling initiatives are currently supported by your government at the national, provincial and local levels?

- In the Americas, Green Globe 21 and Blue Flag are present in Jamaica. Two respondents have plans for the development of ecolabels, while the other three do not have any ecolabeling program in place.
- In Africa, only two of the eight respondents said that ecolabeling is present in their countries: in Mauritius, Green Globe 21, while Tanzania mentioned the WTO Global Code of Ethics, which is not an ecolabel). Other countries mentioned initiatives in development.
- In Europe, Austria has an ecolabeling program for sustainable tourism supported by the government, besides the Blue Flag, which operates in most European countries, also with government support.
- Iran and Indonesia reported that ecolabels are non-existent in their countries yet, but that there are efforts currently taking place to develop one.

5) Are these ecolabeling initiatives funded or subsidized directly by your government?

- In the Americas, Chile and Colombia reported financial and technical support; Jamaica reported USAID support; Ecuador, Mexico and Paraguay did not respond.
- In Europe, all the ecolabeling programs in operation are government-funded or subsidized. Some countries mentioned non-ecolabeling programs that are also subsidized; Cyprus stated that certification with ISO 14001 is subsidized; in this country, Blue Flag is not subsidized but technical assistance to comply with the standard is offered by the government.
- Iran mentioned that the government will subsidize a future national program.

6) In terms of tourism certification, what do you think the main benefits of such certification are to your country?

- Unanimously, the respondents stated that certification can provide tangible benefits, including the following:
- Certification can improve tourism products, create higher standards, and provide quality assurance.
- Certification would mean more information and guidance for the consumer/tourist.
- Certification would strengthen worldwide recognition of their country's tourism offerings.
- Certification would help raise public consciousness about environmental protection and responsible activities by the tourism industry.
- Certification could add to a sense of safety.
- Certification could provide training, for tourism personnel and thereby help to guarantee efficiency of services.
- Certification can improve a business' internal management and operations.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Certification would help create and maintain an international definition of sound environmental and social standards.
- Certification can act as a benchmarking tool for businesses, at national and international level.
- Certified products will gain competitive and commercial advantages.
- Certification is an important marketing and promotional tool.
- Sound environmental management of businesses makes business sense.
- Certification means government recognition and support for tourism operations.

7) In your opinion, what are the shortcomings of tourism certification in your country?

- Three respondents from the Americas (Colombia, Ecuador, and Mexico) highlighted the following: no certification programs at present; a lack of investments in certification; a weak culture in sustainability, lack of education, information, and training about the environment; and weak collaboration between the public and private sectors.
- Iran's concern was the ineffectiveness of the implementation of the certification system and the fact that, according to the respondent, these programs do not focus on the quality of services and facilities.
- The African respondents underscored the lack of structure for certification and control of the process, insufficient resources in terms of finance and technical support, and inconsistency in the renewal of the certified businesses.
- The European respondents highlighted the need for more training and information about certification schemes that are at present either partially or not implemented at all. Malta stated that the certification programs could be "in conflict with tour operators' certification schemes," although an explanation of this statement was not provided. The Kyrgyz Republic stated that the tourism industry sees certification as a constraint on economic development or as a way to tax companies.

Accreditation

The questionnaire included the following introduction to the accreditation section:

"The proposed STSC would need to operate in conjunction with national accreditation bodies, and for this reason we need to find out how your government uses accreditation bodies, their market acceptance, and the financial operating circumstances they operate under. Accreditation bodies 'certify the certifiers' and their capacity to certify companies and/or products."

Questions

1) Does your government support or operate a national accreditation body/ normalization agency to accredit particular certification bodies to operate in your country?

- Half of the European countries responding said that either there is no accreditation body or the government does not support it. The other half said that accreditation bodies do receive government support. Turkey and Austria reported, for instance, that there are

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

laws regulating accreditation, and that ministries competent in the certification field are responsible for overseeing accreditation.

- Kenya and Seychelles say they have accreditation bodies, and these receive public sector support.
- Three out of six American respondents receive governmental support for accreditation. There is no accreditation body in Jamaica; Paraguay has legislation at an initial stage; and Chile has only one national accreditation body, which is self-financed through services to both public and private sectors.
- Both Iran and Indonesia stated that their governments support the national accreditation body. Iran stated that they would support a separate tourism accreditation body

2) If yes, how is this accreditation body funded? Does it receive direct funding support from the government?

- Almost 35% of all respondents declared that their accreditation bodies receive funds, partially or totally, from their governments. These included Indonesia and Iran and a minority of respondents in Africa, Europe, and the Americas.

3) If yes, what percentage of its operating costs is provided from government funds? If not, how is it funded? By membership fees? Other?

- Half of the above 35% receive full funding from their governments. The rest have a variety of funding, ranging from 95% supplied by government and 5% from fees to government payment of staff salaries only, to partial government payment of operating costs.

4) Could you please name a key contact at this organization that we may contact in the course of this research?

- The names of contact persons and addresses are included in the tables in Appendix 9 and are also listed in Appendix 4.3.

5) If a tourism specific accreditation body were to be established, with global relevance, what would you see to be the major advantages to such a body?

- Twenty-two respondents identified the following advantages:
- Unification of accreditation and verification procedures.
- Ongoing monitoring of the certification processes through an accreditation system that would improve certification.
- Quality assurance of the products at an international level.
- The importance of certification would assume a different shape and be accepted through the accreditation body operations.
- It could be reinforcement for legislation and thereby provide more guarantees for consumers.
- Some African respondents said that such a body would open doors and help their tourism to become internationally recognized.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Accreditation would help build trust in the international community because it would involve specialized staff and unified criteria of measuring quality.
- It would provide unified standards with some regional and national variations to meet the individual needs of each country.
- Could possibly lead to the creation of an international database about the certified companies and the level of standards adopted.
- The involvement of local experts would enhance the credibility of the scheme because they could suggest solutions on the basis of their knowledge of the local issues.

6) Will it require one main office plus several regional offices? If yes, how many? Or is it enough with only one office that covers the whole world?

- Fourteen respondents agreed with the suggestion of having one central office (one suggested it be house at the WTO), plus regional offices.
- Three respondents proposed having one central accreditation office, plus one in each country. One suggested also having offices for each country.
- Three respondents suggested having only one central accreditation office. One suggested the use of the ISO model.
- Two respondents suggested one body for each country, plus one for each region.
- Five respondents did not express their views.

Financial Aspects

The questionnaire contained the following introduction to the financial section:

“The proposed STSC would need to keep its operating costs to a minimum, yet it is expected that funding will be required for a two year start-up period, followed by a five year subsidy to cover its secretariat, to be reviewed after this period. A key issue at this stage is to determine willingness to contribute to cover the costs. Securing support from national governments to promote the STSC and to initiate and support national certification schemes is a key requirement.”

Questions

1) To what extent would your government see it as its responsibility to provide financial support to the organization? Would you see this as a one-off situation, or would you see it as the ongoing responsibility of the government in your country?

- Seventeen of the 26 respondents (or 65%) stated that they would be prepared to provide financial or in-kind assistance, according to the countries' possibilities for collaboration. Proposals included financing half a country's accreditation costs to providing government services, to collaborating with the private sector or other stakeholders.
- Azerbaijan and Indonesia thought that it was responsibility of government to fund the STSC initiative.
- Ecuador stated that their government could not afford to pay for the scheme.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Two respondents did not believe it was the government's responsibility to support an accreditation body.
- Seven respondents did not express an opinion.

2) If you do not see it as government responsibility, who should have responsibility for funding the body?

- Two of the respondents who gave negative answers to the previous question see it as the responsibility of international organizations or of both membership and contract fees paid by tourism companies involved. The third believes that the individual certification programs should fund the body.

3) Is it the responsibility of the local governments in the tourist destination countries or is it the responsibility of the governments in the countries where the tourists originate? Why?

- Twelve respondents stated that the responsibility lays in the destination countries because they are the ones that need to conserve their environment and they are benefiting economically from international tourism.
- The respondent from Seychelles suggested that the responsibility should be in the industrialized world that is polluting.
- Five respondents stated that the responsibility lays with both originating and host countries. They argued that the majority of tourists come from industrialized countries and they should pay to finance quality products in Southern destinations.
- Ecuador stated that it is the private sector's, not the government's, responsibility to standardize operations.
- Eight respondents did not express their views.

4) Should the industry play a major role in funding such a body, when accreditation is something that can assist governments in terms of ensuring better sustainability of tourism in terms of environmental, social, and economic improvements?

- Eighteen respondents (69%) agreed that the tourism industry ought to provide contributions. Colombia underlined that in this way the accreditation body could be established quickly. Chile and Colombia noted that, since a STSC accreditation scheme would give competitive advantage to the certified tourism operations, they should contribute to its development.
- Hungary expressed that there is a risk of conflict of interest and a loss of the accreditation body's independence if it is funded by the tourism industry.
- Seven respondents did not answer.

5) Should a fee structure be established for certification schemes applying for accreditation?

- Twenty-one respondents agreed with a fee structure.
- Five respondents did not reply.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

6) Should there be a differentiation in the level of fees according to the financial size of the certification scheme?

- Twenty-one respondents (or 81%) agreed to a differentiated fee structure according to size of the certification programs. One argued that this could be seen as a democratic way of proportioning the fees.
- Five respondents did not reply.

7) What would be the highest willingness to pay level for the accreditation services from a tourism certification scheme operating in your country?

- This question did not receive precise answers because the respondents were not familiar with the financial costs of developing or running certification programs. Mauritius proposed \$3,000 while Tanzania said no more than \$200. Jamaica proposed it should be 10% to 20% of the total fees collected by a certification program.

8) What kind of financial structure could be the most suitable for an international tourism accreditation body?

- This question was answered only vaguely or not answered. Some of the respondents did not have a view or the expertise to put forward a clear model. Iran suggested a structure similar to ISO, —Swaziland suggested the structure of a charitable body and Kenya suggested that 60% of the contributions from members should be retained at the regional offices and 40% should be given to a global secretariat.

9) How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?

- Twenty respondents (76%) said that support from these organizations is very important and —Ecuador and Colombia specified that this support was crucial in the beginning, especially to cover initial costs. The main reasons stated were that these agencies can give credibility and organizational and marketing support to the global accreditation body, as well as can help to avoid duplication of work.
- Only Indonesia suggested that there is no need for support from these international agencies.
- Six participants did not answer.

10) What do you see the role of international agencies might be?

- Twenty respondents gave the following suggestions: international agencies should offer advice; provide technical, educational, and professional support; and coordinate and network activities among countries. Moreover, they should formulate accreditation criteria and monitor the activities of the accreditation body, as well as to encourage and promote the STSC.
- Six of the respondents did not answer.

Marketing and Acceptance

The questionnaire included the following introduction to the marketing section:

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

“The proposed Sustainable Tourism Stewardship Council under consideration will need to ensure that tour operators and tourists prefer products certified by an accredited certifier because these are more sustainable. National tourist boards will need to play a key role in delivering this message.”

Questions

1) Do you think a single, identifiable logo/brand should be developed to assist consumer recognition? If not, why?

- Twenty-four member states (92%) answered that they favor an identifiable logo. However, Austria, with a strong national certification program, suggested that it would be better not to replace existing logos, and that instead, a new international accreditation logo be created and used alongside the well established ones. Jamaica proposed a single brand for each sector of the industry.
- Namibia and Zimbabwe did not express their opinions.

2) Who should have the major responsibility for promoting a global accreditation body?

- Indonesia and Iran indicated the WTO.
- Chile, Colombia, Mexico and Paraguay indicated the WTO. Ecuador and Jamaica suggested the accreditation body itself.
- The African respondents, apart from one that did not respond to this question, suggested a variety of options: the WTO solely, the national tourist authorities, the government, the STSC itself with private and public stakeholder support, including WTO and UNEP.
- Among the European respondents 50% mentioned only the WTO, while others suggested in addition the national tourist authorities or other stakeholders. Two proposed that WTO should be the funding body. Only one did not respond.

3) Would your national tourist board support the promotion of tourism companies from your country that have been certified by a certifier accredited by the proposed STSC? How would you do this?

- Twenty-two respondents responded that their tourist boards would support their promotion. Methods mentioned include the following: collaboration with tour operators, sharing information and database of organizations, and promoting the logo in brochures, seminars, conferences, lectures, media and the Internet. Colombia highlighted the fact that a certified company is trustworthy and that this is a reason for supporting accredited certification.
- Namibia, did not express a view; Turkey responded that the national tourist board would not support their promotion in the ways expressed above; and Chile and Austria said this was an area for future discussion.

4) In your opinion, how do you think such a body might affect the purchasing behavior of tour operators and tourists?

- Twenty-three officials (88%) responded to this question. The majority of them agreed that an accreditation body might have an effect on the purchasing behavior of tour operators and tourists. Some forecast a possible shift in demand towards certified

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

products because people would become more environmentally conscious and because of the current market trends towards ecotourism. A new accreditation scheme could represent a marketing tool.

- One respondent did not see any particular change in consumer behavior but did foresee a major benefit for the tourist destinations.

5) Please feel free to make any suggestions about the steps you would undertake to establish an accreditation body for sustainable tourism.

Suggestions can be summarized as follows:

- Distribution of information to spread awareness and importance of certification to sensitize consumers.
- Identification of services, stakeholders, procedure for accreditation, certification, and organizational structure and arrangements.
- Consideration and analysis of existing standards and criteria.
- Involving the private sector in the planning process and identify gaps between this sector and the public sector.
- Ecuador expressed concern about whether passing the cost of certification to final consumers was feasible or not.
- Considering different needs for different destinations.
- STSC should not be too demanding in seeking government funds.
- Establish coordination at regional and interregional levels.
- The importance of establishing standards for staff of tourism businesses as they have a major role in the supply chain of the tourism products.
- Differences among countries should also be acknowledged in the process.
- Only one certification body should operate in one country.
- The STSC should be a branch of the WTO.
- During 2002, the International Year of Ecotourism should be used to promote the initiative.

4.4.2 Implications of the survey results for the proposed STSC

The responses summarized above should be analyzed with care and modesty, since not all WTO member states responded to the survey in full. Moreover, some member states that have supported certification initiatives and recognized the importance of international accreditation, like Costa Rica, as well as non-member states, like Australia, did not participate in this survey. Thus, further consultation needs to take place in the upcoming phases of the STSC initiative. Nevertheless, this survey does provide interesting data that complements the outcomes of the other consultation activities and the following main issues can be considered as having implications for the STSC.

The proposal for the establishment of a STSC as an accreditation body for sustainable and ecotourism certification is welcomed by respondents from a wide range of member

countries in both the Southern and Northern hemispheres. Particularly, a number of respondents from countries where currently there is no certification see national programs of certification as a tool to improve national competitiveness and implement national quality and sustainability strategies. However, in some Southern hemisphere countries, certification and accreditation are not seen as a priority.

There is a perception amongst the respondents that certification is part of the government's concern (and in some cases its responsibility), and accreditation is an extension of this concern. Thus, several respondents indicated a willingness to contribute financially towards the cost of accredited certification, but they did not want to take sole responsibility. It is perceived that the private sector should also contribute financially, and that governments should provide incentives for SMEs that would otherwise be left out. Respondents also see international agency support and contribution as extremely valuable. The forms and amounts of contributions suggested varied considerably.

Countries without certification programs--including countries as varied as Kenya, Mauritius, Chile, Jamaica, Mexico, Poland, Azerbaijan, Indonesia, Iran, Turkey and Malta--want a single logo. Austria, with a strong national program, wants co-branding in order to continue to recognize the certification work done to date. Respondents see WTO participation as positive and necessary in the international promotion of the STSC.

From the analysis of the reported findings, the following main issues were considered as having implications for the STSC.

Distribution of certification worldwide

The distribution reflects the economies of Southern and Northern countries. The latter have in fact certification programs functioning in the majority of sectors, including tourism. The implications for the STSC would be accommodating the existing and new programs to the STSC accreditation criteria. It is anticipated that some resistance in accepting the STSC could represent a challenge.

Southern countries, where the certification programs are in development, could represent fertile ground for the STSC.

Acceptance of certification

Certification programs are fully accepted and supported financially or technically by the governments that responded. Certification programs are recognized as beneficial for both the tourism industry and the consumers. The survey indicated that an accreditation body would receive support from governments, but the main challenge could be the adaptation of the scheme to the political and socioeconomic context of each country.

Sustainability and eco-culture

The need for knowledge and education about sustainability and environmental problems and challenges is recognized. Providing such education should be seen as a priority for the accreditation body and as one of its essential functions. The STSC could support campaigns around environmental, socio-economic, and cultural issues linked to tourism.

Government involvement in accreditation

The survey revealed that only in a few Southern countries government are involved at present in accreditation issues. This is undoubtedly linked to their different scale of government priorities and to a lack of sufficient resources. The implication for the STSC can be seen in terms of a need to work side by side with interested governments, to receive political and in some cases financial support from them, and to also support countries, particularly in the global South, with technical advice.

Funding and acceptance of accreditation

Based on the survey's results, it is not possible to generalize on the funding implication for the STSC. It is clear that governments would welcome a structured accreditation body that would enhance the image and quality of their tourism products. The majority of the respondents were from developing countries, often without their own tourism certification programs, and they were firmly of the belief that the STSC would provide the necessary tool to help them choose a certification program that is relevant to their own situation. An accreditation body would also serve to complement legislation and official regulatory procedures and would provide consumers with a guarantee of quality. Less popular tourism destinations, in particular, could benefit from accredited certification that could help boost their international promotion. But because not all the governments can afford to fund such an accreditation scheme, the STSC cannot impose a uniform agreement on funding with all the countries.

Structure

The most appropriate configuration, according to the survey, is seen as a simple pyramid with one central office and sub-offices in each region. The cost, however, might force the STSC to have only one central office. If a pyramid structure with regional offices is adopted, the main issues for the STSC would be:

- How to structure a network in each region with governmental participation?
- How to assure and control uniform quality in each country and across regions?
- How to establish a flexible system in the accreditation procedures and standards that responds to the local needs without compromising quality and sufficient overall uniformity?

Financial responsibility

This issue of financial responsibility is complex because of the wide range of stakeholders involved in and benefiting from an accreditation scheme. The survey makes clear that there is a willingness of governments to collaborate, but it was seen also as a responsibility of the private sector to contribute financially since they directly benefit from the promotion of certified products.

The STSC needs to strike the right balance between financial contributions from the private and public sectors, and this needs to be better defined through more research and negotiation with each country or region, and it needs to take into consideration the resources available.

International agencies

The support and experience that the STSC can receive from international and intergovernmental agencies such as UNEP and WTO is generally seen as extremely valuable. The accreditation body would, in turn, provide support for these agencies' endeavors to promote sustainable tourism and ecotourism practices.

Logo

The respondents welcomed the visual aid of a logo that conveys an international message. However the STSC will need to address the issue of existing logos and to explore mechanism that complement the logos of accredited certification programs.

Promotion

Promotion should result from collaborative work among the different stakeholders and particular support should be given by international and intergovernmental agencies (WTO in particular). STSC could also negotiate promotional activities with other beneficiaries of the accreditation scheme, particularly with tour operators as intermediaries and governmental agencies that promote certification programs and their certified products.

Consumer behavior

It is possible that the demand for certified products will increase if awareness increases and if the consumers perceive the value of the certified products. This should be seen as a long-term process. The STSC will have to define, based on its available resources, a strategy for marketing and promotion to consumers, and it will need to consider the different reactions that may occur within the industry, among consumers, and at the tourist destinations.

4.5. Market demand and willingness to pay

The STSC feasibility study included an analysis of the market demand and willingness to pay for accreditation, including an assessment of the effectiveness of certification at the consumer level. To do this, it was necessary first to consider who should pay for accreditation, how the pricing structures should be developed, and how to pass the costs of accreditation through the market chain.

Although those consulted rarely volunteered what specific sums they might be willing to contribute, valuable information was elicited regarding who should pay and under what circumstances. It must be recognized that it is inherently difficult to define the market demand and willingness to pay for a product that does yet not exist. Both market demand and willingness to pay are based on the success of lobbying a variety of stakeholders to participate.

The issues encountered are similar to those faced by other sectors in the past when setting up accreditation bodies, hence an analysis of other accreditation organizations has been undertaken, which is presented in Chapter 5. This section considers willingness to collaborate financially from five key stakeholder groups and proposes what their contributions towards a STSC accreditation body could be:

1. **Intergovernmental organizations and donor institutions** contribute to the costs of housing the STSC and subsidize the operations.
2. **Governments** contribute towards the marketing, technical assistance, and other costs of operating tourism certification programs, which, in turn, increases their potential and their willingness to support accreditation.
3. **Tourism certification programs** absorb part of the cost of accreditation because it improves their programs and makes them globally marketable.
4. **Tourism industry** absorbs part of the cost of accreditation.
5. **Tourists** pay a higher price for holidays certified as sustainable by an accredited certification program.

Intergovernmental organizations and donor institutions

Most workshop participants agreed that there is a need for STSC's budget to be subsidized, be it through foundations, intergovernmental organizations, development agencies, or industry. The WTO and other intergovernmental organizations have shown support for the concept of the STSC but no organization is willing to commit to supporting the STSC financially until the feasibility study outlining specific activities and costs is completed. The consultation to date has focused mainly on technical issues and testing the political feasibility of the STSC. It is suggested in this report that intergovernmental organizations be approached to house the STSC which might equal a funding level of \$100,000 per year (see Chapter 6).

Governments

The STSC consultations showed overwhelmingly that people believe governments and intergovernmental agencies have an important role to play in supporting tourism certification programs, and therefore should play a major role in the STSC. Of particular interest is the fact that those governments that responded to the WTO questionnaire believe they have a role to play in supporting certification and accreditation at a national level. The majority of respondents were from developing countries, often without their own tourism certification programs. Apparently, these respondents believe that the STSC will be a tool to help them create or use certification programs that are responsive to their own country's needs.

The 26 WTO member governments that responded to the survey were willing to provide marketing and technical support to tourism certification that leads to international standards through a global accreditation mechanism. The survey of WTO governments did not include any potential costs of accreditation, and governments rarely volunteered a specific sum that they were willing to contribute. Not all governments can afford to fund such a scheme, so the STSC cannot have uniform funding agreements with all the countries. Governments did express a willingness to collaborate, but made clear that the financial costs needs to be shared with the private sector. (Further details on this survey are in section 4.4. and in Appendices 6 and 7. The full report can be found at the STSC Web site hosted by the Rainforest Alliance www.rainforest-alliance.org).

Tourism certification programs

The specifics surrounding a willingness to pay for tourism accreditation are not available at this stage. To date consultation workshops and questionnaires have raised stakeholder

interest and awareness. However, because accreditation is a relatively new idea within sustainable tourism and ecotourism circles, none of the key sectors through which the STSC could raise funds was prepared to give a contribution amount. Once this feasibility study is complete, it should be possible to begin more concrete financial discussions.

The market demand and willingness to pay for accreditation will depend on the value of accreditation to a certification program and the certifier's ability to pay either directly or to pass the accreditation costs down to the certified operation. To date, fees for most performance-based tourism certification are relatively low (but not for process or EMS ones) in comparison to the costs of application for certification in other industries. Tourism certification is heavily subsidized by governments or NGOs and rarely covers more than the cost of verification. Just over 50% of the tourism certification programs charge fees for the application and verification process, and only about 30% of the tourism certification programs charge fees more than \$500 (WTO, 2002:65). As mentioned during the STSC consultation activities in Belize, Australia and the UK, tourism certification programs that do not charge fees face serious challenges in managing an increase in demand for certification since the baseline funds are typically not sufficient to cover extending their services and subsidies generally run out over time. They will be further challenged to meet accreditation costs, as they might not be able to pass them on through the commercialization chain to businesses or consumers.

Tourism industry

There is little quantitative data available on the tourism industry's market demand and willingness to pay for tourism certification, and no data on accreditation of tourism certification. The data collected for this report was qualitative and has been summarized in the workshop and survey reports outlined earlier in this chapter. The key outcome was that in most countries tourism certification is not widely practiced or understood, and the idea of discussing the cost of accreditation when certification does not exist or is not widespread seems ahead of its time.

Since certification and accreditation are not widely understood by the tourism industry, it may be helpful to mention some of the benefits of certification (and accreditation, by extension) that could be used to create an incentive for operations to get certified and to stimulate market demand.

The certification benefits for the tourism industry are usually understood to be increased marketing and reduced costs by better management (such as eco-savings).

Sustainable marketing as selling proposition

Marketing benefits from accreditation could be used to increase industry applications to tourism certification programs. Research conducted by the English Tourism Council for a feasibility study for a national sustainable tourism certification program suggests that very small businesses perceive that they have little influence on overall destination quality and so question the need for certification (ETC, 2002). Few businesses believe membership in an environmentally responsible program such as "green" certification enhances their market appeal. In addition, in various regions like in Europe, the large number of labels and the low level of consumer recognition and marketing make it harder for small firms to see a concrete advantage.

STSC's importance was confirmed through the consultation workshops, which repeatedly concluded that most tourism certification programs do not have a strong marketing presence, and that the large number of labels is confusing to consumers and to the tourism industry. Those consulted agreed that an umbrella accreditation system could help strengthen certification programs and bring additional marketing benefits to certified businesses.

Sustainable management as selling proposition

The tourism industry respondents were in agreement that whoever benefits financially from accreditation should pay for accreditation. Emphasizing the financial benefits from eco-savings might increase interest in sustainable tourism certification and, consequently, accreditation. Most businesses understand the eco-savings resulting from improving their performance and these financial savings can be the incentive to get certified. As an example, the Marriott Worsley Park (Manchester, England) has made savings of up to \$90,000 per year on energy, water and waste after introducing environmental management systems to meet Green Globe 21 standards (Beck, pers. comm.). These funds not only covered more than the cost of certification but are also earmarked annually for investments in the environmental quality of the property's surroundings and activities for local schools and the community, amongst others.

Despite the issues raised in the previous paragraph, the tourism industry is not necessarily taking actions to reduce their operational costs even when these are relatively cheap to undertake. As an example, the IHEI benchmarking tool has been adopted by less than 200 hotels worldwide despite costing less than \$200 per year.

STSC might want to emphasize eco-savings as a means to increasing the size of the tourism certification programs, which may make them more likely to afford accreditation by increasing their critical mass and economies of scale. STSC might want to reinforce the eco-savings message by saying that tourism certification programs that are accredited are competent to deliver programs that will help reduce operational costs. However the emphasis of eco-savings shadows other highly relevant benefits of operating in a sustainable way, and therefore it has to be done in a balanced way.

Pricing

The consultation workshops raised issues regarding the pricing of certification and accreditation, which are relevant here. At this stage, the projected costs of accreditation are hypothetical (see discussion in Chapter 6). In many regions, where certification is still undeveloped, certification costs are unknown. Therefore, it is difficult to know the cost of certification and accreditation might be and the willingness to pay.

However, the consultations demonstrated that respondents believe that both the cost of certification and accreditation should be linked to company size, as it is proposed in chapter 6. Even with a graduated fee schedule, it still may be difficult for SMEs and community based operations to afford certification or accreditation. These issues need to be reviewed in the phased implementation of the STSC, also outlined in Chapter 6.

Tourists

Market research on tourists' sustainable purchasing patterns is generally more informative. Most surveys claim that tourists give high preference to sustainability in their purchasing

and that they are willing to pay extra for sustainable holidays. And yet results from surveys vary depending on the source, and there is evidence from research undertaken that consumer environmental purchasing claims vary widely from actual purchasing behavior. Despite these inconsistencies, the transferable evidence from other sectors is that a consolidation of certification programs through accreditation could alleviate the problems of reduced consumer recognition.

Below is further discussion on the market demand for sustainable tourism and whether sustainability is a meaningful selling proposition to tourists and if tourists are willing to pay a price premium for certified holidays.

Market demand for sustainable tourism

There are a number of studies that consider the relative importance of sustainability amongst other holiday attributes. The surveys below all point towards the fact that sustainability is high on the agenda of tourists.

The Association of British Travel Agents (ABTA) conducted research in October 2000 concluding that 85% of people thought it was important that tourism should not damage the environment, 78% of people considered the provision of social/environmental information by their holiday company as important. Also in the UK, Tourism Concern, a charity campaigning for ethical and fairly traded tourism, conducted its own research (2001) through reader surveys in a magazine on ethical tourism and found that 96% of respondents who normally traveled independently said they felt that tourism should be fairer for destination communities. Tourism Concern magazine readers are generally aware of sustainability issues and it is not surprising that the results are positive.

Further evidence from the English Tourism Council confirms the importance of sustainability. ETC conducted a survey, "Visitors Attitudes to Sustainable Tourism" (ETC, 2002), with the following responses supporting the introduction of certification/accreditation.

- 84% of consumers said they would choose an attraction or accommodation provider that was part of a green accreditation scheme over one that was not, if such a scheme existed.
- 76% of consumers stated they believed it was important that their holidays in England should benefit the local people where they are staying.
- 58% state that the commitment to being environmentally friendly is important when selecting accommodation.

The Green Tourism Business Scheme (Scotland) has found that occupancy rates for tourism firms that have been certified is at least 6% higher than the average for the country (Font & Buckley, 2001). This has become a key selling point for this scheme and has helped to increase applications. Visit Scotland research conducted with visitors to Scotland confirms the importance of sustainability in holiday purchases by stating the following findings:

- 18% of travelers to Scotland would not return to a hotel that did not care about the environment.
- 39% of respondents selected one product over another because of environmentally friendly packaging, formulation or advertising.

VISIT commissioned the organization undertaking the German consumer survey Reiseanalyst to include the question “When thinking about your next holidays, which of the following environmental factors are most important for you?” This is a reliable annual survey with 7,872 responses that are representative for 64.1 million Germans aged at least 14 years. The results were positive towards tourism certification, with general support from German tourists for verified environmentally friendly accommodation which could be found through catalogs.

In 1998-1999 Claudia Lübbert conducted surveys of 670 German tourists regarding their purchasing patterns in tourism and how sustainability played a role. Some results are relevant to this STSC feasibility study, in as far as more than 70% of tourists responded that they do not have sufficient environmental information about their holidays and more than 58% say that there are too many ecolabels in tourism (Lübbert, 2001). Since the number of labels has increased considerably since then, the percentage could now be higher.

Willingness to pay

Stakeholders in the consultation workshops regularly mentioned funding certification and accreditation by passing on the cost to tourists since these services provide a value added. In a sense, this funding option is like a Value Added Tax (VAT). It was also mentioned by stakeholders that accreditation is like privatized regulation, and so the consumer should pay for the product they consume. However tourism certification programs did not see this as a possibility since they only pass on a small proportion of the overall cost of certification to the certified tourism firm. It has been discussed previously that there are cost savings that tourism firms could make by implementing better environmental practices. These eco-savings could help them absorb the cost of certification, but this assumption needs further testing.

The ABTA survey (2000) reported that 64% would be willing to pay 10-25% extra to ensure that environmental standards were met. The Tourism Concern survey (2001) reported that 35% of respondents said that they were willing to pay an extra 5% for a holiday that ‘gives extra benefits to local people and/or is environmentally sound’, and 70% said that they would pay an extra 10%, or £50 on a £500 holiday (or, about \$75 on a \$750 holiday).

The ETC survey (2002) found that 68% of consumers would choose an attraction or accommodation provider that was part of a green accreditation scheme even if the prices of the green accredited business were slightly higher. Furthermore, 65% of consumers said they would be willing to pay extra to stay with an accommodation provider that was committed to good environmental practices.

A German consumer survey (Lübbert, 2001) reported that over 50% of respondents think that labeled tourism products are more expensive. There is no evidence to prove that this is the case for tourism, and a recent study from the International Institute for Environment and Development (IIED) has proved this is not the case for the forestry industry (Bass, pers. comm.).

As already mentioned, the data presented here have to be read with caution; many surveys state how important ethics and sustainability are in consumer purchasing policies, and yet behavior differs from the survey results. The next key issue is how to translate the data from a few European surveys to a worldwide STSC pricing policy and marketing campaign. There are two approaches:

- An STSC marketing campaign to tourists could focus on the benefits of certification and accreditation while maintaining that prices for certified tourism products are not any higher than non-certified tourism products (if this statement is borne out by research); or,
- A campaign could highlight the benefits and additional price premium since tourists already seem inclined to pay more for verified sustainable tourism products.

4.6. Stakeholder needs assessment

The stakeholder profiles and the results from the consultation are the basis for suggesting a number of needs that the STSC can partly cover. This section first presents generic needs, followed by stakeholder-specific needs.

Generic

Encourage sustainable behavior by industry

From Rio in 1992 to Johannesburg in September 2002, the emphasis has been in increasing industry acceptance of its responsibility to behave sustainably. The tourism industry is no exception; the last ten years have seen increasing evidence of the industry's impacts and growing efforts to control them. The STSC needs to be understood in this context.

Encourage sustainable purchasing patterns

Environmental consumer awareness has grown in the last decade, but sustainable consumer behavior is slow to materialize. STSC needs to contribute, within the limits of its budget, to encourage more sustainable purchasing patterns right across the supply chain, so sustainable products can reach consumers.

Operationalize the concept of sustainability internationally

Sustainability and ecotourism are misused and abused terms. The consensus and operationalization of standards to certify the industry will make a practical contribution to the rather lengthy academic debate over definitions, and reduce "greenwashing."

Coordinate piecemeal efforts to promote recognition of sustainable practices

There are myriad efforts from a wide range of stakeholders to promote sustainability, and an increasing number of programs and schemes to recognize and promote sustainability. The STSC can contribute to comparisons between programs, sharing and encouraging transfer of good practice.

Certification programs

Exposure to international tourism distribution channels

Certification programs can benefit from increased international exposure to distribution channels. The small number of products that they have certified makes it unfeasible for tour operators to consider certification as a tool for supply chain management, with exceptions for those certification programs that have some niche markets in clearly defined destinations.

Credibility and legitimacy

There are doubts amongst industry and consumers as to the credibility and legitimacy of certification, most of which can be put to rest through stronger brands backed up by key organizations, and the necessary comparison and standardization of operating procedures and standards.

Operating at economies of scale

Certification programs require increases in applications to give the economies of scale required to standardize and professionalize services. WTO (2002) shows that the average number of awardees is about 50, and suggests that applications are not increasing as quickly as desired.

Simplifying the message

Too many competing, but similar, messages are confusing the consumer. Certification programs need to consider the feasibility of joining forces with similar programs to create national or regional alliances, cut down and share development and marketing costs, and promote one single product. The VISIT project is the best example of joining forces in tourism certification at present.

Stable financing

Long-term financial stability is a pre-requisite, either through increased applications or funding security from other mechanisms beyond the certification program's start-up funding period.

Governments

Operationalize national sustainable tourism development policies and commitments

Governments need mechanisms to put into practice their commitments to international guidelines and their national policies on quality tourism and sustainable tourism. The survey of WTO government members shows strong support for a system with international recognition that gives direction and practical tools to encourage more sustainable practices amongst industry, increased competitiveness, and international recognition for each country's sound tourism products. The CST expansion across the Americas is the best example of government involvement in certification, and a model to be recommended to other regions.

Industry and industry associations

International recognition

Tourism companies at all levels could benefit from international recognition for their sustainable practices. Transnational corporations could benefit from being recognized for their efforts to minimize their impact on the culture and environment of those countries in which they operate. Small firms unable to reach international markets would benefit from the exposure received through marketing.

Access to distribution channels

The benefits of certification are generally seen to be eco-savings and industry kudos. However, this does not mean, in the majority of cases, increased business or longer term, more reliable business deals. Industry needs assurance that voluntary efforts beyond legislation compliance can lead to benefits in accessing green markets, or sustainability-conscious distribution channels. A preferential supplier position would be a tangible benefit that provides this assurance.

Method to compare and assess the value of different certification programs

The tourism industry needs methods to assess the value of the different certification programs, and make informed choices about which certification programs meet standards that will be recognized. This element of comparability can increase the number of applications.

Tour operators

Quality control in the supply chain management

Legislation is placing the responsibility of the overall quality of holidays on the tour operators, who increasingly have to assess and monitor the quality of their suppliers, and the mechanisms in place to manage and control quality. Yet the quality standards expected by legislation across governments differ, putting tour operators in a difficult situation. Tour operators could benefit from the introduction of international quality standards and standardized methods of reporting to help them make judgments about their supply chain management.

Reduction of customer complaints and claims

Pressures from legislation on European tour operators have turned into increased litigation and compensation costs, when tourists take tour operators to court for making claims in their brochure that are not met at the destination. The amounts paid on claims by tour operators are increasing yearly, particularly by the industry leaders, despite these tour operators' efforts. Tour operators could benefit from an increase in performance by suppliers generally, and methods to identify more reliable suppliers.

Health and safety

Health and safety is the area in which consumer lawsuits are most prevalent. Tour operators will be more likely to support programs that include health and safety performance as core elements of sustainability and quality.

NGOs and consumer associations

Ensure sustainability of tourist destinations

Nongovernmental organizations (NGOs) have long and hard lobbied for improved sustainability of tourist destinations, considering the environmental impacts caused, the labor rights of workers and people living in those destinations, and the level of economic benefit that stays locally. These NGOs could benefit from systems to identify and promote good practice, and mechanisms to transfer this practice elsewhere.

Ensure consumer rights while purchasing and consuming holidays

Consumer protection in purchasing holidays abroad, and especially when purchasing holidays directly, is a key issue to consumer associations. Identifying suppliers with high standards, that can be recommended thanks to independent verification, would be beneficial to consumer associations.

Intergovernmental institutions

Tools to introduce international agreements on sustainable tourism

There are key international agreements such as Agenda 21, the WTO Code of Ethics, the Convention on Biological Diversity and the UNEP Principles for implementation of sustainable tourism, to mention only some, that would benefit from tools to ensure that the principles are disseminated, embraced, and implemented by tourism concerns and individual firms.

Donors and financial institutions

External assurance of ethical investment opportunities

A growing number of donor and lending agencies require environmental and social impact assessments prior to funding tourism development projects. Prior to investing, donors and financial institutions can judge the track record of existing companies by the percentage of their outlets, or recent ventures, that have received accredited certification. As an example, Terra Capital Investors Ltd., which invests in ecotourism, hopes to invest in companies that are independently assessed by an accredited certification program. Terra Capital is an investment fund that provides long term funds to companies aiming to develop projects with a positive impact on biodiversity and also with a clear financial potential. Terra Capital works in Latin America, with the support of organizations such as the International Finance Corporation. At present, Terra Capital is using Green Globe certification as a barometer of sustainability until a global tourism accreditation body is established since Green Globe is the only tourism accreditor represented in the IAF.

Assessment of success of donor and lending funds

There is often limited follow up on the sustainability of projects after an investment or grant has been made. Ethical investment brokers and lenders will benefit from independent verification of sustainability. Donors can use certification programs as a method to assess the success of their investment with regards to sustainable tourism. Tying requirements for certification from an accredited certification program to the release of payments of donor funds, or making accredited certification a prerequisite for investment in tourism businesses, can be a contentious but effective method to support certification and a cost-effective method for donors to assess project success.

Accreditation agencies

Peer review to maintain credibility of accreditation

The accreditation industry has mechanisms to ensure that new accreditation bodies meet high standards in accreditation as well as to work together to lobby for the benefits of accreditation internationally. The IAF and ISEAL are two key organizations that STSC can use to benchmark its performance against other accreditation bodies. Accreditation bodies can be invited to peer review the work of STSC to maintain credibility and improve the quality of STSC work.

Tourists

Quality holidays

The mass tourism market is willing to pay for quality holidays. The perception of sustainability issues is limited, and consumer education is possible at destination, but awareness is not high enough to make an impact on purchasing. Sustainability issues need to be repackaged as quality. VISIT is already considering this by positioning their ecolabels as Quality+, that is, the certified products give quality, and more.

Develop strategies that lead to actions

Most consumer awareness campaigns fail to follow the AIDA chain: they raise Awareness and Interest, but do not give information to take a Decision and Action. Finding information about interesting accommodation in far away countries is not enough, if the tourist does not have a method to purchase the product in a convenient way. The STSC must develop campaigns that can lead to bookings, yet take into account the need to remain independent and transparent. If this is not possible it should target other groups such as distribution channels.

4.7. Challenges to the feasibility of the STSC

Sustainable tourism and ecotourism certification is only one mechanism to motivate more sustainable production and consumption. This mechanism does not hold all the answers to improve the livelihood of poor communities or save ecosystems. This section reports on concerns gathered in the literature and the consultation regarding the suitability of introducing an accreditation mechanism for sustainable tourism and ecotourism certification programs (Font & Salloos, 2002).

Globalization has meant the introduction of homogeneous standards, often by large corporations, that defy local differences. In developed countries, the consumer's fear of the unknown means that Western standards delivered by Western companies are seen as a sign of quality and consumer assurance. To developing countries this may be perceived as another way that developed countries assert a stranglehold over developing country businesses. Even in niche markets such as tourism, there is an appeal to broaden the audience by providing easier, safer, and more comfortable access. The STSC proposal could be easily criticized for perpetuating both the positive and negative aspects of globalization. The tourism product relies on geographic diversity, yet at the same time the tourism industry tends to standardize the physical presence, operational procedures and staff-customer interaction to ensure consistency of service delivery (Burns & Holden,

1995). Operational cost savings and quality production controls usually are the main reason for standardizing international product marketing (Usunier, 2000). In the tourism industry quality production control is necessary due to the heterogeneity of the product, the perception of risk, and to safety and sanitation requirements (Burns & Holden, 1995). This is an issue that has become of prime importance to destinations dealing with European tourists. The European “Package Travel, Package Holidays and Package Tours Regulations 1992” make European tour operators responsible for the health and safety of tourists on vacation at package destinations. Standardized products sold and produced by a vertically or diagonally integrated organization are then usually embellished with a token of local flavor but consumed within the safety of a risk-free environment.

Anticompetitive practices of tourism businesses in originating markets include: tour operator domination and exertion of control over local suppliers; anticompetitive practices resulting from vertical integration; reliance on foreign investment for hotel development; control over computerized reservation systems; and, concentration and strategic alliances of air transport providers which restrict competition in given routes (Diaz-Benavides, 2001). These problems of competition and anticompetitive behavior originate largely in the developed countries, rather than in developing countries. Thus the developing country travel industry experiences the effect of developed countries’ industry structure and anticompetitive behavior patterns. Tourist destinations have little negotiating power in this situation. Competitive advantage in beach products lies in price and is usually sold through established operators; competitive advantage for specialist products lies in differentiation, but this has to be channeled through direct sale due to large operators controlling traditional distribution channels and requiring high sales volumes. So, direct sale is not feasible in many markets (Consumers Association UK, 1999). Setting global sustainability standards could be seen as a process to give a positive image to large corporations that are otherwise behaving anti-competitively.

Lastly, the tourism sector is a relatively easy sector to liberalize; this has already taken place in many instances and it has received the largest number of commitments under the General Agreement on Trade in Services (GATS). Trade liberalization will further facilitate increased foreign direct investment in destination countries and liberalization of transport. Economic benefits include revenues, spending and employment. Yet if development is induced by foreign investment, it is likely to mean increased economic leakages (WWF, 2001). Seen in this context, setting international standards on environmental and social performance can be seen by the countries of the South as another method for countries of the North to attach conditions to trading agreements that limit their economic and social development.

Globalization from below: global markets and local standards

Globalization ‘from above’ is normative, in that it sets an agenda imposed from the outside that subjugates the policies and actions of governments and decision makers to comply with outside forces and trends, often to the negative effect of vulnerable and disadvantaged communities. If globalization is a process that cannot be effectively resisted, the key is to seek methods of globalization that avoid declines in environmental protection and social equity (see Paehlke, 2001). One such method can be globalization ‘from below’, a normative force coming from widely shared consensus across societies on the need for social well-being and carrying capacities, and respecting local conditions and identities. The STSC aims to fit in this category by proposing global sustainability principles that arise

from existing international guidelines and broad discussions with a wide range of participants, rather than from a top-down approach.

Yet bottom-up decision-making to create a global agreement is politically complex, and is likely to reach only vague agreements, or agreement to disagree. In the case of the STSC, vague agreements could be agreements in principle, but with no methods to enforce them. Also, the stakeholders could agree to disagree by simply saying that each country and local conditions are too different to make comparisons.

If the industry accepts a process of globalization ‘from below’ that acknowledges local differences, the next step is to consider how these local standards can be communicated to a global market. An STSC could operate as an umbrella for locally sensitive certification programs, becoming a mechanism to eliminate or lessen the perception of risk associated with purchasing international products, since tourists tend to rely on either familiar products or familiar distribution channels.

This will hit against a wide range of inherently different approaches to certification. Ecotourism certification focuses on the ‘small is beautiful’ approach, on the searching of closer contact with nature and one’s origins. Certification of eco-savings acknowledges the negative consumption pattern of society and attempts to make a smaller negative footprint on the environmental resources available. Although it accepts the negative impact, this is not reversed, only reduced. There is a danger that by allowing too many local differences across certification bodies, this will create consumer confusion. In the best of cases, creating a bottom-up global trademark based on heterogeneity and diversity, rather than homogeneity and unity, will require funds to be communicated and managed.

4.7.1. Challenges of the consultation process

The ability to participate in the decision-making process is crucial to ensure that the final proposals represent the broad spectrum of the tourism industry. Local communities must take part in defining what sustainable tourism means to them, and in the same way tourism businesses must have a say in the processes that will determine how they are assessed, especially when this is part of a voluntary initiative. The key challenge for the STSC is to ensure that a wide range of organizations, even those with little time and knowledge in the subject, can participate or be effectively represented. Otherwise, the STSC might be considered an umbrella that legitimizes the oligopolistic power of large-scale tourism companies.

The process of globalization ‘from below’ can create tension and contradiction; this is very likely to occur in the case of developing the organizational blueprint and accreditation criteria for STSC due to vested interests. At present most certification programs are operated either by governments (mainly in developed countries) and NGOs (usually NGOs from developed countries operating in developing countries); these two groups are likely to have different reactions to proposals of accreditation. Industry has interests in the overall long-term sustainability, but does not want to be forced to take anti-economic decisions in the short term. The market will not purchase what is perceived as a more expensive product unless the benefits are clearly communicated. The current style of globalization “may be relatively economically and politically stable so long as the ever-more concentrated media view of the world remains unchallenged--so long as ever-declining quality and environmental deterioration are kept from the center of public view” (Pahlke, 2001:4).

The consultative process for the STSC feasibility report has attempted openness, constrained only by budget and time. (Fifteen consultation workshops in a variety of countries were held; this is far more than originally anticipated at the outset of this study.) Despite this, there was some skepticism about the openness of the consultation program as at some point the all-inclusive consultation approach would have to close to allow for more focused and specific action to implement the STSC (e.g. Chicago workshop) and about the fact that workshops did not question accreditation against other sustainable tourism development options (e.g. IYE Arctic workshop).

There are possible biases in the general survey undertaken. In spite of the explanation of definitions and technical terms at the beginning of each of the questionnaire, it is possible that the responses could be biased because of misinterpretation of terminology. It could also be argued that the organizations taking the time to respond would be those that have an interest in the outcome of the consultation.

Despite these concerns, the consultation workshops have produced valuable results regarding the perceived benefits and challenges of accreditation, as well as the desired characteristics of an organization undertaking accreditation. The data collected in these consultations have been of a qualitative nature to prepare the proposals; quantifying the level of support by percentages of sectors or types of firms would not be possible or meaningful because of the methodology and sample sizes.

4.7.2. Challenges in setting international standards

The challenges in setting global sustainability standards and creating mechanisms to make operational these standards (such as the STSC) can be summarized in three themes. First, the fact that the priorities of the tourism industry in the Northern and Southern countries differ, just as the economic, political, social and environmental situations in these countries differ. Second, despite most efforts for a participative process, some sectors of the tourist industry are less likely to be represented in the discussions, and this is likely to affect the perceived legitimacy of the outcomes. Third, despite the growing number of ecolabels in tourism, there are sectors of the tourism industry and parts of the world where companies have no access to certification, and even if they would want to enter the process, they currently cannot. Also it is very unlikely that distribution channels in tourism can package holidays where all the components are certified, which limits its potential as a selling proposition.

North-South priorities differ

It has been argued that sustainability is a developed country debate imposed on other parts of the world. Environmental protection and social equity will not receive attention without economic stability. STSC will have to seek a balance between the environmental concerns of the North versus the developmental needs of the South. Southern hemisphere countries will find themselves in a position where they will have to defend the economic viability of their tourism industry above externally set environmental and social agendas. This is the case not only in comparisons between continents, but also between countries within the same continent. In the debate over environmental standards for a single European ecolabel for accommodation, Greece argued against standards that they considered overly stringent, since their tourism industry would not be able to meet those standards, whereas Austria did not want to lower the standards that their industry had already achieved (DG ENV workshop, 2000).

Therefore, North-South differences are apparent not only in the performance of certain standards, but on what issues are considered of importance. The Northern European countries have developed sustainability standards that mainly rely on environmental criteria and standards linked to eco-efficiency. The majority of ecolabels in Europe do not consider issues around the impact on the local residents and their culture; they mainly focus on environmental efficiency. This makes sense in the context of what Beck (1992) argues has become a post-scarcity society, one where the basic needs are covered and society is aware of the fact that “the sources of wealth are ‘polluted’ by growing ‘hazardous effects’” (Beck, 1992:20, in Waters, 1995). In a global economy, unsustainable extraction of products tends to occur away from the more developed economies.

Environmental and social issues may not be considered priorities for governments as long as economic feasibility is threatened. Certainly, the tourism industry has experienced a slowdown due to the current economic and political uncertainty and from the current war in Afghanistan. This is a time when most companies and governments are concentrating their efforts on economic survival. This may postpone the feasibility for governments to introduce funds to develop both national environmental standards (either within governmental quality standard agencies or independently run certification bodies) and support mechanisms to encourage industry leaders to pursue certification and appear as cases of good practice.

The North-South difference is also linked to company ownership, not just location. The increased adoption of “eco” promotions for what is, in effect, mass tourism is a worryingly common characteristic of transnational tourism corporations in developing countries (Honey, 1999). This was a strongly felt issue arising from the preliminary results from the STSC consultation workshop in Manaus (Brazil) in September 2001 where large companies, mainly foreign, are perceived as having the means to justify their claims, even if the locals do not agree. The perception was that if the tourism industry is seen to implement some environmentally friendly actions, they are less likely to be targeted for malpractice in other areas, such as economic leakages, anticompetitive practices and lack of support to local communities. Industries such as air transport have focused on fuel efficiency as their environmental motto, yet the increase in flights causes a much greater environmental impact than the cuts on impacts from eco-efficiency. The list of green tricks used in the tourism industry is long (Honey, 1999), all of them arising from the fact that these companies perceive more benefits from green marketing than from sustainable management.

5. Lessons learned from other accreditation and certification bodies: organizational structure, governance, and finances

To develop a model for the STSC that incorporates lessons learned from similar organizations, three benchmarking studies were undertaken of 15 different accreditation and certification bodies, most unrelated to tourism. These organizations were analyzed in three broad areas: 1) their basic organizational structure and accreditation procedures, 2) governance and membership, and 3) financial structure.

The organizations studied include global and national accreditation bodies (including several stewardship councils with a specific environmental and/or social focus) and international and national certification programs. Figure 5.1 contains a complete list of the organizations studied. The tourism certification programs that have been included in the study were included for informational purposes only and do not constitute an endorsement for STSC accreditation.

Table 5.1 illustrates which organizations were included in each category: Structure, Finance, and Governance & Membership. Please note that not all organizations were included in each category.

Figure 5.1. List of organizations included in benchmarking study

Global Accreditation Alliances

- International Accreditation Forum (IAF) - www.iaf.nu
- International Social and Environmental Accreditation and Labelling Alliance (ISEAL) - www.isealalliance.org

Industry-specific Accreditation Bodies

- Forest Stewardship Council (FSC) - www.fscoax.org
- Marine Stewardship Council (MSC) - www.msc.org
- Social Accountability International (SAI) - www.cepaa.org
- International Organic Accreditation Service (IOAS) - www.ioas.org
- Marine Aquarium Council (MAC) - www.aquariumcouncil.org

National Accreditation Programs

- National Organic Program (NOP) - www.ams.usda.gov/nop/

Global Certification Programs

- Fairtrade Labelling Organizations (FLO) - www.fairtrade.net
- Green Globe 21 (GG 21) - www.greenglobe.org

National Certification Programs

- Certification for Sustainable Tourism (CST) - www.turismo-sostenible.co.cr/EN/home.shtml
- Nature and Ecotourism Accreditation Program (NEAP) – www.ecotourism.org.au

Other Bodies

- International Organization for Standardization (ISO) - www.iso.org
- International Federation of Organic Agriculture Movements (IFOAM) - www.ifoam.org
- Tour Operators Initiative (TOI) - www.toinitiative.org

Table 5.1. Breakout of organizations studied in each category

Organization (acronym)	Structure	Finance	Governance & Membership
IAF	√		
ISEAL	√		
FSC	√	√	√
MSC	√	√	√
SAI	√	√	√
IOAS		√	√
MAC		√	√
NOP		√	
FLO		√	√
GG 21		√	
CST		√	
NEAP		√	
IFOAM		√	√
ISO	√		
TOI			√

5.1 Comparison of Organizational Structure in Accreditation and Certification Programs

Background

This chapter includes a range of information pertaining to accreditation and an assessment of how sector-specific accreditation bodies, such as the FSC, MSC, and SAI, operate. Non sector-specific accreditation is also examined. A SWOT analysis forms part of a comparative table that is provided for each organization examined. The overriding purpose of this review is to ascertain what lessons can be learned from these organizations, so as to avoid problems in the STSC.

On a global scale, there is currently a range of accreditation bodies that govern the performance of certification programs. According to Toth (2000), there are approximately 1400 accreditation bodies operating on different scales across the globe. Some of these operate in specific sectors (such as forestry or organic food), while others cover a range of sectors, but in one country or region only. Each accreditation body has a mission to apply a rigorous set of processes and procedures to verify and endorse that certification bodies are competent and capable of performing specified certification procedures correctly, against agreed principles and standards. Put simply, accreditation bodies ‘certify the certifier’ and

provide a type of license to certification bodies to carry out certification activities. Thus, accreditation adds valuable credibility to certification programs and the systems and procedures they engage. Accreditation bodies develop internationally recognized brands that facilitate consumer choice, and protect consumers, industry and certifiers against false claims. They also help certification bodies to develop programs by providing a forum to share experience and expertise, setting benchmarks and encouraging harmonization of policies, procedures and standards. Accreditation bodies also represent certification bodies and programs at an international level, providing a platform for lobbying to gain access to 'green funds' and attract political and financial support (Rainforest Alliance, 2000)

An important point to note is that certification bodies participate in accreditation programs in the expectation of some sort of economic benefit and/or return for their investment in obtaining accreditation (Toth, 2000). In these cases the certification body is attempting to enhance its own credibility with its clients and the consumer.

Accreditation follows very similar procedures to certification. Essentially the process involves self-evaluation by the certifier in the first instance, followed by an on-site assessment by a team of auditors, concluding with a judgment by an accreditation body that the certifier complies with applicable standards and guidelines (Toth, 2000). Some accreditation bodies employ their own specialist auditors, such as national accreditation bodies affiliated with governments, however others will use freelance auditors who have been especially trained to carry out the accreditation audit tasks (Toth, 2000).

It is not uncommon for accreditation bodies to be the developer and custodian of the actual standards against which the certifier assesses products, services, process or systems. In these circumstances the accreditation body will have a set of internal committees or working groups that will take on the standards development and revision activities, leaving a separate committee (or board) to deal with accreditation issues. Some existing accreditation bodies, due to pressures generated by the acceptance of ISO-based processes and the desire for global acceptance in the accreditation field, to separate the accreditation functions from the standard-setting function.

The idea of stewardship councils developed as an attempt by some sectors to provide a more multi-stakeholder partnership approach to resource management, which would allow various entities with different interests to engage in collaborative management of the resource. Stewardship councils operate in the same way as accreditation bodies do, in the sense they accredit certification bodies based on their performance to carry out certification in a thorough, objective, and transparent manner. Stewardship councils can also be the developer and custodian of the standards. The major difference is that stewardship councils tend to focus on one specific sector or industry, such as marine, forestry, and as proposed by the STSC, tourism.

To fully understand the role of accreditation bodies and stewardship councils, it is pertinent to examine several organizations themselves in detail, in order to assess their strengths and weaknesses and their relevance to the STSC. The following sections provide valuable background information on which the final recommendations for the STSC organizational structure are based. In addition to the details provided in these sections, an assessment of the financial structures of ten organizations and a review of the governance structures of eight organizations was undertaken. The results are presented below.

5.1.1. Summary of different organizations

International Accreditation Forum (IAF)

The IAF, based in Australia, is the worldwide association of conformity assessment accreditation bodies and other bodies interested in conformity assessment in the fields of management systems, products, services, personnel and other similar programs. The IAF aims to develop a single worldwide program of conformity assessment, recognizing that accreditation can both reduce risk to business of all kinds and offer customers assurance that accredited certification programs may be relied upon.

Background

One of the primary reasons for IAF's existence is to ensure that its members (accreditation bodies) are competent to do the work they undertake and are not subject to conflicts of interest. In response, the IAF provides detailed criteria for an accreditation body to become a member, and should there be some sort of conflict of interest present, the applicant accreditation body will not be admitted to the forum. This is particularly important in terms of tourism, as there is some suggestion that existing tourism certification programs are not independent and impartial, and often operate with conflict of interest (such as the certification program providing consultancy services to the client as well as auditing services). It could be an aim therefore of the STSC to become a member of the IAF, and in doing so, rigorous criteria would be followed to remove the risk of conflict of interest.

A major role the IAF plays is to establish Mutual Recognition Arrangements (MLA) between the accreditation body members. The MLA is the arrangement that leads to recognition of accreditations issued by one member all over the world. At that level applicants are assessed by a team of high level assessors who conduct a "peer review" and visit the applicant to examine the operations in the head office and also witness the applicant carrying out accreditation assessments of certification bodies - two or more times. It is envisaged that the MLA will cover all accreditation bodies globally, thus eliminating the need for suppliers of products or services to be certified in every country according to each country's own accreditation rules and regulations – the concept of "certified once, accepted everywhere," so that all accreditation bodies recognize accreditation awarded by others. IAF believes that this is an extremely important tool in eliminating barriers to trade. Given that tourism is a global industry, the IAF could serve as a valuable organization in raising the credibility of the STSC, as well as remove the current confusion generated by the myriad of certification programs that exist, and allow widespread recognition of certified products and services globally.

As an international accreditation organization, the IAF is actively involved in working with ISO on the development of standards.

Processes and Procedures

To become a member of the IAF, an accreditation body is subjected to a detailed assessment to ensure a potential member meets the criteria. IAF publishes guidance documents for the use of accreditation bodies when accrediting certification or registration bodies to assure that they also operate their programs in a consistent and equivalent manner. IAF guidance documents are intended to assure consistent application of ISO Guides.

All IAF Accreditation Body Members are obliged to comply with the IAF Guidance on the application of ISO/IEC Guide 61:1996 (*General Requirements for Assessment and Accreditation of Certification / Registration Bodies*), as well as ISO/IEC Guide 62:1996, ISO/IEC Guide 65:1996 (*General Requirements for Assessment and Accreditation of Bodies Operating Product Certification Systems*), and ISO/IEC Guide 66 (*General Requirements for Bodies Operating Assessment and Certification/Registration of Environmental Management Systems, EMS*).

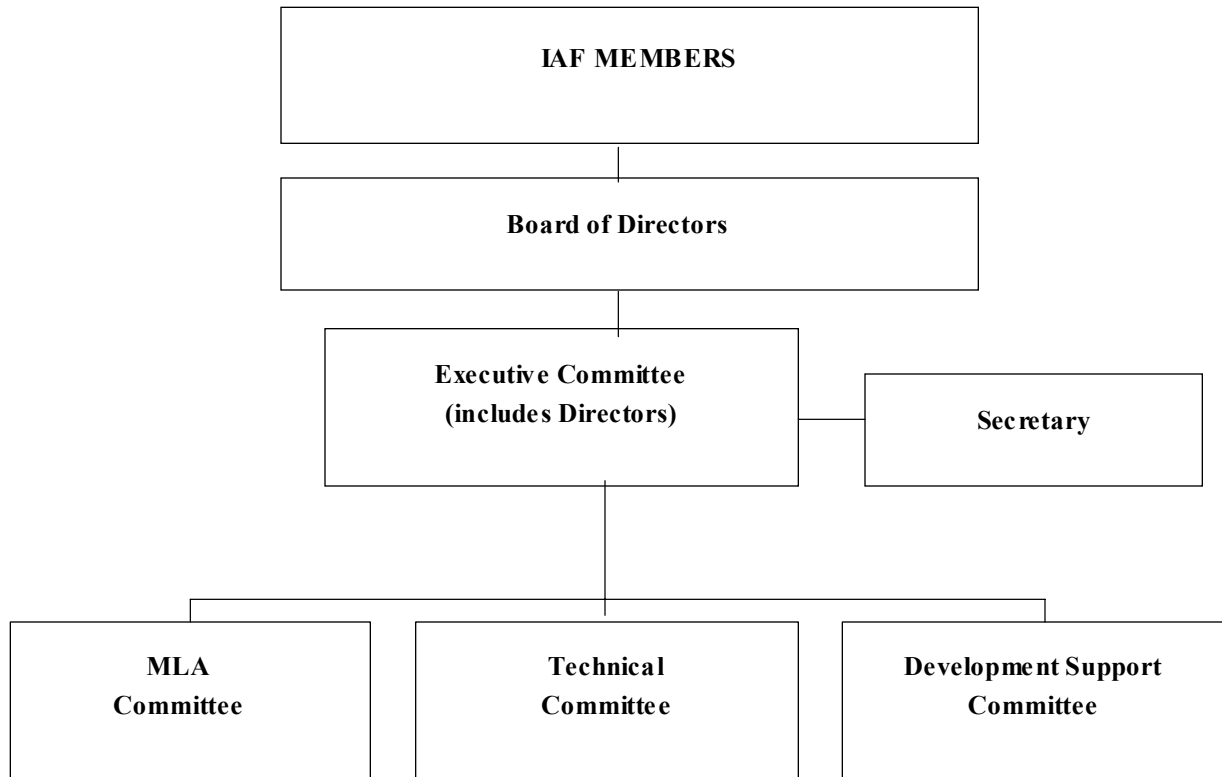
Importantly, the IAF MLA Procedure for Identification of Equivalence of Accreditations is intended to ensure that members of the IAF MLA and Regional MLAs are able to claim membership of the MLA in a consistent fashion. This then allows certification / registration bodies accredited by them to claim worldwide recognition for the certificates they issue, based on the accreditation body's membership of the IAF MLA (www.iaf.nu).

These requirements ensure that there are stringent procedures in place within the accreditation body itself, which makes it possible for the IAF to undertake assessments on a level playing field, as all accreditation bodies have to comply with international protocols, i.e., ISO Guides. Membership is assessed by way of peer review and continued surveillance of each member. The IAF has established its own set of internal procedures for implementing the IAF program. For the purposes of this report it is not possible to go into detail on all of these, but further information can be found on the web site (www.iaf.nu).

Organizational Structure

The IAF Secretariat is based in Australia. The organization is relatively small, with a team of officers carrying out day-to-day tasks, and another team of voluntary experts carrying out specialist work when required. There are several working groups that take on specific development tasks, on a voluntary basis. The IAF board oversees the organization as a whole. This board comprises six elected individuals, drawn from the membership base of the organization. Each board member serves a term of three years, on an honorary/voluntary basis, although expenses are reimbursed. The board of directors is the primary authority responsible for the implementation of policy in IAF, subject only to the members. The Board takes all legal actions necessary for the continued operation of IAF, recommends the budget to members for approval each year, makes recommendations to the members on the admission of new members, and approves programs for subordinate Committees (see Figure 5.2 for an organizational chart).

Figure 5.2. Organizational chart of the International Accreditation Forum (IAF)



Source: www.iaf.nu

Operational Funding

IAF is funded primarily through membership fees, although donations are received from a variety of private and public sector sources. Applicants for membership in IAF are required to submit, with the application, an application fee of \$2,000. The application fee is not refundable, but should the application be successful, the fee will be credited towards the membership fees due from that member.

Membership fees are structured using two key factors – firstly, those organizations that operate in more than one country pay higher fees than those that work in a single country and secondly, middle and low-income countries (as determined by the UN grading scheme) pay reduced fees.

International Social and Environmental Accreditation and Labelling Alliance (ISEAL)

ISEAL, founded in 1999, is an alliance of accreditation and certification organizations interested in collaborating to achieve international recognition and legitimacy for their accreditation and certification programs, as well as to improve the quality and professionalism of their respective organizations.

Background

Members of ISEAL comprise organizations that share a common concern for the social (labor) and environmental criteria in product certification. The following organizations signed on to the ISEAL Agreement in Principle in September, 1999.

- Marine Stewardship Council (MSC)
- Forest Stewardship Council (FSC)
- International Federation of Organic Agriculture Movements (IFOAM)
- International Organic Accreditation Service (IOAS)
- Social Accountability International (SAI)
- Fairtrade Labelling Organizations International (FLO)
- Conservation Agriculture Network (CAN)

ISEAL is at this stage an alliance, and is not acting as an accreditation body *per se*. The organization is, however, in the process of developing standards, certification procedures, and accreditation procedures that are global in nature, and that will promote the interests of workers, communities, and the environment in world trade.

Forest Stewardship Council (FSC)

The Forest Stewardship Council (FSC) is a non-profit, international standards and accreditation organization committed to the conservation, restoration, and protection of the world's working forests. The Forest Stewardship Council (FSC) was established in 1993 by a consortium of environmental groups, the timber industry, foresters, indigenous peoples, and community groups. The core mission of the FSC is to promote responsible forest management through encouraging environmentally appropriate, socially beneficial and economically viable management strategies. The FSC's Principles and Criteria are the basis for defining responsible forestry and for evaluating and accrediting certification bodies. Today the FSC counts more than 500 individual, corporate, and institutional members from more than 40 different countries who participate in FSC membership through three chambers: economic, social, and environmental. The FSC strives for the participation of a wide range of stakeholder groups: industry, government, communities, and environmental interest groups. To date, nearly 60 million acres of forestland in 32 countries across five continents have been certified to the FSC standards. (Source: www.fsc.org).

Background

Consumer awareness of the FSC is relatively high, especially in Europe, and products bearing the FSC label can be readily purchased. All forest products carrying the logo have been independently certified as coming from forests that meet the internationally recognized FSC Principles and Criteria of Forest Stewardship. In this way FSC provides an incentive in the market place for good forest stewardship.

Organizational Structure and Governance

The FSC headquarters, known as the Secretariat, is located in Oaxaca, Mexico but will move to Bonn, Germany in 2003. An executive director and a team of specialist staff run FSC on a

day-to-day basis from a headquarters. It is governed by an elected board, which consists of people from industry, conservation groups, indigenous people's representatives, and others.

FSC membership is open to a wide range of organizations and individuals representing social, economic, and environmental interests from the North and the South. Membership voting is structured to provide an equal balance between environmental, social and economic interests. The membership elects the FSC board of directors - nine individuals representing a balance of social, environmental and economic interests who are elected for a three-year term. The board of directors comprises members from both Northern and Southern countries. In addition to the global Board of Directors, the FSC has a formal structure to allow national and regional operation of the FSC to ensure adequate representation of stakeholders and members. This structure covers 40 countries creating a global FSC network. These individuals and working groups are responsible for coordinating national FSC initiatives and developing regional forest management standards.

The breakdown of the global network activities includes:

- FSC contact person: member of the FSC or employed by a member organization who distributes information.
- FSC working group: established in a country or region, representing social, economic and environmental issues, with the aim of facilitating a consultative process on certification.
- FSC advisory board: established at a national or regional level and comprising elected representatives with the mission of promoting the FSC Principles and Criteria and making recommendations regarding accreditation of certification bodies.
- FSC national or regional office: serves as a parallel between the FSC Secretariat and the Board of Directors but at a national or regional level.

The board approves the standards, which are developed by the Secretariat (with stakeholder input). The board approves accreditation.

Accreditation Processes and Procedures

The FSC accredits certification bodies, which may operate internationally and may carry out evaluations in any forest type. Certified forests are audited annually by these certification bodies to ensure they continue to comply with the Principles and Criteria set by the FSC standard. The performance of the certification bodies is closely monitored by FSC as part of the accreditation process. Products originating from forests certified by FSC-accredited certification bodies are eligible to carry the FSC-logo if the chain-of-custody (tracking of the timber from the forest to the shop) has been checked and certified.

The FSC accreditation Principles and Criteria are based on specified performance standards that need to be met by a forest operation before a certificate is given. In this light the FSC acts as more than just an accreditation body – it works at national and regional levels to develop standards for forestry, and to establish national or regional bodies in charge of overseeing the ongoing management and development of these standards. Another key element of the FSC Principles and Criteria is the use of Environmental Management Systems (EMS) standards from the ISO's 14000 series. This ensures suitable processes are adopted, as well as performance, given that ISO 14001 specifies how a company's management system must be organized to address environmental aspects and impacts of its operations. In addition, the ISO 14000 series provides a sound framework for the FSC to operate. This will be further explained in the subsequent section dedicated to ISO 14000 standards and guidelines.

The FSC sees ISO as being fully compatible with its own Principles and Criteria, in that ISO standards can provide the framework and control mechanisms for the management system, within which the FSC standards serve as the target performance level. A good example of this is how the FSC has been able to develop a policy for the accreditation of "group certification" whereby a certification body works with a group of companies (generally SMEs) and is able to verify a sample of the businesses rather than all businesses. This has the advantage of reducing costs, which in many cases has been prohibitive to a small producer, and therefore opens up the opportunity for more businesses to be involved in the certification process. This is a common practice with ISO 14001 certification.

Marine Stewardship Council (MSC)

The Marine Stewardship Council (MSC) is a non-profit international standards and accreditation organization working to enhance responsible management of seafood resources. The MSC was established in 1997 as a joint initiative between the private sector, multinational seafood manufacturer Unilever, and an environmental NGO, World Wildlife Fund (WWF), with these two very diverse organizations recognizing the need to conserve resources and prevent over-fishing, which would, in turn, affect the ongoing commercial viability of the seafood industry.

The first actions undertaken by the MSC were to develop a rigorous standard, through consultation with key fishery stakeholders. In 1999, the MSC became an independent, stand-alone organization, no longer linked with Unilever and WWF. This move saw the establishment of an international headquarters in London, and subsequent offices in Seattle, Washington and in Stanwell Park, Australia, under the leadership of an international, elected board of directors. (MSC Web site www.msc.org).

Background

Seafood products that meet the requirements of the MSC standard can bear the MSC logo. Over one hundred major seafood processors, traders and retailers from more than twenty countries are now supporting the MSC initiative. The MSC harnesses consumer power by providing an ecolabel to allow consumers to identify and choose sustainable seafood products. In doing so the MSC believes it is helping responsible businesses be more competitive through independent, trustworthy certification.

The major activities of the MSC are to:

- Encourage independent certification of fisheries to the MSC standard.
- Identify, through the MSC's ecolabel, products coming from certified fisheries.
- Encourage all those who buy and sell seafood to source MSC ecolabeled products.
- Assess and accredit independent, third party certifiers.
- Promote the work of the MSC and its partners to increase public awareness of, and support for, the program.
- Monitor, evaluate, and develop the MSC standard and program to ensure their continued relevance and credibility.

To achieve this, the MSC has a set of core values, including being fair and inclusive, impartial and independent, and open and accountable. These are all important characteristics of an accreditation body.

Organizational Structure and Governance

In 2001, the MSC revamped its organizational and governance structure to ensure more transparency, efficiency, and better responsiveness to stakeholder concerns.

To achieve its governance goals the MSC is in the process of establishing five key committees/councils/working groups, which will report to the MSC board. These include:

- Technical advisory board
- Approvals committee
- Stakeholder council
- Working groups
- Committees

Accreditation Processes and Procedures

The MSC accredits independent, third party certification bodies that carry out fishery management certification. The MSC specifies the scheme that a certification body must develop and implement, and this body must comply with all the requirements in order to be accredited. One important component of the accreditation process is that the MSC requires the certification body to be a member of the relevant national accreditation body, such as UKAS in the UK. In this way, the MSC can assure that certification bodies are appropriately trained and skilled to carry out independent, third party assessments and that they comply with legal requirements for certification bodies in the country of operation.

In effect, the MSC accredits third party certification bodies to work with its own standard. In this light, the MSC owns its own certification program but accredits others to carry out the work. This concept is very similar to that of Green Globe 21, a tourism-specific certification program that accredits its certifiers.

The general process used by the MSC is:

- Certification body submits application form to MSC.
- MSC considers the application from certifier.
- Certifier's procedures and documentation are reviewed against requirements of MSC Accreditation Manual.
- Full assessment of certifier includes onsite assessment at certifier's office and observation of certifier undertaking a Fishery and/or a Chain of Custody certification.
- Accreditation report containing recommendation is submitted to MSC Approvals Committee for review.
- Accreditation decision confirmed.
- Ongoing monitoring of accredited certifiers.
- Accreditation status reviewed after five years.

Social Accountability International (SAI)

Social Accountability International (SAI) is a nonprofit international standards and accreditation organization founded in 1997 under the name “the Council on Economic Priorities Accreditation Agency (CEPAA)” to develop corporate social responsibility standards. SAI created an expert advisory board comprised of representatives of some of the world’s leading corporations and NGOs to assist in drafting standards to address workers’ rights. The resulting document, “Social Accountability 8000” (SA 8000) is based on conventions of the International Labor Organization and related international human rights instruments, including the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. SAI has developed one of the first auditable social standards that is at the same time independent from any interference from governments as well as from interest groups or constituencies. SAI’s mission statement defines the following areas as key: address the need for wages that meet basic needs, convene key multi-sectoral stakeholders to develop consensus-based voluntary standards, accredit qualified organizations to verify compliance, and promote understanding and implementation of such standards worldwide. Presently, SAI has accredited nine certification bodies in six different countries (Source: www.cepaa.org).

Organizational Structure

SAI, based in New York, operates with a core staff, an advisory board that develops the standard, and an accreditation review panel that makes the accreditation recommendation to the board president. SAI is not a membership organization.

Procedures and Processes

The SA8000 standard is modeled on the ISO 9000 series. This ISO approach was taken because of the vast number of companies worldwide that have been certified to ISO standards and because of the tested merits of ISO procedures. In addition to the management system requirements, SA8000 includes three elements seen as essential for social auditing: 1) baseline performance requirements; 2) requirement of auditors to consult with and learn from interested parties/stakeholders; and, 3) a complaints procedure that allows individuals and other interested parties to bring forward issues of non-compliance (rather than just the independent certification body).

Many companies recognize SA8000’s benefits of the joint approach to performance and process as do international trade unions, consumer campaigns, and labor activists who see SA8000 as a strong and comprehensive standard for dealing with workplace conditions. Other organizations, including some NGOs, have given valuable comments to greatly improve the effectiveness of the SA8000 system.

SAI accredits independent third party certification bodies that implement SAI standards. Accreditation must be granted to a certification body before it can perform SA8000 audits. SAI essentially evaluates the applicant certification body’s capability to thoroughly audit workplaces for compliance with SA8000. The accreditation procedure consists of:

- A ‘paper’ audit of the certification body’s policies, procedures and documentation.
- An onsite surveillance audit carried out by SAI personnel.

Accreditation to use the SA 8000 standard is given to both for-profit certification bodies and not-for-profit certification bodies. It could be argued that NGOs are well placed to deliver the verification service since they would likely charge less. Evidence would suggest however

that this is not necessarily the case, as NGOs typically take longer to complete the SA8000 audit since they do not have a streamlined organizational structure. Therefore in practice, NGOs and for-profit companies can cost the same (Alice Tepper-Marlin, pers. comm.). SAI recognizes that accreditation is key to the strength of SA8000 as it ensures a high level of expertise of the certification bodies, and adds a high level of confidence that the program is robust, transparent, and open. It also provides details to organizations on how to improve in a cost effective manner.

Despite widespread recognition on a global scale that social issues need to be audited, and that SA8000 is a good way to do so, some certification bodies have been reluctant to take up the challenge. All social auditing is subjective and open to some interpretation by an individual auditor. In terms of risk management, some certification bodies have made a conscious choice to not expand their portfolios into SA8000 (BSI, pers. comm.).

International Organization for Standardization (ISO)

The ISO was established in 1947, in Geneva, to promote the development of standardization to facilitate the exchange of goods and services (Nelson, 1999). It was recognized that the lack of harmony among standards for similar technologies in different countries or regions was contributing to so-called "technical barriers to trade." Increased globalization of trade and investment over the last several decades has given the impetus to agree on world standards (ISO Web site www.iso.org.)

Background

International standardization has become well established for many industries, although tourism is lagging behind. Over 90 countries are members of the ISO. Generally the government agency that is the ISO member is the national standards agency, which is charged with developing and administering the standards of a country.

There are three types of membership:

- **Member body:** This is the national body deemed to be most representative of standardization in a country. Only one body in each country will be admitted to membership of ISO. In the UK, the member body is the British Standards Institution (BSI). The member body must keep other interested parties in their country informed about developments and provide financial support for the ISO's central operations through the payment of membership dues.
- **Correspondent member:** This is usually an organization in a country that does not yet have a fully developed national standards agency. Correspondent members do not play an active role in technical and policy development, but are kept informed of progress.
- **Subscriber member:** Some countries can join as subscribers and pay a reduced fee. While they do not play an active role in the development of standards, the subscriber category provides a mechanism for poorer less developed countries to be involved.

ISO, as an institution designed to promote economic globalization, provides the following rationale for why an international approach to standards development and application is necessary and positive (ISO Web site www.iso.org):

- **Worldwide progress in trade liberalization:** As today's free-market policies expand markets, countries depend on increasingly diverse sources of supply. On the technology

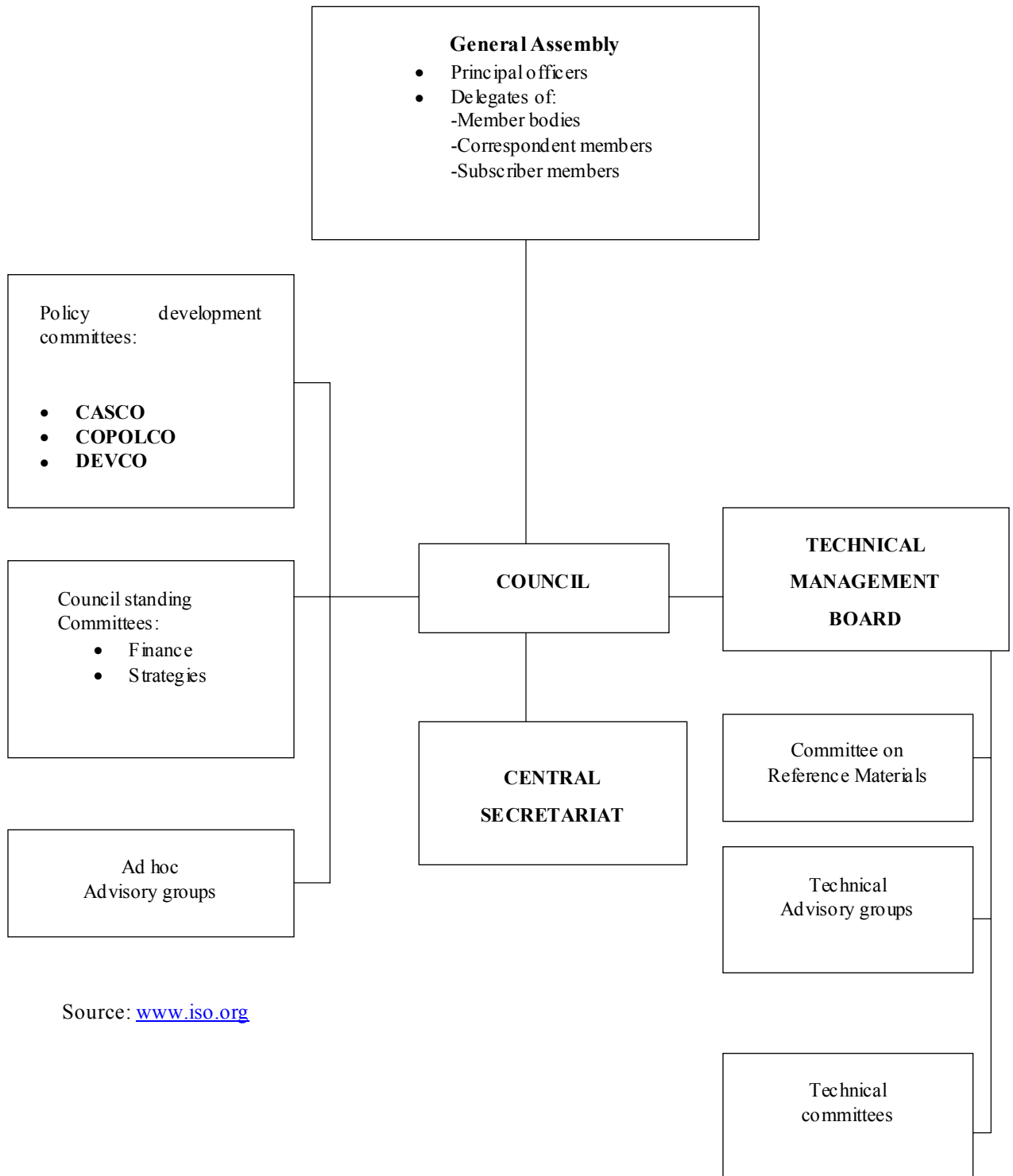
side, fair competition needs to be based on identifiable, clearly defined, common references that are recognized from one country to the next, and from one region to the other. An industry-wide standard, internationally recognized, and developed by consensus among trading partners, serves as the language of trade.

- **Interpenetration of sectors:** No industry in today's world can truly claim to be completely independent of components, products, rules of application, etc., that have been developed in other sectors. Bolts, for instance, are used in aviation and for agricultural machinery, welding plays a role in mechanical and nuclear engineering, and electronic data processing has penetrated all industries. Many industries are concerned about using environmentally friendly products and processes, and recyclable or biodegradable packaging.
- **Worldwide communications systems:** The computer industry offers a good example of technology that needs quickly and progressively to be standardized at a global level. Full compatibility among open systems fosters healthy competition among producers; it also offers real options to users since it is a powerful catalyst for innovation, improved productivity, and cost-cutting.
- **Global standards for emerging technologies:** Standardization programs are now being developed in a wide range of fields, including advanced materials, the environment, life sciences, urbanization, and construction. In the very early stages of new technology development, applications can be imagined but functional prototypes do not exist. There is a need for standardization in both defining terminology and accumulating databases of quantitative information.
- **Developing countries:** Development agencies are increasingly recognizing that a standardization infrastructure is a basic condition for the success of economic policies aimed at achieving sustainable development. Creating such an infrastructure in developing countries is essential for improving productivity, market competitiveness, and export capability.

Organizational Structure

The ISO structure is decentralized, with some 2,850 technical committees, subcommittees and working groups taking on the responsibility of ensuring appropriate work is carried out. Committee members are drawn from within particular industries, research institutes, governments, consumer bodies, and international organizations. All representatives are equal. Figure 5.3 shows a diagram of how ISO operates.

Figure 5.3. ISO organizational chart



Source: www.iso.org

Operational Funding

The financing of ISO closely reflects its decentralized model of operation with, on the one hand, the financing of its central secretariat activities and, on the other hand, the financing of the technical work.

The central secretariat derives 80% of its operational budget from member subscriptions, and the remaining 20% from the sale of standards and publications. Membership fees depend on a country's GNP and value of imports and exports. This ensures less developed countries in the South have equal opportunity to participate and are not excluded on financial grounds.

ISO member bodies bear the costs associated with the operation of any technical secretariats for which they are responsible. In this light it can be said that member governments provide in-kind support to ISO.

In addition to ISO's paid activities, the organization estimates that some 30,000 experts give volunteer time and travel each year. This is an important consideration, as even at the highest international level of standards, certification and accreditation is under-funded, and requires in-kind support.

Processes and Procedures

ISO standards are developed according to the principles of consensus, industry wide participation, and voluntary involvement. In practice, an industry usually expresses the need for a particular standard to the national member body. The member body then proposes the idea to the ISO, and should it be determined there is a need, various ISO working groups and technical experts will define the technical scope of the standard. Once this has been agreed, the detailed specifications of the standard are negotiated through building consensus between the various members. Following further development, a draft international standard is agreed, with ISO members given the task of formally approving the standard. Some 75% of members must agree for the draft document to be published as an ISO international standard.

Most standards require revision every five years at a minimum to ensure their effectiveness and relevance. To date, some 12,000 international standards exist.

Of particular importance for the STSC are the ISO Guide 60 series. These guides are widely recognized and provide procedures for operating accreditation programs. Virtually all the existing stewardship councils (for example, MSC and FSC as described in this report) use these guides as the basis of their accreditation, as do most national accreditation bodies. This makes these guides a very powerful tool and something that the STSC must consider as part of its own procedures, processes, and criteria for accreditation. The ISO Guide 60 series includes:

- **ISO/IEC Guide 61** General requirements for assessment and accreditation of certification bodies.
- **ISO/IEC Guide 62** General requirements for bodies operating assessment and certification/registration of quality systems.
- **ISO/IEC Guide 65** General requirements for bodies operating product certification systems.
- **ISO/IEC Guide 66** General requirements for bodies operating assessment and certification/registration of EMS (Draft document).

Initial research suggests that standards such as ISO 61 on accreditation and ISO 62 and 65 on certification bodies will be useful in determining what constitutes best practice in the monitoring, certification, and accreditation of voluntary sustainable tourism standards. However, these standards were not drafted by experts with knowledge of sustainable development and did not consider the relationship of the certification and accreditation processes to a broad range of stakeholders, such as employees and local communities. Therefore these standards contain some criteria that may not be appropriate to sustainable and eco-tourism. For example, in ISO 65 the criterion on confidentiality (4.10) is inappropriate, as the credibility of the tourism certification process depends on stakeholders having access to relevant information. Moreover, ISO 65 does not conceive of stakeholders making appeals to the certification decision, and so there is no criterion on this process. In addition, the criterion 4.2.0.2 in ISO 65 prohibits certifiers from giving advice, which is not necessarily an appropriate restriction for a process aimed at improving performance in the tourism industry.

The ISO 14024 Standard, also an important document, is the international standard for ecolabels (Environmental labels and declarations – Type 1 environmental labeling – Principles and procedures). This standard establishes the principles and procedures for how ecolabels (including those for tourism certification programs) should be established in terms of the criteria, assessment procedures, and verification so that a good or service is compliant with the relevant standard. Thus this standard could form part of the criteria of the STSC in that it might require all accredited tourism certification programs to comply with ISO 14024.

5.1.2. Comparative analysis of accreditation and certification bodies

The following Table 5.2 provides a comparative analysis of the organizational structure of the different accreditation and certification bodies outlined in the above section. ISO is not included because it is neither an accreditation alliance or accreditation or certification body. The purpose of this table is to allow a degree of cross-comparison between programs in a relatively straightforward manner.

Table 5.2. Comparative analysis of accreditation and certification bodies

Accreditation Body	Scope	Purpose	Standard	Operating Structure	Operating Budget	SWOT Issues
IAF	Global – not for profit	‘Accredit the accreditors’ to ensure all accreditation takes place on a level playing field	Whatever the accreditation body member works with	Elected Board with advisory/technical committee Small secretariat with few staff on payroll Head office with other offices in other countries	Derived from donations and membership fees and training activities	Have agreements (MLA) for members to recognize other members accreditation programs Linked to international certification and accreditation protocols Wide ranging coverage and sector specific scheme allows for tailoring to needs
ISEAL	Global – not for profit	Alliance of accreditation bodies – no standard of their own, not an accreditation process	none	No formal arrangements although technical work is being carried out to develop standards and principles	Derived from donations and in kind support by member organizations	Good starting point to get organizations talking on similar issues Perhaps reinventing the IAF wheel – should look at a sector specific scheme
FSC	Global – not for profit	Accredit independent certification bodies to work with the FSC standard	FSC	Board with advisory/technical committees Head office in Mexico with other offices in other countries	Derived from fees (application and audit), training activities, royalties/licensing fees and donations	Well developed through consultation with high degree of consumer recognition Structure costly to operate Low take up rate within certification industry/bodies

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Accreditation Body	Scope	Purpose	Standard	Operating Structure	Operating Budget	SWOT Issues
MSC	Global – not for profit	Accredit independent certification bodies to work with MSC standard	MSC	Board with advisory/technical committees Head office in London, with vision to open in other countries	Derived primarily by private sector and donations	Initiated with strong support from the private sector, so strong industry buy in Relatively low take up rate by certification bodies, but is new
SAI	Global – not for profit	Accredit independent certification bodies to work with SA8000	SA8000	Board with advisory/technical committees Head office in NY	Derived from fees (application and audit) from certification bodies and donations	Global scheme with capacity to be adapted at local/regional level Modeled on ISO standards

5.2 Financing Accreditation and Certification Programs

This section aims to analyze the financial models implemented by relevant accreditation and certification agencies, identify their funding sources and fee structures and to present a list of potential funding sources for a STSC. The purpose is also to identify advantages and disadvantages with regards to the different options. This information can then be used to develop a financial model for a future STSC.

The following financial analysis looks at six ISEAL-member accreditation organizations (FSC, MSC, IOAS, SAI, FLO, and MAC), one national accreditation program (NOP) and three sustainable tourism and ecotourism certification bodies (CST, GG 21, NEAP).

5.2.1. The financial structures

Below is information about the financial structure and condition of the ten organizations, as well as other aspects that influence the financial sustainability of the organizations. Each organization is presented separately, with a focus on the aspects that are pertinent to the STSC (See Appendices 9 through 11 for more detailed information about each organization studied).

When the terms “self-funded,” “financially self-sufficient,” or “financially sustainable” are used, it refers to a situation in which the organization generates enough revenues through its accreditation or certification services to fund its annual operating costs. Several different kinds of fees and other revenue sources are mentioned in this section and the following sections. Below in Table 5.3 is a glossary of terms used in this section.

Table 5.3. Definition of fees and other revenue sources

Type of fee	Definition
Accreditation fee	Fee charged for accreditation services on assessments and audits (document review, site visit). It might be a set fee or a graduated fee varying according to the size of the certifier being accredited. In some cases the accreditor will charge an accreditation fee and then also charge for the actual expenditures related to the accreditation process (charge per day spent on accreditation assessments or audits, per diem, travel, phone, copying etc.).
Application fee	A fee charged by the accreditor when the accreditation application is handed in. The fee might vary according to the size of the certifier being accredited.
Acceptance fee	Fee charged when the certifier gets accredited.
Annual program fee	An annual fee (in addition to the accreditation assessment or audit fees) charged each year to the accredited certifier. In some organizations the certifiers does not have to pay the annual accreditation fee in the year they get accredited and in the years when they get re-accredited.
Reaccreditation/Re-assessment fee	Fee charged when the certifier gets reaccredited (every certifier has to be reaccredited after a specific period of years).

Type of fee	Definition
Royalty fee	Fee that is charged (by the accreditor) as a percentage of the annual turnover. In many cases the accreditor will choose to operate with an annual minimum royalty fee. Depending on the set up, the royalty fee can be paid by the certifiers (as in the case of SAI) or by the operations certified by accredited certifiers (as in the case of MSC). This royalty fee may be in lieu of an annual program fee.
Value Add Tax (VAT)	A “tax” charged on every sold certified product (products produced by certified producers). The “tax” can be in the form of a percentage or in form of a lump-sum charge.
Training fee	Fee charged for running a training course – fee can be charged on each participant or on each course produced (depending on whether the accreditor is organizing the course or the course is organized by somebody else).
Conference fee	A fee charged per person for attending a conference
Industry donation	Donation or grant paid by industry.
Industry or corporate sponsorship	Annual donation paid by companies to a recipient. The difference between industry sponsorship and industry donations is that an industry sponsorship agreement may be ongoing and/or may underwrite a particular activity where a donation is often a one-time grant that may or may not be tied to a specific activity.

Forest Stewardship Council (FSC)

All costs associated with setting up FSC were financed through donations from WWF-the Netherlands and the governments of Austria and Mexico. Today FSC is a non-profit organization that mainly funds its activities through donations from charitable organizations and foundations. FSC does charge fees for its accreditation services, but these fees only cover a small proportion of the overall running costs of the organization (FSC Web site www.fsc.org). In 2000, for instance, FSC got almost 85% of its revenues from donations and only 9.6% of its revenues from accreditation fees. The remaining 5.4% of FSC funding came from other sources (FSC Annual Report 2000). Despite the fact that FSC accreditation costs run \$20,000-30,000 and up, fees are still only a small proportion of total revenues.

FSC’s dependency on donations makes it particularly important for the organization to attract donors. However, FSC does not accept donations from the forestry industry because it wants to avoid any conflict of interest. FSC has so far been very successful in attracting other donations. In 2000, the organization received more than \$1.5 million in donations from charitable foundations and organizations, private companies and individuals.

Even though FSC has been very successful in raising funds over the years, a study of FSC’s revenue and expenditure history from its founding in 1994 through 2002 demonstrates how hard it can be to make “ends meet” when an organization relies almost solely on revenues from donations. FSC’s revenues have fluctuated greatly, on occasion by more than 100% from one year to the next. In addition, revenues have not been sufficient to cover the operational costs. In 2000, its best year in terms of donations, the organization ran a \$40,000

deficit, equal to 2.3% of its total revenues that year. By the end of 2000, FSC had an overall debt of more than \$430,000--equal to 24% of its total revenues in the year 2000 (FSC Annual Report 2000). Currently FSC is in the process of changing its operating and financial structure, so that the accreditation unit will be an independent, financially self-sufficient department with 100% of its revenues generated by accreditation fees.

Another issue facing the FSC is that it has been (and still is) quite a difficult task for the FSC to make the certifiers accept the general increase in accreditation fees that the implementation of a new FSC fee structure will lead to. These difficulties demonstrate how important it is to get the price "right" from the beginning with regards to the level of accreditation fees that would be charged by a possible future STSC. Fee schedules need to balance financial self-sufficiency with realism about the market demand for the service.

Marine Stewardship Council (MSC)

Unilever and WWF, MSC's founders, financially supported both the set up and operational costs during its first phase, before MSC became an independent organization.

Today, the MSC is funded through donations from charitable organizations, individual donors, and funds generated through corporate sponsorships, accreditation fees, and royalty fees from companies certified by MSC-accredited certifiers (MSC Web site www.msc.org).

Seafood companies that get certified by MSC-accredited certifiers enter into a "branding" contract with the Marine Stewardship Council. The company has to pay an annual royalty fee to the MSC amounting to 0.1% of the company's annual turnover in order to be allowed to use the MSC logo on its product packaging. The MSC logo is used by multinational corporations as well as small local producers and the logo appears on fresh seafood products as well as on canned seafood products.

Even though MSC increased its revenues from accreditation and royalty fees by more than 140% from 2001 to 2002, MSC still relies on donations as its main funding source. MSC recognizes that it is not financially sustainable to continue to rely so heavily on donations as the primary funding source. MSC officials say that there are several reasons why it is risky to continue relying on donor funding as its primary income source:

1. Donations tend to dry up after a while. Donors typically fund projects in their initial stages and then expect the projects to be financially sustainable and independent.
2. Donations tend to fluctuate a great deal from one year to the next, in part reflecting shifts in the stock market, and in part reflecting donors' changing funding priorities.

Given these uncertainties, it is difficult to use a long timeframe for planning future activities.

Consequently, the MSC is in the process of reorganizing its financial structure to increase its income from royalty and accreditation fees, so as to gradually become less dependent on donor funding. The MSC is also looking into the possibilities of providing training as well as getting into certification of non-seafood products and even cruise liners as potential lucrative additional sources of revenue (Alex Hickman, MSC, pers. comm.).

In contrast with FSC, MSC has also sought funding from corporate sponsors. In 2001-2002, 12% of MSC annual revenues came from corporate-sponsorships (MSC Annual Report 2001-2002).

From a marketing perspective, the MSC seal is apparently viewed by the industry as adding value to certified products. Today multinationals such as New England Seafoods, Sanford Ltd., and the producers of Iglo and Movenpick products, as well as big retailers such as Woolworths, Marks and Spencer, Sainsbury's and Whole Foods Market are using the MSC seal in their marketing of seafood products.

Social Accountability International (SAI)

SAI charges accreditation fees of \$2,000 for certifiers operating in one country to \$15,000 for certifiers operating in more than one country. In addition, SAI charges an annual royalty fee of 1.5% of the certifiers' annual turnover. Despite this, SAI's income from fees is far from sufficient to cover the organization's overall operation costs.

Despite the fact that the SAI generates a substantial amount of revenues through its accreditation and training activities, the organization still relies on donations to finance a large proportion of its annual operating costs. In fiscal year 2000, SAI's revenues from accreditation, royalty fees and training activities covered 56% of SAI's operating costs, with the remaining 44% coming from donations (SAI Annual Report 2000).

In 2000, SAI's balance sheet ran a surplus due to a large grant received and carried forward. In fact, in fiscal year 2000 SAI's expenditures were only 54.6 % of its revenue. Such a large surplus is not the norm for SAI; usually SAI has a balanced budget with either a small surplus or a small deficit.

In considering the applicability for STSC, both SAI and MSC have a royalty fee that is based on a percentage of the annual turnover instead of a lump-sum fee. This makes certification a lot more attractive and affordable for smaller companies. In addition, SAI – like FSC – generates a lot of revenues through donations, but where the FSC does not generate quite enough revenues to finance its annual expenditures, SAI has succeeded in generating more than enough revenues to finance the organization's annual operating costs. An important difference between the two organizations is that FSC is a membership organization and carries costs associated with serving a large, diverse membership while keeping membership fees relatively low. SAI is not a membership organization, which probably makes it a "leaner" organization and less costly to run.

International Organic Accreditation Service (IOAS)

The International Organic Accreditation Service (IOAS) was established by the International Federation of Organic Agriculture Movements (IFOAM) in 1997. IOAS manages the program under a licensing agreement with IFOAM (IFOAM Annual Report 2000). Although IFOAM is the sole member of IOAS, IOAS operates independently from IFOAM. IOAS accredits that organic certification bodies are operating in compliance with the IFOAM standards and criteria (IOAS Annual Report 2000). To date, IOAS has accredited 16 certification bodies (14 of which are also members of IFOAM), while 11 more are in the process of becoming accredited. Together they have certified approximately 30% of world's organic production (Ken Commins, IOAS, pers. comm.).

As an NGO, IOAS mainly funds its activities through fees on accreditation activities. IFOAM underwrote all the costs related to setting up IOAS. Today IOAS's financial sustainability is sustained through the revenues that IOAS gets from its accreditation services and from an annual membership fee paid by each accredited certifier. Under its financial model, IOAS

seeks to fund all activities related to accreditation from accreditation fees and all its promotion and ongoing development of its accreditation program from its annual membership fee. Currently 90% of IOAS' annual budget is generated through accreditation fees and 10% comes from annual membership fees (Ken Commins, IOAS, pers. comm.). So far IOAS has generated enough funds to cover the organization's ongoing activities, which means that the financial model adopted by IOAS has proven to be financially sustainable (IOAS Annual Report 2000).

Marine Aquarium Council (MAC)

As a relatively new organization, MAC's accreditation program is still in its set-up phase. So far, MAC has received major donations from several different sources, including the Packard Foundation, USAID, the Canadian government, and corporations. MAC still relies on donations for all of its revenues. (Rezal Kusumaatmadja, MAC, pers. comm.).

MAC is working to build a financial structure that will ensure the organization has predictable and stable revenue sources. MAC expects to begin raising a majority of its revenue from levies, certification fees, and direct industry support, with a small percentage still coming from outside grants. The levies charged by MAC will be in the form of a royalty fee, but whether this will be as a percentage or a lump-sum has not been decided. MAC projects, through its business planning, that the organization should be financially sustainable within the next 5 to 6 years.

From a STSC perspective, it is worth noting MAC's success in raising funds from the industry. In fact, MAC's 2001 annual report states that the organization has been so successful in getting industry support that it has been possible to increase MAC's activity level. To date, around 40% of the US aquarium fish industry has signed a commitment statement with MAC (MAC Web site www.aquariumcouncil.org).

The National Organic Program (NOP)

The National Organic Program (NOP) was set up in the United States just after Congress passed the Organic Foods Production Act in the late 1980s. This Act: 1) established national standards governing the marketing of certain agricultural products as organically produced products; 2) sought to assure consumers that organically produced products meet a consistent standard; and 3) facilitated commerce in fresh and processed food that is organically produced. Under this law the United States Department of Agriculture founded the National Organic Program (NOP) in 1990. To date the NOP has accredited 57 certifiers at the national level (NOP Web site www.ams.usda.gov/nop/).

NOP is a governmental program funded primarily by the United States Department of Agriculture (USDA), which also paid for its set-up costs. Even though NOP generates some revenues through fees to accredited certifiers, these fees are far from sufficient to cover its annual operating costs. USDA currently funds about 95% of NOP's annual budget.

However, NOP is planning to implement a new fee structure, which will make NOP financially self-sufficient. In the future, all NOP's revenues will be from accreditation fees.

Fairtrade Labelling Organizations (FLO)

Fairtrade Labelling Organization International (FLO) emerged from a long history of alternative trade movements that dates back to the 1960s. Beginning in 1988 with the labeling

of coffee in The Netherlands, the number of national labeling initiatives in Europe expanded during the 1990s to provide labeling for a range of products. In order to coordinate the work of the national initiatives and more efficiently run the monitoring programs, an umbrella organization, the Fairtrade Labelling Organization (FLO), was set up in 1997. A central responsibility of FLO is to collect data and ensure the audit of all Fairtrade labeled products from the producer to the supermarket shelf. FLO is not an accreditation body *per se* but rather it plays a coordinating role with the 17 national initiatives that comprise its membership. The goal of the organization is to promote sustainable development through fair trade (FLO Web site www.fairtrade.net).

Currently FLO labels eight products: coffee, tea, sugar, honey, bananas, cocoa orange juice and sports balls. Producers that use the FLO logos for promotion have to comply with product-specific Fairtrade criteria. These criteria cover areas such as transparent and democratic decision making about the use of the extra premiums generated through Fairtrade sales (a Value Added Tax or VAT is charged on every Fairtrade product that is sold), environmental standards, and long-term and direct trading relationships (Source: Olaf Paulsen, FLO, pers. comm.).

In terms of its revenue model, FLO is organized very differently than the other organizations reviewed in this study. FLO adds a VAT or small surcharge (the actual percentage charged is confidential) to the retail price of its certified products. Essentially, the VAT is linked to the logo carried by each certified product. The VAT charge is used to fund ongoing FLO projects as well as to ensure a “fair price” for producers in the developing world that are producing FLO-labeled products. Even though FLO gets most of its funding through the VAT charge, FLO also receives donations from foundations and private individuals. In fiscal year 2000, FLO received donations of \$110,000, or about 10% of its total revenue (Olaf Paulsen, FLO, pers. comm.).

From a STSC perspective, the VAT model is quite appealing at first glance. However, it would be very difficult for the STSC to implement, at least in the short run. It would require a great deal of lobbying of governments to get their participations, and this in itself would be a lengthy project. In the long run, however, it might be possible to incorporate a VAT (or licensing arrangement) into the STSC’s financial structure. One possible model would be for the STSC to solicit donations from tourists – possibly via the tour operators – for sustainable tourism projects. STSC could coordinate this effort and retain a percentage of the donated funds as a handling fee.

Green Globe 21

Green Globe 21 (GG 21) is a for-profit, privately owned, and privately operated tourism certification and accreditation organization operating worldwide. In its mission statement GG 21 indicates that its standards are based on the ISO standards and on the Agenda 21. It was founded in 1994 by the World Travel and Tourism Council (WTTC) based in UK, which financed Green Globe’s set up costs. GG 21 separated from its founder in late 1999 through a “friendly buyout” through which WTTC transferred ownership of GG 21 to a group of WTTC investors. Since GG 21 became a privately owned organization, it has been operating under market conditions, which means that the organization’s goal is to generate enough revenues through its certification and accreditation, as well as its training activities, to cover its annual operational costs and generate a profit for the shareholders.

Presently, GG 21 does not create enough revenues to cover its annual operating costs, so its shareholders “subsidize” the organization, covering 50% of its annual operating costs. Even though GG 21 isn’t making a profit, the organization expects to do so if it can keep expanding its business. For instance, GG 21 has a contract with Marriott Hotels to benchmark and certify all of Marriott’s hotels in Great Britain, as well as an agreement with NEAP to jointly develop and market a new set of ecotourism standards. It is hoped this collaboration will improve GG 21’s credibility, which has suffered because of the organization’s several make-overs (G.Worboys, GG 21, pers. comm.)

The fact that GG 21 is operating under market terms is very interesting from a STSC point of view, because GG 21’s success, though limited, demonstrates that there is a market for some level of sustainable tourism and ecotourism certification. To date, GG 21 has certified more than 80 businesses and destinations. Because GG 21 operates under market conditions the organization has had to respond to the market by developing new products. GG 21 offers two products: a resource saving tool and a marketing tool. For the STSC, the most important lesson to be drawn from the GG 21 experience is that there is a fairly significant interest in sustainable and ecotourism tourism from large tourism businesses.

Certification for Sustainable Tourism (CST)

Certification for Sustainable Tourism (CST) is Costa Rica’s national sustainable tourism certification program for accommodations created in the late 1990’s by the Costa Rican Tourism Institute (ICT), the government’s tourism institute. Currently CST is beginning to be adopted by other countries in Central America and South America. By 2002, it was field testing criteria for tour operators, was developing a separate set of criteria for ecotourism businesses, and anticipating expanding to cover transportation and other sectors of the tourism industry.

Participation in the CST program is voluntary and it offers five levels of awards designed to encourage continual improvement. Presently 58 accommodations, ranging from large urban hotels to small ecolodges, have been certified (CST Web site www.turismo-sostenible.co.cr/EN/home.shtml).

CST is government-funded through ICT. It has received small grants from USAID and other donors to create its Web site. To date, CST has not charged businesses fees to participants. (Honey and Rome, 2001).

The future goal of the CST is to become self-funded as a stand alone NGO separate from the government, but there are as yet no concrete plans for how this goal will be achieved. CST’s current financial model is not applicable for STSC since it seems unlikely that STSC can rely solely on government funding.

Nature and Ecotourism Accreditation Program (NEAP)

The Nature and Ecotourism Accreditation Program (NEAP), Australia’s national certification program, was founded in 1993 as a joint initiative between an NGO, the Ecotourism Association of Australia (EAA) and an industry association, the Australian Tourism Operators Network. In 2001, the EAA took over the full ownership of NEAP. Even though NEAP carries accreditation as part of its name, it is a certification program. (Honey and Rome, 2001). The purpose of the NEAP program is to identify and certify genuine ecotourism and nature tourism *products*, defined as accommodations, tours and attractions. Presently

some 240 products have been certified by NEAP, most in the state of Queensland (NEAP Web site www.ecotourism.org.au/About_NEAP.htm).

NEAP's start up costs were partially covered by its founding organizations and partially by the Australian government through the Federal Office of National Tourism. It also relied heavily on volunteer labor.

NEAP's goal is to become financially self-sufficient through revenues from application and annual certification fees. At the moment these revenues cover the organization's administration and assessment costs, but not costs associated with office expenses, standards development, and staff and management compensation. In addition, NEAP has not been able to afford to finance onsite inspections and therefore certification has been granted based on paper audits and, only when questions arise, onsite audits. By late 2002, NEAP was moving towards onsite audits and is actively pursuing new revenue sources. This include possibly setting up a commercial Web site to market sustainable and ecotourism products for a fee and marketing the NEAP program overseas for licensing fees, as it is currently doing in conjunction with Green Globe's Asia Pacific office (Alice Crabtree, NEAP, pers. comm.).

Despite its austere budget, NEAP has gained considerable recognition within and outside Australia and has received marketing as well as seed money from the government, particularly in Queensland. NEAP has, however, had a very difficult experience trying to increase fees after an introductory period. Thus, STSC may want to consider setting realistic rather than subsidized fees at the outset (Source: Alice Crabtree, NEAP, pers. comm.).

5.2.2. Organizational fee structures/financial models

The fee structures employed by these organizations can be divided into three different categories:

1. No fees charged (FLO and CST).
2. Fees based on cost recovery (IOAS and NOP).
3. Graduated fee scale according to the size of the organization getting accredited (MSC, SAI, FSC, GG 21 and NEAP).

The first category-- no fees -- is self-explanatory. Category two charges fees based on the cost recovery, i.e., the actual expenditure involved in carrying out the certification process, including the audit. The total cost for accreditation depends on the number of person days charged for document review and site visit, per diem and travel costs for site visits, and administrative costs to cover communications, photocopying, etc.

Category three is the most typical model. These organizations have a graduated fee scale, based on the size of the business getting certified or the certifying body getting accredited. For STSC, this appears to offer the most useful model. A fee structure with set fees that vary according to the size of the product, business or certifier has two advantages compared with those in categories one and two:

1. **Transparency:** The structure is based on a predetermined graduated fee schedule with fixed fees that vary according to the size of the product, business or certifying body. Normally the cost will vary according to annual turnover and/or number of awarded certificates.

2. **Equity:** The fee structure takes the financial size of the business or product getting certified or the certifying body getting accredited into consideration, hopefully reducing economic barriers to entry for SMEs from developing countries.

The five organizations that employ this system have set their fees in slightly different ways. GG 21 and NEAP, both certification organizations, have different application fees and annual accreditation fees that vary according to the annual turnover of the companies and operations certified. For FSC, an accreditation body, its new fee structure is going to work the same way, with certifiers paying a fee per awarded certificate – the fee will vary based on the size of the forest operation carrying the certificate. FSC will continue to charge for costs associated with assessments and annual audits. SAI has a fixed application fee and then charges a royalty fee based on the certifier's turnover. MSC charges fees for its accreditation services and also charges an annual royalty fee equal to 0.1% of annual turnover, with a minimum fee of \$1,000.

In Table 5.4, the most important elements of the financial models applied by these 10 organizations are shown. Essentially seven distinct types of revenue sources are found among these organizations:

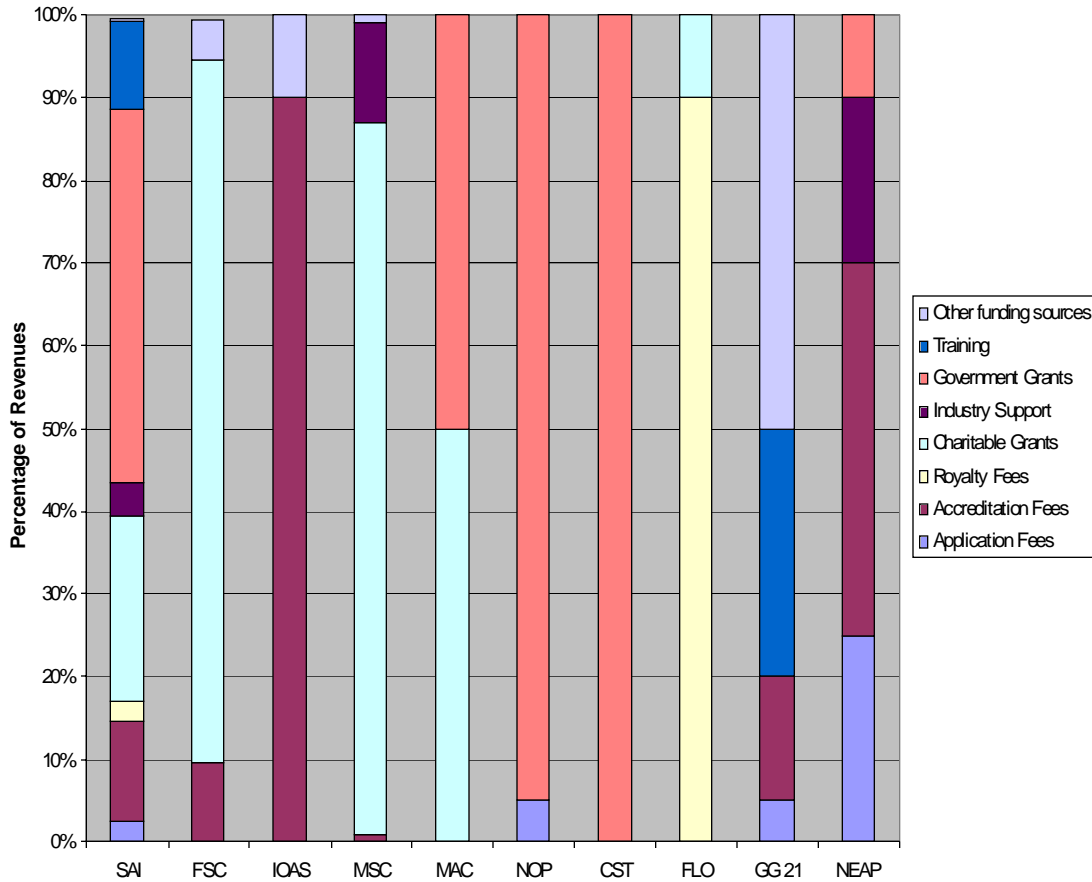
1. Revenues from accreditation services (such as: document review, site visit, benchmarking, etc.);
2. Revenues from annual accreditation or membership fees;
3. Direct industry support/industry sponsorships which typically do not dry up because businesses have an interest in keeping the organization going;
4. Revenues from training activities;
5. A tax on products or on operations certified by an accredited certifier (VAT or royalties);
6. Branding or licensing fees that can be tied to a logo or certified operation or product; and,
7. Donations and grants from foundations, governments, and intergovernmental institutions.

Figure 5.4 shows the composition of the revenue sources for the ten organizations studied.

Table 5.4 Funding sources used by ten organizations

Organization	Elements of financial model
Forestry Stewardship Council (FSC)	Financial model that is almost entirely based on donations as a source of revenues. FSC is currently implementing a new model that will generate a larger proportion of FSC revenues from accreditation fees.
Marine Stewardship Council (MSC)	Financial model where most revenues are generated through donations. MSC is currently in a process of implementing a new model, based on revenues from branding and training.
Social Accountability International (SAI)	Financial model where half of the annual operating costs are funded through revenues from accreditation fees, royalty fees, course and conference fees and the other half funded through donations and grants from governments and charitable organizations.
International Organic Accreditation Service (IOAS)	Financial model solely based on revenues from annual membership fees and accreditation fees.
Marine Aquarium Council (MAC)	Currently relies on donations and grants for funding – but it is currently setting up a financial model based on revenues from levies (royalty fee), accreditation fees and direct industry support.
National Organic Program (NOP)	Currently a financial model that is almost entirely based on funding from the US government. In the process of implementing a new model based on fees charged on accreditation services (as well as cost recovery fees: transport, per diem etc.).
Fairtrade Labelling Organizations International (FLO)	Financial model based on a “Value Added Tax” on every certified fairtrade product that is sold.
Green Globe 21 (GG 21)	Currently based on revenues from training and accreditation fees as well as contributions from shareholders.
Certification for Sustainable Tourism (CST)	Dependent on funding from the Costa Rican government.
Nature and Ecotourism Accreditation Program (NEAP)	Financial model based on revenues from application and accreditation fees – donations are also necessary to keep the organization running.

Figure 5.4. Funding sources of accreditation and certification organizations



Source: Data used when creating Figure 5.4 come from annual reports, phone and e-mail interviews, Web sites and other relevant documents.

In Figure 5.4, the category “other funding sources” is significant for GG 21 which is shareholder funding. “Royalty fees” under FLO refer to revenues from the “VAT” tax that they add to the products that are sold under the FLO scheme. From Figure 5.4, it should be noted that revenues from application and accreditation fees only account for a small proportion of the overall annual revenues of each organization in every case except for IOAS. Thus, it will be essential for the STSC to diversify its funding sources as much as possible.

5.2.3. Fees charged by Organizations and relevance to tourism

Table 5.5 shows how much the fees charged to certification programs vary by organization. SAI, FSC, and IOAS initial accreditation fees range from roughly \$6,000 to upwards of

\$30,000, depending upon the size, location, and complexity of the accreditation. Annual fees range from a minimum of \$5,000 per year for royalties (SAI and IOAS) to \$10,000 and up for FSC audits. The royalty fees may be larger depending upon the certification program's annual turnover; FSC audits will also vary depending upon the location and complexity of the audit. The FSC typically conducts an office visit and at least one field visit per year.

Table 5.5. Accreditation fees charged by select organizations

Fees (in US \$)	SAI	IOAS	FSC
Application/initial accreditation fee	\$2,000 for one-country; \$15,000 for multi-country	\$6,000	\$30,000 upwards
Annual fee/royalty	\$5,000 minimum (1.5% of annual turnover)	\$5,000 minimum (\$3,000 plus .8% of first \$1.5 million, then .2% of next \$1.5 million) <u>plus</u> \$1,700 annual surveillance fee	Annual audit fees, with average \$10,000-\$15,000

The STSC will have to find a balance between charging accreditation fees that cover its costs with the willingness of tourism certification bodies to pay. It seems unlikely that tourism certification programs will be able to pay the accreditation fees commanded by FSC, SAI, and IOAS, for the following reasons:

1. National tourism authorities have very clearly indicated that ecotourism and sustainable tourism certifiers will not be able and/or willing to pay such high fees (STSC consultation questionnaire answered by WTO member states, 2002).
2. Certification programs accredited by SAI, IOAS, and to some extent, FSC, are certifying large companies and corporations, which means that certifiers are able to pass on large accreditation bills to those receiving certification. In ecotourism and sustainable tourism, the likely client will be smaller (an examination of the certified operations of NEAP, CST and Blue Flag would be appropriate to give an idea of the typical ecotourism and sustainable tourism client.)

5.2.4. Pros and cons of potential funding sources for the STSC

The revenue sources that are currently employed by the organizations examined in this study are presented below with regards to pros and cons, range of pricing, and the organizations that employ them. It is clear that there are advantages and disadvantages to most of the potential revenue sources. Many of the disadvantages can be eliminated through a code of conduct and/or through a conflict of interest policy that defines from whom and under what circumstances an organization can accept donations. It is extremely important to have a clear set of rules that define the nature of this relationship, to avoid any conflict of interest and the possibility of jeopardizing the reputation of the accrediting organization.

Application, acceptance, and accreditation fees (including annual audit fees)

This study reveals that the acceptance fee is virtually unheard of. The typical fees are application and accreditation fees. Accreditation fees generally include the cost of the initial accreditation and any subsequent audit fees necessary to maintain the accreditation.

- **Pros:** From a pedagogical point of view it may make sense to split these fees into three different fees so that the certification program knows exactly what they are paying for. The fact that the fee is split up into three different fee levels might encourage more applicants since they do not have to pay a very high initial fee before they know whether or not they are going to be approved for accreditation. The beneficiary pays for the services.
- **Cons:** Should a three-tiered fee structure be implemented, it might seem that the accreditation body is charging fees at every turn.
- **Price range:** Accreditation fees (including application) range from \$6,000 to upwards of \$30,000 (see Table 5.5). Fees should be based on a graduated scale where small certifiers and certifiers from developing countries pay less than large certifiers from developed countries. The price level used in the VISIT project (\$15,000 - \$5,000 cash and \$10,000 in kind) would probably be the highest level that would be possible to charge.

Annual accreditation fee and royalty fee

Annual accreditation fees or royalty fees are supplemental charges that are charged annually to help pay for the accreditation body's expenses outside of direct assessments and audits. This might include marketing and research and development costs.

- **Pros:** By charging annual fees, the initial accreditation fees can be kept down, and costs can be split up over several years. A fee scale based on a combination between a graduated annual accreditation fee and a royalty fee that is a percentage of annual turnover, can (if set up accordingly) assure that small certifiers and certifiers from developing countries will not be disadvantaged compared to large certifiers from developed countries. A fee scale set up this way would also be helpful in accommodating certification program growth or contraction in the sense that if a certifier program experienced rapid growth, it would not be necessary to set up a new fee scale to get a higher contribution from these certifiers since this would happen automatically with a royalty fee that is pegged to a percentage of the annual turnover.
- **Cons:** Fees based on turnover may be difficult to accurately gauge since it can be hard to verify if a certifier is paying the correct royalty fee.
- **Price range:** The royalty fees charged by the study organizations are in the range 0.1% to 1.5%; this may be a good starting point for a potential STSC royalty fee.

Grants from foundations and governments

- **Pros:** The STSC could attract potentially large donations that would be "clean" in the sense that there is no industry connection. A potential STSC might be very attractive to governments as an indirect way of funding initiatives that might be unpopular to fund directly. With regards to research grants it is important to recognize that many donors are willing to fund research.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- **Cons:** Grants can be expensive and complicated to administer, often with enormous reporting requirements. Revenues from grants fluctuate a great deal from year to year and tend to dry out after a while.
- **Price range:** This will vary depending on the interest in STSC, its perceived funding need, and on the strength of its business plan. Experience from NEAP shows that donors are willing to put money into ecotourism and sustainable tourism projects. NEAP got seed funding from the Australian government worth around \$500,000 (Honey and Rome, 2001).

Sustainable tourism and ecotourism guidebook or Web site advertising

- **Pros:** A guidebook or Web site could be a very good marketing tool which would increase certifier incentive to get accredited and operation incentive to get certified. Advertising would be a “natural” source of income when publishing a guidebook and it would be a very attractive place to advertise as an ecotourism or sustainable tourism operator. This is being done to some extent by Queensland, Australia in their government guides and has also been done by *The New Key to Costa Rica* to promote ecolodges certified under an experimental prototype certification program.
- **Cons:** Publishing a guidebook is an expensive proposition and probably not a profit center, at least initially, though a Web site could be relatively inexpensive. Advertising might jeopardize the perception of an independent STSC.
- **Price range:** It is very hard to say how much revenue could be generated through a guidebook and especially in the beginning (the first two-three versions). But it should be noted that many tourism guidebook publishers have been quite successful (for example, the Lonely Planet guidebooks).

Industry grants and industry

- **Pros:** Grants and donations from industry are often more reliable than foundation or other institutional awards as industry, in many cases, will have a vested interest in keeping the accreditor alive. Funding from the industry would properly not fluctuate as much as other kind of grants and donations and industry funding would probably not have the same tendency to dry out as other kinds of funding.
- **Cons:** By accepting industry funds, the accreditation body could be perceived as being biased to some degree – it might even seem like the accreditation body is in the “pocket” of the industry. Codes of conduct need to be in place to set parameters to avoid conflicts of interest.
- **Price range:** The potential for industry funding will vary depending upon the interest in the STSC. However, it is worth noting that some accreditation bodies have been quite successful in attracting industry funding (such as MAC and MSC), while others such as the FSC have deliberately steered clear of it.

Training

- **Pros:** Training provides a myriad of benefits including increasing capacity in the field and awareness of the STSC to stakeholders. Depending on how it is structured, training could be a potentially lucrative revenue source.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- **Cons:** There is typically an investment cost in research, creating training materials, marketing, and staff and/or consultant time – creating opportunity costs for the organization.
- **Price range:** It is difficult to predict training revenues, but they will depend upon the number of courses, attendees and their willingness to pay, and if there is supplemental funding available to subsidize participation, if needed.

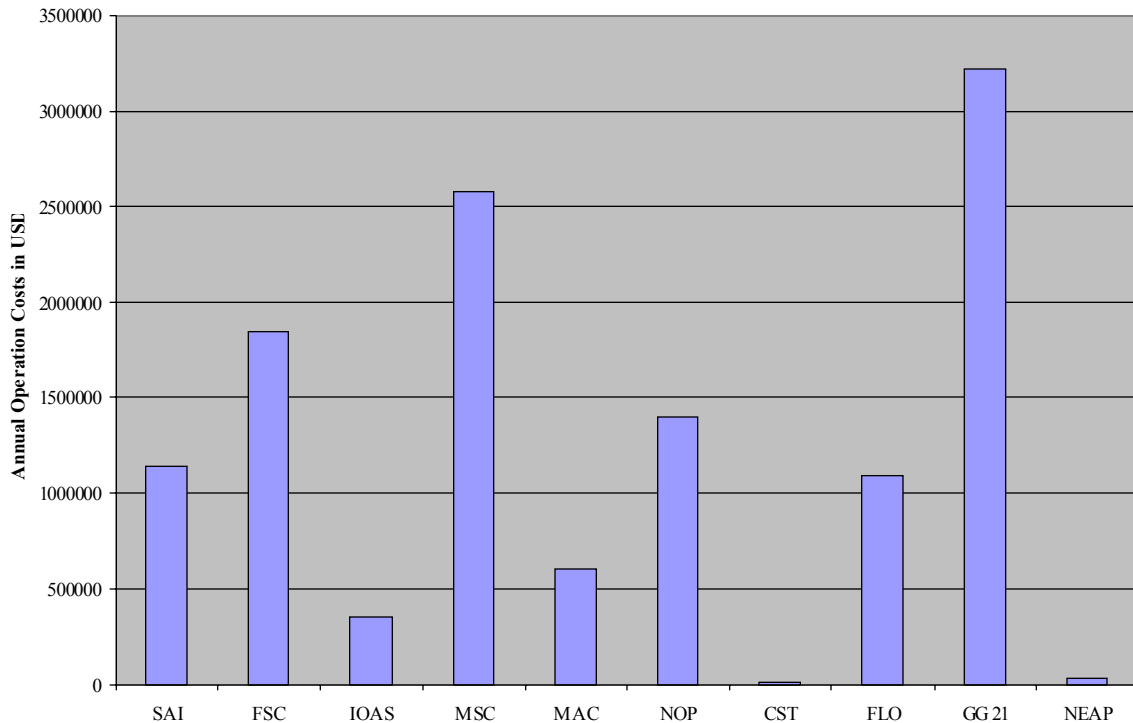
Membership fees

- **Pros:** Membership organizations are a good way to build a stakeholder base. Depending upon the fee structure, membership could be a profit center.
- **Cons:** Membership is expensive to attract, serve, and grow, requiring staff time, general membership meetings and materials, and administration.
- **Price range:** It is difficult to say how much the STSC could bring in for membership fees; it will depend upon the fee structure and the classification of members. In this study, membership fees varied from very low (FSC) to more moderate (IFOAM).

5.2.5. Organization expenditures

When discussing sources of income, it is also important to discuss the expenditures of these organizations. The annual operating costs vary a great deal between the ten organizations (see Figure 5.5), with the key variable being activity level and services. FSC, MSC, SAI, and GG21 do some combination of standard setting, certification, and/or accreditation. Geographic location of offices and services and salary levels also affect operating costs. Salaries (and/or consultant fees if services are subcontracted) tend to be the biggest single budget component. Organizations such as FSC, MSC, GG21 also operate in several countries, driving up travel and communications costs.

Figure 5.5. Annual operation costs



Source: The data used in Figure 5.5 come from annual reports, phone and e-mail interviews, Web sites and other relevant documents.

Another issue that needs to be taken into consideration when looking at accreditation costs and how they affect the annual budget is the nature of the accreditation requirements. For example, are one or more site visits conducted each year, or is there simply a desk review? Are auditors staff or consultants? (Either could be the best solution depending upon the level of auditing needed. While staff receive benefits, require office space, etc, consultants are typically paid a higher daily rate.)

There is an assumption that accreditation services should operate at least on a break-even level, as IOAS is doing. It is more difficult to break out the financial viability of the other organizations since they also conduct standard setting, marketing, and, in some cases, certification. Needless to say, expenditure levels are every bit as important as revenues and vital to the long-term financial sustainability of any organization.

5.2.6. Financial conclusions

From the perspective of a potential STSC, several lessons can be learned from the assessment of these 10 organizations:

Donations from foundations and/or governments and intergovernmental agencies are a very important part of the revenue base for several of the organizations studied: in all ten cases, seed money came from donations. The study has clearly shown that it is possible to get donor

money to fund the initial start up costs of an accreditation organization. The study has also shown that a significant amount of donations can be attracted, especially for specific activities such as research, development of new standards or guidelines, and training.

However, from the study it is also evident that donors do not wish to fund projects indefinitely – most donors only want to fund projects/organization in an initial start up period after which the donor expects that the project or organization will be able to “stand on its own” and be financially independent from its initial donor(s). Experiences from the studied organizations also show that donations tend to fluctuate a great deal from one year to the next, which means that it is difficult to base an organizations’ operational budget on revenues from donations. Organizations that mainly rely on donations are often forced to operate under a very short timeframe – because their revenues fluctuate a great deal – which makes it very hard to plan any bigger project or how the organization should develop in the future.

When looking at fees there are other lessons from the experiences of the ten organizations. First of all, it is necessary to implement a transparent fee structure, so that it is clear to certifiers that want to apply for accreditation, exactly how much they will have to pay in application fees, accreditation fees, and annual ongoing accreditation fees. This transparency is important in order to maintain the credibility of the organization. Second, fees should be based on the annual turnover of the certifiers and not a “one for all” fixed rate, because that would make it relatively more expensive for small certifiers and certifiers from developing countries to become accredited than large certifiers from industrialized countries. Third, it is imperative to charge realistic fees, because it is almost impossible to increase fees at a later stage – certifiers tend not to be willing to accept a fee increase after an initial period with a low introduction fee. Fourth, accreditation fees do not normally cover the expenditures related to the accreditation activities outside of the direct audit costs, so it is essential to get revenues from other sources that can subsidize the costs related to other activities such as standard setting, training, and marketing. Thus it is important with a differentiated fee structure, to apply several different kinds of fees. A differentiated fee structure also makes it easier to set up a fee structure that takes into consideration the geographic origin of the applicant certification program, as well as its financial size.

The study also shows that branding by “selling” the right to use the accreditation organizations’ logo to industry members that are certified by an accredited certifier can be a very profitable revenue source as well as a very good marketing tool. There is, of course, a whole series of problems and conflicts attached to the branding issue, the most important of which are conflicts of interest and too much dependency on the industry. So it is important to be careful before starting to use branding in its purest form – companies would pay a fee to use the logo on their products. It should, however, be noted that this strategy might not work for a potential STSC, since the STSC name will not be selling large quantities of coffee or seafood (markets that already exist and markets where large companies try to distinguish themselves). A potential STSC will be operating in a currently limited market that at the moment is not very interesting for the larger operators in the tourism industry (Source: Søren Rasmussen, Albatros Travel A/S, pers. comm.).

From the study it is also clear that training (seminar, workshops and other learning activities) can be a very attractive revenue source. Another important benefit from training is the increased awareness of the need for socially responsible certification and accreditation, as well as the organization itself.

Clearly, to ensure the overall sustainability of an organization, it is important to make sure that the organization has long-term financial viability. A central element of the financial sustainability is a predictable and stable flow of revenue. The best way to ensure, at an early stage, the organization's financial health, is to set up an accurate and solid business plan that takes the organization through various development phases. The business plan can be closely monitored and appropriate adjustments can be put into place at an early stage if things do not work out as planned.

5.3 Governance and membership

This section aims to analyze the governance and, where applicable, membership models employed by organizations similar in nature to the STSC. All organizations require a governance structure to manage its operations in a way that maximizes resources and fulfills mission. A governance structure is the legal requirement necessary to establish either a nonprofit organization or for-profit corporation. Typically an organization's governance is embodied in the board of directors and by-laws that provide for the organization and operation of the nonprofit or corporation. In a corporation or nonprofit organization, the board is elected by the shareholders or members to set policy, select officers to carry it out, monitor the corporation or nonprofit's operations, and make major decisions regarding the corporation or nonprofit's business and finances (Clapp, Dictionary of Law). The membership of a nonprofit organization can be empowered as much or as little as desired. Members' rights and responsibilities are typically laid out in the by-laws.

Because governance is so critical to the credible and efficient operation of an organization, a study of governance structures employed by similar association or accreditation organizations was undertaken to make a recommendation for a governance structure for the STSC.

The study reviewed the governance structures in seven organizations that have already been profiled:

- Forest Stewardship Council (FSC)
- Marine Stewardship Council (MSC)
- International Federation of Organic Agriculture Movements (IFOAM)
- Social Accountability International (SAI)
- International Organic Accreditation Service (IOAS)
- Marine Aquarium Council (MAC)
- Fairtrade Labelling Organizations (FLO)

An additional organization, a tourism trade association, was included in the governance study: the Tour Operators Initiative (TOI). TOI is included in this study because it is interesting to a potential STSC for the following reasons: 1) It is housed at an intergovernmental institution, UNEP and 2) TOI has reserved three permanent, non-elected seats on its board to intergovernmental institutions (UNEP, UNESCO and WTO). Tour Operators Initiative (TOI) is a nonprofit association working to develop sustainability reporting guidelines and performance indicators, among other activities (TOI Web site www.toinitiative.org). TOI has 24 members from 16 countries.

Rather than list the governance and membership attributes by organization, the discussion below focuses on the main results that will be pertinent to a STSC. For full results, please see Appendix 10. Each group employs variations on one or two common governance themes, many of which are appropriate in the discussion of establishing a sustainable tourism association or stewardship council. Each approach has benefits and costs and there is no “right” way to set up governance, though there are “wrong” ways that will jeopardize a nonprofit organization’s legal standing and credibility amongst its stakeholders. In fact, several organizations in the study have undergone a revision in their governance structure after discovering that it did not meet its needs to effectively or credibly carry out its mission.

In doing this review, the key questions asked were:

- What is the board composition in terms of targeted representation of specific sectors and/or geographic regions?
- What is the number of board seats?
- Do board members serve in personal capacity or represent their organization?
- What are the term lengths for board members and officers?
- What officer positions does the organization have and what are their functions?
- What board committees does the organization have? (Typically executive, nominating, finance.)
- Is the board compensated in any way?
- Who ratifies or approves policy decisions and standards, if applicable?
- Who approves the accreditation decisions, if applicable?
- How many meetings per year are there?
- How is a quorum defined?
- Does the organization have a membership and, if so, what are members’ rights and responsibilities?

5.3.1 Key findings

Board Composition

Appropriately reflecting the stakeholder balance is a key goal for nearly every organization studied. FSC, MAC, FLO, and TOI have specific targets for sector and/or geographic balance. IFOAM and IOAS have no overt targets although IFOAM regularly succeeds in a balanced board through the nominating and election process. SAI and MSC have advisory boards that represent sectoral and geographic balance while their main governing boards may be set up with targets of efficiency of meeting and decision-making in mind.

Number of board seats

Board size varied widely although nearly all have between seven and fifteen seats. Most have an odd number of seats to facilitate decision-making. Three organizations -- IFOAM, SAI, and FLO -- have an even number of board members.

Term lengths

This information was not available for all organizations in this study. Three organizations--FSC, MSC, TOI--have three-year terms, while FLO uses two-year terms. Several organizations had to revise their by-laws to accommodate staggered term lengths since it isn't efficient to have an entire board retire after a given period. The MSC had considered a two-term limit but found that it was more efficient for the ongoing operation of the organization to have indefinite, consecutive terms.

Officers

Most organizations have a president and a vice-president who acts on behalf of the president when s/he is not available, and a treasurer. Often a staff person performs the duties of the secretary.

Board committees

Most boards have, minimally, an executive committee with three to five members who can act on behalf of the full board between meetings. There may be a finance committee, a nominating committee and, for standards-setting and accreditation organizations, a standards or norms committee or an accreditation committee, as appropriate. Generally, the executive, nominating, and finance committees are comprised of board members while the technical committee may include non-board technical experts.

Board compensation

For nonprofits, the board members are not compensated for their time, though travel expenses for board meetings are covered. At IFOAM, IOAS, and SAI, the board members often find their own travel funding through grants. This is effective in reducing organizational costs. FLO compensates producers who serve on the board.

Decision-making

For accreditation bodies (FSC, IOAS, SAI, MSC, and MAC), the majority has appointed an accreditation committee that makes the accreditation decision. At FSC, the board makes the accreditation decision and at SAI, the president makes the decision based on the recommendation of an accreditation review panel. For standard-setters (FSC, IFOAM, SAI, MSC, FLO, and MAC), all groups solicit input from a broad stakeholder base, and generally have staff develop the standards for board approval (FSC, MSC, FLO, and MAC). IFOAM's membership approves the standards through ballot, though the board will take a vote if there is no membership quorum, but the members must ratify that decision at the following General Assembly. At SAI, the Advisory board creates and approves the standards.

A quorum – the number of board members needed to be present to conduct business - is generally defined as a majority though the FSC requires 7 of 9 members.

Membership

Not all of these organizations have a membership base. Only FSC and IFOAM are true membership organizations, allowing organizations and individuals from different sectors into the membership. MSC counts its stakeholder council as its members. The national fairtrade programs are FLO's members. TOI limits its membership to tour operators. SAI and MAC

are not membership organizations; IFOAM is IOAS' sole member. There are clearly costs and benefits to having a broad-based membership. An advantage of a diverse membership is that a wide array of stakeholders can be given a sense of ownership over the organization. However, a diverse membership also usually means slower, sometimes contentious, decision-making.

Member Rights (Voting and Dues)

For the membership organizations, members typically have the right to vote for board members and on key decisions. They also have to pay annual membership dues. At IFOAM, for instance, only full members have voting rights (see membership criteria below).

The FSC has a complex voting system across its six subchambers (three chambers: economic, social, environmental, each with two subchambers -- one representing the global South, the other the global North). Each of these six subchambers is given equal voting weight so that none can dominate. Individuals are allowed to join as members with a voice and vote, but their aggregate vote is weighted so that individuals as a group have no more than 10% of the subchamber vote. This prevents several individuals from outweighing a single large organization.

Membership criteria

Defining membership criteria and linking membership type to privileges is seen as necessary to maintaining the integrity of the membership organization and preventing outside influences from subverting the organization's mission. At FSC, members must be committed to FSC principles and economic members must implement the FSC standards in their operations and have a "significant" percentage of sales in FSC certified products or a "significant" part of their forest production certified within a "reasonable" amount of time (defined on the Web site as two years). Only legal entities or individuals can be members so chapters or branches of international organizations cannot join. At IFOAM, full members must have more than 50% of their turnover in organics. Associate members have less than 50% of turnover in organics. Individuals can join at the supporter level and must be active in organics. Associate and supporters have no voting rights. At TOI, members must be in business for at least two years and must have signed TOI's Statement of Commitment to Sustainable Tourism Development and must also have adopted its principles. On paper, TOI has an associate membership but, at this point, there are no associate members.

5.4 New Developments in Accreditation

According to Patrick Mallet, Director of ISEAL, there is a movement amongst some ISEAL members to segregate accreditation activities from developing criteria and standard setting (Patrick Mallet, ISEAL, pers. comm.). Combining such activities is perceived as, at worst, a potential conflict of interest, and minimally as a distraction from an objective accreditation process. The International Accreditation Forum (IAF) is particularly interested in avoiding perceived and real conflicts of interest, and several of ISEAL's members, hoping to gain wider international acceptance and recognition, as well as potential membership in IAF, have undertaken an internal self-assessment of these combined functions. FLO and FSC are internally segmenting their certification and accreditation activities from standard setting and other activities. With the launching of IOAS, which operates as a separate legal entity, IFOAM segmented its accreditation function from its core standard setting activities.

Segmenting such activities provides greater transparency and leads to greater credibility in international circles. It also helps to clarify the costs of such activities, which should lead to more efficient financial models. For ISEAL members that developed their standards with a particular environmental and/or social focus, their competitive advantage and expertise has been in the standard setting arena. The accreditation function has grown out of the need to monitor compliance with their standards. Segmenting accreditation allows greater concentration in the area of expertise. Nevertheless, standard setters need to work closely with the outsourcing agency to ensure quality.

Along with the segmentation of accreditation and standard setting functions, there is a move in the environmental and social field to establish procedures to create standards and accreditation functions based on ISO guides. Again, this development will lead to greater opportunity for mutual recognition amongst participating organizations, greater credibility, transparency, and consistency of processes and procedures.

These two important developments in the accreditation field – segmenting accreditation from standard-setting and compliance with ISO guides– are leading to the development of a new operational accreditation model: outsourcing accreditation to third-party accreditation bodies. The stewardship councils can continue to work with their stakeholders and draw on their standard setting expertise while experienced accreditation bodies can assess whether certification programs meet particular standards and criteria and follow ISO guides (Patrick Mallet, ISEAL, pers. comm.).

Outsourcing the accreditation function has several advantages that are relevant to a potential STSC:

- Outsourcing should allow economies of scale, which can be more cost-efficient and possibly lower accreditation fees for certification programs.
- Outsourcing accreditation removes an implicit conflict of interest on the part of the standard setter that might wish to offer training and technical assistance to certification programs trying to reach accreditation.

5.5 Lessons learned

Despite the differences between the tourism industry and the other organizations discussed in this study, there are several conclusions that can be drawn that are relevant to a potential STSC.

Structure

There is a range of players in the accreditation field, but there is a general move to ISO-based procedures for standards and mutual recognition agreements. The STSC may wish to join alliances such as IAF and ISEAL to further its credibility and increase recognition.

Governance

The STSC should strive for a governing board that balances stakeholder representation. While not all accreditation or stewardship councils have memberships, it could be a good way for the STSC to build recognition and support for its standards. Establishing membership criteria that can balance inclusiveness while preventing “greenwashing” will be critical.

Membership criteria should be clear enough to distinguish between accredited and non-accredited certification programs, as well as clearly stating the benefits members receive.

Finances

Accreditation fees should be based on cost recovery, plus a margin. Graduated fees should be implemented so as not to prevent the participation in STSC of small certification programs or certification programs from developing countries. Realistic but accurate prices that include costs should be set from the beginning, as it may be too difficult to change prices midstream. Virtually all organizations studied here relied on donations to some extent. The STSC may have to accept the fact that some of its budget will be subsidized through donations, but it should strive to diversify its revenue sources to increase its independence and chances for financial self-sufficiency. Branding or licensing or royalties tied to a logo or certificate can be an important source of revenue for the STSC should it decide to develop a logo and “brand”. The willingness of tourism certifiers to pay for accreditation is expected to be low, and this means that the STSC may have to develop a fee structure that is lower than accreditation fee structures charged by other accreditation bodies. Lastly, it is critical that the STSC develop a business plan, which will provide guideposts and can be used to monitor and tweak performance as needed.

These lessons learned have been incorporated into the development of the proposed structure for the STSC – a phased implementation beginning with a network phase, graduating to an association phase, and then, once the STSC standard is finalized, adding the accreditation component which is proposed as an outsourced function (see Chapter 6).

6. Phased implementation

Consultation activities about a sustainable tourism accreditation body conducted with governments and certification bodies that took place early in the process revealed key information. However, it was later consultation at the Quebec Summit in May 2002 that revealed the desire of many stakeholders to start with an interim structure such as a network and progress over time towards a STSC accreditation body. The rationale is that, while accreditation is necessary, getting to the stage of having a developed and vetted STSC standard will take several years. The research suggests that it would be preferable to move from an informal network structure for two years, to at least one year of a legally established association during which time the STSC standard would be finalized, followed by the accreditation level.

The information presented in this chapter draws partially from the extensive consultation activities undertaken as part of the project as a whole, as well as from more focused consultation at and as a result of the Quebec Summit. This chapter lays out the following information for the three proposed phases:

- Organizational blueprint (including housing, organizational structure, governance, membership, and staffing).
- Standards, criteria and assessment.
- Roles of stakeholders.
- Finances.

6.1. Network

This section provides an overview of how the proposed STSC-Network could be structured in a global and regional context.

Short description

- Clearinghouse for information on certification and certification programs

It is proposed that the first stage of the STSC implementation process is the establishment of a global network. This would serve as a non-legal entity and would act as a clearinghouse for information on certification, in general, and tourism certification programs, specifically. Should a country wish to establish a new certification program, the network would provide information on other programs, criteria, processes and such. This would assist new programs in following current best practices in the establishment and operation of sustainable tourism certification programs. The strategy that a STSC-Network will follow is that of enhancing the benefits of voluntary certification to reduce the negative impacts of the tourism industry.

Mission/objectives

- Raise the quality of certification programs through multi-stakeholder information sharing and awareness raising.

The STSC-Network's overall mission is to raise the quality of certification programs through multi-stakeholder information sharing and awareness-raising. This would help to ensure the sustainability of tourism destinations by encouraging better environmental and social performance and better economic returns to local communities. The STSC-Network should raise the bar in terms of sustainability in tourism on a global scale, while it recognizes key regional differences. Additionally, the STSC-Network should encourage dialogue and the development of internationally relevant and locally sensitive standards that support sustainable tourism and ecotourism.

The following mission statement for the STSC-Network is proposed:

The STSC-Network will raise the quality of certification programs on a global scale by encouraging greater interaction between stakeholders through the provision of mechanisms that:

- Encourage communication between stakeholders;
- Provide a formal, non-competitive mechanism to share information on experiences in developing, implementing and managing certification programs;
- Raise awareness amongst stakeholders, including the consumer, on the values of certification as a tool to achieving sustainable tourism and ecotourism; and,
- Expand the knowledge base on certification through education.

Main activities as they relate to mission and objectives:

Clearinghouse

The STSC-Network would in essence operate as a clearinghouse for all tourism certification-related activities on a global scale, making use of regional initiatives for internationalization and comparison of sustainability standards and procedures for certification to such standards.

The network would provide, for example, information on existing certification programs, their strengths and weaknesses or provide peer review to organizations and governments proposing new certification programs, particularly at a regional level. It is important to note that involvement in the network will be open to all willing participants, and there will be no barriers in terms of having to meet set criteria. Specific activities include the following:

- Regional workshops

To facilitate communication and information sharing, an essential activity undertaken by the network will be to hold regional workshops to address regional and interregional issues on certification and sustainable tourism. If funding is available, regional workshops would most likely take place in Latin America, Africa, Europe, and Asia/Pacific. Because there are established networks in Europe and Asia/Pacific, those regional meetings fall outside the STSC-Network funding and have not been included in either the discussion or budgets. (Please note that, at this stage, it seems likely that there will be funding for activities only in a Latin American network. However, the text and budgets reflect a full range of activities in both Latin America and Africa. All activities will be dependent upon available funding.)

- Annual international conference

The network will organize one international conference per year open to all stakeholders. The latter would provide a venue for unrestricted, open and informative dissemination of information on progress in sustainable tourism.

- Internet network

The network will facilitate internet-based communication with provision of newsletters, addresses, publications and information on new initiatives, for example. In addition, it will foster further dialogue between stakeholders and allow widespread participation.

Standard

- Discussions on international standard and local variations

A key activity of the network will be to establish a level playing field of knowledge on certification and accreditation procedures and processes on a global scale. At present there are significant national and regional differences in the knowledge base. A fundamental approach of the network will be to draw on the existing regionally focused consolidation efforts currently underway to lead the process.

The network will commence discussion, consultation and education on how existing criteria could be adapted to take the network one step further and introduce performance requirements to be eligible to participate. At the Quebec Summit there was an overwhelming agreement that at this stage there is a need to open up dialogue between the myriad stakeholders prior to accreditation criteria being defined, so as not to discriminate against any organization or individual.

Coordination and fundraising

The Rainforest Alliance, as a primary facilitator of the project, would function as the coordinating unit and main fundraiser for the network, at least in its early stages. As such it would provide a Coordinator and part-time assistant and manage the network.

6.1.1. Organizational blueprint

The organizational blueprint covers the following topics: housing, structure, governance and membership. The STSC-Network is a simple, cost-effective mechanism to facilitate discussion on the role of STSC, its operations and standards. The aim of this structure is to allow the future phases of the STSC to build upon a strong stakeholder base.

Housing

- International coordination housed through an existing organization.

Coordinating the network will be more effective if it is housed through an existing international organization that can support the network's activities. The Rainforest Alliance, through its extensive work on researching the feasibility of the STSC, is well positioned to provide coordination services.

- Regional representatives housed through member organizations.

Regional representatives could be hosted by regional members' organizations, which could also provide the venue for the regional workshops and/or the annual conference. In addition,

the Rainforest Alliance is available to provide and support the regional network in Latin America and Africa, pending the availability of funding.

- Linkages to existing regional networks.

There are currently several key regional networks in place that aim to foster dialogue between stakeholders in sustainable tourism and/or ecotourism certification. These existing networks could become avenues to operationalize the STSC-Network at the regional level. The hope is that these networks will promote the principles of STSC and lobby their members to become directly involved with the STSC-Network. It is proposed that the different processes of regionalized sustainable tourism certification standards should be acknowledged for their value as platforms to global sustainability in tourism.

Structure

- **International network coordination** as the umbrella to regional initiatives and existing regional networks, structured as follows (also see Figure 6.1):

Global coordinating unit with a project coordinator. The network will have a global division to work with the regional units. As mentioned above, there are several key regional groupings of certification programs already working towards some element of commonality and opening the dialogue between stakeholders. The STSC-Network should capitalize on existing networks and work with the organizers of these networks to share some of the responsibility of implementing some of the STSC-Network activities. This will also reduce the need for any additional dedicated network personnel.

An Advisory Board that is an offshoot of the current STSC Advisory Committee with a Chair rotating on an annual basis.

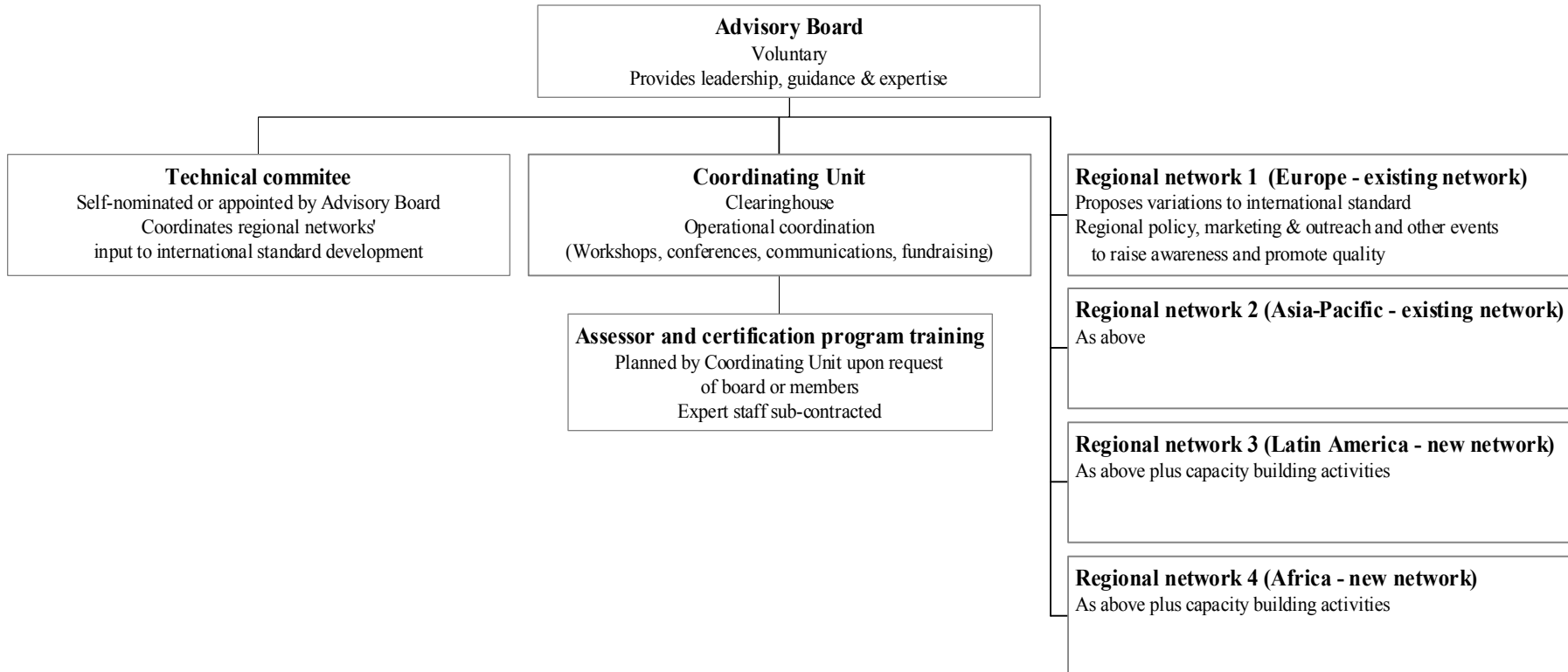
Regional representatives to continue present activities of certification programs and criteria consolidation. Members of the network could host the regional representatives.

- **Technical Committee** with members from regional networks and other stakeholders.

Form a multi-stakeholder Technical Committee comprising of members from regional networks and other stakeholders. This committee should not have more than 6-8 members, who should have expertise in standards, certification procedures, tourism, environmental issues and social impacts. The Technical Committee, being representative of the regions, of the different sector and sub-sectors of the industry and of the other stakeholders involved, would address issues related to each certification program. The purpose of this committee is to coordinate the discussion on international standards and the need for regional variations, using the information gathered for this report as a baseline. The expertise developed through this committee would be used in the association phase (the next phase) to undertake training and capacity building programs for existing certification programs and for organizations establishing new programs.

Figure 6.1. STSC-Network organizational chart

STSC - Network



Governance

The STSC-Network will not be established as a legal entity so there will be no formal governance, in a legal sense. However, there will be an Advisory Board that will provide oversight of the network's activities and direction. This Advisory Board, initially, may be an offshoot of the current STSC Advisory Committee and should be representative of the participating regions and sectors, and have balanced expertise in certification, accreditation, tourism, and environmental and social issues. Ideally, the chair will be a rotating position, perhaps from one of the organizations housing regional representatives or workshops.

Membership

Membership will be open to all stakeholders. For the purpose of this report the stakeholders that have been considered are tourism certification programs, governments, tourism industry and industry associations, tour operators and tour operator associations, NGOs, intergovernmental agencies, donors and financial institutions, and accreditation organizations. Membership is open also to individuals with an interest in sustainable tourism and ecotourism certification and accreditation.

Membership in the STSC-Network will be open to any certification program or other interested stakeholders, with no requirement to meet specified criteria, other than a willingness to share information. This approach should encourage widespread participation, which in turn will encourage greater interaction between stakeholders and heighten the sustainability debate.

The rationale of the STSC-Network is to increase participation in regional and global discussions on what criteria should be established to assess certification programs. As such, participation should not be dependent upon meeting set criteria.

No membership fees have been projected for the network to enable as widespread participation as possible. (Conference attendance fees are budgeted.)

6.1.2. Standards, criteria and assessment

The recommendations presented here reflect the outcomes of chapter 7 of this report.

International standard

- First draft of international standard.

The Technical Committee will use the information gathered for this report plus newly available information on tourism certification developments to produce a first draft of one international standard for sustainable tourism, or several international standards if it is deemed necessary to separate sustainable tourism from ecotourism standards, or if standards are required for different subsectors such as accommodation, outbound tour operators, destination management companies/inbound tour operators, and other sectors of the tourism industry.

- Policy on regional/local differences.

The Technical Committee will gather evidence of specific needs for regional and local differences in implementing an international standard or standards, and will develop a policy on how regional and local differences should be addressed in the context of an international

standard. The Technical Committee will undertake this task in consultation with regional networks, tourism certification programs from a variety of locations and focuses where regional networks do not exist, and with the membership of the STSC-Network.

Accreditation criteria

- STSC accreditation criteria finalized.

The preliminary STSC accreditation criteria presented in this document represent a solid starting point from which tourism certification programs and other stakeholders can discuss the feasibility of their implementation and necessary changes to the criteria. The STSC criteria should be finalized during the network phase to allow for tourism certification programs to work towards concrete requirements in the following phases.

- Tourism certification program preliminary self-assessment.

Certification programs do not have to meet specific criteria to participate in the network, but programs should consider their operations against the following:

Preliminary STSC accreditation criteria: Tourism certification programs should actively participate in the debate of the STSC accreditation criteria by first considering the feasibility of meeting those criteria and gathering evidence on how the criteria are met.

ISO 65 Guide as procedures for operating a certification body: Tourism certification programs are encouraged to consider the robustness of their operations against the international ISO 65 Guide, which outlines procedures for operating a certification body.

Assessment

- No assessment of tourism certification programs at the network phase.

As there are no criteria to limit membership, there is no formal assessment process required by the STSC-Network. Some consultation revealed a concern that certification programs that certify mass tourism should not be eligible to participate, as mass tourism can be perceived as unsustainable. There are disadvantages in taking this approach for the STSC-Network, as there are numerous certification programs that certify mass tourism based on environmentally and socially responsible criteria, and so should not be excluded from the debate. Given that a significant aim of the STSC-Network is to foster greater dialogue and interaction between stakeholders, the exclusion of some certification programs on the basis of their involvement in mass tourism would be detrimental to the global role the STSC-Network could play.

6.1.3. Roles of stakeholder groups

The consultation workshops identified the following stakeholders as being well positioned and generally predisposed to undertake the following roles and tasks to support the implementation of the STSC. The roles outlined below are possible roles that stakeholder groups could take in the network phase.

Certification programs

- Lead debates/events on sustainable tourism certification.

STSC will provide an international network for sharing best practices and joint solutions. Tourism certification programs are well positioned to lead the debates and events on sustainable tourism certification either by hosting regional workshops or participating in the international discussions.

- Improve standards to address social, environmental and economic sustainability.

The STSC will act as platform to ensure good practice amongst certification bodies, identify best practices and improve standards. The discussions on an international standard and the need for regional differences will allow tourism certification programs to identify best practices and to consider transferable experiences. In this first phase, the STSC-Network will begin to harmonize standards and procedures that can lead to partnerships between certification programs.

- Increase numbers of certified businesses.

STSC-Network will help certification programs in promoting their programs to industry and tourists. STSC will give certification programs the critical mass to lobby for benefits for their applicants in order to make certification more appealing, increase the number of applicants and renewals. The STSC-Network will not undertake lobbying but individual tourism certification programs might quote their involvement in this network as a sign of quality.

Governments

- Lobby for government-owned accommodation to apply for accredited certification.

Governments should lobby for state-owned or state-supported accommodation to meet international sustainable tourism standards, and apply for accredited certification in the early stages of the process.

- Support small firm access to certification.

Governments should consider mechanisms for supporting small firm access to certification, and how certification can be used as an instrument to implement national sustainability, environmental and competitiveness programs and targets that allow small firms to have access to lines of funding. Discussions about this concern and identification of mechanisms to increase access of SMEs to certification should be promoted in the STSC-Network.

- Fund academic research on benefits of certification.

There are few data available on the benefits of certification for the tourism industry, including type and size of tourism firms that are most likely to gain benefits from tourism certification. One example of academic research needed is an economic analysis on the eco-savings and other measurable benefits from certification against the investments needed for certification. This would provide concrete baseline data and could give insight as to which tourism companies need external support to enter certification and which companies can successfully enter certification through the promise of future savings that improved management will generate.

- Fund/subsidize national certification programs.

Countries without certification programs at present would benefit from state intervention in starting up a program that meets international standards. STSC will promote itself to

governments as a key international tool to operationalize national sustainable tourism strategies through national certification programs.

Industry and industry associations

- Participate in debates on sustainable tourism certification.

The STSC-Network needs to include members of the tourism industry in the debates on sustainable tourism certification, the benefits of an international standard and the best avenues to market certified companies and to improve industry performance. This might include a survey of members of the tourism industry who are already certified, with the support of the tourism certification programs. This was not undertaken during this feasibility study because of expressed fears by some tourism certification programs that this would undermine their operations, and building trust amongst certification programs was considered paramount.

- Industry associations to disseminate information to their members.

Industry associations are in a key position to promote tourism certification by providing information and opportunities for industry training to improve standards and prepare for tourism certification. The STSC-Network should work closely with national or regional tourism industry associations to this effect.

- In-kind support for network meetings and workshops.

The STSC-Network could approach key tourism firms for in-kind support to host network meetings and to help subsidize meeting travel.

Tour operators

- Creation of buyer groups.

The STSC will organize buyer groups with the initial aim to getting a commitment, and, after an agreed period of time, the practice of purchasing certified products when these are available and match non-certified ones in quality, price and convenience. To this purpose, the STSC-Network will invite tour operators with a track record on sustainable tourism to participate in one or several buyer groups to brainstorm how accredited certification of suppliers could be of use to tour operators, and to consider the functions that accredited certification could undertake for tour operators. These buyer groups will continue to exist in forthcoming phases.

- Participate in debates on sustainable tourism certification.

STSC will work with tour operators to ensure that sustainability standards are meaningful and useful to the tour operator in their quality assurance processes. Tour operators need to participate in the debates on sustainable tourism certification to ensure that their priorities are heard not only in discussions within the buyers groups but also in setting the standards and the accreditation criteria.

NGOs and consumer associations

- Support funding research on benefits of certification.

NGOs can lobby together with the STSC to funding agencies to support developing field research on the impact that certification can have on key areas of the tourism industry especially for those that are more vulnerable to change, such as small firms and community projects, especially in Southern hemisphere countries. As previously outlined for governments, NGOs can partner to fund research on the benefits of certification with the purpose of identifying which sectors of the tourism industry can benefit from certification and identifying constraints to certification and how these can be overcome.

- Tourist information dissemination.

STSC will provide a tool for tourists to practice pro-sustainability principles and to lessen or improve poor environmental and socio-cultural practices. NGOs and consumer associations can help educate consumers by disseminating information about sustainable tourism development and specifically about tourism certification programs that provide a guarantee that their holidays have a lower impact.

- Incorporate social and environmental concerns.

NGOs will be included on the STSC Advisory Board to ensure that a wide range of sustainability issues are considered and reviewed. Social concerns have not featured high in the list of current certification criteria and standards and NGOs have a role to lobby for inclusion of socio-cultural and pro-destination issues alongside the more mainstream environmental criteria.

Intergovernmental institutions

- Provide credibility and endorsement.

The STSC-Network needs to secure endorsement at a level that leverages support amongst other stakeholders. Intergovernmental institutions can provide credibility and legitimacy to the STSC. UNEP and WTO will be invited to sit on the STSC Advisory Board and other intergovernmental institutions will be invited to be members of the STSC-Network. Also intergovernmental institutions can be channels to disseminate the proposals for international standards and accreditation criteria among stakeholders that STSC would otherwise not be able to reach.

- Fund academic research on benefits of certification.

Intergovernmental institutions can fund academic research on the benefits of tourism certification as a tool to implement international commitments to sustainability and ethics.

Donors and financial institutions

- Financial support for network coordination and meetings and workshops.

The Rainforest Alliance has started to fundraise amongst donors for financial support for the network coordination and activities. The STSC-Network activity level will be directly dependent upon the success in fundraising.

- Provide funding to other stakeholders for research and participation.

The budget included in this report covers the costs of managing the network, but does not include conference and travel funds for key stakeholders that may need financial assistance, or other key research. Donors will be approached to fund the participation of small tourism firms and NGOs in regional workshops to determine the operation of the STSC, international standards and accreditation criteria.

- Continue to fund pilot certification programs, especially in areas of high biodiversity value and with socio/cultural concerns.

A number of tourism certification programs receive support of donor agencies either directly or through NGOs, generally in Southern hemisphere countries and in areas of high biodiversity value or where tourism has caused considerable socio-cultural impacts. STSC will recommend donor agencies to continue funding pilot certification programs.

Accreditation organizations

- Encouraged to participate and share knowledge.

The STSC will aim to ensure that processes and procedures of accreditation meet international standards set amongst recognized accreditation associations. To this effect, the STSC-Network will invite ISEAL, IAF and specific accreditation bodies from other industries to share their experience with STSC regarding the feasibility of the proposals in this report and how these are rolled out during the network phase.

Tourists

- Market research on consumer behavior and willingness to pay in key markets.

In order to develop a consumer-driven message, the STSC-Network should consider conducting or collaborating on some market research on consumer behavior and willingness to pay in key markets. This task was not undertaken for this report due to budgetary limitations and also because the concept of a STSC was not developed enough to test it. The initial research shows that tourists are willing to pay for overall quality. The STSC should closely monitor the experience of VISIT's marketing message, test the positioning benefits and devise medium term communication campaigns for key outbound tourism markets.

6.1.4. Finance

This section reviews estimated expenses and revenues for the STSC-Network based on the research conducted for this study. The primary assumptions are:

- That the STSC-Network will be in effect for two years during which time the STSC standards will be developed. Additional time to disseminate them might be needed during STSC-Association stage.
- The STSC-Network will tap into existing regional networks in Europe and Asia/Pacific. In terms of costs, they should be fairly minimal to liaise with existing networks (travel, communications).
- The STSC-Network will develop additional regional networks in Latin America and Africa. Ideally, there will be sufficient funding to develop networks in both regions.

These costs are reflected in the full network budget (Budget B). Realistically, there may be only funding for one regional network in Latin America.

Costs

The cost of establishing and maintaining the international network and regional initiatives will vary depending upon the number of regions represented and the level of activity. To be successful, the international coordinator and regional representatives should be paid; otherwise there is a danger that there will not be any consistent forward movement.

Costs may vary from an annual budget of \$265,000 (Budget A) to cover 2.5 staff (full-time coordinator, part-time assistant, and one regional representative in Latin America), the cost of maintaining the electronic network and other forms of communication, and meetings and travel (one annual conference, a workshop in Latin America, and costs to liaise with European, Asian-Pacific, and North American networks) to \$380,000 (Budget B) to cover all costs in Budget A plus an additional representative in Africa, a workshop in Africa, and overhead costs associated with the additional region.

This information is summarized below in two budgets, A and B (expenses only, see Table 6.1). Budget B reflects the full costs of the networks including the Latin American and African regional networks and has been included in the ten-year financial projections for the phased implementation. See Appendix 11 for a more detailed Network budget.

Table 6.1. Network budget (expenses)

NETWORK BUDGET (in US \$)	Budget A (minimal budget) Year 1 and Year 2 (each year)	Budget B (full budget) Year 1 and Year 2 (each year)
Personnel (salaries & benefits)	\$109,200	\$152,400
Meetings, Conferences, Workshops	\$50,000	\$65,000
Marketing & Communications	\$10,000	\$30,000
Travel	\$22,000	\$26,000
Research	\$0	\$0
Office Expenses	\$30,000	\$44,000
Overhead (20%)	\$44,240	\$63,480
TOTAL	\$265,440	\$380,880

Personnel

The full budget accounts for 3.5 staff totaling \$152,400 including salaries and benefits. See Table 6.2 for a description of the personnel duties.

Table 6.2. Network - personnel

Personnel	Description of duties
Coordinator (Full-time)	Coordinates international network activities, oversees membership, annual meetings, fundraising; liaises with European and Asia/Pacific networks.
Assistant (Half-Time)	Administrative duties; helps coordinate meetings & conferences; coordinates and maintains internet forum.
Regional Representative (Latin America)	Liaises with regional members; coordinates regional workshop; lobbies for STSC; recruits membership; fundraising.
Regional Representative (Africa)	Liaises with regional members; coordinates regional workshop; lobbies for STSC; recruits membership; fundraising.

It is assumed that the international coordinator will be the liaison with the established regional initiatives in Europe and Asia-Pacific. Finding the balance between Internet and face-to-face communications will determine the costs. Temporary staff may also be needed to help coordinate the workshops and meetings but, ideally, the regional host would provide event-specific personnel. The costs to coordinate the meetings are included in the cost of the meetings (see below).

Meetings, conferences, workshops

Minimally, one international meeting and two regional workshops will be needed, totally \$65,000. Additional funding to help subsidize meeting and travel costs for key stakeholders unable to afford such fees may be necessary. Such costs are not included here.

Marketing and communications

Marketing and communications costs are minimal in the budget (\$30,000). Marketing and lobbying costs will be covered by staff and travel time so the budget will be reserved for web design, some printed materials (such as a brochure), and for a web forum for Internet communications. Costs for the Internet forum will vary depending on whether the STSC-Network has to create a new forum or can tap into an existing forum.

Travel

The budget includes funds to cover international travel for the network coordinator and regional travel for the representatives in Latin America and Africa. Travel to the other regions (Europe and Asia/Pacific) will be necessary, as well as to the network regions of Latin America and Africa.

Research

There are no funds budgeted for research at this stage. It is expected that members or partners of the network will conduct research that can be used by the network.

Office expenses

Office equipment, supplies, and telecommunications are budgeted for the Coordinating Unit staff and regional representatives. No rent is included for the Coordinator because it is assumed that the network will pay an overhead for those expenses (rent, utilities, fundraising and communications assistance). Rent is included for the regional representatives, which could go to the host organization as overhead costs. Also included in this category are direct expenses of equipment, communications, and supplies.

Revenues

The network stage may generate little or no direct revenue, apart from conference fees for the international meeting. These fees are expected to bring in \$22,500 based on 150 participants at \$150 per person. It is expected that participants will pay their own travel and accommodation expenses to the workshops and annual meeting, though some participants may need financial aid. No membership fees have been calculated at this stage in an effort to encourage wide stakeholder participation in the network. Additional subsidies, grants/donations, and in-kind contributions will be needed to fully operate the networks. This amount is estimated at \$358,380.

Net revenue

The primary assumption is that expenses will equal revenues. If the network Coordinating Unit is not successful in raising funds for all activities in each region, then expenses will have to be cut back.

Table 6.3. Network 2-year budget (expenses & revenues)

Network Two Year Budget Summary (Revenues & Expenses in US \$)		
	Year 1	Year 2
Revenues (Conference fees & grants/donations)	\$380,880	\$380,880
Expenses	\$380,880	\$380,880
Net Revenue (+/-)	\$0	\$0

6.1.5. Evaluation

Strengths

- Natural progression from current situation, some regions considering or conducting joint efforts.

Setting up an international network for tourism certification programs is a natural progression from the current situation, where a number of programs working at a national or local level are starting discussions with other programs to learn from each other. Setting up a network

will provide more time for tourism certification programs to learn more from each other and improve their own systems, as well as to build trust in the STSC and its participants.

- Improved participation and communication, extended awareness.

This network would provide a platform that would allow for these discussions to take place in a way that would maximize participation and dissemination. More countries and regions without certification would benefit from the best practices highlighted in the network and ensure that new programs utilize the current expertise.

- Low cost and open to participation.

The cost of setting up an international network is relatively low if regional networks are funded separately. In an effort to maximize participation, there will be no membership criteria and membership will be open to all interested parties.

- Platform for bottom-up development of further activities

The network will act as a platform from which further activities towards setting standards, training certification programs to meet those standards, and marketing companies meeting the standards can take place. Other activities could be given priority over the ones just mentioned during the network phase if stakeholders consider them necessary.

Weaknesses

- Does not guarantee credibility and equality of standards.

A network does not guarantee that the different tourism certification programs have equal standards or that their work is of comparable quality. The network might imply to external audiences that stakeholders are endorsing the work of the tourism certification programs that are part of the network.

- Lack of formal structure could hinder progress.

The informal structure proposed here keeps costs down but at the expense of potentially hindering progress, since the lack of a more formalized structure could mean an inefficient use of time, discussions with limited direction and outcomes that are not well recorded.

- Barriers to entry for some groups, such as developing countries and small firms.

Despite the fact that the network will mainly operate electronically, there are still limitations on the ability to participate by a number of developing countries, small firms and some small tourism certification programs. Web-based information distribution prior to and post events, and maximizing the use of the web for electronic discussions will maximize participation.

Recommendations

- Multi-stakeholder network generates interest and catalyses development potential.

It is recommended that the STSC-Network is set up with the mandate to generate interest and participation from a variety of stakeholders and is used as the catalyst for bottom-up proposals on the international standards and the revision of the proposals in this document for the progression to the STSC-Association phase.

Time

- Years 1 and 2.

It is recommended that the STSC-Network spans over two years to ensure that regional networks can be set up and address the key issues required to facilitate an open discussion of international standards and the benefits of accreditation. The regional networks that currently exist or are created during the network phase can continue to exist after the network phase has transitioned to the association phase, as long as there is funding and political will.

6.2. Association

Short description

It is proposed the second stage of the STSC implementation process be the progression from a relatively informal STSC-Network to a STSC-Association. Essentially, a STSC-Association would build on the activities of the network (such as acting as a clearinghouse for information on certification and certification programs) but would differ from the STSC-Network in that it would be a legal entity and would take on additional roles such as formal training and marketing activities. It would also require a membership structure, for which a fee would be charged. The association would be the standard setting body for the sustainable tourism and ecotourism movements, much like IFOAM is for the organic movement. The association stage is necessary to allow time to finish the STSC standard and to determine the best options for outsourcing accreditation. The advantages of outsourcing accreditation are discussed in Chapter 5. The analysis here has assumed at least one year of association activities, which thereafter will evolve into the accreditation stage.

Mission/objectives

The purpose of creating the STSC-Association is to recruit formal membership by providing benefits to members in the form of training and marketing. Whereas the major objective of the STSC-Network is to raise the quality of certification programs, it is proposed that the STSC-Association takes active steps to increase the benefits of certification by:

- Developing and finalizing an international STSC standard and accreditation criteria;
- Marketing to international markets and distribution channels;
- Assisting certified companies to gain a competitive advantage through increased awareness of market opportunities;
- Improving the performance of the tourism industry;
- Continuing to improve the professionalism of certification programs; and,
- Lobbying at the highest political level to widen support for certified tourism products and services.

As with the STSC-Network, the overall mission of the association is to enhance the sustainability of tourism operations by encouraging better performance in terms of environmental and social issues and improved economic benefits to local communities around the globe, while, at the same time, recognizing key regional differences and needs.

Main activities as they relate to mission and objectives:

The key activities that the STSC-Association would undertake beyond clearinghouse and standard development would be marketing and training.

Clearinghouse

- Annual international conference

As in the STSC-Network, there will be annual international conferences, which will serve as the annual general meetings of the membership.

- Internet network

As in the STSC-Network, the Internet network will be the main method of communication between members between conferences.

Standard

- Develop multi-stakeholder international standard.

The Technical Committee will have responsibility for developing the international standard on sustainable tourism, or various standards for sub-sectors of the industry if this is deemed necessary, based on the input from the STSC-Network to date, the findings from this study and the input from a wide range of stakeholders.

- Promote certification competence procedures.

Tourism certification programs will be encouraged to acknowledge the usefulness of working towards ISO 65 Guide, an internationally agreed guide to test the capacity of certification bodies to undertake competent assessments. Tourism certification bodies will be encouraged to comply wherever possible with this guide, and training will be provided to this effect.

- First-party mapping of own standard against international standard, feeding into rationale for local/regional variations.

The development of an international standard requires testing for its feasibility, which will take place through first-party assessment of the proposed international standard against tourism certification programs' own standards. The comparisons will provide evidence for arguments towards regional variations of the international standard, facilitate implementation and increase the sector's ownership of final proposals.

Marketing

- Create database of certified companies and use it for marketing/brokerage.

The STSC will create a database of certified companies globally, which can be used as a valuable marketing tool. This could be used as a lobbying tool for tour operators and travel agents to actively promote certified tourism products and services.

- Lobby stakeholders.

The STSC will lobby key stakeholders to promote activities in line with STSC principles. National governments would be approached to consider support to national tourism certification programs. Tour operators will be approached to use certified suppliers from STSC members. NGOs will be approached to actively promote certified tourism services and products. It is not envisaged that the STSC-Association will take on a direct consumer marketing campaign, but rather, that it will work in partnership with a range of NGOs which have a much closer relationship with their members, who are consumers.

- Coordinates buyer groups.

The STSC will continue to coordinate one or more buyer groups of tour operators which could provide useful information on the value of certification for supply chain management, and on how the criteria of certification could be more useful to tour operators in covering some of their responsibilities towards the safety of holidays for their clients. Nevertheless, special consideration should be given by the Association to the fact that the inclusion of safety and health provisions will increase STSC's legal liability as the standards developer or the liability of certifiers and assessors.

Training

- Assessor and certification program training.

A key activity of the association will be to address the issue of training and capacity building for members. The purpose of these activities is to establish a level playing field of knowledge on certification and accreditation procedures and processes on a global scale, as well as to improve the ability of tourism certification programs and their assessors to meet ISO guides, introduce STSC standards, and comply with STSC accreditation criteria. Expansion of education/training/capacity building activities will include professional courses for industry association, governments and certification bodies on certification. These activities should result in improving the professionalism in tourism certification. Activities would also include providing support to governments to enable those countries that do not already have a national certification program to establish a suitable, relevant and high quality program.

Fundraising

The STSC will continue to undertake fundraising activities to secure its financial feasibility and to support access to the STSC for organizations that do not have the financial means.

6.2.1. Organizational blueprint

This section provides an overview of how the STSC-Association could be structured to take the activities of the network forward, moving towards the long-term goal of forming a full Stewardship Council including accreditation. This includes information on housing, structure, staffing, governance, and membership.

Housing

As part of the consultation activities, stakeholders were asked whether they thought the STSC should be established as a body in its own right, to mirror other accreditation bodies such as the FSC, and/or whether the STSC could be housed within existing governmental or intergovernmental institutional structures. There was positive response to having a third-party (especially by a UN agency) house the STSC as a way to boost credibility for the concept and to economize on infrastructure expenses. Using this as a base for discussion, there are two options:

1. The STSC is a legally independent organization but housed by the third-party institution, which is given significant input into the STSC through a permanent role on the board. The institution provides physical space and some in-house professional services, along with political support, but is not committed to keeping the STSC afloat.
2. The STSC is completely independent from any intergovernmental involvement.

Intergovernmental organization

It is recommended that the STSC be an independent legal entity housed in an intergovernmental agency with a commitment and track record on sustainable tourism development, preferably part of the UN family. Such organizations with their global remit and institutional arrangements could provide the STSC with valuable ‘in kind’ support, such as office space, equipment, information technology, administrative, financial, legal and support services. This would help to reduce operational costs of the STSC and free up funds to carry out core business activities. The financial support expected in kind from the organization housing the STSC has been valued at less than \$100,000 per annum, although the actual cost to the organization would be considerably lower. Since the study recommends outsourcing accreditation (see also Chapter 5), this will help to reduce the commitment that any third-party institution housing the STSC would assume.

The question of which UN agency is most appropriate remains, and requires further consultation of these proposals amongst different key institutions. Four institutions were directly mentioned in the consultation: WTO, UNEP, UNESCO and IUCN. The WTO is a key player in supporting sustainable tourism and it would be a feasible agency to house STSC if this is not going to undermine the participation of tourism certification programs based in countries that are not WTO members. UNEP has a sustainable tourism remit but it is smaller. UNESCO projects by their very nature incorporate aspects of sustainability, yet it is an organization without a specific sustainable development and tourism mandate. IUCN, with its focus on conservation would be appropriate for tourism occurring in protected landscapes, but not necessarily for broader scale tourism. The STSC-Network phase will allow for different intergovernmental agencies to consider their degree of involvement in the STSC and whether housing the association and accreditation phases would be possible.

STSC housed independently

The alternative scenario is that the STSC is set up as an independent organization. The advantages are added independence from institutional arrangements and potentially attracting a wider range of donor funding sources and private sector sponsorship. The two primary disadvantages are higher operating costs from rent, utilities, and professional services and losing out on the potential credibility boost given by the support of an intergovernmental agency.

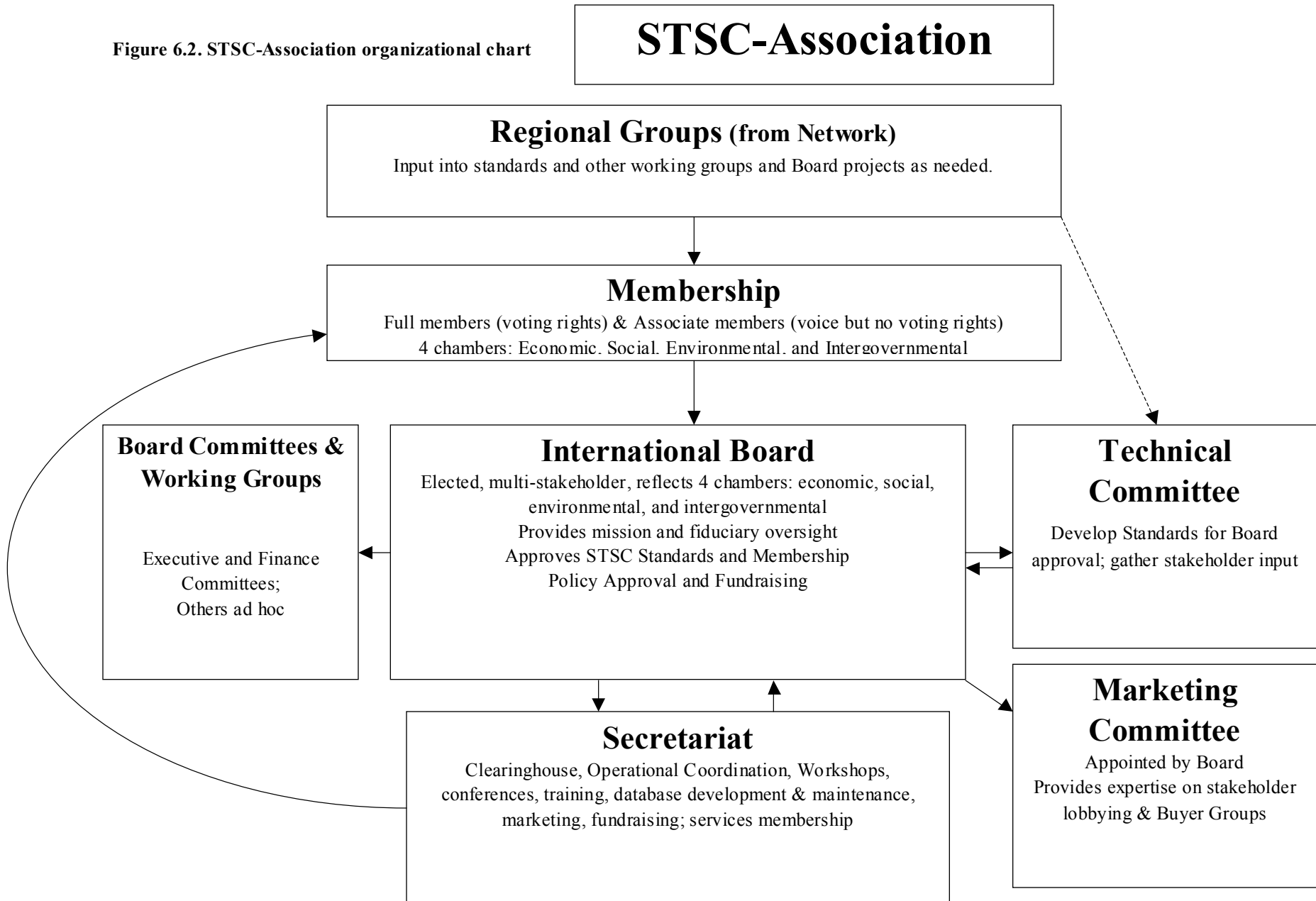
Structure

The STSC-Association will be governed by an international board whose policies are implemented by the secretariat. The secretariat serves the membership, which elects the board. The regional initiatives that played a role in the STSC-Network stage should retain a role in the STSC-Association phase, depending upon their interest and available funding. Committees will be established to develop guidelines and marketing activities. See Figure 6.2 for a diagram of the STSC-Association.

Specifically, the following structure is proposed for the STSC-Association:

1. **STSC International Board** elected by the membership and representing four chambers (economic, social, environmental, and intergovernmental). Its key role will be to oversee the STSC-Association's activities, provide fiduciary oversight, and oversee the establishment of a legal framework to operate the STSC-Association as a not-for-profit legal entity.
 2. **STSC secretariat** will be managed by an Executive Director with a small team (4.5 additional staff) to provide year round support and administration to the Board and its committees, regional networks, and membership. The secretariat will take on a global marketing role, with the aim of increasing awareness of and participation in tourism certification in terms of the tourism industry, as well as raise the profile of certification amongst consumers. The STSC secretariat will maintain the electronic/internet-based discussion network established earlier in the STSC-Network stage to encourage ongoing dialogue between regions and stakeholders and will develop and deliver training programs to new and existing certification programs and assessors.
 3. **Regional networks** may evolve into regional associations, with membership criteria, if desirable. These associations will disseminate information provided by the global secretariat and conduct regionally relevant/focused training activities on behalf of the secretariat. The regional associations will have the responsibility of gathering the self-assessments of individual certification programs and reporting to the STSC global secretariat. The regional networks will give input into the STSC standards and accreditation criteria through the Technical Committee. The regional groups may be as formal or informal as they desire, pending funding. The STSC-Association will not fund the regional networks/associations unless a specific project is requested and funded by the Board.
- **Membership** of the STSC-Association will be open to those certification programs that carry out a self-assessment against a set of agreed criteria and are deemed to meet these criteria by the regional association and global secretariat and have committed in writing to pursuing accreditation when the time comes. As above, membership will be open to other organizations and individuals that demonstrate a commitment to the STSC principles. It will be necessary to establish a fee for participation (see below on Finance of the association). It is projected that the association's membership will begin with 100 members and grow to at least 300 members after seven years. The membership will continue to grow as the association evolves to the accreditation level.
 - The **Technical Committee** will evolve from the Technical Committee at the network stage and will be appointed by the Board. The overall role of the committee will be to develop the STSC standard and accreditation criteria. The Technical Committee will gather multi-stakeholder input and make a final recommendation to the Board.
 - Other committees, such as a **Marketing Committee** and **Executive and Finance Committees** will be established by the Board. The Marketing Committee will play an important role in guiding the organization in leveraging its resources to raise awareness for the STSC concept. The Executive and Financial Committees are internal board committees to help manage the organization between full board meetings and the association's finances, respectively. Other committees and working groups may be established on an ad hoc basis by the Board.

Figure 6.2. STSC-Association organizational chart



Staffing

To effectively service an organization that is attempting to establish an international STSC standard, to lobby for international sustainable tourism accreditation, to offer technical assistance to certification programs and national governments, and to service a diverse membership of 100, a minimal staff of 5.5 is needed. Most other similar organizations have larger staff, but it seems reasonable to have the STSC-Association start out with that conservative number. The key positions will provide association management, marketing and communications, membership recruitment, financial management, training, and expertise and leadership on technical standard setting (see Table 6.4).

Table 6.4. Association personnel

Personnel	Description of Duties
Executive Director (f/t)	Manage and oversee association, lobby stakeholders, member recruitment, and fundraising.
Finance Manager (p/t)	Manage and oversee finances and operations including accounts receivable and payable and business model.
Marketing & Communications Manager (f/t)	Manage marketing efforts including press, trade shows; collaborate with NGOs to do consumer outreach.
Membership/Development Manager (f/t)	Manage member recruitment, fundraising; coordinate annual meeting.
Standards & Training Officer (f/t)	Oversee standards development, stakeholder consultation; develop, coordinate, and deliver training.
Assistant (f/t)	Manage administration, bookkeeping, database entry, office, and coordinate meetings.
Total Staff: 5.5	

Governance

As gleaned from the governance comparative study in Chapter 5, the association will need a governance structure to establish its organization and operations, especially since it will be a legally established nonprofit organization. Below are key assumptions for the association's governance and proposed board composition.

- The association is interested in transparency, credibility, and multi-stakeholder participation at the board level and in a board structure that will efficiently facilitate improvements in sustainable and eco-tourism certification (such as improved standards consistently implemented from region to region).
- There is a multi-stakeholder membership base that elects the Board. The organizational structure and procedures for the Association phase, and also for the Accreditation phase, should take into account requirements in ISO/IEC Guides 61 and 65 that participants in certification and accreditation organizations – not just standards developing

committees –"shall represent a balance of interests where no single interest predominates...."

- While not every organization employs a membership base, it is perceived as
- An effective way to empower a multi-stakeholder audience to “own” the association since they elect the Board that makes the policy decisions.
- A technical committee develops the standard; the membership and other stakeholders give input into the standard; the Board approves the standard.
- A board balanced among different stakeholder groups is desirable. Representation should reflect sector and geographic interests of the STSC.
- Certification program participation in setting standards and participating at the board level is a positive idea for the STSC. This will ensure that standards (and eventually accreditation) will raise the bar but will be realistic.

Interestingly, certification bodies give input into standards at FSC and IFOAM as members. Certification bodies at the FSC do not vote on standards (the board does) and do not sit on the board (however, certified companies could sit on the board). Certified bodies do not sit on the IFOAM board but are members and, as such, do vote on standards as a part of the general membership.

STSC Chambers

The STSC proposes to modify the FSC’s corporatist structure by using the three chambers of economic, environmental, and social, and to give additional representation (a fourth chamber) to intergovernmental agencies, which, owing to the unique needs of tourism, will represent a broad group of governmental and intergovernmental stakeholders.

- **Economic chamber:** includes organizations and individuals with a commercial interest in sustainable tourism and ecotourism. Examples include certification bodies, industry and trade associations (profit and nonprofit), consumer associations, consulting companies, hotels, airlines, boat & cruise operators, tour operators. Three of fifteen board seats are dedicated to certification bodies that commit to STSC principles (at the association stage) and have received STSC accreditation (at the STSC-Accreditation stage). Board members act in a personal capacity.
- **Social chamber:** includes nonprofit, nongovernmental organizations, as well as research, academic, technical institutions and individuals with a demonstrated commitment to socially beneficial tourism. Board members act in a personal capacity.
- **Environmental chamber:** includes nonprofit, nongovernmental organizations, as well as research, academic, technical institutions and individuals with a demonstrated commitment to environmentally beneficial tourism. Board members act in a personal capacity.
- **Intergovernmental chamber:** There will be 2 permanent, non-elected seats for UNEP and WTO. These are the two organizations recommended for STSC participation during the stakeholder consultation. Board members act in an organizational capacity.

Breakout of board composition with 15 seats

- **Economic chamber:** 6 seats (3 for certification programs; 1 sustainable tourism industry; 1 ecotourism industry; 1 other tourism industry or consumer association).
- **Social chamber:** 3 seats.
- **Environmental chamber:** 4 seats.
- **Intergovernmental chamber:** 2 seats (permanent seats, not elected).

TOTAL: 15 seats each with one vote.

Geographic allocation

A goal of the Board will be to have broad geographic representation but no specific mechanism is recommended at this stage to ensure this. IFOAM has no overt targets but manages to have good geographic representation. FSC does have sub-chambers for North-South, but it may make it difficult to fill seats if the STSC gets to this level of specificity.

Membership

The association will be open to membership through the chambers. Membership is subject to an application and review process and the Board reserves the right to deny membership to any applicant that does not meet its criteria. There will be two categories of membership:

Full Membership

For organizations and individuals committed in writing to STSC principles. Full members will be given full voting privileges (one vote per member). Full members are eligible to serve on the Board. A mechanism will need to be developed to properly categorize certification programs as full or associate members. This is especially important as the association phase segues to the accreditation level. It will be important to not have to “downgrade” membership as we move from one phase to the next.

Membership criteria need to be more fully developed to allow a transition from association without accreditation to the accreditation level, as noted above. Possible criteria include the following:

1. Members must sign a commitment to the principles of the STSC and sustainable tourism.
2. Economic/industry (including certification programs) representatives need to pledge that a significant portion of their turnover will meet STSC principles within a reasonable timeframe such as two years.

Full association members could potentially include:

- Sustainable tourism certification programs that pledge to reach accreditation when the STSC standard is finalized and accreditation developed.
- NGOs with an environmental, social, or sustainable and/or eco-tourism agenda.
- Funders with an environmental, social, or sustainable and/or eco-tourism agenda.
- Consumer associations with an environmental, social, or sustainable and/or eco-tourism agenda.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Tour operators with a commitment to STSC principles (buyers groups, “retailers”).
- Tourism industry associations with specific sustainability mission and objectives.
- Individual tourism consultants and activists without an organizational affiliation.

Associate membership

Associate membership is for organizations and individuals with an interest in sustainable tourism. Associate members will have a voice but no vote and will not be eligible to serve on the Board. Governments are automatically Associate members. Though Associate members lack the benefits of full membership, there is an advantage to being a part of the sustainable tourism movement while making the necessary changes to transition to full membership.

It should be noted that the role of Associate members should be evaluated more fully to understand if it adds value to the sustainable tourism movement and if it will allow a smooth transition to the accreditation level, when that takes place. Associate members could potentially include:

- Intergovernmental organizations (Organizations such as WTO and UNEP that have seats on the board would not be members.)
- Government agencies (National tourist boards, tourism and/or environment ministries, national accreditation agencies, potentially if there is no conflict of interest created as the association transitions to the accreditation level.)

Other governance issues

By-Laws: By-laws will need to be developed outlining board requirements such as numbers of seats, numbers of meetings, director and member rights and responsibilities.

Voting: For the membership, a weighted voting scheme similar to that of the FSC’s will be necessary to ensure that individuals do not outweigh organizations or companies by sheer numbers.

Meetings: Based on the benchmarking of other similar organizations, there should be at least two to three board meetings per year with the Executive Committee filling in between full board meetings. One meeting will serve as the annual general membership meeting at which officers and directors are elected. Half of the meetings will be in the Northern regions (Europe, the United States/Canada) and half will be held in the Southern regions such as Latin America, Africa and the Asia/Pacific region. Meetings will attempt to “piggyback” on the back of international tourism fairs such as those held in Berlin, Germany (ITB in March), London, England (World Travel Market in November) and Thailand (Pacific Area Travel association - PATA). A quorum shall be the majority.

Officers: The association board should have a chair (or president), vice-chair (or vice-president), and treasurer. The secretary could be staff of the secretariat and therefore, not elected.

Board terms: There should be staggered terms for directors of 3 years up to 2 consecutive terms (or indefinite).

Officer terms: 2 years up to 2 consecutive terms.

Committees: There should be, at minimum, an executive committee with five members including the chair, vice-chair, treasurer, and executive director and a finance committee. The association will also have a technical committee and a marketing committee.

6.2.2. Standards, criteria and assessment

The standards, criteria and assessment proposed for the STSC-Association phase are the outcomes of the information gathered for this report, and their progression through the STSC-Network for discussion and agreement. It is believed that the STSC-Association phase will allow for testing of agreements in the STSC-Network, before these are implemented through accreditation at the STSC-Accreditation phase.

International standard

- Multi-stakeholder international standard.

The international standard on sustainable tourism, or several standards for industry subsectors if this is deemed necessary, will be agreed at the STSC-Association phase. The analysis of standards used by tourism certification programs, together with the summaries of key international agreements, principles, guidelines, protocols and standards, should form the basis for the final multi-stakeholder international standard. This standard needs to be generic enough to allow for regional interpretations yet specific enough to be measurable and meaningful. The value of the standard is the level of endorsement that it receives and therefore it requires broad stakeholder input and acceptance.

The Technical Committee will be responsible for developing the standards, gathering stakeholder input, and shepherding the standards through to the approval process by making a recommendation to the Board, which will have final approval. The Technical Committee, appointed by the Board, may draw upon staff, Board, and technical experts.

- Specific regional/local differences to standard agreed in accordance with policy.

The STSC-Network phase will have created a policy on handling regional and local differences in an international standard. This will at least include a definition of the number of differences and the method of defining regions, which could range from differences on a country per country basis, to differences on the basis of climatic or socio-economic reasons, to mention some possibilities. Agreeing on these differences will have implications for the methods of assessment and the applicability of accreditation criteria.

Accreditation criteria

- STSC accreditation criteria.

STSC accreditation criteria will be finalized during the STSC-Network phase, and these will be agreed at the STSC-Association phase after considering them alongside the international standard with its regional variations, and the feedback from tourism certification programs considering the feasibility of their implementation.

- Tourism certification programs:
 - Compare each program's own standards against the international standard and work towards meeting the international standard.

Comparisons between the standards that tourism certification programs are currently using against the standards proposed internationally will allow for feedback on the feasibility of the international standards and to argue the need for regional variations, and also will give the

possibility for the tourism certification programs to make improvements along the way to their own standards before accreditation.

- Working towards meeting STSC accreditation criteria.

Tourism certification programs will be invited to work towards meeting the STSC accreditation criteria during the STSC-Association phase both as a method to provide feedback on their application and to be better placed for accreditation.

- Acknowledge and, wherever possible, adopt ISO 65 Guide on capacity to conduct competent assessments.

ISO 65 Guide is a general guide on the requirements for bodies operating product certification systems, which has practical application to tourism certification programs and has been widely accepted in other sectors. Tourism certification programs considering their operations against this guide will provide feedback on the extent to which this guide can be used as a template to assess capacity to conduct competent assessments for the tourism sector.

Assessment

- Tourism certification program's first party (self) assessment of:
 - Own standards against proposed international standard;
 - Ability to gather evidence to meet accreditation criteria; and,
 - Capacity to conduct competent assessments against ISO 65 Guide.

Self-assessment will be the only method required during the STSC-Association phase, with the purpose of encouraging development of tourism certification programs and improving their performance. The Technical Committee will develop templates to undertake self-assessment. During the network phase it can be decided whether submission of self-assessment will be compulsory or whether it is voluntary.

6.2.3. Roles of stakeholder groups

The key activities of the STSC-Association are: clearinghouse, standard development, marketing and training. The roles of stakeholders will vary according to which of those activities they undertake or are the target of. The roles outlined below are the result of interpreting the outcomes of consultation workshops for the purpose of a phased implementation.

Certification programs

STSC-Association will give certification programs the critical mass to lobby for benefits for their applicants in order to make certification more appealing, increase number of applicants and renewals.

- To test international standards, accreditation criteria and guides on competent assessment.

Tourism certification programs will be heavily involved in the testing of international standards, accreditation criteria and guides on competent assessment proposed by the Technical Committee and agreed by membership.

- To reach international markets.

The STSC-Association will increase the interest in certification by marketing certified products to key international distribution channels. STSC will also encourage national tourist

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

boards to promote certified products, but will not conduct direct consumer marketing. The STSC proposes co-branding on business-to-business marketing led by STSC, and to allow certification programs to choose the stage and extent of incorporating the accreditation brand to their certification brand.

- Joint international campaigns to tour operators.

The STSC-Association will target tour operators to increase their number of suppliers that are certified together with certification bodies. Giving preference wherever possible to certified suppliers will be the mechanism to deliver competitive advantage of certified companies. The STSC does not plan direct consumer campaigns due to its high cost, other than the on-line searchable database.

- Joint on-line searchable database.

The STSC-Association will develop an on-line searchable database with two versions. In the short term, a database for tour operators looking for suppliers certified as sustainable. In the medium term, a simplified version directing tourists to certified companies, with live links to the companies' own Web sites to act as a gateway to bookings.

- Form agreements between programs operating in the same country to reduce confusion/competition.

The STSC-Association aims to aid in the reduction of lack of communication and mutual recognition between programs operating within each country, which is seen as a source of consumer confusion and duplication of efforts.

- Join association and participate in refining of criteria.

Certification programs that join the association will be encouraged to take an active role in defining and further testing a set of criteria and guidelines for the management of sustainable certification programs.

Governments

- Brand awareness campaigns to tourists via tourist boards.

The STSC-Association will lobby national tourist boards from countries with certification to conduct specialist promotion on their behalf as an incentive to increase the number of companies applying for certification.

- Incentives to industry achieving certification.

National certification programs can be used as soft tools to avoid legislation or to gain support to legislation, and as such can be more efficient methods of regulation. The introduction of incentives to industry achieving certification can be justified in certain national conditions. Besides consumer promotion, the STSC will lobby tourist boards, environment and other relevant government agencies to provide incentives to tourism businesses receiving accredited certification. From the outset, governments should lobby for state owned or supported accommodation to meet international sustainable tourism standards, and apply for certification in the early stages of the process.

- Fund/subsidize national certification programs.

The STSC-Association aims to provide guidance to governments developing their own national certification bodies. Countries without certification programs at present would benefit from state intervention in starting up a program that meets international standards. The

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

STSC-Association will promote itself to governments as a key international tool to operationalize national quality strategies through national certification programs. To this purpose the STSC can provide a user-friendly pack on starting a national tourism certification program including international criteria and procedures, marketing benefits to certification applicants, and background information on tourism certification.

- Support small firm access to certification.

Research has shown that small firms need support to achieve the standards of certification programs and generally cannot justify the financial cost of certification, which in turn can put them in a position of competitive disadvantage through no fault of their own. Governments are required to intervene in favor of small firms to correct market imperfections.

Industry and industry associations

- Provide information to certification programs that can lead to marketing campaigns.

The STSC-Association aims to develop a powerful global umbrella to favor tour operator usage in the first stage, and direct purchase at a second stage. To this purpose, certified companies will need to provide information to the certification programs that can be used for marketing purposes, for example, for the on-line searchable database. Information needed will include data of interest to both direct consumers and tour operators and will require regular updating.

- Industry associations lobby tourism businesses to apply for certification.

The STSC-Association will increase the number of tourism businesses interested in certification by providing endorsement and international marketing appeal. It is important that industry associations show support for certification programs and become facilitators to their members in the process of application and improving the applicants' standards. To this purpose STSC aims to create support groups willing to introduce sustainability clauses in industry association membership codes of practice, and to work with industry associations to run articles favorable to accreditation in their trade press.

- Increase applications to certification programs.

The STSC-Association aims to increase applications to certification programs by demonstrating that improving the performance of a company through certification has economic and other benefits, and that achieving certification provides marketing benefits. STSC aims to start this process by targeting global companies that make environmental, social and cultural claims in their promotion and target them to join a certification program relevant to the company, using the support of international organizations, NGOs, consumer associations.

Tour operators

- Give preference to certified producers.

Initially, the STSC-Association will aim for tour operators to state a commitment, and, after an agreed period of time, to purchase certified products and suppliers when these are available and match non-accredited ones in quality, price and convenience. The STSC expects tour operators to distribute information to their current suppliers outlining the benefits of accredited certification, and persuasively suggest that accreditation will become part of the tour operator's purchasing policy in the future. The database of accredited products and

suppliers will facilitate the identification and purchase of accredited products by tour operators. The data held in this database will be determined by tour operators' needs in contracting suppliers.

After initially working with tour operators willing to embrace the idea of purchasing accredited suppliers, STSC-Association will need to extend its coverage, using a range of lobbying methods. Soft methods could be simply providing information on accredited suppliers, medium methods could be targeting ethical management funds to request accreditation via shareholder pressure, hard methods could extend in rare exceptions to making public the environmental and social performance of companies whose practices are unsustainable. STSC will provide tour operators information and know-how to promote better practice amongst current suppliers to improve the likelihood of renewed contracts, in the light of future pro-accreditation purchasing policies.

- Measure use of certified suppliers via corporate sustainable reporting.

The STSC-Association will support efforts of corporate sustainability reporting such as the Global Reporting Initiative, which includes a reporting indicator on the usage of certified suppliers. The STSC-Association will expect tour operators making sustainability claims to measure the sustainability of their suppliers as part of their commitments to sustainability purchasing policies and sustainability supply chain management. To this purpose the STSC will provide a practical method to implement and measure sustainability claims by tour operators, since tour operators' packages cannot be sustainable until their components are. In its initial stages the STSC will act as a facilitator of this mechanism by helping tour operators find alternative accredited suppliers.

NGOs and consumer associations

- Lobby tour operators and consumers to purchase certified.

NGOs can play the role of lobbying tour operators to give preference to certified suppliers, or to provide information to suppliers to become certified, although NGOs are likely to only lobby for those certification programs where there is proof that these meet high standards, such as in the case of accredited certification programs.

- Incorporate social and environmental concerns.

NGOs should play a key role in incorporating social and environmental concerns in the way that certification programs operate, within the limitations of an association structure, to lobby for certification criteria that are a true representation of best practice within each destination.

Intergovernmental institutions

The objective is first and foremost to secure endorsement at a high level that leverages support amongst other stakeholders. The credibility of the association, without robust accreditation of certification programs, will depend in great measure on the support of intergovernmental institutions. The STSC-Association could gain from this relationship international kudos, strong partners for financial lobbying, and potentially in-kind contributions to the association's operations.

- Lead search for host of STSC secretariat.

The STSC-Association will seek an intergovernmental institution with a track record on promoting sustainable tourism and with a good reputation amongst other stakeholders to host

the STSC secretariat, in line with the proposals outlined in the organizational blueprint presented in section 6.2.1.

- Active participation on board.

Intergovernmental institutions will be represented on the STSC board. Intergovernmental institutions will be used as channels to disseminate the proposals, and subsequently the operations, to ensure that these reflect their members' views.

Donors and financial institutions

- Include certification as a deliverable in funded projects.

The STSC-Association will request donors and financial institutions to test the feasibility of including certification as a requirement of some tourism development projects, for example by scanning the sustainability standards of projects funded within two years against relevant certification criteria. If feasible, donors could pilot certification as a deliverable in a number of funded projects. It is perceived that there is limited potential to influence donors and financial institutions without accreditation of certification programs, since there is no guarantee of standards.

- Continue to fund pilot certification programs, especially in areas of high biodiversity value and with socio/cultural concerns.

Donors and financial institutions are key funding organizations of a number of certification programs in fragile areas, and they are encouraged to continue supporting sustainability in those areas by funding certification programs that showcase best practices.

Accreditation organizations

STSC can aim to learn from accreditation organizations as part of its developmental process but it is unlikely that these organizations will accept STSC participation in accreditation organizations such as the International accreditation network or ISEAL.

- Knowledge-experience sharing.

The STSC-Association can learn from accreditation bodies on the processes and pitfalls of accreditation and setting up stewardship councils. Specifics at this stage that STSC can learn from are the processes of setting an international standard that allows for regional differences, the implementation of operating procedures for verifying certification body competence and the financial feasibility of accreditation and stewardship councils.

Tourists

The STSC-Association aims to contribute to more sustainable consumption by influencing long-term holiday purchasing choices and behavior while at the destination.

- Purchase by default through tour operators.

In the short term, the STSC-Association will not target consumers for budgetary reasons; this task will be left to certification bodies, national tourist boards, and NGOs. The STSC will aim to increase the number of tourists purchasing from accredited tourism businesses by default, by increasing the usage of these businesses through established distribution channels. The STSC will request certified companies to educate visitors while on their premises, with the aim of increasing repeat purchase and word of mouth publicity. The message will be

compound: first, emphasize the value of sustainability; second, how the tourism business they are in delivers sustainability.

- Direct purchase from certified companies marketed on that basis.

Current research for this project suggests that the STSC needs to position itself as a quality choice, as well as an environmentally and socially responsible choice. This “quality” message can be spelled out in a variety of sub-messages, but the underlining positioning message at this stage is thought to be “Sustainable holidays are safer and more enjoyable holidays”.

The STSC should closely monitor the experience of VISIT’s marketing message, test the positioning benefit and devise medium term communication campaigns for key outbound tourism markets. A joint marketing portal and searchable database of certified companies has the potential to reach a target market of responsible tourists, albeit this niche market is not currently measurable.

6.2.4. Finance

This section reviews estimated expenses and revenues for the STSC-Association, based on the model suggested by the research conducted for this study. The primary assumptions are:

- That the association is in effect for at least one year, in order to give time to develop the STSC standard which will be used for accreditation. Once the STSC standard is developed and approved, and once a suitable STSC accreditation mechanism is in place, the association can evolve to the next stage, STSC-Accreditation.
- If the STSC standards are developed and approved at the network stage, then the STSC can evolve directly from the Network to STSC-Accreditation, skipping the interim stage of the association.
- There will be implementation costs (see implementation budget below) to get the STSC-Association off the ground as a legal entity with formal staff.

Costs

The cost of running the STSC-Association should be less than \$900,000 per year. This includes staff, an annual international meeting, board and committee meetings, marketing and training. Nearly half of the budget expense is for personnel (salary and benefits). Below is the budget summary (expenses only) for the association (Table 6.5). See Appendix 12 for a more detailed STSC-Association budget.

Table 6.5. Association budget (expenses)

ASSOCIATION BUDGET (in US \$)	1 Year	Percent of Total Budget
Personnel (salaries & benefits)	\$402,000	46%
Meetings, Conferences, Workshops	\$125,500	15%
Marketing & Communications	\$145,000	17%
Training	\$52,000	6%
Travel	\$36,000	4%
Research	\$5,000	1%
Office Expenses	\$99,300	11%
Overhead	\$0	0%
TOTAL	\$864,800	100%

Personnel

The budget accounts for 5.5 staff totaling \$402,000 including benefits for the staff. This is 46% of the total budget. See Table 6.4 above for a description of the personnel duties. All salaries are assumed to be minimal, but comparable to similar positions in the New York and Western Europe nonprofit markets. Twenty percent is an additional line item to cover benefits including employer’s insurance, health and vacation benefits. Other similar benchmarked organizations have much larger staffs (IFOAM: 10; MSC: 20; SAI: 20; FSC: 27; FLO: 15) though they often combine standard-setting and accreditation functions necessitating more staff.

It is assumed that all the staff members will be employed on a full-time basis (except for one), and that all senior staff will have attained a minimal educational level of a Master’s degree (or equivalent) and are experienced office workers.

Meetings, conferences, workshops

One international conference, two full board meetings, one executive committee and one technical committee meeting have been budgeted. The third board meeting costs are included in the annual meeting. Attempts have been made to “piggy back” meeting costs onto other activities. In reality, these board-meeting costs may come in less, or board directors may find their own funding as they do in other organizations. Two buyers’ group meetings have also been budgeted. Meetings are 15% of total budget.

Marketing and communications

A total of \$145,000 has been budgeted to communications and promotion. The need for marketing should not be underestimated. The STSC-Association will dedicate its resources to business-to-business marketing. Consumer marketing will take place in concert with NGO members and partners.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

The STSC consultations showed that most respondents favored marketing as 35% of budget. The association budget's marketing is 17% of total budget but when dedicated marketing staff is included in the cost, it rises to 26% of budget. \$25,000 has been reserved to develop a database for "certified products" and \$20,000 to the enhancement of the Web site and continued maintenance of the Internet forum.

Training

With the development of the association, training can become more formalized. Fifty percent of the Standards and Training Officer's duties will be dedicated to developing and delivering training programs to existing and new certification programs, assessor trainings, and one-on-one consultancies. Since the STSC does not plan to deliver its own accreditation services (particularly the accreditation decision-making), there is no conflict for the association to offer training. Training (including staff time) as a percentage of total budget is 11%.

Travel

The travel budget includes funds to cover international travel for the association staff. Travel is 4% of total budget.

Research

A small amount (\$5,000) is budgeted to allow the association to coordinate research with partners. It is assumed that the association will not undertake or finance research on its own.

Office expenses

Office expenses, representing 11% of total budget, include equipment, supplies, telecommunications, rent and utilities for the association. The figures are based on an office of six (rounded up from 5.5) staff. Equipment is budgeted at an average of \$2,000 per year per person; supplies are budgeted at an average of \$200 per month per person; and telecommunications (telephone, fax, internet) is budgeted at \$350 per month per person. Rent is figured at 15 square meters per person at \$220 per square meter (including utilities). These figures are appropriate to an office in an urban location such as London or New York.

It is estimated that the auditing and accounting costs will be around \$8,000 per year and that legal services and IT maintenance costs each will be equal to \$7,000 per annum. Three thousand dollars (\$3,000) has been reserved for "other professional service expenses". Generally it is assumed that an international non-profit organization with 25 employees on average spends \$44,000 a year on professional services (Source: Coopers & Lybrand, 1996). Though the association is set to have only 5.5 employees to begin, it is assumed that there are minimal fixed costs of \$25,000 for these services.

If the STSC-Association is to be housed by a third-party, it is hoped that rent, utilities, and professional services (such as legal, accounting, and information technology) would be covered by the host institution. However, full costs have been stated in the budget.

Overhead

No overhead has been budgeted since typical overhead costs are laid out directly in the budget. However, if the STSC-Association is housed by a third-party, they may wish to charge an overhead figure in return for basic services, or they may offer them gratis.

Implementation Budget

To get the STSC-Association off the ground, certain expenses will need to be incurred on top of the annual operating expenses. See Table 6.6 for a summary of expenses and see Appendix 13 for a detailed budget.

Table 6.6. Association implementation budget

Implementation Budget (summary)	(in US \$)
Personnel (recruitment and relocation)	\$112,000
Meetings (preliminary meeting of advisory board)	\$22,500
Marketing	\$0
Training	\$0
Travel	\$5,000
Research (accreditation revenue model)	\$40,000
Office Expenses (office set up, furniture)	\$67,050
Professional Services (legal)	\$28,000
TOTAL	\$274,550

Personnel

The two key assumptions here are that the staff will need to be recruited through an agency and that the senior staff will be expatriate and need to be relocated to wherever the association is housed.

Recruitment expenses

It is assumed that a recruitment agency will be chosen to assist in the recruitment of professional as well as support staff. The recruitment agency fee is estimated as a percentage of the first year salaries (excluding the relocation allowances). An average percentage of 20% of the first years' salary was used, though typically a higher percentage might be charged for more senior positions. There is generally considerable room for negotiation of fees based on the exact nature and level of assistance required.

Relocation packages

It is assumed that the director and the four senior managers will be expatriates, and that each of them will be offered a relocation package. Relocation packages can either be a flat fee to be used by the candidate however he or she chooses, or may cover specific expenses such as one roundtrip airfare for the candidate and his/her family with the possibility of another roundtrip to be used during the first year, moving expenses, and temporary accommodation for 1 ½ months while securing housing. Given the recommendation that the association is a nonprofit organization, a flat-fee structure of two months salary is used in the calculations.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Meetings

Some funds have been set aside to convene the advisory board as the network transitions to the association.

Marketing

No implementation expenses are budgeted for marketing.

Training

No implementation expenses are budgeted for training.

Travel

A modest amount of \$5,000 is budgeted to allow for staff to travel to inspect office space or conduct other logistics in the setting up of the association.

Research

Forty thousand dollars (\$40,000) has been set aside to develop a business plan and to allow further research into a revenue model that will work at the accreditation level (and possibly the association level, if needed). Specifically, more work needs to be done in looking at royalties or licensing of the STSC accreditation logo, if one is to be developed. In other sectors, it is the certification program that pays the licensing fee per certificate, an assumption that is included in the budgets presented in this study. Certification programs can absorb this cost or pass it down to the certified operation. However, as the research into other sectors has shown, it may not be feasible to expect the tourism certification programs or certified operations to pay these costs on top of membership in the association and accreditation fees. There is very little willingness to pay or ability to pay on the part of tourism certification programs and certified operations. A funding model to have participants along the chain contribute to the financing of accreditation and standard setting must be developed. This research could take place during the network phase, but has been budgeted to coincide with the implementation of the association.

Office expenses

It is assumed that office space will need to be refurbished to accommodate a base staff of 5.5 and allow for some modest growth over several years. Costs will obviously depend on where the office is located and what arrangement, if any, has been made to house the association in an existing institution. It is assumed that the rented office space will need refurbishment to fulfill the association's office requirements. Office refurbishment typically includes the installation of dry walls and the laying of false floors, and the price level is normally around \$220 per square meter. It is also assumed that the office space acquired will need to be equipped with the necessary cabling for IT and telephones, coming in at roughly \$300 per station. Office furniture including chairs, desks, shelves, conference table, etc. is estimated to cost \$1,500 per staff member. It is assumed that each staff member will need a desktop or a laptop and a phone. All staff that travel (senior staff) will need a laptop and a cell phone. On top of that, a photocopier, a fax, a server and two printers will also be needed. Four thousand five hundred dollars (\$4,500) per staff member has been budgeted for these equipment expenses. A legal rental contract will have to be drafted by a lawyer; it is assumed that this will cost about \$1,500.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Essential office software such as server software, Microsoft Office package, virus software, firewall and such will need to be purchased with licenses for six people at an approximate cost of \$750 per person.

Other legal fees have been budgeted for developing the by-laws and articles of incorporation, trademarking the STSC logo or accreditation logo (if applicable) in the European Community, the US, and with the World Intellectual Property Organization, and to develop employment contracts.

Revenues

Once the association is established, it has the potential to attract a variety of revenues:

- Membership fees
- Conference fees
- Grants and donations including those from:
 - Foundations
 - NGOs
 - Government, Intergovernmental, Development agencies (cash and in-kind)
- Training fees

Table 6.7 summarizes the types and amounts of revenues anticipated for the association's first year. No other revenue sources are anticipated at the association level. Licensing or royalty fees will not be applicable since there will be no STSC logo to license at the association stage. Also, it would be preferable to market and create value for it at the accreditation stage; licensing it beforehand to certification programs that are not accredited would only create confusion in the marketplace.

Table 6.7. Association revenues

Association Revenues	Amount (in US \$)
Membership fees	\$55,200
Conference fees	\$19,320
Grants and Donations	\$982,500
Training Fees	\$95,000
Total	\$1,152,020

Membership fees

Membership fee projections were based on a probability table of potential association members (see Appendix 14). Actual organizations that have participated in the STSC feasibility study were assigned a high, medium, or low probability (1, .5, 0). This is how the initial projection of 138 members was calculated. Those names were plugged into the fee schedule (see Table 6.8 below) to come up with an average \$650 per member fee per year. Obviously, some members will pay far less (individuals start at \$50) and some will pay more (large economic members will pay \$3,000 per year). To be conservative, an average figure of

\$400 per member is included in the revenue projections. Thus, association memberships could bring in \$55,200 in dues the first year. The association will be able to take advantage of the fact that members will be recruited from the network phase.

Table 6.8. Proposed membership fees to the STSC-Association (in US \$)

Company or Institution	Large	Medium	Small
Economic (institution)	\$3,000	\$1,500	\$500
Economic (individual)	N/A	\$150	\$75
		North	South
Environmental		\$250	\$150
Social		\$250	\$150
Other		North	South
Individuals	N/A	\$100	\$50
Intergovernmental	N/A	\$250	\$150

Economic memberships for companies are based on annual turnover of the company or institution and are defined below. Turnover is defined as the “total revenue of an organization derived from the provision of goods and services, less trade discounts, VAT, and any other taxes based on this revenue (Dictionary of Business, Oxford University Press, 1996).

- **Large:** Annual turnover equal to or greater than \$1,000,001.
- **Medium:** Annual turnover of \$250,001 to \$1,000,000.
- **Small:** Annual turnover equal to or less than \$250,000 per year.

Membership dues for economic and social NGOs, individuals, and intergovernmental institutions fall into one of two categories: Northern or Southern. These geographic designations follow the UN’s definitions of economic wealth. Generally, all developed countries fall into the “Northern” category and developing countries fall into “Southern”.

Conference fees

It is estimated that the annual meeting will attract 70% of the membership and that the revenue per member will average \$200/member. This is low compared to what other organizations charge (the FSC charged \$800 per person for its 2002 General Assembly; however, it provided subsidies for those members unable to afford the fee). Conference fees should bring in about \$20,000. This does not cover the anticipated costs (see section on costs above).

Grants and donations

Grants and donations (cash and in-kind) account for foundation grants (7 at \$75,000), NGO grants to cover developing country participation in membership, conferences, and/or training (5 at \$7,500), governmental, intergovernmental, and/or development agency grants (6 at \$50,000 each), in-kind donations (2 at \$50,000) to cover rent, utilities, professional services,

travel for meetings and two corporate grants at \$10,000 each. Any of these donors could contribute more or less and their giving may be tied to specific activities.

Training fees

It is assumed that in its first year, the association will be able to deliver one seminar to new certification programs, one to existing certification programs, one assessor training, and twenty days of one-on-one consulting to national governments interested in improving or starting a national tourism certification program. The trainings will focus on incorporating environmental and social criteria into sustainable tourism certification, and how to develop or improve sustainable tourism certification programs. As mentioned above, because the association will not directly implement accreditation when the time comes, it removes the potential conflict of interest in offering technical assistance and training.

Net revenue

Table 6.9. Association net revenue

Association Net Revenue	(in US \$)
Total Revenues	\$1,152,020
Total Expenses (Operating & Implementation)	\$1,139,350
Net Revenue	\$12,670

First year association expenses are expected to be high because of the implementation budget of \$274,550. Hopefully, this will be offset by increased grants and donations the first year, so that the association will show a modest surplus of \$12,670 that can be carried over to the next year.

6.2.5. Evaluation

Strengths

- Continued benefits of the STSC-Network phase.
- Formalized involvement of stakeholders through membership.
- Ability to reach international markets that individual certification programs cannot achieve.

The STSC-Association will provide an international public relations and marketing platform that individual tourism certification programs could not achieve, ranging from activities that can reach the press to lobbying tour operators and other distribution channels and to the one stop portals and other promotional tasks that require large economies of scale to succeed.

- Programs can improve their performance through sharing costs of training and development.

Tourism certification programs can use the STSC-Association as a substitute for contracting individual consultants to make proposals on how to improve their own programs. Joint training of tourism certification programs can considerably reduce the costs of updating each

individual program while ensuring that the implementation is consistent across the sector to the best practice standard.

Weaknesses

- Does not guarantee credibility and equality of standards.

Participation in the STSC-Association does not guarantee that the tourism certification programs meet international standards, nor that they are competent to undertake certification. The marketing element of the STSC-Association will need to consider carefully the implications from the perception of endorsement of activities of programs when there is no assessment.

- Potential difficulties to move from association to accreditation phase.

The structures proposed here allow for a smooth transition from association to accreditation phase. However tourism certification programs will get most of the benefits of membership already at the association phase, whereas other stakeholders will only get the guarantee of credibility through accreditation. The organizational structures need to allow for progress to not be vetoed by the interest groups already satisfied with partial progress.

- Increased cost from previous phase.

The costs involved in the additional marketing-training-standard setting activities of the STSC-Association coupled with staffing mean considerable additional costs, and the need for considerable fundraising as the organization will not be self-financing.

- Time consuming information collection for marketing and database.

The development and maintenance of information systems with data from certified tourism operations that provides tangible marketing and actual bookings benefits will be time-consuming, and will require the collaboration of tourism certification programs.

- Potential barriers to entry for developing countries and small firms depending on government intervention and international aid.

As in the STSC-Network, the STSC-Association will provide information in electronic format to minimize the costs of participation for those groups with limited ability to participate.

Recommendations

- Network function continues providing information and guidance.

Clearinghouse activities should remain, with a focus on updating those members of the association that cannot participate at regional or international events.

- Certification programs in association take leadership on marketing.

Marketing efforts should provide the incentive for tourism certification programs to participate as this can give them a competitive edge in increasing the number of applications to their programs.

- Training programs increase quality of certification programs and prepare them for accreditation.

Training needs to be key part of the association to prepare tourism certification programs towards accreditation by supporting them to improve their internal systems and update their criteria to reflect discussions within the association.

- Standard development and agreement including regional variations is multi-stakeholder.

The association should become the mechanism to agree international standards with regional variations and to test the feasibility of these standards with the participating tourism certification programs, prior to any attempt to assess these programs for accreditation purposes.

Time

- Year 3 (minimally).

The association phase is planned as a stepping-stone towards accreditation by preparing tourism certification programs for it. This should take at least one year but should not be prolonged indefinitely as the ultimate purpose is to ensure that tourism certification programs are credible through an assessment.

6.3. Accreditation

Short description

It is proposed the third and final stage of the STSC implementation process be the establishment of a full Stewardship Council including accreditation functions. The purpose of the STSC will be to build on the activities of the STSC-Association, and to formalize the assessment of certification programs based on process and performance based criteria through independent audits.

The STSC – accreditation would be identical in structure (a legal, membership-based entity) to that of the association. The key element – accreditation – would be outsourced to an independent third-party.

Mission/objectives

- Raise the accountability of certification programs.

The overarching mission and objective of the STSC-Accreditation over and above those from the STSC-Association will be to raise the accountability of certification programs and enhance the comparability between certification programs, so as to make it easier for the consumer to make a valid choice of certified product or service.

Main activities as they relate to mission and objectives

The STSC would build on the activities undertaken at the association level, but adding on the assessment/verification level, verifying compliance of certification programs with STSC criteria. Stewardship councils by their very nature serve the primary role of overseeing transparency and credibility of certification programs through the accreditation function. The main changes in activities are that the progression from standard development to standard maintenance, and from first party assessment of members, to third party assessment that leads to accreditation.

Clearinghouse

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Annual international conference.

As in the STSC-Network and STSC-Association phases, there will be annual international conferences that will also serve as the annual general meetings of the membership.

- Internet network

As in the STSC-Network and STSC-Association phases, the Internet network will be the main method of communication between members between conferences.

Standard

- Maintain currency of standard, revise where appropriate.

The STSC will have to maintain the currency of the international standard or standards, and to update the accreditation criteria as their implementation shows areas for improvement. The STSC will lay out a procedure and timetable for periodic review of these criteria to ensure they are current and applicable through time.

- Evaluation of quality of the outsourced accreditation function.

The Technical Committee acts as the liaison between the outsourced accreditation function and the STSC members and board. Therefore the Technical Committee changes its focus from standard development, to also include the additional role of evaluating the quality of the outsourced accreditation assessment.

Marketing

Marketing activities at the STSC-Accreditation are a continuation of those initiated in the STSC-Association, but making a clear difference between the marketing benefits given to accredited and non-accredited tourism certification programs.

- Create database of certified companies and use it for marketing/brokerage.

The STSC will separate the database created STSC-Association into those tourism companies certified by an accredited certification program and those that are not. The Internet marketing to consumers and lobbying to tour operators and travel agents will be mainly for accredited certification programs.

- Lobby stakeholders to promote companies certified by an accredited certification program.

The STSC will lobby key stakeholders to promote companies certified by an accredited certification program, and to promote accreditation amongst those certification programs that have not achieved it. National governments would be approached to consider supporting accreditation of national tourism certification programs. Tour operators will be approached to use suppliers certified by an accredited certification program. NGOs will be approached to actively promote accredited certification.

- Coordinates buyer groups.

The STSC will continue to coordinate one or several buyer groups of tour operators with the additional task of identifying benefits of accreditation for tour operator supply chain management, to fuel arguments for accreditation amongst tourism certification programs.

Training

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Assessor and certification program training.

Training will continue to be a key activity in the STSC-Accreditation in order to raise the performance of those tourism certification programs that are not ready for accreditation. Specific training will be available to improve the ability of tourism certification programs and their assessors to meet ISO guides, introduce STSC standards, and comply with STSC accreditation criteria. Expansion of education/training/capacity building activities will include professional courses for industry association, governments and certification bodies on certification. Activities would also include providing support to governments to enable those countries that do not already have a national certification program to establish a suitable, relevant and high quality program.

Fundraising

The STSC will continue to undertake fundraising activities to secure its financial feasibility and to support the access to the STSC for organizations that do not have the financial means.

Accreditation assessment (outsourced)

- Assessment of certification programs' compliance with international standard and certification competence procedures.

It will be important for the STSC complies with international standards developed by ISO when these can be feasibly adopted by the tourism sector, as well as to establish and maintain affiliations with other international accreditation organizations such as the IAF and ISEAL by ensuring the STSC complies with the criteria necessary to belong to these organizations. This will dramatically increase the credibility of the STSC.

- Assessment operations outsourced.

The research process demonstrated that some accreditation bodies are segmenting standard setting activities from accreditation functions. This segmentation is reinforced through ISO 62 certification and espoused by the IAF. Having the same body set standards and accredit certification programs to that standard is seen as a conflict of interest. This conflict prevents the standard setter from providing technical assistance and training to certification programs that might need assistance in implementing standards.

ISEAL has been focusing attention on the need to segment standard setting and accreditation activities. The FSC has not formally split off its accreditation functions, but it has internally segmented the accreditation unit from other FSC functions. Other ISEAL members have been talking confidentially to ISEAL members who could undertake the accreditation on their behalf.

Since quality of the accreditations and financial feasibility of the outsourcing arrangement to STSC, the accreditor, and to the certification programs are key, the STSC will need to develop criteria to select an outsourcing accreditation agency and methods by which to monitor and evaluate its success in measuring certification program compliance with the STSC standard.

Very preliminary and informal discussions with SAI and IOAS have taken place at this stage. Both are tentatively interested in expanding their accreditation functions to cover other sectors, such as tourism. The potential scenario could include outsourcing to a like-minded accreditation agency such as SAI or IOAS and/or outsourcing to national accreditation programs. In defining a relationship, it will be necessary to evaluate the strengths and

weaknesses of the accreditor and how they will work to ensure quality in their tourism accreditation. Neither SAI nor IOAS has any experience in sustainable tourism. They do have experience with the process of accreditation and accreditation requirements as outlined by ISO. They also have assessors throughout the globe. Not all national accreditation programs deliver accreditation at the same level, but they offer the advantage of having national expertise and could potentially keep costs fairly low.

Minimally, an accreditation agency working with the STSC would need to:

- Demonstrate transparent accreditation procedures and processes;
- Be ISO 61 compliant;
- Have a well-defined accreditation decision-making process and body that has sustainable tourism expertise;
- Use assessors with sustainable tourism expertise;
- Have good communication with STSC technical staff to ensure that the STSC standard is correctly interpreted;
- Have a mechanism to work together with the STSC on strategic visioning without jeopardizing its independence from the STSC;
- Develop a licensing program to license the STSC standard and logo (if developed) to the accreditation agency; and,
- Develop a mutually agreeable fee structure including licensing fees.

IOAS' relationship to IFOAM is a good model to study. They have perhaps a closer relationship than STSC would have since IFOAM is IOAS' only member. But they maintain independence in terms of decision-making and management. IOAS' Director and IFOAM's Technical Director did note that good communication between both bodies is essential. While it is too soon to know what accreditation fees would be to STSC certification programs, a potential fee package including projected accreditation fees is discussed below.

6.3.1. Organizational blueprint

The organizational blueprint for the full STSC-Accreditation is largely the same as for the STSC-Association, with the addition of an outsourced accreditation function. There are changes in the membership to take into account additional benefits to full members who meet accreditation criteria, and changes in priorities from standard setting to standard maintenance and co-ordination of outsourced accreditation functions. This section includes details on housing, structure, staffing, governance, and membership for the STSC-Accreditation.

Housing

- House in intergovernmental agency – in kind support to the value of \$100,000 per year, but lower actual cost to the agency.

The pros and cons, as well as costs of housing STSC remain the same between the STSC-Association and the STSC-Accreditation phases. The rationale for this was presented earlier in the STSC-Association.

- Accreditation assessment housed separately as outsourced.

Outsourcing accreditation will facilitate housing the STSC at an intergovernmental agency. Key intergovernmental agencies will have support structures and knowledge on marketing and training and some of them, such as UNEP and WTO, have been involved in standard setting, which are the core functions of the STSC. However it is understandable that an intergovernmental organization might not feel comfortable housing activities such as accreditation which are outside their scope and knowledge even if new staff are brought in for that purpose. Outsourcing accreditation functions also means that housing costs will not increase for the intergovernmental agency housing STSC when moving to the full STSC-Accreditation phase.

Structure

The STSC-Accreditation will evolve from the association with the addition of the accreditation function. The STSC-Accreditation will be governed by an international board whose policies are implemented by the secretariat. The secretariat serves the membership, which elects the board. The regional initiatives that played a role in the STSC-Network and association stages should retain a role in the STSC-Accreditation phase, depending upon their interest and available funding. Committees will continue to focus on standards and marketing activities, though the Technical Committee will shift its focus to standards maintenance and accreditation quality control. See Figure 6.3 for a diagram of the STSC-Accreditation.

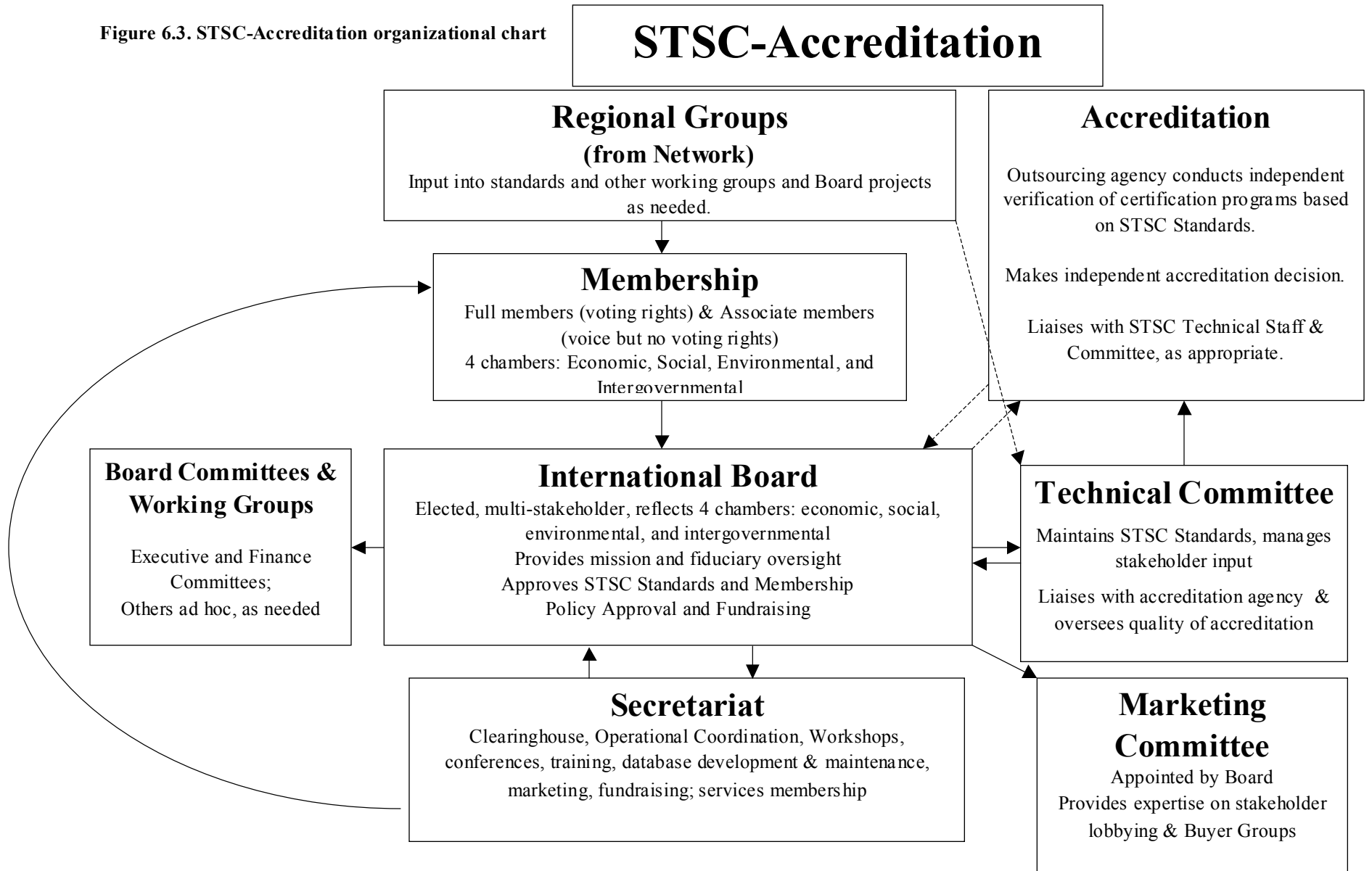
Specifically, the following structure is proposed for the STSC-Accreditation:

- **STSC International Board** elected by the membership and representing the four chambers (economic, social, environmental, and intergovernmental). Its key role will be to oversee the STSC-Accreditation's activities, provide fiduciary oversight, and oversee the legal framework to operate the STSC-Accreditation as a not-for-profit legal entity. Only accredited certification programs will be permitted to serve on the Board.
- **STSC secretariat** will be managed by an Executive Director with a small team (4.5 additional staff) to provide year round support and administration to the board and its committees, regional networks, and membership. The secretariat will have at least one specialist staff member to work with standards and to liaise with the outsourcing accreditation agency. The secretariat will take on a global marketing role, with the aim of increasing awareness of and participation in tourism certification in terms of the tourism industry, as well as raise the profile of certification amongst consumers. The STSC secretariat will maintain the **electronic/internet-based** discussion network established earlier in the STSC-Network stage to encourage ongoing dialogue between regions and stakeholders and will develop and deliver training programs to new and existing certification programs and assessors.
- **Regional networks** may evolve into regional associations, with membership criteria, if desirable. These associations will disseminate information provided by the global secretariat and conduct regionally relevant/focused training activities on behalf of the secretariat. The regional association will have the responsibility of gathering the self-assessments of individual certification programs and reporting to the STSC Global secretariat. The regional networks will give input into the STSC standards and accreditation criteria though the Technical Committee. The regional groups may be as formal or informal as they desire, pending funding. The STSC-Accreditation will not fund the regional networks/associations unless a specific project is requested and funded by the Board.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- **Membership** of the STSC-Accreditation will be open to those certification programs that undergo the STSC accreditation process. As above, membership will be open to other organizations and individuals that demonstrate through turnover or signed declaration a commitment to the STSC principles. It will be necessary to establish a fee for participation (see section 6.3.4. on finance of the accreditation phase). It is projected that the membership will have begun at 100 members in the association's first year and will grow to at least 300 members after seven years.
- The overall role of the board-appointed **Technical Committee** will be to maintain and oversee the STSC standard and accreditation quality. The Technical Committee will gather multi-stakeholder input and make a final recommendation to the Board for any standards or accreditation criteria.
- Other committees, such as a **Marketing Committee** and **Executive and Finance Committees** will be established by the board, or continue from the association level. The Marketing Committee will play an important role in guiding the organization in leveraging its resources to raise awareness for the STSC concept. The Executive and Financial Committees are internal board committees to help manage the organization between full board meetings and the STSC-Accreditation's finances, respectively. Other committees and working groups may be established on an ad hoc basis by the board.

Figure 6.3. STSC-Accreditation organizational chart



Staffing

The staffing structure and expenses of the STSC-Accreditation level are nearly identical since the accreditation function is being outsourced. To effectively service an organization that is attempting to establish an international STSC standard, to lobby for international sustainable tourism accreditation, to offer technical assistance to certification programs and national governments, and to service a diverse membership of more than 100, a minimal staff of 5.5 is needed. Staffing at the accreditation level will carry on from the association. The key positions will provide STSC accreditation management, marketing and communications, membership recruitment, financial management, training, and expertise and leadership on technical standard setting and accreditation (see Table 6.10).

Table 6.10. STSC-Accreditation personnel

Personnel	Description of Duties
Executive Director (f/t)	Manage and oversee association, lobby stakeholders, member recruitment, and fundraising.
Finance Manager (p/t)	Manage and oversee finances and operations including accounts receivable and payable and business model.
Marketing & Communications Manager (f/t)	Manage marketing efforts including press, trade shows, collaborating with NGOs to do consumer outreach.
Membership/Development Manager (f/t)	Manage member recruitment, fundraising; coordinate annual meeting.
Technical accreditation and Standards & Training Officer (f/t)	Oversee standards development, liaises with accreditation agency and stakeholders; develop, coordinate, and deliver training.
Assistant (f/t)	Manage administration, bookkeeping, database entry, office, and coordinate meetings.
Total Staff: 5.5	

Governance

As with the association, the STSC-Accreditation level will need a governance structure to establish its organization and operations, especially since it will be a legally established nonprofit organization. The governance structure proposed for the accreditation level is nearly identical to that of the association. Below are key assumptions for the STSC-Accreditation’s governance and proposed board composition:

- **Assumption: The STSC is interested in transparency, credibility, and multi-stakeholder participation at the board level.** The board structure will efficiently facilitate improvements in sustainable and eco-tourism certification (such as improved standards consistently implemented from region to region).
- **Assumption: There is a multi-stakeholder membership base that elects the Board.** While not every organization employs a membership base, it is perceived as an effective

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

way to empower a multi-stakeholder audience to “own” the association since they elect the board that makes the policy decisions.

- **Assumption: A technical committee develops the standard; the membership and other stakeholders give input into the standard; the Board approves the standard.**
- **Assumption: A board balanced among different stakeholder groups is desirable.** Representation should reflect sector and geographic interests of the STSC.
- **Assumption: Certification program participation in setting standards and participating at the board level is a positive idea for the STSC.** This will ensure that standards will continue to raise the bar but will be realistic. At the accreditation level, board participation will be limited to accredited certification programs.

STSC Chambers

The STSC proposes to modify the FSC’s corporatist structure by using the three chambers of economic, environmental, and social, and to give additional representation (a fourth chamber) to intergovernmental agencies, which, owing to the unique needs of tourism, will represent a broad group of governmental and intergovernmental stakeholders.

- **Economic chamber:** includes organizations and individuals with a commercial interest in sustainable tourism and ecotourism. Examples include certification bodies, industry and trade associations (profit and nonprofit), consumer associations, consulting companies, hotels, airlines, boat & cruise operators, tour operators. Three of fifteen board seats are dedicated to certification bodies that have received STSC accreditation. Board members act in a personal capacity.
- **Social chamber:** includes nonprofit, nongovernmental organizations, as well as research, academic, technical institutions and individuals with a demonstrated commitment to socially beneficial tourism. Board members act in a personal capacity.
- **Environmental chamber:** includes nonprofit, nongovernmental organizations, as well as research, academic, technical institutions and individuals with a demonstrated commitment to environmentally beneficial tourism. Board members act in a personal capacity.
- **Intergovernmental chamber:** There will be 2 permanent, non-elected seats for UNEP and WTO. These are the two organizations recommended for STSC participation during the stakeholder consultation. Board members act in an organizational capacity.

Breakout of board composition with 15 seats

- **Economic chamber:** 6 seats (3 for certification programs; 1 sustainable tourism industry; 1 ecotourism industry; 1 other tourism industry or consumer association).
- **Social chamber:** 3 seats.
- **Environmental chamber:** 4 seats.
- **Intergovernmental chamber:** 2 seats (permanent seats, not elected).

TOTAL: 15 seats each with one vote.

Geographic Allocation

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

A goal of the board will be to have broad geographic representation but no specific mechanism will be in place to ensure this. IFOAM has no overt target but manages to have good geographic representation. FSC does have sub-chambers for North-South, but it may make it difficult to fill seats if the STSC gets to this level of specificity.

Membership

In the transition from the Association to the STSC-Accreditation level, categories remain the same with the exception that full membership for certification programs should be confined to certification programs accredited to the STSC standard or are in the process of getting accredited. Only accredited certification programs are eligible to serve on the board and have a vote. Certification programs that are unable or unwilling to reach STSC accreditation will not be allowed membership. Obviously, there will be a transition phase when there will not be any accredited certification programs. This will require further study.

The STSC-Accreditation will be open to membership through the chambers. Membership is subject to an application and review process and the board reserves the right to deny membership to any applicant that does not meet its criteria. There will be two categories of membership:

Full membership

For organizations and individuals committed in writing to STSC principles. Full members will be given full voting privileges (one vote per member). Full members are eligible to serve on the board. Only accredited certification programs or those already in the accreditation process will be allowed to be full members. Certification programs that are unable or unwilling to reach accreditation will not be allowed to join the STSC under either membership category. As noted above, membership is subject to approval by the board.

Membership criteria need to be more fully developed to allow a transition from association without accreditation to the accreditation level, as noted above. Possible criteria for full membership include:

1. Members must sign a commitment to the principles of the STSC and sustainable tourism.
2. Economic/industry applicants need to pledge that a significant portion of their turnover will meet STSC principles within a reasonable timeframe such as two years. Certification programs need to be accredited to the STSC standard or in the process of accreditation.

Associate membership

For organizations and individuals with an interest in sustainable tourism. Associate members will have a voice but no vote and will not be eligible to serve on the board. Governments are automatically Associate members. Though Associate members lack the benefits of full membership, there is an advantage to being a part of the sustainable tourism movement while making the necessary changes to transition to full membership. It should be noted that the role of Associate members should be evaluated more fully to understand if it adds value to the sustainable tourism movement at the accreditation level.

6.3.2. Standards, criteria and assessment

The international standard with regional/local differences is implemented by tourism certification programs, which are evaluated by independent assessors of an outsourcing accreditation body, using the STSC accreditation criteria.

International standard

- Multi-stakeholder international standard, with justified regional/local relevant differences, implemented.

The STSC multi-stakeholder international standard (or standards) will have been agreed at the STSC-Association phase, together with justified regional or local differences. The STSC-Accreditation phase will implement these documents by requesting tourism certification programs that aim for recognition through accreditation to meet these standards.

- STSC responsible for the standard.

The STSC will own the standard and will be responsible for its maintenance. This involves ensuring that the standard has a high level of endorsement by stakeholders, that the standard is kept up to date with regards to keeping records of complaints regarding its contents and implementation, mediating in conflicts or confusion regarding the interpretation of the contents and its implementation, taking actions to improve the standard and keeping evidence of these actions and the impact they have had.

Accreditation criteria

- STSC accreditation criteria implemented.

The body that accreditations are outsourced to will use the accreditation criteria devised and agreed in the STSC-Association phase to conduct independent assessments of the tourism certification programs that voluntarily apply for accreditation.

- Outsourced accreditation function assesses tourism certification programs on their:
 - Competence to assess against the international standard with regional differences, and
 - Compliance with ISO 65 Guide on capacity to conduct competent assessments.

The accreditation criteria agreed in the STSC-Association phase will include methods to gather evidence that the tourism certification programs are certifying against standards that are a true reflection of the internationally agreed standard or standards under STSC, taking into account agreed regional and local variations, and that the tourism certification programs are competent to conduct certification procedures.

Assessment

- Independent audit to assess compliance to be developed in conjunction with outsourcing accreditation agency.

The outsourcing accreditation agency will be responsible for conducting the assessments. The STSC needs to consider during the STSC-Association phase the most suitable method of undertaking assessments of tourism certification programs. At the time of writing this report, it is considered that an independent third party assessment will be the most transparent and credible, despite the added cost in comparison with other methods. STSC will also need to

agree with the outsourced accreditation body the process of selecting staff who will undertake the audits and the qualifications and credentials needed, including their knowledge of the region the tourism certification program operates in.

- Proposed review through site visits every 3 years, interim reports by certification program annually.

It is proposed that the assessment of tourism certification programs is based on a site visit every 3 years by a team of auditors, followed by interim reports annually where the tourism certification program shows improvements in key performance areas.

The procedure proposed here is based on the ISO61 guide, as summarized earlier in this report. The tourism certification program will complete an application form to be accredited, which will include a list of requirements in terms of information and access to staff and companies that have been certified. The tourism certification program will have access to files regarding its rights and duties, including the use of claims of accreditation, logos, and costs of certification. The accreditation body will undertake a review of the application and plan the assessment of the tourism certification program by agreeing dates and schedules of tasks during the assessment visit. The accreditation body will nominate a qualified audit team and inform the applicant with sufficient time to appeal.

The audit team will assess the evidence of how the tourism certification program 1) certifies to the STSC international standard, with the agreed necessary regional variations, and 2) has capacity to undertake competent certification assessments, by 3) meeting the agreed STSC accreditation criteria.

This audit team will assess evidence in a variety of forms that are considered suitable prior to the visit according to the nature of the tourism certification program and in line with the requirements of the STSC accreditation criteria. At the time of writing this report it is believed that this will involve a site visit where the audit team will undertake at least interviews with the management of the program, the program's assessors, and a selection of companies that have been certified, as well as paper records.

The audit team will undertake a thorough review of the records of the tourism certification program to gather evidence how the STSC standard has been implemented. This involves evidence of how the standards are applied to the applicant for certification and the methods of measuring that those standards are met. The detail of how the audit of the standards is undertaken can only be spelled out after the STSC standard and regional variations are agreed.

The audit team will undertake a thorough review of the records of the tourism certification program to gather evidence of their competence, in line with requirements to operate a certification body in ISO 65 guide. This involves reviewing documents such as policies, quality systems, implementation manuals, and records of all its certification functions and procedures including surveillance of certification products confirming conformity to the standards. The audit team will review records of complaints to the tourism certification program and the evidence of how these have been dealt with. If subcontracting takes place the audit team will review evidence that the tourism certification program has an agreement where it takes full responsibility for the subcontracted work and ensures competency of the subcontractors. The audit team will expect evidence of internal audits and management reviews to verify that it is implementing its internal quality system, and that personnel affected by the outcome of the internal audit are informed of the results, and any corrective actions are taken and audit results are documented.

The audit team will assess that the personnel are competent for technical, policy and implementation functions. Technical functions will include knowledge of economic, social, cultural and environmental aspects of sustainable tourism and ecotourism as defined in the STSC standard. The audit team will review information on qualifications, training and experience needed for the job and those of staff employed, as well as possible association with companies that they have certified.

The audit team will give the tourism certification program an oral indication on the conformity prior to leaving the certification program's premises. The audit team will promptly produce a written report for the accreditation body with its findings to all the accreditation requirements and the outcome of this report will be promptly brought to the attention of the applicant by the accreditation body, identifying areas of nonconformity. The applicant will be invited to comment and outline actions planned to address nonconformity. The accreditation body will inform the certification program of the need for a full or partial reassessment.

The accreditation program will have an established program to undertake periodic surveillance and reassessment to verify that the accredited body continues to comply. It is planned that for cost reasons interim surveillance will take place in the form of interim reports from the tourism certification program.

6.3.3. Roles of stakeholder groups

The roles of stakeholder groups will be modified to take into account the accreditation functions and possible conflicts of interest between accreditation and other roles such as marketing and training. Roles that stakeholders had assumed during the association phase that are not modified at this phase will not be outlined for clarity.

Certification programs

- Growth of certification programs from increased efficiency, quality and credibility.

Tourism certification programs will benefit from accreditation because their programs will be more efficient, will have more quality and will be more credible. These three characteristics will help programs to grow by attracting more industry interest and by ensuring a better conversion from interest to actual applications for certification.

- Political lobbying to provide incentives for certification.

Certification programs that can prove a high level of performance by achieving accreditation will be able to lobby other stakeholders within their countries for support and incentives for applicants since their programs will have added recognition. Certification programs that do not meet accreditation standards will have evidence of why they need additional resources to improve their performance in order to gain external recognition.

Governments

- Fund/subsidize accredited national certification program.

Countries without certification programs at present would benefit from state intervention in starting up a program that meets international standards. STSC will promote itself to governments a key international tool to operationalize national tourism sustainability strategies through setting up national certification programs. Governments can also consider a

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

national certification program that meets international accreditation standards as a method to implement sustainability commitments and therefore to consider ways of funding it under sustainability programs.

- Brand awareness campaigns to tourists via tourist boards.

STSC will lobby national tourist boards from countries with accredited certification to conduct specialist promotion on their behalf as an incentive to increase the number of companies applying for certification.

- Monitor GATS implications of government support to certification.

Government support to standards that becomes a barrier to international trade can go against GATS principles if the standards include issues on socio-economic sustainability of local populations. Governments ought to consider the impact of standards, the type of standards, and the type of support given to standards to ensure that valid standards can be implemented while not posing unnecessary barriers to trade.

- Support small firm access to certification.

Besides consumer promotion, the STSC will lobby tourist boards, environmental and other relevant government agencies to provide incentives to tourism businesses receiving accredited certification. Support is specially needed for small firms to have access to certification.

Industry and industry associations

- Industry associations include certification as membership requirement.

STSC will work with proactive groups to introduce sustainability clauses in industry association membership codes of practice, as well as create pressure for industry associations to run articles favorable to accreditation in their trade press.

- Industry to see certification as a sign of successful business and management.

STSC aims to increase the number of tourism businesses interested in certification by providing endorsement and international marketing appeal, as well as lobbying for preferential treatment of tourism businesses that meet STSC standards (for example by tour operators). In doing so the STSC needs to be mindful of those countries where the socio-economic conditions are appropriate for the introduction of such requirements, taking into account the ethics of forcing accreditation in countries with more pressing needs. In those countries where certification is working well, accredited certification can become a requirement to successful business management.

Tour operators

- Give preference to certified producers by accredited certification program.

The STSC expects tour operators to distribute information to their current suppliers outlining the benefits of accredited certification. In cases where a tour operator is willing to consider alternative suppliers, the STSC will act as a facilitator of this mechanism by helping tour operators find alternative accredited suppliers. To this effect the STSC will create a database of accredited products and suppliers to facilitate the identification and purchase of accredited products by tour operators. The data held in this database will be determined by tour operators' needs in contracting suppliers.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Expand purchasing policies to use predominantly certified suppliers/producers

STSC will be a tool to implement corporate sustainability claims. The STSC will provide a practical method to implement and measure sustainability claims by tour operators, since tour operators' packages cannot be sustainable until their components are.

The STSC will aim to reach commitment in the STSC-Association, and evidence after an agreed period of the STSC-Accreditation, to purchasing accredited products and suppliers when these are available and match non-accredited ones in quality, price and convenience. This will only be applicable to those products and destinations where accredited certification is available, and will not apply in the destinations where certification cannot be introduced for socio-economic reasons.

NGOs and consumer associations

- Ensure objective and transparent certification.

STSC will provide a tool to implement in practice pro-sustainability principles and to gain further protection to international tourists from poor quality practices.

- Watchdog or board role.

Non-governmental organizations will be included in the STSC board to ensure that a wide range of sustainability issues are considered and reviewed. NGOs will be instrumental in their watchdog role to ensure that the processes are credible.

- Incorporate social and environmental concerns.

NGOs will lobby for the sustainability concerns that are key to the causes they represent, being social, environmental, pro-poor, indigenous communities or others.

- Government lobbying to increase take up of certification.

NGOs will lobby governments for their support towards national tourism certification programs with multi-stakeholder forums and for small firms to have access to these programs.

Intergovernmental institutions

- Ensure objective and transparent accreditation mechanisms.

Intergovernmental institutions will be used as channels to consult the proposals, and subsequently the operations, to ensure that these reflect their members' views.

- Active participation on board.

Intergovernmental institutions will be represented in the STSC board. In the present structure two organizations will be included.

Donors and financial institutions

- Include certification from accredited certified as deliverable in projects.

STSC will request donors and financial institutions to test the feasibility of including accredited certification as a requirement of some tourism development projects, for example by scanning the sustainability standards of projects funded within two years against relevant certification criteria. If feasible, pilot introducing accredited certification as a deliverable in a

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

number of funded projects. Accredited certification can be promoted as a tool to assess ethical investment and cost-benefit of pro-sustainability projects, as well as tool to increase the likelihood of success of business start-ups, community projects and other investment projects by giving an international marketing edge to those businesses that achieve accreditation.

- Use tourism accreditation to create leverage for ethical investment.

STSC will aim to reach commitment from ethical investment fund managers to give preferential treatment to certified tourism companies for ethical investment purposes. Financial institutions can use accreditation as a first scan of the business ethics. STSC will increase the number of financially feasible tourism businesses that ethical investment companies can include in their portfolio.

- Continue to fund pilot certification programs, especially in areas of high biodiversity value and with socio/cultural concerns.

Donors and financial institutions, often through NGOs, will be encouraged to continue funding a number of pilot certification programs which are good testing grounds for the feasibility of programs developing elsewhere as well as making a positive contribution to the preservation of biodiversity.

- Criteria review research funding.

Donors and financial institutions will be approached to fund research that underpins the review of international standards, accreditation criteria and processes of accreditation. In particular research needs to be undertaken to determine methods to encourage small firm participation in accredited certification.

Accreditation organizations

- Ensure accreditation is conducted through objective and transparent mechanisms through peer review.

The STSC aims to be accepted in the international accreditation community by operating according to accreditation codes of practice and facilitating peer review. The STSC will aim to ensure that processes and procedures of accreditation meet international standards set amongst recognized accreditation associations. Supporting the STSC will strengthen the impact of accreditation across all industries and promote other accreditation bodies. The STSC will lobby for tourism businesses to purchase from accredited suppliers (such as purchasing accredited organic food, sustainable timber and fish and so on), hence promoting purchasing networks that strengthen accreditation.

Tourists

- Buy certified products as a result of increased awareness, and as confusion has been reduced.

Selling propositions and mechanisms will not differ from those presented in the association phase. Accreditation against an international standard, albeit with regional variations, will make the product look more homogeneous and therefore more appealing from an international consumer marketing point of view. Whether direct consumer marketing is enhanced because of accreditation will depend on the willingness to create an accreditation brand. Joint branding is seen as contentious and it is recommended to proceed with caution and seek agreed approaches during the network phase.

- Accreditation body continues to ‘sell’ idea through consumer marketing.

In line with the association phase, marketing to tour operators for inclusion in their packages will still remain as the key selling method of tourism products after accreditation. Marketing for inclusion in national tourist board campaigns of services within their country that are certified by an accredited certification program should continue. Internet marketing through an online searchable database is perceived as the most cost-effective method to conduct consumer marketing, coupled with specific initiatives in partnership with consumer associations and accreditation programs, as specified earlier in this chapter.

6.3.4. Finances

This section reviews estimated expenses and revenues for the STSC-Accreditation, based on the research conducted for this study. The primary assumptions are:

- STSC-Accreditation will be implemented after at least one year of the association, during which time the STSC standard is developed and finalized.
- The STSC standards are developed and approved at the network stage.
- The STSC-Accreditation could evolve directly from the STSC-Network, skipping the interim stage of the Association; however, the benefits of having the STSC-Association is that allows to build on the marketing and training fronts before launching the STSC-Accreditation.
- If the STSC-Association has been implemented for at least one year, there will be no implementation costs at the accreditation level (see implementation budget below). The costs from STSC-Association to STSC-Accreditation are fairly stable in the early years. The number and type of staff and office needs are the same at either level in the early stages. The STSC-Association membership will roll over (or, more accurately, remain) with the STSC-Accreditation organization.
- All accreditation activities are outsourced to a legally and financially independent organization.
- The differences between the STSC-Association and STSC-Accreditation are that:
 - The technical staff position will liaise with the outsourcing accreditation agency.
 - The technical committee will focus on maintaining the standard and monitoring the accreditation quality.
 - All accreditation costs and revenues (with one exception) are absorbed by the outsourcing accreditation agency.
 - The STSC-Accreditation is eligible to collect royalty or licensing fees from accredited certification programs or from other “consumers” of sustainable tourism throughout the chain. Licensing of the logo may be a revenue source if a STSC logo is developed.

Costs

The first year of running the STSC-Accreditation should be less than \$900,000 per year, as with the association’s first year. This includes an annual international meeting, board and committee meetings, marketing and training. Nearly half of the budget expense is for

personnel (salary and benefits). Below is the budget summary (expenses only) for the STSC-Accreditation (Table 6.11). See Appendix 15 for a more detailed accreditation budget.

Table 6.11. STSC-Accreditation expenses

ACCREDITATION BUDGET (in US \$)	1 Year	Percent of total budget
Personnel (salaries & benefits)	\$402,000	46%
Meetings, Conferences, Workshops	\$125,500	15%
Marketing & Communications	\$145,000	17%
Training	\$52,000	6%
Travel	\$36,000	4%
Research	\$5,000	1%
Office Expenses	\$99,300	11%
Overhead	\$0	0%
TOTAL	\$864,800	100%

Personnel

The budget accounts for 5.5 staff totaling \$402,000 including benefits for the staff. See Table 6.10 above for a description of the personnel duties. All salaries are assumed to be minimal, but comparable to similar positions in the New York and Western Europe nonprofit markets. Twenty percent is an additional line item to cover benefits including employer’s insurance, health and vacation benefits. Other similar benchmarked organizations have much larger staffs (IFOAM: 10; MSC: 20; SAI: 20; FSC: 27; and FLO: 15) though they often combine standard-setting and accreditation functions.

It is assumed that all the staff members will be employed on a full-time basis, and that all senior staff will have attained a minimal educational level of a Master’s degree (or equivalent) and are experienced office workers.

Meetings, conferences, workshops

One international meeting, two full board meetings, and one executive and one technical committee meeting have been budgeted. The third board meeting costs are included in the annual meeting. Attempts have been made to “piggy back” meeting costs onto other activities. In reality, these board meeting costs may come in less, or board directors may find their own funding as they do in other organizations. Two buyers’ group meetings have also been budgeted. Meetings are 16% of total budget.

Marketing and Communications

A total of \$145,000 has been budgeted to communications and promotion. The need for marketing should not be underestimated. The STSC-Accreditation will dedicate its resources to business-to-business marketing. Consumer marketing will take place in concert with NGO members and partners.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

The STSC consultations showed that most respondents favored marketing as 35% of budget. The STSC-Accreditation budget's marketing is 17% of total budget and when one includes dedicated marketing staff, marketing rises to 25% of budget. \$25,000 has been reserved to develop a database for "certified products" and \$20,000 to the enhancement of the Web site and continued maintenance of the Internet forum.

Training

With the development of the association, training became more formalized. Fifty percent of the Technical accreditation and Standards and Training Officer's duties will be dedicated to developing and delivering training programs to existing and new certification programs, assessor trainings, and one-on-one consultancies. Since the STSC does not plan to deliver its own accreditation services (particularly the accreditation decision-making), there is no conflict for it to offer training. Training (including staff time) as a percentage of total budget is 10%.

Travel

The travel budget includes funds to cover international travel for the STSC-Accreditation staff. Travel is 4% of total budget.

Research

A small amount (\$5,000) is budgeted to allow the STSC-Accreditation to coordinate research with partners. It is assumed that the STSC-Accreditation will not undertake or finance research on its own.

Office Expenses

Office expenses, representing 11% of total budget, includes equipment, supplies, telecommunications, rent and utilities for the association. The figures are based on an office of six (rounded up from 5.5) staff. Equipment is budgeted at an average of \$2,000 per year per person; supplies are budgeted at an average of \$200 per month per person; and telecommunications (telephone, fax, internet) is budgeted at \$350 per month per person. Rent is figured at 15 square meters per person at \$220 per square meter (including utilities). These figures are appropriate to an office in an urban location such as London or New York.

It is estimated that the auditing and accounting costs will be around \$8,000 per year and that legal services and IT maintenance costs each will be equal to \$7,000 per annum. Three thousand dollars (\$3,000) has been reserved for "other professional service expenses". Generally it is assumed that an international non-profit organization with 25 employees on average spends \$44,000 a year on professional services (Source: Coopers & Lybrand, 1996). Though the STSC-Accreditation will begin with only six employees to begin, it is assumed that there are minimal fixed costs of \$25,000 for these services.

If the STSC-Accreditation is to be housed by a third-party, it is hoped that rent, utilities, and some professional services (such as legal, accounting, and information technology) would be covered by the host institution. However, full costs have been stated in the budget.

Overhead

No overhead has been budgeted since typical overhead costs have been laid out directly in the budget. However, if the STSC-Accreditation is housed by a third-party, they may wish to charge an overhead figure in return for basic services, or they may offer them gratis.

Implementation Budget

If the association has already been implemented, it should not be necessary to incur other implementation costs. The association should have already formed a relationship with an accreditation agency. If, for some reason, the network evolved straight into the accreditation level (because the accreditation criteria were finalized at the network stage), then the implementation budget would be valid. See Table 6.12 for a summary of implementation expenses and see Appendix 13 for a detailed budget. Implementation costs for the STSC-Accreditation have not been included in the ten-year forecast since they are included under the STSC-Association (see Appendices 17).

Table 6.12. STSC Accreditation implementation budget

Implementation Budget (summary)	(in US \$)
Personnel (recruitment and relocation)	\$112,000
Meetings (preliminary meeting of advisory board)	\$22,500
Marketing	\$0
Training	\$0
Travel	\$5,000
Research (accreditation revenue model)	\$40,000
Office Expenses (office set up, furniture)	\$67,050
Professional Services (legal)	\$28,000
TOTAL	\$274,550

Personnel

The two key assumptions here are that the staff will need to be recruited through an agency and that the senior staff will be expatriate and need to be relocated to wherever the STSC-Accreditation is housed.

Recruitment expenses

It is assumed that a recruitment agency will be chosen to assist in the recruitment of professional as well as support staff. The recruitment agency fee is estimated as a percentage of the first year salaries (excluding the relocation allowances). An average percentage of 20% of the first years' salary was used, though typically a higher percentage might be charged for more senior positions. There is generally considerable room for negotiation of fees based on the exact nature and level of assistance required.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Relocation packages

It is assumed that the director and the four senior managers will be expatriates, and that each of them will be offered a relocation package. Relocation packages can either be a flat fee to be used by the candidate however he or she chooses, or may cover specific expenses such as one roundtrip airfare for the candidate and his/her family with the possibility of another roundtrip to be used during the first year, moving expenses, and temporary accommodation for 1 ½ months while securing housing. Given the recommendation that the association is a nonprofit organization, a flat-fee structure of two months salary has been used in the calculations.

Meetings

Some funds have been set aside to convene the advisory board as the network transitions to the association.

Marketing

No implementation expenses are budgeted for marketing.

Training

No implementation expenses are budgeted for training.

Travel

A modest amount of \$5,000 is budgeted to allow for staff to travel to inspect office space or conduct other logistics in the setting up of the STSC-Accreditation.

Research

Forty thousand dollars (\$40,000) has been set aside to allow further research into a revenue model that will work at the accreditation level. Specifically, more work needs to be done in looking at royalties or licensing of the STSC accreditation logo. The budgets in this study assume that the certification programs will be responsible for paying a fee per certificate. They can absorb this cost or pass it down to the certified operation. However, as the research into other sectors has shown, it may not be feasible to expect tourism certification programs or their certified operations to pay these costs on top of membership in the association and accreditation fees. There is very little willingness to pay or ability to pay on the part of tourism certification programs and certified operations. A funding model to have participants along the chain contribute to the financing of accreditation and standard setting must be developed. This research could take place during the network phase, but has been budgeted to coincide with the implementation of the association.

Office expenses

It is assumed that office space will need to be refurbished to accommodate a base staff of 5.5 and allow for some modest growth over several years. Costs will obviously depend on where the office is located and what arrangement, if any, has been made to house the STSC-Accreditation in an existing institution. It is assumed that the rented office space will need refurbishment to fulfill the STSC-Accreditation's office requirements. Office refurbishment typically includes the installation of dry walls and the laying of false floors, and the price

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

level is normally around \$220 per square meter. It is also assumed that the office space acquired will need to be equipped with the necessary cabling for IT and telephones, coming in at roughly \$300 per station. Office furniture including chairs, desks, shelves, conference table, etc. is estimated to cost \$1,500 per staff member. It is assumed that each staff member will need a desktop or a laptop and a phone. Staff who travel (all senior staff) will need a laptop and a cell phone. On top of that a photocopier, a fax, a server and two printers will also be needed. Four thousand five hundred dollars (\$4,500) per staff member is budgeted for these equipment expenses. A legal rental contract will have to be drafted by a lawyer; it is assumed that this will cost about \$1,500.

Essential office software such as server software, Microsoft Office package, virus software, firewall and such will need to be purchased with licenses for six people at an approximate cost of \$750 per person.

Other legal fees have been budgeted for developing the by-laws and articles of incorporation, trademarking the STSC logo or accreditation logo (if developed) in the European Community, the US, and with the World Intellectual Property Organization, and to develop employment contracts.

Revenues

Once the STSC-Accreditation is established, it has the potential to attract a variety of revenues:

- Membership fees
- Conference fees
- Grants and donations including those from:
 - Foundations
 - NGOs
 - Government, Intergovernmental, Development agencies (cash and in-kind)
- Training fees
- Licensing or Royalty Fees

Table 6.13 summarizes the types and amounts of revenues anticipated for the STSC-Accreditation's first year. Note that the revenues build upon one year of association activities and revenues (some revenue sources have increased, grants have declined).

Table 6.13. STSC-Accreditation revenues

STSC-Accreditation Revenues	Amount (in US \$)
Membership fees	\$60,720
Conference fees	\$21,252
Grants and Donations	\$770,000
Training Fees	\$125,000
Licensing or Royalty Fees	\$37,500
Total	\$1,014,472

Membership fees

Membership fees do not change in structure from the association to accreditation levels. Membership fee projections were based on a 10% growth over the association’s first-year membership. That initial figure was derived from measuring the probability of potential STSC-Accreditation members out of an actual universe (see in Appendix 14 a potential membership list for the STSC). The STSC-Accreditation shows an increase from 138 members to 159 members paying an average of \$650 per member fee per year. Obviously, some members will pay far less (individuals start at \$50) and some will pay more (large economic members will pay \$3,000 per year; see Table 6.14 for a membership fee schedule). To be conservative, the membership figures in the revenue projections are based on an average fee per member of \$400/year. Thus, the STSC-Accreditation could bring in \$60,720 in membership dues the first year.

Table 6.14. Proposed membership fees to the STSC-Accreditation (in US \$)

Company or Institution	Large	Medium	Small
Economic (institution)	\$3,000	\$1,500	\$500
Economic (individual)	N/A	\$150	\$75
		North	South
Environmental		\$250	\$150
Social		\$250	\$150
Other		North	South
Individuals	N/A	\$100	\$50
Intergovernmental	N/A	\$250	\$150

Economic memberships for companies are based on annual turnover of the company or institution and are defined below. Turnover is defined as the “total revenue of an organization derived from the provision of goods and services, less trade discounts, VAT, and

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

any other taxes based on this revenue (Dictionary of Business, Oxford University Press, 1996).

- **Large:** Annual turnover equal to or greater than \$1,000,001.
- **Medium:** Annual turnover of \$250,001 to \$1,000,000.
- **Small:** Annual turnover equal to or less than \$250,000 per year.

Membership dues for economic and social NGOs, individuals, and intergovernmental institutions fall under one of two categories: Northern or Southern. These geographic designations follow the UN's definitions of economic wealth. Generally, all developed countries fall into the "Northern" category and developing countries fall into "Southern".

Conference fees

It is estimated that the annual meeting will attract 70% of the membership and that the revenue per member will average \$200/member. This is low compared to what other organizations charge (the FSC charged \$800 per person for its 2002 General Assembly; however, it provided subsidies for those members unable to afford the fee). Conference fees should bring in just over \$20,000. This does not cover the anticipated costs (see section on costs above).

Grants and donations

Grants and donations (cash and in-kind) show a decline over the association's first year. This is because foundation funds are anticipated to decrease from year-to-year as revenues from other sources increase. Foundation grants (6 at \$60,000), NGO grants to cover developing country participation in membership, conferences, and/or training (5 at \$6,000), governmental, intergovernmental, and/or development agency grants (5 at \$50,000 each), in-kind donations (2 at \$50,000) to cover rent, utilities, professional services, travel for meetings and three corporate grants at \$10,000 each. Any of these donors could contribute more or less and their giving may be tied to specific activities.

Training fees

It is assumed that in its first year, the STSC-Accreditation will be able to deliver one seminar to new certification programs, one to existing certification programs, one assessor training, and forty days of one-on-one consulting to national governments interested in improving or starting a national tourism certification program. This reflects an increase over the association's first year. The trainings will focus on incorporating environmental and social criteria into sustainable tourism certification, and methods to develop or improve sustainable tourism certification programs. As mentioned above, because the STSC-Accreditation will not directly implement accreditation when the time comes, it removes the potential conflict of interest in offering technical assistance and training.

Licensing and royalty fees

A table was developed to project how many certification programs will be accredited over the course of seven years (The projections were made for ten years but the first three are dedicated to the STSC-Network and Association; see Appendix 16 for details and Table 6.15 for a summary of first and seventh year figures). From that, a royalty fee was assessed based on numbers of accredited certification programs and numbers of certified operations per

certificate. These figures are included in the revenue projections for the STSC Accreditation (see Appendix 17 - STSC Ten Year Budget Projections). Royalties or licensing fees are used commonly in the accreditation and certification field (see Chapter 5), though they tend to be based on a percentage of turnover, rather than a flat fee. Some of these royalties can run in the thousands of dollars, per certification program, depending on the sector, and can be a healthy source of revenue to an accreditation agency.

However, as noted above, other accreditors are learning that certification programs are unable to absorb additional costs, regardless of whether or not they pass them down to the certified operation, which is typically less able to afford additional fees. Other sectors are learning that it is key to pass along the costs of certification and accreditation along the chain to the end-user. Further research on developing this type of revenue model for the STSC needs to be done and funding has been earmarked in the STSC-Association’s implementation budget. Consideration should be given during the STSC-Network and Association to the possibility of establishing a royalty structure applicable to tour operators and other users of certified services that want to utilize the STSC name.

The royalty figures and assumptions presented here should be used for place marker purposes only since there is no sufficient data available to derive an accurate revenue model based on the assumption of passing the costs along the chain.

Table 6.15. Royalty fees for accreditation

Royalty Fees	Year 1 of accreditation	Year 7 of accreditation
Number of certification programs	64	50
Number of accredited certification programs	10	25
Total number of certified operations	500 (125 are medium-large and 375 are small operations)	1250 (312 are medium-large and 938 are small operations)
Average royalty paid by medium-large certified operations	\$150 (although, it may be agreed during the STSC-Association that large programs should pay higher fees)	\$260
Average royalty paid by small certified operations	\$50	\$100
Total royalty revenues	\$37,500	\$175,000

The above table, which should be interpreted for illustrative purposes only, reflects an average royalty fee of \$100 per certificate. In reality, if the STSC were to adopt this funding mechanism – and it would be preferable to develop a model that does not penalize the certification programs and their certified operations – the STSC should use a rate that is based on percentage of turnover with a minimum of \$50 or \$100. As discussed above, these figures are for discussion only and should be used to flag royalty revenue that the STSC could earn. It may be more desirable to develop a different funding mechanism that spreads the costs along the chain.

Net Revenue

Table 6.16. STSC-Accreditation net revenue

STSC-Accreditation Net Revenue	(in US \$)
Total Revenues	\$1,014,472
Total Expenses (Operating only – assumes no implementation budget)	\$864,800
Net Revenue	\$149,672

The STSC-Accreditation’s first year should show a healthy surplus which will be needed to provide a cushion for future years when grant and donation funding will decrease and training revenues will level off and decrease (see Appendix 17 - STSC Ten Year Budget Projections.)

6.3.5. Total estimated accreditation fee package for certification programs

While it is difficult to predict at this stage what it will actually cost certification programs to get and maintain accreditation, it is worthwhile to discuss some estimate costs. First, the model recommends that the STSC outsource its accreditation functions, so any accreditation costs will be charged and collected by an outside organization. Based on the benchmarking study, costs will vary depending upon the size and location of the prospective accredited certification program. These costs could range from a minimum of \$2,500-3,000 for small local or national certification programs to at least \$15,000 for large regional or multi-regional certification programs. These costs would include annual site visits to the certification program and random visits to some of the certified operations. Please note that this study is preliminarily recommending site visits only once every three years. Thus, actual yearly accreditation costs would be lower the second and third year. However, the discussions during the STSC-Network and Association phases may determine that more frequent visits will be necessary. Then, the corresponding modification will have to be made in the budget.

Other fees that accredited certification programs might be liable for are membership fees to the STSC and potentially a royalty fee. Membership fees are based on size and location of certification body, so these might range from \$500 - \$3,000 per year. Royalty fees could be based on a flat fee per certificate or an annual percentage of turnover. However, as discussed previously, it would be preferable to find another mechanism for raising royalty or licensing revenue, rather than passing it to the certification program or its certified operations.

Table 6.17 below outlines two prospective fee schedules that an accredited certification program might incur. The accreditation costs include the annual site visit.

Table 6.17. Total fee package for STSC accredited certification programs

Estimate only (in US \$)						
Size of Certification program	Scenario A			Scenario B		
	Small	Medium	Large	Small	Medium	Large
Royalties	2,500	7,500	7,500	0	0	0
Accreditation Costs (annual)	3,000	8,000	15,000	3,000	8,000	15,000
STSC Membership	500	1,500	3,000	500	1,500	3,000
Total Annual Fees	6,000	17,000	25,500	3,500	9,500	18,000
Average cost per certificate	<i>120</i>	<i>340</i>	<i>510</i>	<i>70</i>	<i>190</i>	<i>360</i>

Under Scenario A, a small certification program might have \$6,000 in annual costs. The royalty fees have been based on the assumption of an average of 50 certificates per certification program. Obviously, if a certification program had more or fewer certificates, then this figure would change accordingly. For illustration purposes, only two types of royalty fees have been used in this table: one for small certification programs and another for medium and large programs. This might change if it is agreed that large certification programs should have a higher fee than medium-size programs. Based on this average figure, a small certification program would incur additional charges of \$120 per certificate, a medium program \$340 per certificate and a large program \$510 per certificate. If such a royalty were to be developed for the STSC, then it would be advisable to go to a percentage of annual turnover, which may make these figures more fluid (less for some certification programs and more for others).

A more feasible fee package (Scenario B) would include only accreditation fees and STSC membership fees. Thus, the charges per certificate would drop to \$70 for small certification programs, \$190 for medium certification programs, and to \$360 for large certification programs.

Overall, figures of \$15,000-\$25,000 are not out of line in the accreditation field. However, in tourism, many certification programs are operating with substantial subsidies – often providing free certification, which is not a sustainable solution. Once funding dries up, these certification programs will either have to adapt to market conditions or cease providing services.

Costs over three years would average less than the above annual costs depicted in Scenarios A and B. Should STSC-Accreditation require site visits only once every three years, then costs in years two and three would probably come in at roughly \$1,000 per year for accreditation paper audit and maintenance. Tables 6.18, 6.19 and 6.20 below show three years of costs, based on the assumptions underlying Scenario B (no royalty fee).

Table 6.18. Total accreditation & membership fees for small certification programs amortized over 3 years

3-Year Fees for Small Certification program (in US \$)	Year 1 (site visit)	Year 2 (paper audit)	Year 3 (paper audit)	Total Costs for 3 Years	Average Cost/Year
Royalties	0	0	0	0	0
Accreditation Costs	3,000	1,000	1,000	5,000	1,667
STSC Membership	500	500	500	1,500	500
Total Costs	3,500	1,500	1,500	6,500	2,167

Based on these rough numbers and assumptions, a small certification program would pay about \$2,000 per year to obtain and maintain accreditation, nearly 40% less than the original proposition of \$3,500 per year.

Table 6.19. Total accreditation & membership fees for medium certification programs amortized over 3 years

3-Year Fees for Medium Certification program (in US \$)	Year 1 (site visit)	Year 2 (paper audit)	Year 3 (paper audit)	Total Costs for 3 Years	Average Cost/Year
Royalties	0	0	0	0	0
Accreditation Costs	8,000	1,500	1,500	11,000	3,667
STSC Membership	1,500	1,500	1,500	4,500	1,500
Total Costs	9,500	3,000	3,000	15,500	5,167

Based on this scenario, a medium certification program would pay an average of \$5,167 each year for the three-year period, 45% less than the original projection of \$9,500.

Table 6.20. Total accreditation & membership fees for large certification programs amortized over 3 years

3-Year Fees for Large Certification program (in US \$)	Year 1 (site visit)	Year 2 (paper audit)	Year 3 (paper audit)	Total Costs for 3 Years	Average Cost/Year
Royalties	0	0	0	0	0
Accreditation Costs	15,000	2,000	2,000	19,000	6,333
STSC Membership	3,000	3,000	3,000	9,000	3,000
Total Costs	18,000	5,000	5,000	28,000	9,333

Large certification programs will probably pay less than \$10,000 per year on average to obtain and maintain their accreditation. This is nearly 50% less than the original projection in Scenario B.

Clearly, all accreditation fee projections are very rough as they will be established by an outside agency. Fees will most certainly vary depending upon the size and location of a certification program and the complexity of the certification. A complex certification may require more field time or multiple visits.

There has to be sufficient value in STSC accreditation to entice certification programs to incur the additional costs. Certification programs may or may not be able to pass along these costs to their certified operations, according to their business model.

The figures presented in this section are for discussion only. Further research needs to be performed to develop an appropriate funding model for the STSC, along with working with an outside accreditation agency to develop a cost-effective accreditation process. Some research funds (\$40,000) have been budgeted in the implementation budget (see Table 6.12) for this type of research.

6.3.6. Ten-year projections

While it is difficult to accurately and confidently forecast the next ten years of the STSC, some assumptions and a snapshot of the STSC's future from the network stage to the accreditation stage are presented below (see Table 6.21 for the ten year summary projections and Appendix 17 for the more detailed ten year budget projections). The model has been set up beginning with two years at the network level, followed by at least one year at the association level to finalize the standards and identify an accreditation agency and procedures, followed by indefinite years of accreditation (here, through 2012).

Table 6.21. STSC ten year summary projections 2003-2012

<i>(In US \$)</i>	Network 2003	Network 2004	Assoc. 2005	Accred. 2006	Accred. 2007	Accred. 2008	Accred. 2009	Accred. 2010	Accred. 2011	Accred. 2012
Revenues	380,880	380,880	1,152,020	1,014,472	1,003,514	1,034,990	1,039,426	1,036,073	1,032,080	1,039,304
Expenses	380,880	380,880	1,139,350	864,800	992,040	1,001,442	1,001,114	1,051,170	1,103,728	1,158,915
Net Revenue	0	0	12,670	149,672	11,474	33,548	38,312	(15,097)	(71,648)	(119,610)
Carry Forward	0	0	0	12,670	162,342	173,816	207,363	245,676	230,579	158,930
Cash Flow	0	0	12,670	162,342	173,816	207,363	245,676	230,579	158,930	39,320

The ten-year model assumes that some types of revenues will increase over time and others will diminish over time. The growth/decrease cycles in certain types of funding may cancel each other out and, in fact, revenues from 2009 to 2012 are projected to be flat, if not decreasing slightly (see Appendix 17 for more detail on revenues over the ten-year period). Obviously, for the STSC to be financially sustainable, its revenues need to cover its expenses, so it will have to adjust expenses accordingly. The expense projections presented in this study are not able to account for much sensitivity so far into the future; the expense model projects 5% increases each year, with some incremental growth in key years (see below). Below is more discussion about the specific revenue and expense assumptions included in the ten-year projections.

Revenue Assumptions

Membership fees

Membership is projected to increase by 10% each year but the dollar per member per year figure remains constant at \$400. This means that membership will grow from 138 members in 2005 to 269 in 2012. In reality, there will be dips and spikes in membership and its growth curve will probably flatten over time, but the constant membership fee rate should offset any decreasing growth. Other similar membership organizations count on much higher membership rates (as of 2002, IFOAM has 700 and FSC has 500). The average STSC \$400 fee per member is in keeping with other membership organizations, but is nearly double the average FSC fee. Maintaining and growing membership is typically an expensive proposition, but it is an area that may be an important revenue source for the STSC, as well as playing an important political and mission role in the organization.

Conference fees

Conference fees assume that 70% of membership attend each year with an average fee that rises from \$200 per person in 2005 to \$300 per person in 2012, a conservative fee level and growth rate.

Training fees

Training revenues assume that training activities increase by 10% each year until 2008-2009 when they level off and decrease slightly through 2012. The reason for this is that by 2008-2009, the need for capacity building or development of new certification programs should be maximized. There will still be a continued need for assessor training and other types of training.

Grants, donations, and in-kind funding

Grant, donations, and in-kind funding represent an important source of revenues for the STSC. At the network and association levels, grants, donations, and in-kind funding represent nearly all revenues (network, 94%; association 85%); at the accreditation level, this funding source drops from 75% of all revenues in 2006 to 56% in 2012. Clearly, it remains a key revenue source throughout the life of the STSC.

Foundation grants are expected to decrease over the ten-year period from a high of \$525,000 in 2005 to \$225,000 in 2012. This follows conventional grant-making patterns with an investment up front while the organization seeks financial sustainability and a reduction in

funding over time. NGOs may be able to support the STSC by subsidizing participation from developing country members (conference fees and travel) or for specific activities. This funding is estimated to decrease from a high of \$50,000 at the network level to \$30,000 in 2006, after which it stabilizes at that level. Governmental, intergovernmental, and development agency donations are expected to account for about 20-25% of the revenue budget, jumping from \$50,000 at the network level to \$300,000 for the association, followed, in a bad case scenario, by a modest decrease down to \$225,000 by 2011. However, it is expected that a continued high level of support will be necessary and that the downturn will not happen if results are shown during the initial years. In-kind donations are anticipated to cover housing costs and travel associated with board meetings and annual conference. The ten-year projections assume that in-kind costs will decrease after a few years, as the STSC gains more self-sufficiency. Corporate and individual donations are estimated to begin modestly and grow from \$20,000 per year in 2005 to \$60,000 by 2012. The model assumes that any in-kind and/or corporate donations can be accepted by the STSC as long as it does not create any conflict of interest.

Royalty or licensing fees

At the accreditation level, the STSC is eligible to collect royalty or licensing fees on the use of its logo (see discussion above). It is not a given that the STSC will develop and market a logo, per se. This decision will be made as part of the discussions that need to take place with certification programs and other stakeholders during the STSC-Network and Association levels. Assuming a royalty structure is established, the figures used in the projections are based on a royalty charged to the STSC accredited certification programs per certificate. This type of royalty fee system (charging the certification programs) may not be used if the STSC is able to develop another mechanism to pass along costs to other members of the tourism chain. However, the ten-year model has retained these royalty figures for the sake of discussion.

In its first year of accreditation, the STSC may be able to collect \$37,500 in fees, if all accreditation systems are developed and a key number of certification programs are accredited in that year (estimated to be 10 of a potential universe of 64). If this does not happen in the first year of accreditation, the projected revenues should be pushed back a year until everything is in place.

Initially, royalties increase rapidly but increase at a decreasing rate over time (from an 100% increase from 2006-2007 to a 2% increase from 2011 to 2012). The numbers of accredited certification programs are expected to increase to a maximum of 32 in 2009 and then decrease to 25 in 2012. This decrease is due to the assumption that the universe of tourism certification programs will decrease over time through consolidation and attrition and that the STSC will be able to capture not more than 50% of the tourism certification market, meaning that if there are 50 certification programs in 2012, the STSC will accredit only 25 of them (see Appendix 16 for a breakout of projections for the numbers of accredited certification programs and related royalty revenues). However, despite a smaller number of accredited certification programs, we estimate that the royalty fees will continue to show modest increases or, at minimum, stabilize due to increases in minimum royalties and/or size of certified portfolio (e.g. larger operations may be able to be certified at later years and are better able to pay higher fees).

Expense Assumptions

The expense budgets for the association and accreditation levels are the same except that implementation expenses will be incurred during the first year of the association (2005) or of accreditation (2006), depending on whether or not the association develops after the network, or if the STSC goes straight to accreditation. From the second year of accreditation and in subsequent years, the budget model projects modest 5% increases in expenses. To accommodate some projected growth, a line item for incremental increases beyond the standard 5% has been added. These occur in 2007 and 2008 with the addition of staff. In 2007, the Finance Manager is brought on full-time and a full-time training coordinator is hired. Up until then, the accreditation officer has handled accreditation liaison, standards maintenance, and training functions. Since training is a revenue center for the STSC, it makes sense to hire dedicated staff to help coordinate it. In 2008, a full-time Event/Membership coordinator is hired to handle the growing membership and annual conference logistics.

In reality, there may be other expenses related to organizational growth and there may be some reductions in some areas several years out as some activities become less of a priority and new activities become key at that particular stage of the STSC. What is important to remember is that the core staff (starting at 5.5 and growing to at least 8 staff by 2009 the fourth year of accreditation) is servicing nearly 300 members and 25 accredited certification programs, as well as providing marketing and training services.

Carry forward and cash flow assumptions and summary discussion

The net revenue (revenue minus expenses) is quite healthy in 2006, the first year of accreditation. This surplus is necessary to carry over to future years when the net revenue is well under \$50,000 2007 to 2009. Because of steadily, but modestly, increasing expenses each year and flattened revenue from 2009 onwards, net revenue actually becomes negative in 2010 through 2012. Thus, the cushion raised early on is absolutely necessary to preserve long-term positive cash flow. Also, it may take longer to ramp up to a certain activity level in terms of standard development and accreditation. Thus the cushion projected for 2006, may not occur until later.

Clearly, revenues and expenses will need to be closely monitored to make sure that revenues exceed expenses. It may be possible that some of the revenue sources discussed in this study will grow more quickly than projected here. It is difficult to see that the STSC could get by with fewer expenses, unless the funding is just not available to support certain activities or staff positions. For example, training should be a profit center for the STSC. However, if this does not prove to be the case, then staff time devoted to training would not be necessary. It might be more cost effective to subcontract training or other functions. Membership and conference fee structures may have to be refined to maximize “profits” to cover STSC activities. Developing some sort of additional funding opportunity through licensing or royalties seems to hold promise for the STSC. As mentioned before, this needs further study.

The financial model presented here assumes that the STSC will require (at least in the first ten years, probably for some time thereafter) some sort of subsidy, be it from foundations, governments, or as in-kind donations. However, with a focused mission and creative and fiscally sound revenue-generating mechanisms, it may be possible for the STSC to be financially sustainable at some point in the future.

Clearly, the STSC will need to keep pace with market demand and its mission, revamping itself as needed to maximize its resources. It is difficult to predict what the tourism industry

and, specifically the sustainable and ecotourism industry, will look like after ten years, or what the demand for the STSC will be at that point. It is safe to say that tourism is a growing industry and that as time goes on, awareness of issues of sustainability in tourism will only grow.

6.3.7. Evaluation

Strengths

One of the primary benefits from STSC-Accreditation over and above the ones from the STSC-Association is that it does guarantee that the accredited tourism certification programs meet standards of performance and process that deserve external recognition and support:

- Guarantee that a baseline level of standards for sustainable tourism and ecotourism certification is met.
- Guarantee that certification programs' performance and process are robust and adequate to the context in which the certification programs operate.
- Strengthen credibility of accredited certification programs through independent, third-party assessments.
- Formal platform for sharing information and ensuring continual improvement of certification programs.
- Mutual recognition amongst certification programs.
- Regional, cross-regional and international marketing efforts.
- New certification programs will not have to "reinvent the wheel" since they will have guidelines to develop their schemes and get accredited.

Weaknesses

- Increased cost from previous phases – long-term financial feasibility questionable with typical model of accreditation agency.

A key weakness is that accreditation for tourism, as for most other sectors, is depends on subsidies to be viable. The conservative financial estimates in this report confirm that self-financing of the STSC does not seem possible in the medium term without major changes in the uptake of certification by industry and the creation of new national programs at a much higher pace than at present.

- Can be perceived as loss of independence by certification programs.

Tourism certification programs could perceive accreditation as a loss of independence in the long term, since part of the decision-making on standards set will be shared and therefore outside the direct control of each program as it currently stands.

- Possible barriers to entry for small firms depending on government intervention.

Small firms will rely on government support, for example by providing the technical know-how and lines of funding to upgrade low-performing equipment, facilities and buildings.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Potential loss of diversity of product through standardization of programs.

It is possible that one international standard stifles creativity and innovation as well as local applicability. The international standards need to ensure that regional variations allow for enough diversity of product to capture meaningful and necessary differences.

Recommendations

- Outsourced accreditation allows for small changes to the organizational blueprint of the STSC-Association.

It is recommended that the organizational blueprint and decision-making structures remain as unchanged as possible from the STSC-Association to the STSC-Accreditation to facilitate a smooth transition. For this to effectively take place it is recommended that the accreditation function be outsourced, which allows for the core part of the organization to continue with marketing and training functions without the conflicts of interest arising from training and assessing the same organizations.

Time

- Year 4 onwards.

It is suggested that the STSC-Accreditation starts within four years from the launch of the STSC in its network phase. If earlier phases are prolonged it might dilute the purpose of the organization beyond the necessary time to develop the systems and make the improvements to meet the standards.

7. Standards, criteria and assessment

This chapter discusses the feasibility of introducing international standards for sustainable tourism and ecotourism, which should be based on the benchmarking of standards used by current certification programs and other broader standards and agreements that are the result of international consensus (for example, Agenda 21 for the Travel and Tourism Industry, WTO Global Code of Ethics for Tourism, UNEP Principles for Implementation of Sustainable Tourism, the Convention on Biological Diversity, and the Mohonk Agreement, among others). This discussion is followed by a review of guidelines for certification program management, with the objective of presenting recommendations for STSC accreditation criteria based on the outcomes of the consultation undertaken by this project. Accreditation criteria will be the instrument to assess whether or not certification programs comply with agreements on procedures and standards.

Finally this chapter reviews assessment methods through which the STSC could ensure competence of certification programs and ensure that the standards applied by those programs are in line with agreed upon international STSC standards.

The information presented in this section is linked to the proposed phased implementation for the STSC, which in Chapter 6 suggested steps to develop standards and criteria through consensus and to work towards assessments of both. The information included in this chapter about an international standard for sustainable tourism and ecotourism, accreditation criteria, and assessment methods should be seen as preliminary recommendations that will require further discussions during the Network and Associations phases.

7.1. International sustainable tourism and ecotourism standards

This report presents recommendations for developing international standards for sustainable tourism and ecotourism, by reviewing the standards used currently by tourism certification programs, as well as key international agreements, principles, guidelines, protocols and standards.

All the documents reviewed in this section are important to the drafting of any international standard in sustainable tourism and ecotourism. Many other documents could have been included as well. The choice of documents reflects those that are relevant internationally and are supported by key stakeholders who have a vested interest in standard-setting and implementation. Future discussions on this topic to be held during the Network and Association phases should include other documents that were not covered in this report.

The results of the consultation workshops for this project suggest that the STSC international standard ought to be generic enough to allow for differences between national and regional certification programs, and yet meaningful and able to be translated into measurable indicators and put into effect at the business unit level.

Standards need to be the result of long, specific discussions. By necessity, this project has had to follow broader discussions in a short time period. Current consensus standards, with their weaknesses highlighted, should be used rather than proposing something new that has not been consulted. Consultation activities supported this approach, as there was widespread agreement that “reinventing the wheel” was costly and inefficient. Several existing documents have already been agreed upon by many governments; the use of such documents could pave the way for governmental acceptance and financial support of accreditation.

The stepped implementation of the STSC will allow for discussions about an international standard, or separate standards for ecotourism and sustainable tourism, to take place at the Network stage and will allow for individual certification programs and other stakeholders to consider the need for regional variations of such an international standard. This will be followed by further discussions during the Association stage with the aim of consolidating an agreement of a draft international standard, map out the standards used for certification against this evolving international standard, and allow for further revisions to take place before any certification program is assessed for accreditation purposes. The following sections describe some of the primary sources of information that will be needed to develop an international standard.

7.1.1. Certification standards

Using the data of certification programs in the WTO study (2002), Font & Bendell (2002) analyzed the focus of the standards from those programs. There has been much recent debate over the suitability of process-based standards versus performance-based standards; the research below shows that these are complementary, and it is necessary to consider them as symbiotic rather than mutually excluding.

Process-based standards are those that assess a company’s management of procedures to ensure continuous improvement. Generally these programs are based on an Environmental Management System (EMS). In some instances, where more than just environmental criteria are included in the standard, a Sustainability Management System is used (SMS). With this approach, a company does not make a commitment to reach a certain level of performance, but rather makes improvements in the ways in which it manages identified activities, according to their own resources and capabilities. By their very nature, process-based certification programs are self-updating, as year after year improvement is an integral aspect of conforming to the standard. They also have the advantage of being transferable geographically and across company types and sectors, as the emphasis is not on reaching specific outcomes but on making improvements. The main criticisms are that process-based certification programs are no guarantee of sustainability since no minimum threshold has been met and that companies certified on the basis of process standards do not have similar environmental or sustainability qualities (see for example Synergy, 2000; Honey and Rome, 2001).

The WTO study found that of the 59 tourism certification programs it examined (not including those which are merely awards and self commitment programs), over 40% of the standards criteria related to the implementation of processes and management systems. In the majority of cases, certification programs included some management criteria together with specific performances in some areas of sustainability. Management (process-based) criteria can include (Font and Bendell, 2002):

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Sustainable/environmental/community policy or code of ethics.
- Resources allocated to environmental protection (human, financial, communication, overall organization).
- Quality of the environmental analysis performed by the business.
- Identification of carrying capacity limits.
- Quality of the environmental or sustainability program implemented.
- Evidence of implementation of environmental or sustainability strategies and/or plans.
- Sustainable and/or Environmental Management System introduced and/or implemented.

Performance-based criteria are those that require every company to reach a threshold level and pre-specified targets, guaranteeing a baseline performance. Their strength is that this is the only way to ensure results are achieved, and in some areas -- for example, quality of bathing or drinking water -- performance standards are a must. Yet performance-based standards are complex and require detailed, context-specific adaptation. For example, what is considered appropriate consumption of a natural resource in one region is not necessarily the same in another. Thus, any effort to set international standards based on performance and reaching set targets inherently requires regional adaptation, or else very broad and basic standards which have the potential to lose meaning and impact. Also, performance standards are not always the most appropriate for some criteria that are outside the control of the management unit being assessed or for which hard data on outcomes are not available. Performance-based criteria can include (Font and Bendell, 2002):

Environmental

- Waste: solid and water (consumption-reduction-recycling-disposal).
- Energy (consumption-reduction-efficiency).
- Water (consumption-reduction-quality).
- Appropriate building materials.
- Hazardous substances (reduction-handling-use of nature friendly cleaning products).
- Noise (reduction).
- Air quality (quality-improvement).
- Transport (public transport- green alternatives provided).
- Habitat/eco-system/wildlife maintenance and enhancement.
- Environmental information/interpretation/education for customers.
- Overall environmental protection.
- Specific standards for impacts specific to diving, golf, beaches and other sub-sectors.

Economic

- Creation of local employment.
- Supply chain management through green and sustainable purchasing policies.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Creation of networks of “green businesses” within a given destination.
- Use of locally sourced and produced materials and food.
- Use of organic food.

Social accountability

- Community (relations-welfare).
- Community (participation-organization-involvement).
- Personnel: fair treatment.

Cultural

- Emphasis and conservation of local/regional culture, heritage and authenticity.
- Maintaining aesthetics of physical development/architecture.

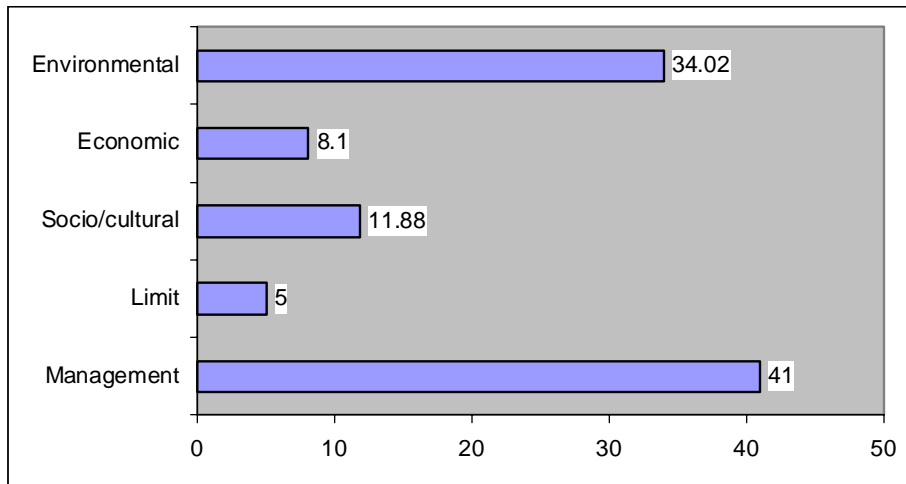
Quality

- Customer satisfaction.
- Health and safety.
- Services and facilities provided (environmentally friendly and/or for environment/wildlife observation/enjoyment).
- Employee capacity building/education/ qualifications .
- Overall business competence.

Figure 7.1 shows there are several key categories of criteria covered by tourism certification programs, based on the WTO’s report on voluntary initiatives (2002). The majority of programs are more detailed on environmental and management requirements than on social and economic criteria, although this is possibly due to the fact that the study included many European programs, where environmental criteria are paramount. In a developing country program however, it is more likely that the social and economic criteria would be more extensive (Font and Bendell, 2002).

There is a trend to develop programs that combine process-based mechanisms with performance measures, so as to ensure sound management practices within an actual performance based framework. The difference is not as clear today as it was three or four years ago. A number of programs (notably Green Globe in the nineties, before introducing its Green Globe 21 standard) that focused on process-based standards have now acknowledged their weaknesses and have introduced benchmarks, and programs such as Blue Flag, which traditionally have focused on scientifically based measurements are including management issues. This approach has the added benefit of allowing for sub-sector specific criteria to be developed, such as for accommodation, tour operators, transport providers, tourist attractions and so on, as each sub sector has different priorities.

Figure 7.1. Standards criteria for sustainable tourism certification



Source: adapted from WTO, 2002 (The numbers represent the percentages of standards that fit under each category).

Another key issue is the need for phased participation in tourism certification programs, also referred to as “stepped versus one level certification.” There is some debate that phased participation, say from bronze, to silver to gold level encourages more companies to become involved in tourism certification programs, as it is perceived as tangible to enter at a low level, with the aim of striving for the high level. Critics who argue against this approach say the difficulties with managing a phased tourism certification program are too great; that the management costs become unwieldy; and the consumer is sent a confused message about what is “good” and what is “bad.” However, phased participation does have a benefit in that it can encourage greater participation from those companies that might want to become more sustainable in their operations, but feel the need to start small and aim for the top over a longer period of time. Some companies decide they will never proceed to the higher level however.

From the information above, there are several areas of commonality amongst criteria used by programs certifying sustainable tourism. Currently, the five most common criteria present in voluntary initiatives relate to water, energy, waste, purchasing and information.

Water-Energy-Waste

These are always present in programs that certify sustainable or ecotourism accommodations and consider either overall consumption and/or management methods to reduce consumption. Only one certification program, the Nordic Swan (Scandinavia) requires quantified limits of consumption or waste production. Lifecycle considerations rank high in at least 50% of standards, especially those with government support. Water-energy-waste are also key criteria in certification of destinations, and rank low in tour operators’ certification.

Purchasing

Purchasing takes different forms, but with some common themes: purchase locally produced goods, and purchase sustainably produced goods (environmentally friendly generally; in some

cases fair trade or organic). Purchasing policies and supply chain management are featured in most tour operators' standards. For tour operators that sub-contract most of the service delivery, this is the key crucial area for standards. Purchasing follows water-energy-waste in accommodation standards and can include the minimization of pesticides, CFCs, reactive chlorine compounds and other chemical contents in cleaning products and other hazardous substances.

Information and education

Information and awareness-raising to influence sustainable uses and purchases takes two forms: customer education and staff training. The need to provide information to customers on environmental and social issues appears in almost every standard, although in different forms and with different expectations. Also, consideration about environmental education about local flora and fauna are common.

Environment versus sustainability

The majority of standards are more detailed on environmental than social requirements. Environmental criteria are also more likely to be quantified and with solid data for benchmarking, whereas social and economic criteria are not. Most programs in Europe consider environmental concerns exclusively or principally. Standards of sustainable tourism in developed countries have a balance between environmental, social and economic standards. Environmental considerations are higher on the agenda than social and economic ones when all certification programs are aggregated, but this is due to the fact that most European labels certify mainly, and in some cases exclusively, environmental issues. Certification programs in developing countries range widely in their performance criteria. Industry and government-funded or initiated certification programs are more likely to be focused on environmental issues. Programs funded or initiated by NGOs are more likely to include social and local economic sustainability criteria.

Stepped versus one level of certification

A WTO consultant concluded a recent conference on standards by suggesting a preference for stepped certification to encourage industry entry (deBruyn, 2001). This would particularly benefit developing countries that engage in certification. WTO (2002) found that 12 of the 59 programs are using stepped levels to encourage progression: Umweltbewusster Hotel- und Gaststättenbetrieb, Milieubarometer, NEAP, Greenlinks Eco-Rating Program, CST, GreenLeaf Eco-Rating Program, David Bellamy Conservation Award, Enterprise Écodynamique, ECOTEL, Green Tourism Business Scheme, Umweltsiegel Lungau, oe-plus Label. There is no significant difference among them depending on geographical location or sub-sector target. There are added difficulties in managing stepped certification, from sending confusing messages to the consumers, to additional management of the program, yet in the short term it might be beneficial to have two or three steps.

7.1.2. International agreements, principles, guidelines, protocols and standards

International agreements, guidelines and protocols provide a useful starting point to consider what could be the contents of an international standard for sustainable tourism and

ecotourism. Agenda 21, the WTO Code of Ethics, the Convention on Biological Diversity, the UNEP Principles for Implementation of Sustainable Tourism, ISO developments on tourism standards, European Union Ecolabel Award Scheme- Tourism Accommodation are key documents that need to be considered in setting an international standard. The Mohonk Agreement and the VISIT standard for accommodation provide examples for sustainable tourism, ecotourism and environmental certification that have been reached through discussions involving tourism certification programs as well as broader stakeholder groups.

Agenda 21

Agenda 21 for Travel and Tourism was produced as a direct result of the Rio Earth Summit in 1992. It involved widespread consultation, and has industry acceptance. However, some weaknesses can be seen in this document, primarily related to the lack of criteria for social and economic well-being. Nevertheless, the key elements of Agenda 21 for Travel and Tourism, as shown in Figure 7.2, are fundamental to sustainable tourism development (WTO, WTTC and Earth Council, 1995):

Figure 7.2. Summary of principles from Agenda 21 for the Travel and Tourism Industry

1. Assess compliance with operational and regulations
2. Assess economic, social and cultural impacts of operations
3. Execute training, education and public awareness
4. Involve public participation
5. Measure improvements
6. Program in place that optimizes waste minimization, reuse and recycling
7. Program in place that optimizes energy efficiency, conservation and management
8. Program in place to monitor freshwater resources
9. Program in place for waste water management
10. Program in place to manage hazardous substances
11. Design for sustainability

Source: WTTC et al., 1995.

WTO Global Code of Ethics for Tourism

The international guidelines and codes of conduct such as the WTO Global Code of Ethics for Tourism is another set of criteria that could be adapted to core accreditation criteria. The document, available at the WTO/OMT Web site, consists of ten articles (or performance areas) that governments and the tourism industry should aim for. This code should be taken into account because all WTO members have agreed to it in principle, although, as stated previously, this does not necessarily mean all governments have agreed to the guidelines. The challenge of a code of ethics like this one is to cascade it down to individual business units in a way that is meaningful and measurable.

Figure 7.3. WTO Global Code of Ethics for Tourism

1. Tourism's contribution to mutual understanding and respect between people's societies
2. Tourism as a vehicle for individual and collective fulfillment
3. Tourism, a factor of sustainable development
4. Tourism, a user of the cultural heritage of mankind and a contributor to its enhancement
5. Tourism, a beneficial activity for host countries and communities
6. Obligations of stakeholders in tourism development
7. Right to tourism
8. Liberty of tourist movements
9. Rights of the workers and entrepreneurs in the tourism industry
10. Implementation of the principles of the Global Code of Ethics for Tourism

Source: WTO, 1999.

Convention on Biological Diversity

The Convention on Biological Diversity Guidelines for Sustainable Tourism are the result of in depth analysis of existing codes, guidelines, principles and position papers on sustainable tourism that have been prepared by Ecological Tourism for Europe and which was the baseline for wide stakeholder consultation culminating at the Workshop on Biological Diversity and Tourism in Santo Domingo in June 2001.

The International Workshop on Biological Diversity and Sustainable Tourism that was held in Heidelberg in March 1998 proposed global guidelines on sustainable tourism and biodiversity. This proposal was submitted to and discussed by the Convention on Biological Diversity at the Fourth Conference of the Parties (COP4) in 1998. Tourism was addressed as a sector by the UN Commission on Sustainable Development (CSD) at its seventh session in 1999 (CSD7), which in 1999 invited the Convention to submit any guidelines that it prepared on sustainable tourism and biodiversity to the CSD process. COP5 adopted Decision V/25 on biological diversity and tourism, which recognized that the scale and expansion of tourism has major implications for the conservation and sustainable use of biodiversity, and for attainment of the Convention's objectives.

The International Guidelines for activities related to sustainable tourism development are intended to assist Parties to the Convention on Biological Diversity, public authorities and stakeholders at all levels, to apply the provisions of the Convention to the sustainable development and management of tourism activities. They will provide technical guidance to policy makers, decision makers and managers with responsibilities covering tourism and/or biodiversity, whether in national or local government, the private sector, indigenous and local communities, non governmental organizations or other organizations, on ways of working together with key stakeholders involved in tourism and biodiversity in order to contribute, *inter alia*, to functioning ecosystems; sustainable tourism in functioning ecosystems; fair and equitable sharing of benefits; information and capacity-building; restoration of past damage. While the guidelines were developed with a focus on vulnerable terrestrial, marine and coastal ecosystems and habitats of major importance for biological diversity and protected areas, they are appropriate for tourism and biological diversity in all areas.

The CBD acknowledges the difficulty of having indicators and standards to monitor the implementation at a governmental level and also its adaptation to tourism industry practices. The guidelines will show governments how to approach biological diversity. Any efforts to monitor introduction at the national level, or applications at particular destinations (current pilots are taking place voluntarily in Croatia and India), will not take place for 3 to 4 years from the date this report was written (December 2002).

The CBD Guidelines are applicable to new tourism developments; their main weakness is not taking into account past developments. The current form of these principles is somewhat too generic for monitoring compliance by individual tourism businesses. In terms of broader accreditation, however, these agreements may provide insight into suitable criteria.

UNEP Principles for Implementation of Sustainable Tourism

The proposed UNEP Principles for Implementation of Sustainable Tourism were presented at UNEP's 20th Governing Council Session. They have not been directly implemented, as this was not their direct objective. In early 2000, the Principles were produced in final form and have been used as reference by many intergovernmental organizations and agreements such as the Convention on Biological Diversity. UNEP's Governing Council at its 20th Session (February 1999, Decision UNEP/GC.20/L.4/Rev.1) and the UN Commission on Sustainable Development (CSD Decisions and resolutions, E/CN.17/1999/L.6) requested UNEP to "further develop, through a consultative process involving Governments and other relevant partners, guiding principles for sustainable tourism in accordance with the mandate of UNEP and taking into account the draft principles on sustainable tourism..." See the proposed Principles in Figure 7.4.

Figure 7.4. UNEP Principles for Implementation of Sustainable Tourism

1. Integration of Tourism into Overall Policy for Sustainable Development

1.1 National Strategies:

1.2 Interagency Coordination and Cooperation:

1.3 Integrated Management:

1.4 Reconciling Conflicting Resource Uses:

2. Development of Sustainable Tourism

2.1 Planning for Development & Land-use at sub-National Level:

2.2 Environmental Impact Assessment (EIA):

2.3 Planning Measures:

2.4 Legislative Framework:

2.5 Environmental Standards

2.6 Regional Standards

3. Management of Tourism

3.1 Initiatives by Industry

3.2 Monitoring

3.3 Technology

3.4 Compliance Mechanisms

4. Conditions for Success

4.1 Involvement of Stakeholders

4.2 Information Exchange

4.3 Capacity Building

ISO Tourism Standards

. An ISO COPOLCO working group on tourism services is looking at the desirability/feasibility of International Standards or other deliverables in the area of tourism services. It remains to be seen what recommendations may be forthcoming from COPOLCO as a result of this effort. The proposals for ISO to consider the development of tourism specific standards can and will change the status of the current processes of standard setting from within the tourism industry.

At an ISO/ COPOLCO (ISO Committee on Consumer Policy) held in Oslo, Norway, on 14 May 2001, ISO announced the “hospitality industry”, covering tourism, restaurants and hotels, as a priority sector for future services. The American National Standardization Institute (ANSI, USA) is leading the initiative. Linda Golodner, President of the National Consumers League, is the convener of the COPOLCO working group on tourism services. Reports from this working group were not available at the time this report was printed (December, 2002).

The only outcome to date is a draft standard (DIN EN ISO 18513, of publication date: 2000-05), which deals with terminology in tourism services provided by hotels and other types of tourism accommodation. This document is also accepted as a European standard.

European Union Ecolabel Award Scheme - Tourism Accommodation

The European Union Environmental Quality award scheme has been investigating the feasibility of a Tourism Accommodation. This project has entered its third phase "Finalization of Eco-label criteria for the product group tourist accommodation" within the definition process of the European Eco-label for tourism service, disciplined by EU Regulation n. 1980/2000, of 17 July 2000. The project is carried out by (ANPA) the Agenzia Nazionale per la Protezione del Ambiente, in collaboration with the Greek Competent Body, and ACTA (Associazione Cultura Turismo Ambiente) a consultancy company as technical support.

1. Under Regulation (EC) No 1980/2000 the Community eco-label may be awarded to a product possessing characteristics which enable it to contribute significantly to improvements in relation to key environmental aspects.
2. Regulation (EC) No 1980/2000 provides that specific eco-label criteria are to be established according to product groups.
3. The measures provided for in this Decision are based on the draft criteria developed by the European Union Eco-labelling Board established under Article 13 of Regulation (EC) No 1980/2000.
4. The measures provided for in this Decision are in accordance with the opinion of the committee instituted by Article 17 of Regulation (EC) No 1980/2000.

Mohonk Agreement

The Mohonk Agreement is a document that contains a set of general principles and elements that should be part of any sound ecotourism and sustainable tourism certification programs. This framework was unanimously adopted at the conclusion of an international Ecotourism and Sustainable Tourism Certification Workshop convened by the Institute for Policy Studies and the Ford Foundation and held at Mohonk Mountain House, New Paltz, New York on November 17-19, 2000. The STSC study strongly recommends to base any international standards and accreditation criteria on the following principles included in the agreement:

Sustainable Tourism Criteria

According to this agreement, sustainable tourism is tourism that seeks to minimize ecological and socio-cultural impacts while providing economic benefits to local communities and host countries.

In any certification program, the criteria used to define sustainable tourism should address at least minimum standards in the following aspects (as appropriate) (Honey and Rome, 2002):

Overall

- environmental planning and impact assessment, considering social, cultural, ecological and economic impacts (including cumulative impacts and mitigation strategies);
- environmental management commitment by tourism business;
- staff training, education, responsibility, knowledge and awareness in environmental, social and cultural management;

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- mechanisms for monitoring and reporting environmental performance;
- accurate, responsible marketing leading to realistic expectations; and
- a requirement for tourism businesses to obtain consumer feedback regarding quality of the tourism experience.

Social/Cultural

- impacts upon social structures, culture and economy (on both local and national levels)
- appropriateness of land acquisition/access processes and land tenure;
- measures to protect the integrity of local community's social structure; and
- mechanisms to ensure rights and aspirations of local and/or indigenous people are recognized.

Ecological

- appropriateness of location and sensitivity towards sense of place;
- biodiversity conservation and integrity of ecosystem processes;
- site disturbance, landscaping and rehabilitation;
- drainage, soils and stormwater management;
- sustainability of energy supply and minimization of use;
- sustainability of water supply and minimization of use;
- sustainability of wastewater treatment and disposal;
- noise and air quality (including greenhouse emissions);
- waste minimization and sustainability of disposal;
- visual impacts and light;
- sustainability of materials and supplies (recyclable and recycled materials, locally produced, certified timber products etc.);
- minimal environmental impacts of activities.

Economic

- requirements for ethical business practice;
- mechanisms to ensure labor arrangements and industrial relations procedures are not exploitative, and conform to local laws or international labor standards (which ever are higher);
- mechanisms to ensure that negative economic impacts on local communities are minimized and preferably there are substantial economic benefits to local communities;
- requirements to ensure contributions to the development/ maintenance of local community infrastructure.

Ecotourism Criteria

Ecotourism is sustainable tourism with a natural area focus, which benefits the environment and communities visited, and fosters environmental and cultural understanding, appreciation and awareness.

In any ecotourism certification program, the criteria should address standards (preferably mostly best practice) for sustainable tourism (as per above) and at least minimum standards for:

- focus on the visitor’s personal experiences of nature to lead to greater understanding and appreciation;
- interpretation and environmental awareness of nature, local society and culture;
- positive and active contributions to conservation of natural areas or biodiversity;
- economic, social and cultural benefits for local communities;
- fostering of community involvement, where appropriate;
- locally appropriate scale and design for lodging, tours and attractions; and
- minimal impact on and presentation of local (indigenous) culture.

VISIT standard

Below are the draft VISIT recommendations for Life Cycle Considerations and Types of Criteria for the product group “accommodation.” These recommendations are mainly for European labels that focus on environmental certification at present. VISIT members and other stakeholders consulted over a one-year period propose that ecolabels for Tourist Accommodation in Europe shall consider the following fields, specifications and objectives for their criteria.

Table 7.1. VISIT Fields for Product Environmental Criteria

	Specification	Objectives
<i>Measure and limit consumption criteria</i>		
Purchasing	food, products, services, material	local, environmentally sound, organic, non hazardous materials
Transport and Mobility	purchasing, guests, staff	low energy consumption, noise, soil protection for parking, use public transport, bicycle
Energy	Source, consumption, emissions	Low consumption, raise share of renewable sources, reduce emissions, high efficiency
Water	fresh water, waste water, bathing water, rain water	Low consumption of drinking water, reuse gray water
Waste	Avoidance of waste Solid waste, unsorted, separate/ recycled	high % of separate, recycled waste
Air, noise	People, engines Smoke, odors	Low noise Non-smoking rooms, air conditioning
Chemical substances		
Nature, landscape	Fauna, flora, diversity, artificial modeling of landscape, land use	Rich biodiversity,

	Specification	Objectives
<i>Management Criteria</i>		
Environmental commitment	Written environmental policy	
Environmental coordinator	Description of regular tasks Annual update environmental program	“Green” team
Communication and training: guests, staff, public	Policy and tips for guests Regular information, training	
Compliance with the environmental laws and regulations	Signed confirmation from owner	
Monitoring regularly	Annual data for water, energy, waste/ overnight (“monthly” may recommended)	
<i>Desirable</i>		
Member of a Benchmarking system		
Emergency plan, pollution prevention plan, legal compliance		
Involvement of the local community as soon as this is directly part of/ relevant for the tourism product group Compliance with social laws		

Source: VISIT internal document not published

7.2. Accreditation criteria and guidelines for setting tourism certification programs

This document presents a set of criteria and guidelines for setting tourism certification programs in two stages. First, it acknowledges that the work conducted on “General requirements for bodies operating product certification systems” ISO/IEC guide 65:1996 is the basis against which tourism certification programs need to compare themselves in terms of ascertaining their capacity to operate as a certification program. Second, it proposes preliminary STSC accreditation criteria on the basis of benchmarking four key documents: ISO14024 standard, Mohonk Agreement, Tour Operators Initiative for Sustainable Development internal document on tourism certification, and the VISIT standard.

7.2.1. Procedures for operating a certification body

The International Organization for Standardization (ISO) has developed “General requirements for bodies operating product certification systems” ISO/IEC guide 65:1996. This guide has been acknowledged as a valid template by accreditation bodies in the International Accreditation Forum and ISEAL, and a growing number of certification programs in a variety of industries are using these guides to improve their systems.

ISO 65 guide

ISO/IEC 65:1996 guide on “General requirements for bodies operating product certification systems” include a comprehensive list of requirements that can be used as a baseline guide for tourism certification programs to demonstrate competence to certify.

This guide, as also suggested in this report for the ISO 14024 standard and the ISO 61 guide, cannot be applied to the tourism sector without analysis, yet its widespread acceptance means it could form the basis for tourism certification programs. ISO guides were not drafted by experts with knowledge of sustainable development or with regard to specific characteristics of sustainable tourism and ecotourism. Further, the drafters did not consider the relationship of the certification and accreditation processes to a broad range of stakeholders, such as employees and local communities, as the standard itself acknowledges. The ISO 65 Guide explicitly states that systems for certifying particular products or product groups to specified standards will, in many cases, require their own explanatory documentation, and it is suggested that tourism can be one such case. These standards contain some inappropriate criteria and do not include other important criteria. For example, in ISO 65 the criterion on confidentiality (4.10) is inappropriate, as the credibility of the process depends on stakeholders having access to relevant information. The phased implementation of the STSC should bring up other issues that will require consideration, but at this point the project team considers that that ISO 65 is a helpful guide, and individual tourism certification programs need to consider the feasibility of adopting the requirements of this guide.

For copyright reasons the ISO 65 Guide cannot be reproduced here. A summary of key points is provided in Appendix 18; please note that this is an interpretation of the contents of the guide and therefore it can only be considered as an initial summary that requires further discussion.

7.2.2. Preliminary STSC accreditation criteria

This report presents preliminary STSC accreditation criteria, which deserves further discussion during the Network and Association phases. These draft criteria complement the procedures for operating a certification body outlined above to prove that a certification body is capable of certifying tourism businesses specifically. The preliminary STSC accreditation criteria are the result of benchmarking four guidelines to plan and manage certification programs. These are ISO 14204, the Mohonk Agreement, the Tour Operators Initiative for Sustainable Development internal report on tourism certification, and the VISIT standard. The rationale for choosing these four documents for benchmarking purposes is presented first, followed by the proposed STSC accreditation criteria. These preliminary accreditation criteria can be used as a baseline document for further discussions and consultation at the regional networks to ensure it considers the particularities of each region, and to promote stakeholder buy-in.

Benchmarking of guidelines to plan and manage certification programs

Stakeholder consultation suggested four documents to be considered in benchmarking guidelines to plan and manage certification programs (see Appendix 19). The first, ISO 14024, is a generic standard for environmental labeling. The Mohonk agreement, TOI report on certification and VISIT standard are tourism-specific guidelines.

ISO 14024

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). ISO developed its international standard, ISO 14024:1999, called “Environmental labels and declarations — Type I environmental labeling

— Principles and procedures”. The objective of this International Standard is to secure transparency and credibility in implementing Type I environmental labeling programs and to harmonize the principles and procedures applicable to the programs. There are a number of approaches to environmental labeling, and this International Standard relates to Type I environmental labeling programs, which award their environmental label to products that meet a set of predetermined requirements. The label thus identifies products that are determined to be environmentally preferable within a particular product category. Type I environmental labeling programs are voluntary, can be operated by public or private agencies and can be national, regional or international in nature. This standard includes the selection of product categories, product environmental criteria and product function characteristics; and for assessing and demonstrating compliance. This International Standard also establishes the certification procedures for awarding the label. Although the standard was developed specifically for environmental labeling, it is generic enough to have clear applications to sustainable tourism standards.

Mohonk Agreement

The Mohonk Agreement consists of a framework and principles for the certification of ecotourism and sustainable tourism. This framework was unanimously adopted at the conclusion of an international workshop convened by the Institute for Policy Studies and held at Mohonk Mountain House, New Paltz, New York, on November 17-19, 2000. In the consultation for this report there was unanimous agreement that the Mohonk Agreement provides a sound set of high level, all-encompassing criteria for performance. For analysis this agreement was split between the criteria that would form part of an international standard and the criteria on how a certification program should be managed, the latter already reviewed above.

TOI internal report

The Tour Operators Initiative for Sustainable Development is a voluntary network that brings together tour operators that have recognized the urgency of incorporating sustainable development principles in their operations. It was created by tour operators in response to a growing awareness that their long-term success depends on sustainable tourism, and that joint and more widespread action is needed to successfully tackle sustainable development and tourism issues.

The TOI members asked their secretariat to write an internal technical report on tourism ecolabel programs as a supply-chain management tool for tour operators. This report has not been ratified by the tour operators and represents the views only of its authors, mainly the TOI secretariat housed at UNEP, with support from Xavier Font (Leeds Metropolitan University), Richard Tapper (Environment Business & Development Group), Justin Woolford (WWF-UK) and Herbert Hamele (ECOTRANS). This report includes 15 recommendations for the selection of credible ecolabel programs, which have been included in the benchmarking of guidelines to plan and manage certification programs.

VISIT

Over two years the VISIT project has worked as a mechanism to develop bottom-up recommendations on how certification programs should be managed. The recommendations have evolved into a VISIT standard that can be used as a framework for accreditation criteria.

At present VISIT is repositioning itself as the European accreditation body for sustainable tourism certification programs. VISIT has developed its own standards by comparison with the general standard ISO 14024, which was considered as a useful template. The VISIT project includes the development of and agreed upon minimum requirements for each Ecolabel for Tourism in Europe, which wants to benefit from the joint promotion activities. Only the certified products of so-called type I Ecolabels (according to the ISO 14024) shall be recognized and promoted.

The objectives of these VISIT standards are: to verify the compliance of the participating Ecolabels with these standards; to provide a set of guidelines for other/new Ecolabels for Tourism to apply for the “VISIT recognition”; to provide a set of common procedures adopted by the main ecolabels for communication to the tourism world and to the public and invite comments; and to give credibility to the quality of the VISIT Ecolabels and to the environmental qualities of their certified tourism products.

Draft STSC accreditation criteria for future discussions

The proposed STSC accreditation criteria are divided into two sections: 1) generic principles and 2) requirements for procedures and criteria. The generic principles are more detailed while the procedures and criteria are condensed but the links to the original benchmarked documents allow for these to be expanded and discussed in detail during the phased implementation, particularly during the Networks phase. The numerals that refer to ISO 14024, Mohonk, TOI and VISIT relate to the links between the accreditation criteria proposed here and the numbering of other documents. Mohonk and TOI reports were not numbered in their original form and each paragraph was numbered to facilitate the comparison.

Important note: It is recommended that during the STSC-Network phase, concrete recommendations should emerge from regional discussions on how to complement the process-based recommendations for criteria included in the second part of Table 7.2 with concrete economic, environmental and social principles and standards that should be included in all sustainable tourism and ecotourism certification programs, along with a definition of the different levels that will allow small tourism operations to enter accredited certification processes. The Mohonk Agreement should be the primary inputs for these discussions, since it constitutes a comprehensive list of principles applicable to tourism certification that already has the buy-in of several certification programs.

Table 7.2. Draft STSC accreditation criteria for future discussions

First Part	ISO 14024	Mohonk	TOI	VISIT
Principles				
1. General				
Aims and objectives of the program must be stated clearly		1.1		
2. Voluntary nature of the program				
Adhesion to STSC program is voluntary	5.1		1	1.1
3. Relationship with legislation				
Criteria should be formulated according to the relevant legislation and applicant compliance should go beyond legislation with commitment to the voluntary program.	5.3	2.2	5	1.2
4. Life cycle consideration				
Sustainable and ecotourism criteria should consider the relevant product life cycle in the phases of purchasing, transport, provision of service and waste disposal with their relevant environmental impacts. Criteria indicators should be based on the product life cycle.	5.4 5.6.1		3	1.3
5. Technical assistance				
The program should include provision of technical assistance to applicants and awardees.		1.8	12	
6. Selectivity				
Sustainable and Ecotourism Criteria should be measurable and show significant differences in environmental impact to non-certified operation.	5.5			1.4 (a)
The label, which certifies the product, can be used only when the criteria of the program have been met.	5.5			1.4 (b)
7. Product criteria				
7.1 Basis of criteria				
Criteria should be set at attainable level, encourage best practice, be measurable, and give benefit to tourism providers, tourists, local communities and conservation.	5.6.2	1.5 1.3 1.4		1.5
7.2 Criteria's characteristics				
Criteria should satisfy health, safety and consumer performance needs and be in harmony with International, Regional and National Standards.	5.7			1.6

Principles	ISO 14024	Mohonk	TOI	VISIT
8. Validity of program				
8.1 Period of validity				
Criteria and requirements for the ecolabel award should be set for a predefined period. The awarding scheme should monitor if during the period the criteria are met.	5.8.1		9	1.7
8.2 Review period				
Criteria and product functional requirements should be subject to a review within a predefined period. Changes (which also could be options) should take into consideration new technological developments, new information and products.	5.8.2	2.5	10	1.8
9. Consultation				
Criteria should be formulated according to the view of all stakeholders involved through a process of formal open participation,	5.9	1.2	4.4	1.9
10. Compliance and verification				
Criteria should guarantee that all the elements in the product environmental criteria and product function characteristics are verifiable by the ecolabeling body through trained auditors. The applicants should provide credible evidence of their compliance.	5.10	3.3	6	1.10
11. Transparency				
Criteria should demonstrate transparency through all stages of the development of the program and through all type of operations without creating conflicts with the requirements.	5.11	3.1	7	1.11
12. International trade aspects				
Criteria should be formulated in harmony with provision and interpretation of the World Trade Organization.	5.12			1.12
13. Accessibility				
The program should be open to all potential applicants. Conditions for selection is commitment to fulfill the program criteria. The program should also be structured in order to be accessible to small and medium enterprises.	5.13		8 14.2	1.13
14. Scientific basis of product environmental criteria				
Criteria should be based on sound scientific, engineering, management and on principles of social, economic and environmental management.	5.14	2.1 2.3		1.15

Principles	ISO 14024	Mohonk	TOI	VISIT
15. Avoidance of conflict of interest				
To ensure credibility, the program must not have undue influence and have a source of funding that cannot create conflict of interests.	5.15	3.2	14.1	1.16
16. Costs and fees				
Costs and fees should be maintained at minimum level to be equitable with all applicants, to guarantee accessibility.	5.16			
17. Confidentiality				
Disclosure of applicants' performance to the accreditation body is essential to guarantee a credible assessment. The certification body must guarantee confidentiality for the disclosed information.	5.17		11	1.17
18. Mutual recognition				
Recognition of existing programs should be encouraged.	5.18			1.18
19. Contribution				
The program aims to contribute to sustainable tourism and ecotourism worldwide.				1.19 1.20
20. Marketing				
The program should contribute to the marketing dimension of the applicants.			15	

SecondPart	ISO 14024	Mohonk	TOI	VISIT
Requirements for Procedures and Criteria				
21. Setting and updating				
In order to establish and update criteria the program should undertake a consultation process with interested parties, through their representatives. The parties should have access to details to inform their representatives about their comments. Opinions should be collected also from consumers and local communities.	6.1 6.2	1.2 3.4		2.1
22. Product categories				
In order to establish criteria the program should select and update the selection of product categories according to the nature of the market as well as legal, environmental, political, economic, social and technological context.	6.1 6.3.1 6.3.2			2.1
23. Development, review and modification of product environmental criteria.				
23.1 Selection of product of sustainable and ecotourism criteria				
The selection of criteria should be in accordance with the requirements set out in the 'principles'. Criteria should be performance based and they should consider in particular the stages of the product life cycle, geographical, technical, financial and social issues of the areas considered.	6.1 6.4.1 6.4.2.1	2.6 2.4	4.1 4.2 4.3	2.3 2.4 2.6

	ISO 14024	Mohonk	TOI	VISIT
Requirements for Procedures and Criteria				
23.2 Review and modification of sustainable and ecotourism criteria.				
Criteria should be subject to periodical review and improvement. The program should also provide verification criteria and procedure to test and review compliance.	6.1 6.4.2.5	2.5 2.1	10	2.1 2.11 2.12
24. Selection of product function characteristics				
Criteria should identify and take into account the product function characteristics and be set balancing process based criteria with performance-based criteria.	6.1 6.5	2.6	2	2.1 2.2 2.3 2.14 2.15 2.16
25. Reporting and publication				
Once the criteria have been established they have to be published in order to ensure transparency of the procedures and demonstrate and justify that they have been set according to its principles and requirements.	6.6	3.1	7	2.17
26. Implementation of modifications to the product environmental criteria				
Revising criteria is fundamental for improvement of the program. In implementing a revision plan the program should contemplate; compliance, length of time for revision, legislation, stakeholders' consultation, administration.	6.7	2.5 1.2	10	2.18
27. General rules for certification and compliance				
Rules should be established to control compliance to the program and the use of the label. These rules should regulate publicity, conditions for suspension, cancellation or withdrawal, corrective actions, disputes resolution, testing and verification of compliance, fees, guidance for the certified tourism operation and technical requirements for each tourism and ecotourism product.	7.2.2 7.2.3			2.18 2.19 2.20
28. Licensing				
The certification body is responsible for licensing applicants, who need to demonstrate compliance with the general rules of the program and prove that the certified product is in line with the program's criteria.	7.3			2.21
29. Procedures for assessing and demonstrating compliance				
The program should set and documents its methodology for assessing the product compliance and its review. Documentation related to criteria and procedures should be made available to the applicant. The applicant should provide documentation demonstrating commitment to comply to the program and with relevant legislation.	7.4.1 7.4.2 7.4.3	2.5 1.9 2.2 3.1	11	2.24 2.25 2.26 2.27 2.28

Requirements for Procedures and Criteria	ISO 14024	Mohonk	TOI	VISIT
30. Compliance monitoring				
It is responsibility of the licensee to ensure that compliance with the program requirements is maintained, informing the certification body of any changes that could effect compliance. The program should set a process for control of compliance, breach of contract, suspension, withdrawal and loss of certification.	7.5	1.6 1.7	13	2.29
31. Protection of the label				
The program should provide a policy in order to prevent unauthorized use of the logo and to maintain public confidence in the program and establish appropriate corrective actions.	7.6	1.7		2.30 2.31

7.3. Assessment

This section outlines some key issues related to assessment of tourism certification programs that use the international standards to be agreed upon during the phased implementation of the STSC. The methods proposed here will use the development of the STSC accreditation criteria as the means to carry out assessments of certification programs that apply for accreditation. Assessments will have two goals: an evaluation of the capacity of certification programs to actually conduct certification and an assessment of their competence to measure against the international standard.

First this section explains why the ISO 61 Guide on general requirements for assessment and accreditation of certification/registration bodies should be considered as a starting point. This is followed by a brief review of alternative methods of assessment.

7.3.1. ISO 61 Guide Requirements for Assessment

The International Organization for Standardization ISO/IEC Guide 61:1996 (General requirements for assessment and accreditation of certification/registration bodies) is recommended as a starting point. The contents of ISO Guide 61 cannot be reproduced here for copyright reasons, but its contents are useful to the STSC as the Guide can be a model that can justify requirements given to external organizations to which accreditation work is outsourced, including proposed methods for assessing certification bodies. STSC might not want to ask an outsourced accreditation body to meet all the requirements in Guide 61, but the document is a useful checklist. Also, the STSC might not want to assess and accredit tourism certification programs at the same in depth level required by ISO, as long as tourism certification programs that cannot meet all the requirements can provide clear evidence of their capacity to certify. ISO 61 Guide has two key standards: the first is “Requirements for accreditation bodies”; the second is “Requirements for assessment;” both are summarized below. This summary is the result of interpretation by the STSC project team and not the guide’s text *verbatim*.

- **Application for accreditation.**
 - **Information on the procedure of assessment and accreditation,** including the documents that outline the requirements, rights and duties will be kept up to date. The accreditation body will require that a certification body always complies with the provisions of the ISO 61 guide, that arranges the assessment including examining documentation and personnel; only claims to be accredited for those activities that have been granted accreditation, does not bring the accreditation body into disrepute, discontinues use of advertising that contains reference to being accredited if accreditation is withdrawn, amongst others.
 - **The application.** To apply the certification body will complete an application form completed by an authorized representative agreeing to comply with the requirements for accreditation and supply requested information. This information will at least include general features of the applicant body, functions, relationship with a larger corporate entity and physical locations, description of the systems or products it registers or certifies and the standards applied, and a copy of its quality manual.
- **Preparation for assessment.** This can include a review of the request for accreditation to ensure that the requirements are clearly defined and documented, solving differences in understanding between applicant and accreditation body, and the accreditation body has the capability to perform the accreditation service including location, language and other issues. The accreditation body will prepare a plan for its assessment, nominate a qualified audit team and inform the applicant with sufficient notice to appeal. The audit team shall be formally appointed, provided with working documents and this audit team will agree a plan and date with the applicant. The mandate of the audit team will be to examine the structure, policies and procedures of the body.
- **Assessment.** The audit team shall assess all services of the applicant within the scope of the accreditation requirements, including witnessing the on-site activities of one or more assessments or audits conducted by the applicant.
- **Assessment report.** The accreditation body can vary its reporting procedures but these will ensure that the audit team and the certification body meet where the audit team provides an oral indication on the conformity; the audit team provides a report with its findings to all the accreditation requirements; the outcome of which is promptly brought to the attention of the applicant by the accreditation body identifying areas of nonconformity. The applicant will be invited to comment and outline actions planned and taken to address nonconformity. The accreditation body will inform of the need for a full or partial reassessment. The report will contain as minimum date of audit, name of person responsible, name and address of all sites audited, assessed scope of accreditation, comments on the conformity of the applicant, explanation of any differences from the information presented to the applicant at the closing meeting. If the final report that the accreditation body authorizes differs from the one presented by the auditors to the applicant, clear explanations of the reasons for the differences will be made available to the applicant.
- **Surveillance and reassessment.** The accreditation program will have an established program to undertake periodic surveillance and reassessment to verify that the accredited body continues to comply (in most cases it is unlikely that this period will be more than one year). The surveillance and reassessment will be consistent with the initial assessment. The accredited body must inform without delay of changes to its operations that might affect its accreditation status, capability, scope of activities or conformance.

7.3.2. Assessment methods

Methods to assess capacity and competence to certify against the international standard are similar to the methods that certification programs can use to undertake their own certification. These can be:

- **First-party assessment.** Basically self-evaluation. This is a first step to encourage ownership of process, but cannot be the only method. It is proposed for the Association phase but not for Accreditation, and represents an important process to be undertaken internally before an independent audit.
- **Second-party assessment.** Undertaken by organization in charge of both recruiting members and deciding whether or not to award the seal of approval. This is not unbiased, since the organization has a vested interest in increasing membership.
- **Third-party assessment.** Undertaken independently by either the applicant or the certification program. It is more expensive, but more reliable and is a key element of a credible system.

Acceptance by tourism certification programs will depend on the methods they are using for undertaking their own assessment of applicants for certification. Procedures vary from excellent systems with thorough consultation and advice prior to assessment, to independent verification and regular revision of the methodology, to tourism certification programs that do not conduct on-site verifications. According to the WTO study (2002) 80% of tourism certification programs claim their verification as an independent process, either through third party experts or an independent jury; 20% of tourism certification programs admit to no examination beyond the application documents; and 38% of tourism certification programs undertake announced and 17% unannounced control visits after certification.

Typically the accreditation process includes:

1. A Self-evaluation by the certification program.
2. An on-site assessment by a team of auditors.
3. A review of the self-assessment and auditors' reports by the accreditation body to confirm that the certification program complies with the accreditation criteria.

Results from consultation workshops suggest an agreement that accreditation should be a combination of paper-based assessment, with some inspection of the protocols of the certification body itself -- performance based assessment -- following, wherever reasonable, the ISO 61 Guide. Actual product inspection beyond observation of certification activities should be considered if financially feasible. Industry feedback was also suggested as a way of determining how well a certification program was working. This type of system, combined with being housed within an international agency, would see the proposed STSC as a “lean-and-mean” organization, with no unnecessary cost burdens. This system is also in line with the proposed system from VISIT, where its Technical Committee will produce an assessment and verification report including an assessment sheet with working steps, dates, list of documents, all relevant documents from the applicant, a verification report stating the compliance or non-compliance with all specific requirements, recommendations to the applicant and a final result on whether the applicant meets or not the VISIT standard. At this stage, the following two specific methods of assessment of certification programs are recommended, but these deserve further discussion during the Network and Association phases.

Independent assessment

The method proposed for the assessment of tourism certification programs is to use independent assessors who are not linked to a tourism certification program and do not have vested interests in the firms to which the tourism certification program is linked or that the program has certified.

The STSC assessors should be selected through some sort of qualification program, such as being a member of an approved body (IEMA, RAB, IRCA, etc.), and should be drawn from an international set of 'approved' individuals who have satisfied training and knowledge requirements of the STSC board. These auditors should have some sort of profile in the international tourism industry and be appropriately trained. The International Accreditation Forum (IAF) selects highly trained assessors, who have a great deal of experience assessing certification and accreditation bodies, and have been appropriately trained by the IAF to carry out the work. Auditors should be paid on a per job basis, rather than forming part of the organization's staff. Auditors should be drawn from around the world, thereby keeping travel costs to a minimum. There is potential in the future to expand the organization to keep auditors on the pay roll fulltime, however, the project team considers that this would be an unnecessary cost burden in the first years of operation when the STSC is likely to require outside funding as it establishes its own self-funding mechanisms.

Peer review

An alternative considered in the development of these proposals but not recommended for adoption is to take a peer review approach to assessing the performance of certification programs against the agreed STSC standard. Peer review was not chosen over independent audits because independent audits have a longer tradition in the sector and have proven to be more reliable. Also in some regions peer review would not be possible when there are few certification programs or where the standards are still low and none of them was accredited. Notwithstanding, peer review could be a cost-effective approach that is popular in educational circles but is now being adopted by other fields. There is an ISO guide in the final stage of development: Guide 17040, General Requirements for Peer Assessment of Conformity Assessment Bodies, which formally documents the processes and procedures that could be used.

A team of two to five auditors forms the assessment team, and generally come from other peer certification programs. Reciprocal assessments between peers are prohibited. Peers performing assessments are only compensated for travel-related expenses and receive no fee. At the beginning of such a program the initial cadre of certification programs is usually assessed by two senior staff of the accreditation body or contract auditors with considerable experience in a related field (e.g. ISO 14000 or SA 8000).

8. Marketing strategy

During the implementation of a marketing strategy, the STSC will need to review the needs of the various stakeholders (presented in Chapter 4), set objectives to satisfy those needs and propose positioning benefits. While Chapter 6 outlines a proposal for introducing the STSC's marketing strategy in all three phases (Network, Association and Accreditation), the recommendations⁴ presented in this chapter reinforce the benefits of the STSC communicated to the project team during the consultation activities. These recommendations can be used to lobby for the support of each of the following nine participating stakeholder groups (or target markets): 1) certification programs, 2) governments, 3) industry associations, 4) tour operators, 5) NGOs and consumer associations, 6) intergovernmental institutions, 7) donor and financial institutions, 8) accreditation organizations, and 9) tourists. The marketing strategy should also include lobbying these groups to become members of the STSC. See summary in Table 8.1.

Recommendations for the promotion of products certified by programs that meet the STSC's requirements for environmental and social responsibility are also included in this chapter, as well as recommendation on methods by which the STSC can deliver the proposed benefits to the nine stakeholder groups.

8.1. Generic

Objectives

- To reach a consensus on baseline sustainability standards for tourism internationally.

The STSC will work to ensure a consensus around baseline sustainability standards that can be applied to tourism internationally, while allowing for regional particularities and needs. Without this universal agreement, marketing tactics will fall short of support. For the product to be widely marketable, these standards must be meaningful, achievable and intelligible.

- To reach an agreement on methods for verifying standards.

Consensus is also needed on the method or methods by which certification programs verify standards, and the method or methods by which the accreditation body will monitor certification. The strength of the product depends on the credibility of this process.

- To make the accreditation body financially feasible.

The feasibility of the STSC depends on the commitment of different stakeholders to either financially contribute to the council, to endorse the body and its operations or to undertake

⁴ These recommendations have been established in conjunction with the current financial forecasts presented in chapter 6; changes to these financial arrangements will directly affect the ability to market the STSC.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

supporting tasks such as marketing and the providing of incentives. The willingness of stakeholders to support the marketing efforts depends on a clearly drawn set of benefits.

- To make accreditation equitable and transparent.

Accreditation needs to be accessible to every tourism certification program interested in promoting itself and the positive steps that it is taking towards implementing sustainable tourism and ecotourism certification. In practice, budget constraints will force the STSC to focus on areas with current certification, and to promote the guidelines so that they can be used to introduce national certification programs where they are unavailable.

- To make accreditation appealing to the tourism industry.

The STSC will work to influence the behavior of sustainability-minded tourism businesses by facilitating information and promoting the benefits of accreditation.

Positioning benefits

The following three broad benefits are proposed:

- Standards

Sustainability standards are holistic, leading to both environmentally and socio-culturally responsible behavior. Because of this, sustainable products are better – better for the environment, business, workers and local communities.

- Marketing

Access to sustainable supply chains means increased opportunities for accredited certification programs. Industry preferential treatment of certified tourism operations will lead to consumer choice.

- Accountability

The STSC shares and ensures good practice in tourism certification, improving accountability of sustainable tourism and ecotourism certification programs and the businesses they certify.

Delivery of benefits

The STSC will deliver the following general benefits:

- Deliver international baseline standards that are locally relevant and established by consensus.
- Provide accreditation of certification programs seeking international recognition through third-party, independent assessments to build credibility in their certification standard, system and procedures.
- Marketing accredited certification programs and their certified tourism businesses by promoting industry (tour operators') preference in the short term, and consumer preference in the long term.
- Build capacity of certification programs, particularly during the Network and Association phases, and collaborate with interested parties in the development of sound certification programs in regions without certification.

Actions

- Develop multi-stakeholder international standards.

The Quebec Declaration on Ecotourism recommends that intergovernmental organizations, international financial institutions and development assistance agencies “Develop or adopt, as appropriate, international standards and financial mechanisms for ecotourism certification systems that take into account the needs of small and medium sized enterprises and facilitates their access to those procedures, and support their implementation.”

The STSC, during its Network and Association phases, will develop multi-stakeholder standards that take into account SMEs and the needs of developing countries.

- Increase accommodation applications to certification programs through tour operators.

To the private sector, the Quebec Declaration on Ecotourism recommends to “Adopt as appropriate a reliable certification or other systems of voluntary regulation, such as ecolabels, in order to demonstrate to their potential clients their adherence to sustainability principles and the soundness of the products and services they offer.”

The STSC should aim to become a facilitator of information to tour operators wanting to identify sustainable and eco-tourism suppliers. It should supply tour operators with information that describes why buying from certified suppliers under an accredited program is best for their businesses. Initially, this effort should be linked to tour operator associations that have made a commitment to sustainability.

- Start consumer marketing through national tourist board awareness campaigns.

After two years of accrediting certification programs in their country, national tourist boards can provide evidence of how they promote certified tourism suppliers beyond other tourism businesses. This promotion would target consumers, which the STSC would not otherwise target due to the associated costs.

- Co-marketing for business-to-business, flexibility on consumer branding.

The STSC needs to create an umbrella marketing campaign, which ensures industry that international standards have been met. The campaign must promote all accredited certification programs and certified products jointly to international tourism distribution channels. Consumer marketing will not be conducted by STSC at this stage. National or global certification programs that prefer to maintain their own distinct brands should be respected. Countries without current certification programs may opt to adopt an accreditation brand in their promotion from the outset.

- Incentive governments to set national certification programs using STSC guidelines.

To national, regional and local governments, the Quebec Declaration on Ecotourism recommends they “Use internationally approved and reviewed guidelines to develop certification schemes, ecolabels and other voluntary initiatives geared towards sustainability in ecotourism, encouraging private operators to join such schemes and promoting their recognition by consumers. However, certification systems should reflect regional and local criteria. Build capacity and provide financial support to make these schemes accessible SMEs. In addition, monitoring and a regulatory framework are necessary to support effective implementation of these schemes.” In light of this recommendation, the STSC should urge governments to set national certification programs based on the guidelines provided by the STSC.

Table 8.1. Marketing strategy - summary (1/5)

Target group	Needs assessment	Objectives	STSC benefits	Delivery of benefits	Actions
Generic	<ul style="list-style-type: none"> • Encourage sustainable behavior by industry. • Encourage sustainable purchasing patterns. • Make operational the concept of sustainability internationally. • Coordinate piecemeal efforts to promote recognition of sustainable practices. 	<ul style="list-style-type: none"> • To reach an agreement on baseline sustainability standards for tourism internationally. • To reach an agreement on methods to verify standards. • To make the accreditation body financially feasible. • To make accreditation equitable and transparent. • To make accreditation appealing to the tourism industry. 	<ul style="list-style-type: none"> • Standards: Sustainability standards are quality standards. Sustainable products are better products. • Marketing: Access to sustainable supply chains means increased business opportunities. Industry preferential treatment will lead to consumer choice. • Training: STSC shares and ensures good practice in tourism certification, improving sustainable accountability of businesses. 	<ul style="list-style-type: none"> • International baseline standards locally-relevant set through consensus. • Accreditation of certification to standards. • Marketing by promoting short-term industry preference, and long-term consumer preference. • Build capacity of certification programs in the initial phases, in regions with no certification and amongst certification programs requesting support. 	<ul style="list-style-type: none"> • Develop multi-stakeholder international standards. • Increase accommodation applications to certification programs through lobbying tour operators. • Start consumer marketing through national tourist board awareness campaigns. • Co-branding for business-to-business; flexibility on consumer branding. • Motivate governments and other groups interested in setting national certification programs.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Table 8.1. Marketing strategy - summary (2/5)

Target group	Needs assessment	Objectives	STSC benefits	Delivery of benefits	Actions
Certification programs	<ul style="list-style-type: none"> Exposure to international tourism distribution channels. Credibility and legitimacy. Operating at economies of scale Rationalize the message. Stable financing. 	<ul style="list-style-type: none"> Accredit a core number of certification programs in the first year of STSC operations. Raise standards through sharing know-how. Increase the number of applications for certification. 	<ul style="list-style-type: none"> Providing an international forum for sharing best practices and joint solutions. Harmonizing standards and procedures that can lead to partnerships between certification programs. Lobbying for political and financial support for licensed certification organizations. Helping certification programs in promoting their services to industry and tourists. 	<ul style="list-style-type: none"> Marketing of certified products. Quality assurance process. Information sharing mechanism and transfer of experiences. 	<ul style="list-style-type: none"> Agreed branding. Joint marketing campaigns to tour operators. Joint on-line searchable database.
Governments	<ul style="list-style-type: none"> Make operational national sustainable tourism development policies and commitments. 	<ul style="list-style-type: none"> Be instrumental in elaborating and implementing national certification programs. 	<ul style="list-style-type: none"> Providing guidance to governments that are developing their own national certification bodies. Providing a framework to define local standards and incentives for continuous improvement. Supporting governments in complementing the application of national legislation with voluntary initiatives. Reducing “greenwashing” and the number of false claims, and improving the destination’s image. 	<ul style="list-style-type: none"> ISO compatible information pack to start a certification program. Capacity building and know-how to implement certification. 	<ul style="list-style-type: none"> Brand awareness campaigns to tourists via tourist boards. Incentives to industry achieving accredited certification. Lobby for government owned accommodation to apply for accredited certification.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Table 8.1. Marketing strategy - summary (3/5)

Target group	Needs assessment	Objectives	STSC benefits	Delivery of benefits	Actions
Industry and industry associations	<ul style="list-style-type: none"> • International recognition. • Access to distribution channels. • Method to compare and assess the value of different certification programs. 	<ul style="list-style-type: none"> • Increase industry take-up of accredited certification programs. 	<ul style="list-style-type: none"> • Providing advice on improved sustainable performance. • Providing advice on methods to gain recognized certification. • Giving exposure to companies as globally recognized sound operations. • Reducing “greenwashing” and the number of false claims from competitors. • Promoting a powerful global brand with marketing value. 	<ul style="list-style-type: none"> • Preferential treatment on supply chains from purchasers. • Higher occupancy rates. • Support education program to increase customer satisfaction. 	<ul style="list-style-type: none"> • Target global companies that make sustainability claims. • Lobby industry associations. • Research on the benefits of certification to industry.
Tour operators	<ul style="list-style-type: none"> • Quality control in the supply chain management. • Reduction of customer complaints and claims. • Health and safety. 	<ul style="list-style-type: none"> ▪ Commitment and evidence of purchasing accredited. ▪ Commitment and evidence of requesting accreditation from current suppliers. 	<ul style="list-style-type: none"> • Tool to implement corporate sustainability claims. • Facilitating purchase of higher quality services. • Outsourcing sustainability (and some health and safety) verification. 	<ul style="list-style-type: none"> ▪ Creating a market-based incentive for the production and purchase of sustainable products. ▪ Database of certified products. ▪ Lobbying key players. ▪ Inclusion of tour operator-driven standards. 	<ul style="list-style-type: none"> ▪ Introduction of sustainable tourism policies, giving preference to certified products. ▪ Support tour operators in promoting accredited certification amongst their suppliers. ▪ Create buyers group. ▪ Measure the use of accredited suppliers.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Table 8.1. Marketing strategy - summary (4/5)

Target group	Needs assessment	Objectives	STSC benefits	Delivery of benefits	Actions
NGOs and consumer associations	<ul style="list-style-type: none"> • Ensure sustainability of tourist destinations. • Ensure consumer rights while purchasing holidays. 	<ul style="list-style-type: none"> • Make operational NGO and consumer association concerns through transparent mechanisms. 	<ul style="list-style-type: none"> • Reducing “greenwashing” and the number of false claims. • Ensuring that certification is conducted through objective and transparent mechanisms. • Lobbying for political and financial support of accredited certification organizations. • Guaranteeing multi-stakeholder participation. 	<ul style="list-style-type: none"> • Participation in the STSC board. • Accrediting tourism certification programs that meet standards. 	<ul style="list-style-type: none"> • Gain written support and endorsement from key NGOs and the consumer associations in tourism-generating countries. • Motivate the participation in the development of guidelines. • Endorsement as a lobbying tool towards industry and tour operators. • Fund research to assess the benefit of accreditation.
Intergovernmental institutions	<ul style="list-style-type: none"> • Tools to introduce international agreements on sustainable tourism. 	<ul style="list-style-type: none"> • To secure endorsement at the highest level that can help build support amongst other stakeholder. 	<ul style="list-style-type: none"> • Tool to implement international commitments to sustainability and ethics. • Ensuring that certification is being conducted through objective and transparent mechanisms. 	<ul style="list-style-type: none"> • Participation in the STSC board. • Channel of consultation. 	<ul style="list-style-type: none"> • Endorsement of proposals. • Seek institution to host STSC secretariat.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Table 8.1. Marketing strategy - summary (5/5)

Target group	Needs assessment	Objectives	STSC benefits	Delivery of benefits	Actions
Donors and financial institutions	<ul style="list-style-type: none"> External assurance of ethical investment opportunities. Assessment of success of donor and lending funds. 	<ul style="list-style-type: none"> To provide financial incentives to sustainable and eco-tourism businesses that want to become. To give competitive advantage to funded projects meeting internationally agreed upon standards. 	<ul style="list-style-type: none"> Tool to assess ethical investment and cost-benefit of pro-sustainability projects. Image benefits for donors and financial institutions. 	<ul style="list-style-type: none"> Increase the number of ethical investment opportunities. Increase exposure of sustainable products funded by donors and financial institutions. 	<ul style="list-style-type: none"> Lobby donors and financial institutions to include accredited certification as a deliverable in funded projects. Use tourism accreditation as leverage for ethical investment.
Accreditation organizations	<ul style="list-style-type: none"> Ensure accreditation standards. 	<ul style="list-style-type: none"> Meet international accreditation standards. 	<ul style="list-style-type: none"> Strengthen impact of accreditation across all industries. Promote other accreditation bodies. 	<ul style="list-style-type: none"> To be accepted in the international accreditation community. Lobby for consumption of non-tourism certified products. 	<ul style="list-style-type: none"> Peer review to maintain credibility of accreditation. Piggyback marketing with non-tourism accreditation bodies.
Tourists	<ul style="list-style-type: none"> Quality holidays. Develop strategies that lead to actions. 	<ul style="list-style-type: none"> Purchase by default through distribution channels. To influence long-term behavior. 	<ul style="list-style-type: none"> Sustainable holidays are better and more enjoyable holidays. 	<ul style="list-style-type: none"> Tourist education while consuming products. 	<ul style="list-style-type: none"> Develop a consumer-driven message.

8.2. Certification programs

Objectives

- Accredite a core number of certification programs in the first year of STSC operations.

The STSC aims to generate interest from a core number of certification programs from different regions in the first year of operations.

- Raise standards through sharing know-how.

By setting internationally acceptable standards, the STSC will become a key tool to be used to improve industry practices. Certification programs are the catalysts for change, and the STSC aims to reflect and replicate best practices amongst these programs.

- Increase the number of applications for certification.

The STSC will give certification programs the critical mass they need to effectively lobby for benefits for their applicants in order to make certification more appealing to tourism businesses, as well as to increase the number of applications and re-applications.

Positioning benefits

- Providing an international forum for sharing best practices and joint solutions.
- Harmonizing standards and procedures that can lead to partnerships between certification programs.
- Lobbying for political and financial support for licensed certification organizations.
- Helping certification programs in promoting their services to industry and tourists.

Delivery of benefits

- Marketing certified products.

The STSC will increase the interest in certification by marketing the activities of accredited certification programs and their certified products to key international distribution channels. The council will also encourage national tourist boards to promote certified products, but will not conduct direct consumer marketing.

- Quality assurance process.

The STSC will act as platform to ensure responsible practices amongst certification programs, identify best practices and help programs improve standards and procedures.

- Information sharing mechanism and transfer of experiences.

The STSC will act as a catalyst for conducting joint projects, leading to shared learning and the general improvement of internal practices amongst certification programs.

Actions

- Agreed branding.

The STSC proposes co-branding on business-to-business marketing led by the council. In coordination with work done by Voluntary Initiatives for Sustainability in Tourism (VISIT), a joint European initiative for the promotion of sustainable tourism development (see Chapter 3), the STSC would allow the certification programs themselves to choose at which stage and to what extent they wish to incorporate the accreditation message into to their certification brand. The STSC will lobby for new certification programs to apply for accreditation and make reference to it from the outset, in line with the findings from the WTO survey.

- Joint marketing campaigns to tour operators.

The STSC will target tour operators, urging them to increase their number of suppliers certified by accredited programs.

- Joint on-line searchable database.

The STSC will develop an on-line searchable database with two versions. Short-term: A database for tour operators looking for suppliers certified as sustainable by accredited certification programs. Medium-term: A simplified version directing tourists to certified companies, with live links to the companies' own Web sites.

8.3. Governments

Objectives

- To be instrumental in implementing and elaborating upon national certification programs

The Quebec Declaration on Ecotourism recommends that governments use guidelines to develop certification schemes, and that monitoring and regulatory frameworks are necessary to support effective implementation of these schemes. The STSC can help those countries without certification programs to start up a program that meets international standards. The STSC will promote itself to governments as a key international tool to complement national strategies to promote sustainable tourism and ecotourism through the establishment of internationally accredited national certification programs.

Positioning benefits

- Providing guidance to governments developing their own national certification bodies.
- Providing a framework to define local standards and incentives for continuous improvement.
- Supporting governments in complementing the application of national legislation with voluntary initiatives.
- Reducing “greenwashing” and the number of false claims.
- Improving a destination’s image.

Delivery of benefits

- ISO compatible information pack to start a certification program.

The Quebec Declaration on Ecotourism recommends that governments “Use internationally approved and reviewed guidelines to develop certification schemes, ecolabels and other voluntary initiatives geared towards sustainability in ecotourism, encouraging private operators to join such schemes and promoting their recognition by consumers.” In this respect, the STSC will provide a user-friendly pack on starting a national tourism certification program including international criteria and procedures, marketing benefits to certification applicants and background information on tourism certification.

- Capacity building and know-how to implement certification.

The STSC will provide guidance for governments that want to introduce certification programs, which are supported by the use of international sustainability and ecotourism principles adapted to national or regional realities, accreditation criteria and internationally agreed upon procedures that ensure the certification program’s capacity to certify and its credibility.

Actions

- Brand awareness campaigns to tourists via tourist boards.

As an incentive to increase the number of companies applying for certification, the STSC will lobby national tourist boards from countries with accredited certification programs to conduct specialized promotion on their behalf

- Incentives to industry achieving accredited certification.

The Quebec Declaration on Ecotourism recommends that governments “Build capacity and provide financial support to make these schemes accessible to SMEs.” To this end, the STSC will lobby tourist boards, ministries of the environment and other relevant government agencies to provide incentives to tourism businesses receiving accredited certification.

- Lobby for government owned accommodation to apply for accredited certification.

Governments should lobby for state-owned or supported accommodations to meet international sustainable tourism standards, and to apply for accredited certification in the early stages of the process.

8.4. Industry and industry associations

Objectives

- Increase industry take-up of accredited certification programs.

The STSC will increase the number of tourism businesses interested in certification by providing endorsement and international marketing appeal. This objective is in line with the Quebec Declaration on Ecotourism’s mandate for the private sector to “Adopt as appropriate a reliable certification or other systems of voluntary regulation, such as ecolabels, in order to demonstrate to their potential clients their adherence to sustainability principles and the soundness of the products and services they offer.”

Positioning benefits

- Advice on how to improve sustainability of tourism businesses.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Advice on methods to gain recognized certification.
- Exposure to companies globally recognized as sound operations.
- Reduction of “greenwashing” and the number of false claims made by competitors.
- Promotion of a powerful global brand with marketing value.

Delivery of benefits

- Preferential treatment on supply chains from tour operators.

The STSC will lobby on behalf of businesses certified by an accredited program to receive preferential treatment by distribution channels, thus giving them a competitive advantage.

- Higher occupancy rates.

Through lobbying tour operators and making direct purchases, the STSC aims to increase occupancy rates of businesses certified under accredited programs.

- Support education program to increase customer satisfaction.

The STSC will work together with industry (usually via certification programs) to increase customer satisfaction by demonstrating how certified establishments meet internationally-established sustainability standards. In turn, certified businesses will educate customers on the importance of such standards.

Actions

- Target global companies that make sustainability claims.

Target global companies that make environmental, social and cultural claims in their promotional materials, and urge them to join relevant certification programs, in partnership with international conservation organizations, social and environmental NGOs and consumer associations. Work with global companies to encourage their suppliers to gain certification from accredited certification programs, and to support the participation of SMEs.

- Lobby industry associations.

Urge industry associations to introduce sustainability clauses in their membership codes of practice. Motivate industry associations to run articles favorable to accredited certification in their trade press.

- Conduct research on how certification benefits the tourism industry.

Tangible evidence determining the costs and benefits of accreditation and certification are needed in order to assess areas requiring improvement and to prepare a campaign that will increase industry applications.

8.5. Tour operators

Objectives

- Commitment and evidence of purchasing accredited.

After a pre-determined period, the STSC will aim to procure products from suppliers that have been certified under an accredited program where available, and to match non-certified products in quality, price and convenience.

- Commitment and evidence of requesting accreditation from current suppliers.

The STSC expects committed tour operators to distribute information to their current suppliers outlining the benefits of accredited certification, and recommend that accreditation be sought when choosing certification programs.

Positioning benefits

- Tool to implement corporate sustainability claims.
- Facilitate purchase of higher quality services.
- Outsource sustainability (and some health and safety) verification.

Delivery of benefits

- Create a market-based incentive for the production and purchase of sustainable products.

The STSC will provide a practical means of implementing and measuring sustainability claims by tour operators, since their packages cannot be sustainable until all of their components are. In its initial stages, the STSC will act as a facilitator of this mechanism by helping tour operators to find alternative certified suppliers under accredited programs.

- Database of certified products.

The STSC will create a database of products and suppliers certified under accredited programs in order to facilitate their identification and purchase by tour operators. The type of information to be included in this database will be determined based on the needs of tour operators and planners. Lobbying key players.

After working with tour operators willing to embrace the idea of purchasing from suppliers certified under an accredited program, the STSC will extend its coverage, using a variety of lobbying methods. These methods range from simply providing information on accredited programs and their certified suppliers to targeting ethical management funds to request accreditation via shareholder pressure.

- Inclusion of tour operator-driven standards.

The STSC will work with tour operators to ensure that sustainability standards are meaningful and useful to them, including concerns about quality of the product, as well as health and safety issues.

Actions

- Introduction of sustainable tourism policies, giving preference to certified products.

Lobby tour operator associations to encourage them to give preference and promote suppliers that can demonstrate a commitment and, if possible, proof of their sustainable management and performance.

- Support tour operators in promoting accredited certification amongst their suppliers.

The STSC will provide tour operators with information and know-how on how to promote better practice amongst current suppliers in order to improve the likelihood of renewed contracts.

- Create a buyers group.

Create a buyers group mainly comprised of tour operators who can exchange information about accreditation requirements in order to increase the use of accredited certification.

- Measure the use of accredited suppliers.

Establish a mechanism to sample the use of suppliers under accredited certification programs as a barometer by which to measure the STSC's impact. Initially monitor the results of the Tour Operators Initiative implementation of the Global Reporting Initiative, which includes a reporting indicator on the use of certified suppliers.

8.6. NGOs and consumer associations

Objectives

- Make operational NGO and consumer association concerns through transparent mechanisms.

The STSC will provide a tool to implement pro-sustainability principles and to further protect tourists from poor practices.

Positioning benefits

- Reduce “greenwashing” and the number of and false claims. Protect the natural/cultural environment, indigenous people and consumer rights.
- Ensure that certification is conducted through the use of objective and transparent mechanisms.
- Lobby for political and financial support on behalf of accredited certification organizations.
- Guarantee multi-stakeholder participation.

Delivery of benefits

- Participation in the STSC board.

NGOs will be included in the STSC board to ensure that a wide range of issues related sustainability are considered and reviewed.

- Accredite tourism certification programs that meet standards.

The STSC will not control which organizations call themselves certification programs in sustainable tourism, but accreditation will aim to differentiate between those programs that maintain high standards and those that do not. These licenses will become powerful mechanisms by which to sell certification services to industry, and to reduce the number of unsubstantiated claims.

Actions

- Gain written support and endorsement from key NGOs and consumer associations in tourism-generating countries.
- Motivate participation in the development of guidelines.

NGOs and consumer associations should be involved in the development of guidelines to ensure the incorporation of socio-cultural, environmental and consumer concerns. Seek endorsement of social, environmental and consumer organizations.

Both to increase the participation of potential certification applicants and to motivate tour operators to support applications from their suppliers, the STSC will benefit from NGO and consumer association support.

- Fund research to assess the impact of accreditation.

Target NGOs in order to seek joint funding with the STSC and to undertake field research on the impact that accreditation can have on key areas of the tourism industry, such as small firms and community projects, especially in southern hemisphere countries.

8.7. Intergovernmental institutions

Objectives

- To seek endorsement of intergovernmental organizations and use it as leverage for gaining support from other stakeholders.

The STSC should take into consideration international agreements on sustainable and ecotourism guidelines that are supported by intergovernmental organizations, and collaborate with such organizations in the implementation of these agreements into a national and regional context. At the same time, the STSC could potentially gain international recognition from these organizations and establish strong partnerships for financial lobbying. For example, the STSC can promote itself by establishing direct links with and making operational the recommendations made during the International Year of Ecotourism and the

World Summit on Sustainable Development, particularly in regards to the development and use of sound sustainable tourism and ecotourism certification programs.

Positioning benefits

- Tool to implement international commitments to sustainability and ethics.
- Ensure that certification is being conducted through objective and transparent mechanisms.

Delivery of benefits

- Participation in the board.

At least two key intergovernmental institutions will be lobbied for their representation at the STSC board.

- Channel of consultation.

Intergovernmental institutions will be used as channels to consult the proposals, and subsequently the operations, to ensure that these reflect their members' views.

Actions

- Endorsement of proposals.

The STSC will seek endorsement from a wide range of intergovernmental institutions, which can be used to lobby other stakeholders.

- Seek institution to host the STSC secretariat.

The STSC will seek an intergovernmental institution with a track record on promoting sustainable tourism and likely to receive support from other stakeholders to host the STSC secretariat.

8.8. Donors and financial institutions

Objectives

- To provide tourism businesses with financial incentives toward becoming sustainable.
- To give competitive advantages to funded projects meeting internationally agreed upon standards.

The Quebec Declaration on Ecotourism recommends that international financial institutions “Develop or adopt, as appropriate, international standards and financial mechanisms for ecotourism certification systems that take into account the needs of small and medium sized enterprises and facilitates their access to those procedures, and support their implementation.” The STSC can be a mechanism to support sustainable tourism and ecotourism firms achieving recognized standards with a variety of financial mechanisms.

Positioning benefits

- Tool to assess ethical investment and cost-benefit of pro-sustainability projects.
- Image benefits for donors and financial institutions.

Delivery of benefits

- Increase the number of ethical investment opportunities

Financial institutions can use accreditation as a preliminary review of a tourism business' commitment to sustainability principles. The STSC will increase the number of financially feasible tourism businesses that ethical investment companies can include in their portfolio.

- Increase the exposure of sustainable products funded by donors and financial institutions.

Donors and financial institutions can increase the likelihood that business start-ups, community projects and other investment projects will succeed by giving an international marketing edge to those businesses that achieve accreditation.

Actions

- Lobby donors and financial institutions to include accredited certification as a deliverable in funded projects.

The STSC will lobby donors and financial institutions to test the feasibility of including accredited certification as a requirement of some tourism development projects. For example, the council will review the sustainability standards of projects funded within two years against relevant certification criteria. If feasible, it will introduce pilot accredited certification as a deliverable in a number of funded projects.

- Use tourism accreditation to leverage ethical investment.

The STSC will encourage ethical investment fund managers to give preferential treatment to tourism companies with certified products under accredited programs.

8.9. Accreditation organizations

Objectives

- Meet international accreditation standards.

The STSC will aim to ensure that processes and procedures of accreditation meet international standards set by recognized accreditation associations. The STSC will closely follow the trends in outsourcing accreditation functions initiated by ISEAL members.

Positioning benefits

- Strengthen impact of accreditation across all industries.
- Promote other accreditation bodies.

Delivery of benefits

- To be accepted in the international accreditation community.

The STSC aims to be accepted in the international accreditation community by operating according to accreditation codes of practice and facilitating peer review.

- Lobby for consumption of non-tourism certified products.

The STSC will encourage tourism businesses to purchase from certified suppliers (such as purchasing certified sustainable and organic foods, sustainable timber and fish and so on), hence promoting purchasing networks that strengthen accredited certification.

Actions

- Peer review to maintain credibility of accreditation.

The STSC will seek peer review during its feasibility, implementation and operation phases.

- Piggyback marketing with non-tourism accreditation bodies.

In the medium term, the STSC will aim to establish agreements with non-tourism accreditation bodies to piggyback onto their communication channels (for example on accredited organic foods), and increase hits on the STSC Web page with possible links to promotional campaigns offering free holidays.

8.10. Tourists

Objectives

- Purchase by default through distribution channels.

In the short term, the STSC will not target consumers for budgetary reasons; this task will be left to certification bodies and national tourist boards. By increasing the use of these businesses by previously established distribution channels, the STSC will aim to increase the number of tourists purchasing from certified tourism businesses by default.

- To influence long-term behavior.

The STSC aims to contribute to more sustainable consumption through influencing long-term holiday purchasing choices and behavior while tourists are at their vacation destinations.

Positioning benefits

- Sustainable holidays are better and more enjoyable holidays.

Current research indicates that tourists perceive many of the sustainability attributes as attributes of quality. The STSC needs to position sustainability as a quality choice, and to reinforce the message that environmental and social attributes are inherent to the overall quality of a business. This quality can be spelled out in a variety of sub-messages.

Delivery of benefits

- Tourist education while consuming products.

With the aim of increasing repeat business and word-of-mouth promotion, the STSC will stipulate in its accreditation standards that certification programs request that certified businesses educate visitors while on their premises. The message will be compound: first, it will emphasize the value of sustainability; and second, it will convey how a particular tourism business implements sustainability standards.

Actions

- Develop a consumer-driven message.

Initial research indicates that tourists are willing to pay for overall quality. The STSC should closely monitor the experience of VISIT, as well as test the positioning benefit in order to devise medium-term communication campaigns for key outbound tourism markets.

9. Conclusions and next steps

The lack of a globally accepted standards and criteria for “sustainable tourism” and “ecotourism,” has led to negative social and environmental impacts. While the use of certification mechanisms to “green” the tourism industry at large is valid and important, there is a strong need to distinguish certification programs that certify sustainable tourism and ecotourism from those that target mainstream tourism. In addition, the Rainforest Alliance believes that the fragmentation among the current certification programs is contributing to consumer unawareness and confusion.

The feasibility study outlined in this report has found strong support for a global accreditation system to help socially and environmentally responsible tourism suppliers and consumers effectively contribute to biodiversity conservation and social welfare. While it is widely recognized that certification programs must vary depending upon local environmental and socio-economic and cultural realities, an accreditation system will establish the components that must be covered by all ecotourism and sustainable tourism certification programs. Through accreditation, certification entities can demonstrate their capacity to undertake certification and, thus, build credibility with both consumers and businesses.

9.1. Arguments for a STSC

Following are some of the arguments for a STSC that emerged during the stakeholder consultation, benchmarking, and analysis. The findings were that a STSC could:

- Encourage sustainable behavior by industry
- Encourage sustainable purchasing patterns
- Make operational the concept of sustainable tourism certification internationally
- Coordinate piecemeal efforts to promote recognition of sustainable practices
- Provide certification programs with exposure to international tourism distribution channels
- Bring credibility and legitimacy to tourism certification, through strong marketing and standardization of operating procedures and criteria.
- Encourage tourism certification programs to operate at economies of scale through marketing, training and standardization.
- Rationalize the message to the consumer about tourism certification as at present too many competing but similar messages are contributing to a reduction in efficacy of tourism certification
- Ensure long-term stable financial stability, either through increased applications or funding security from other mechanisms beyond the certification program’s start-up funding period.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Assist governments to make operational national sustainable tourism development policies and commitments
- Provide international recognition to tourism businesses, regardless of size of operation, to a global market
- Provide access to distribution channels to the tourism industry
- Provide a method to compare and assess the value of different certification programs to enable informed choices on which meet criteria.
- Provide industry methods to assess the value of the different certification programs, and make informed choices on which meet standards that will be recognized. This element of comparability can increase the number of applications.
- Provide assured quality control in the supply chain management which will assist tour operators to make judgments on their supply chain management
- Reduce the number of customer complaints and claims of “greenwashing.”
- Ensure sustainability of tourism destinations through better environmental, social and economic conditions at the local level, and greatly reduced leakage of benefits
- Ensure consumer rights while purchasing and consuming holidays as well as identify suppliers with high standards - that can be recommended thanks to independent verification - which would be beneficial to consumer associations.
- Encourage external assurance of ethical investment opportunities through increased / preferential support of projects when accreditation is involved
- Provide accreditation as an indicator of success and good performance post-investment
- Provide the opportunity for peer review to maintain credibility of accreditation

9.2. Phased implementation

However, moving from the current reality of a proliferation of unconnected certification programs worldwide to the establishment of a global accreditation body will take time and careful planning. As a result of the extensive consultation process, we propose three phases of development aimed at improving the quality of certification programs (and thus the sustainability of tourism) and address different issues affecting tourism certification.

- **Phase 1: STSC-Network** to share information and gain consensus on priorities and processes. It is recommended that the STSC starts as a Network for a period of two years within which a wide range of stakeholders can consider the results of this feasibility study and the applicability in different regions, discuss the contents of a possible international standard and the necessary regional variations. The Network phase also gives tourism certification programs a vehicle to build trust and to take ownership of the systems proposed.
- **Phase 2: STSC-Association** to market certified products, provide guidance to countries seeking to establish or upgrade certification programs, and reach agreement on standards and processes. The STSC-Association phase allows tourism certification programs and other stakeholders to agree on international standards and criteria and methods to assess how programs meet these standards, while benefiting from joint marketing and training

that increases the exposure of the tourism certification programs and improves their performance. The Association phase is a necessary stepping-stone to allow tourism certification programs to make the necessary improvements to be able to meet accreditation requirements.

- **Phase 3: STSC-Accreditation** to accredit and market certification programs that meet the agreed upon standards and demonstrate capacity to certify. This phase finally includes all key functions of the STSC by building on the agreements made at the Association phase and introducing the key element of accreditation. Structures from the Association are kept and the function of accreditation is outsourced to be able to maintain training and marketing functions separate from decision-making on which certification programs are accredited, and in doing so, guarantee independence and transparency and avoid conflicts of interest.

Through the proposed phased implementation of the STSC there is real scope for multi-stakeholder involvement among governments and intergovernmental agencies, international organizations, environmental NGOs, tourism industry associations, consumer associations and the media to increase the acceptance of certification as a valuable tool for ensuring sustainability. Tourism operations certified by an accredited certification program would be in a position of gaining competitive advantage in the international tourism market.

The STSC, as an accreditation body, would have direct responsibility to ensure that certification programs covering sustainable tourism and ecotourism meet the criteria adopted by STSC. Accredited certification programs would become authorized to benchmark tourism organizations against the STSC standard in the context of the region where the tourism certification program operates.

9.3. Summary of results

The feasibility study called for undertaking:

- Broad stakeholder consultation.
- The assessment of needs and willingness to pay.
- The recommended marketing strategy.
- The recommended financial model.
- An organizational blueprint.
- An implementation plan.
- Recommendations for accreditation criteria.

The results are discussed in detail in this report. Following are some highlights:

Funding

The results show that willingness to pay for accreditation is not clear at this stage, and this should become one of the main priorities for the implementation phase. It would appear that since accreditation is new to the tourism industry, none of the key sectors through which the STSC could raise funds was prepared to give an amount for a product that is unknown. It also seems clear that stakeholders will only be prepared to pay providing they see some sort of

value-added benefit of accreditation. This report and the recommended activities and outcomes expected from the Network phase will provide the information needed to measure willingness to pay based on a more concrete service that the STSC could offer to the different stakeholder groups.

There is a strong feeling that the public sector will have to absorb some of the costs to provide incentives for accreditation, most probably through increased support of certification at a national level through soft credit schemes, training and access to markets. In supporting these initiatives there is the potential for assistance through the STSC to access ethical investment funds for further tourism development.

The financial proposal builds on the organizational blueprint and marketing strategy and outlines the areas of annual expenditure, and sources of funding. It is assumed that private foundations and NGOs will support the STSC initiative financially in its first seven years, the time period identified as required before full financial self-support is reached. Most of the support is assumed to come in the form of grants.

Marketing and public education

The study has shown that industry and consumer awareness about the value of certification is very low. This has a direct impact on the expansion of sustainable tourism and ecotourism certification and accreditation. Without recognition and understanding, the chain of custody cannot influence expansion of certification. The STSC should help to encourage the purchase of accredited products by distribution channels such as tour operators, at least in the major tourism destinations.

The marketing strategy presented earlier outlines how the STSC should promote itself and accreditation. The needs of the different stakeholders have been analyzed and presented with key actions required for successful implementation of the council. The report has clearly shown that the STSC should not aim to directly market to consumers at this stage, given the costs involved. However, the STSC's NGO members may help with consumer awareness through promotion of the council to their members. Additionally, there is considerable scope for marketing to NTOs, as this will reach consumers and the industry, as well as through the tourism certification programs themselves. Marketing to the tourism industry is key to the success of the STSC, including industry associations, who can influence members. Also crucial is the buy-in by tour operators. Thus, the STSC will need to work closely with these stakeholders and provide assistance in finding accredited products, as well as promote the development of tour operator specific certification.

Governance

The STSC should strive for a governing board that balances stakeholder representation. While not all accreditation or stewardship councils have memberships, it could be a good way for the STSC to build recognition and support for its standards. Establishing membership criteria that can balance inclusiveness while preventing "greenwashing" will be critical. Membership criteria should be clear enough to distinguish between accredited and non-accredited certification programs, as well as clearly stating the benefits members receive.

Standards and accreditation criteria

The analysis of other ISEAL accreditation bodies highlights a trend towards outsourcing accreditation functions to reduce conflicts of interest in delivering marketing and training benefits to members, which has been picked up in these proposals. The same benchmarking shows that the international standard or standards will need to allow for regional variations and to consider sub-sectors within the tourism industry. This report identifies a variety of key documents that should be taken into account when discussing a possible international standard for the STSC.

The report recommends a preliminary, draft set of accreditation criteria for the STSC based on the benchmarking of key documents such as the ISO 14024 standard, VISIT standard, Mohonk Agreement and the TOI internal report on tourism certification. The result is a set of recommendations/guidelines to establish and manage tourism certification programs that can be used for accreditation purposes, and that are complementary to the ISO65 Guide on demonstrating competence to certify. Finally, the report suggests methods to assess tourism certification programs by the outsourced accreditation body in line with ISO61 Guide on Requirements for assessment and accreditation of certification/registration bodies. It is recommended to use this information and the Mohonk Agreement to finalize a standards and accreditation criteria during the STSC-Network phase.

9.4. Next steps

This section outlines key tasks that we recommend be undertaken in order to begin the implementation of STSC phase. To date, the work has focused primarily on the technical feasibility of the STSC. The next steps need to address the political feasibility by developing formal support for the initiative. Gathering support statements

The proposals in this document have been prepared by considering the key benefits that each stakeholder group would want to see in an accreditation body to maximize their participation. A large number of organizations have stated their support for the concept of a STSC and now need to have the opportunity to review the organizational blueprint, role of stakeholders, standards and finances. The Rainforest Alliance will collect statements from key stakeholders regarding their support or reservations concerning the proposals. Rainforest Alliance wants to ensure that fundamental reservations concerning the STSC-Network are outlined at this stage, while reservations regarding the mechanics of the STSC-Association and STSC-Accreditation can be discussed during the STSC-Network phase. The desired outcome is that organizations state their willingness to participate in the STSC-Network on the basis of the roles outlined for them in section 6.1.3, as well as their support on the approach presented regarding the evolution from a Network to an Association to an Accreditation stage.

A press release will be issued to gain awareness of the STSC feasibility proposals presented in this document, as well as the reports arising from the different workshops and other consultation methods that are available at the STSC Web site, hosted by Rainforest Alliance www.rainforest-alliance.org. The report will be widely distributed on-line and every organization receiving the report directly or via a second party will be encouraged to submit their opinions, which will be recorded and tabled for their consideration regarding the feasibility of the STSC in its entirety and the proposals in this document.

Consult tourism certification programs

Rainforest Alliance will put special emphasis on consulting the tourism certification programs, as they are pivotal to the success of the STSC. The evidence collected from tourism certification programs during the consultation phase was that they could not state their willingness to pay for a concept, without having specific knowledge on the benefits that they would gain from it. As part of the gathering of support statements, Rainforest Alliance will undertake a survey of tourism certification programs willingness to join the STSC-Network and their views on the proposals for an accreditation body using the proposed phased implementation.

Preliminary meetings with key players for next steps

The Rainforest Alliance will work to recruit partners that can manage regional networks and help build credibility in the. Discussions will include the appropriateness of the proposals to their regional realities and the potential mechanisms to consult the outcome of this document within the region.

As of December 2002, the Rainforest Alliance and its support team for these proposals have held the following meetings and STSC public presentations to discuss or present the preliminary outcomes of this report:

- Meeting with the Sustainable Tourism Initiative, a UK government initiative to reduce outbound tour operators' impacts, on endorsing the STSC (Leeds, August 2002)
- Presentation to WTO's Sustainable Tourism Committee during the 2002 World Tourism Day (San Jose, September 2002).
- Meeting with officials from UNEP's Industry and Environment (Paris, October 2002).
- Presentation at 2002 Ecotourism Australia International Ecotourism, that served as one the closing activities of the International Year of Ecotourism (Cairns, October 2002).
- Presentation at the First Ecotourism Forum of the Pacific Economic Cooperation Council – PECC (Quito, November 2002).
- Meeting with VISIT Advisory Board and VISIT ecolabels on parallel progress of the initiatives and transferable lessons learned (Brussels, December 2002).
- Meeting with English Tourism Council to discuss how a new program in England could operate under the VISIT-STSC umbrella (London, December 2002)
- Presentation at the International Seminar on Environmental Certification of the Tourism Industry (Mexico City, December 2002).

Key stakeholder workshop

Rainforest Alliance, with support from partners and collaborators, will convene an international workshop for key stakeholders and members of the Advisory Committee (along the lines of the first Sustainable Tourism and Ecotourism Workshops held in New Paltz, New York in November 2000) to debate the contents of these proposals and to brainstorm future avenues to implement the recommendations of the STSC study. The collective clout and innovative thinking gained from a workshop of this style can provide an invaluable launching pad for the STSC.

Fundraising for STSC-Network

Rainforest Alliance will give priority to fundraising for the STSC-Network phase since the gap between fundraising and securing funds can be considerable, and there are obvious benefits to building on the momentum of the report published and the consultation undertaken.

Map out sources for subsidy of STSC-Association and Accreditation

Rainforest Alliance will brainstorm with support from the Advisory Committees potential sources for the subsidy of the STSC-Association and STSC-Accreditation phases. This brainstorming will lead to mapping out potential sources of funds to be considered during the STSC-Network phase. If further funds were not secured, stakeholders would have to be consulted on the appropriateness of the continuation of the STSC as a Network with its reduced budget beyond the period initially considered of two years.

Seek housing agency

Rainforest Alliance has offered to house the STSC-Network phase, but an alternative organization needs to be found for the following phases of the STSC. The findings from the consultation workshops already presented in this document suggested that the most credible housing organization would be one in the United Nations family. The Rainforest Alliance in the first stage and the STSC-Network once this is operational should enter into discussions with potential housing agencies to negotiate their ability to take this role.

Willingness to pay research based on scenarios of stakeholder support

Quantitative market research and willingness to pay studies for STSC were not possible due to lack of product definition and understanding of what the STSC would do. It is recommended that scenario-based market research be conducted to analyze the willingness to pay from tourists for specific scenarios showing a combination of product characteristics, to be defined in through the literature review and through focus groups.

9.5. Conclusion

Certification of sustainable tourism and ecotourism can help to reduce the negative environmental and social impacts of tourism, ensure that the tourism industry is held accountable and provide marketing benefits to those firms that meet certification standards. Reports by UNEP and WTO have cited the benefits of certification and many governments, NGOs and other stakeholders are introducing national, regional and international certification programs. There is consensus that the increasing numbers of certification programs would benefit from shared functions such as marketing, training and development, while supply chains and consumers would benefit from the setting of standards.

The time has come for the establishment of an international accreditation body for sustainable tourism and ecotourism certification. We hope that this report has reflected adequately the views of the many stakeholders consulted, helped to make an effective case for the STSC and proposed a reasonable implementation strategy. Our thanks to the funders, NGOs, governments, intergovernmental agencies, certification programs, consultants and others who put time, effort and funds into this feasibility study.

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- Martha Honey and Abigail Rome: <http://www.ips-dc.org>
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- National Recreation and Park Association (NRPA): www.nrpa.org
- Nature and Ecotourism Accreditation Program (NEAP): www.ecotourism.org.au/About

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

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- Social Accountability International (SAI): www.cepaa.org.
- Tour Operators Initiative (TOI): www.toinitiative.org

11. Glossary

Accreditation. The examination of the competence of a certifying body, and the granting of certifying powers. This is widespread practice in sectors other than tourism.

Accrediting body. Accreditation Bodies 'audit the auditors' and their capacity to certify companies or products. At present there is a proposal for a Sustainable Tourism Stewardship Council that to be the tourism accreditation body in the future.

Agenda 21. One of the five documents agreed upon at the United Nations Conference on Environment and Development (UNCED), in Rio de Janeiro in June 1992. Signed by 179 Heads of Government, it is the blueprint for sustainable development in the 21st century, aimed at providing a high quality environment and healthy economy for all the peoples of the world.

Assessment. Process of examining, measuring, testing or otherwise determining conformance with requirements specified in applicable criteria. Assessments take place through self-assessment prior to application, verification on application, and monitoring post-application.

Assessment, desk review. Process of examining evidence in printed format. This term is mainly used for examining environmental policies, environmental reviews, programs, evidence of operations undertaken, and the process of auditing and reviewing, based on documentation. This documentation can be in a variety of formats depending on the focus on the certification program.

Assessment, measurement. Process of examining performance against the criteria by undertaking direct tests of performance, such as testing water quality or emissions.

Assessment, site visit. Process of examining conformance with requirements by visiting a site or organization. A site visit comprises a variety of assessment methods such as site observation, impact testing, desk review of measurements and management documentation, and staff interviews to cross-examine findings.

Assessor. The person who will undertake the assessment. See also verifier and auditor, in many programs these are used interchangeably.

Audit. A systematic and objective evaluation that compares performance against a set of standards or criteria.

Auditor. A person who officially considers and examines a performance or a process.

Award. A type of voluntary initiative, usually operating in the form of a competition with a limited number of awards given to the best performing companies. Awards recognize and showcase best practice.

Awarding body. The organization that guarantees to peers and consumers that the organizations, products, or services that have received the certificate meet the approved criteria and standards.

Benchmark. Standard that is established by the best-performing organizations within an industry. See also standard.

Benchmarking “is the process of comparing performances and processes within an industry to assess relative position against either a set industry standard or against those who are ‘best in class’” (Honey and Rome, 2001 p. 5).

Best Practice(s) is used to designate highest quality, excellence, or superior practices in a particular field by a tourism operator. It is widely used in many award and certification programs, as well as academic studies, to designate best in a particular class or a leader in the field. 'Best', however, is a contextual term. There is no set of standard of measurement and the term is often loosely or ill-defined (Honey and Rome, 2001 p. 5).

Biodiversity "means the variety of live forms, i.e., the different plants, animals, and micro-organisms, the genes they contain, and ecosystems they form. Biodiversity is usually considered at four levels: genetic diversity, species diversity, community diversity, and ecosystem diversity" (Honey and Rome, 2001 p. 5).

Certification. Procedure by which the certification/awarding body gives written assurance (to the consumer and the industry in general) that a product, process, service, or management system conforms to specified requirements. There is no limit to how many companies can be certified as long as they meet the criteria. The outcome of certification is a certificate, such as an ecolabel.

Community "is people living in one place, district, state or country" (Honey and Rome, 2001 p. 5).

Culture "is the sum totals of ways of living by a group of human beings that is transmitted from one generation to another" (Honey and Rome, 2001 p. 5).

Cultural Tourism "is travel for the purpose of learning about cultures or aspects of cultures" (Honey and Rome, 2001 p. 5).

Certification program. A complete system containing all the requirements necessary to follow in order to obtain a certification award or ecolabel. A certification program will be managed by a certification body but the program is larger than the certification body or an individual certifier.

Certification body. Awarding body that has undergone a process of examination and approval. The term certification body is used more broadly in tourism than in other sectors, where peer and industry approval is usually implicit in the nature of the certification body. Most tourism "certification" bodies are in fact awarding bodies.

Certifier. The body or the person who gives an award. A certifier can be subcontracted by a certification body to perform activities on its behalf.

Criteria. Set of principles used as means of judging. See standards.

Criteria, performance-based. Document providing a set of rules in the form of indicators and benchmarks or standards that applicants need to meet.

Criteria, process-based. Document providing a set of rules in the form of procedures that the company needs to introduce, usually in the form of individual actions to be taken or comprehensive procedures such as management systems.

Degradation "is any decline in the quality of natural or cultural resources, or the viability of ecosystems that is caused directly or indirectly by humans" (Honey and Rome, 2001 p. 6).

Ecolabel. A form of voluntary initiative under which each applicant is assessed against the certification body's criteria independently, as opposed to being assessed against other applicants. The certification body will give ecolabels to all those applicants that meet the criteria, not only to the best-performing ones. Ecolabels identify products and services that 'are better than...' others available. Ecolabel is generally used interchangeably with certificate.

Ecotourism “is travel to fragile, pristine, and usually protected areas that strives to be low impact and (usually) small scale. It helps educate the traveler; provides funds for conservation; directly benefits the economic development and political empowerment of local communities; and fosters respect for different culture and human rights” (Honey, quoted in Honey and Rome, 2001 p. 6).

Ecotourism certification “programs are ones that cover business, services, and products that describe themselves as involved in ecotourism. They focus on individual or site-specific business, have standards that are tailored to local conditions, and are largely or totally performance based” (Honey and Rome, 2001 p. 6).

Environmental Impact Assessment (EIA) “is a process of predicting and evaluating the impacts of specific developments or actions on the environment. The EIA process involves: 1) reviewing the existing state of the environment and the characteristics of the proposed development, 2) predicting the state of the future environment with and without the development, 3) considering methods for reducing or eliminating any negative impacts, 4) producing the environmental impact statement for public consultation which discusses these points, and 5) making a decision about whether the development should proceed in the proposed site along with a list of relevant mitigation measures” (Honey and Rome, 2001 p. 6).

Environmental impact statement “is the report resulting from an environmental impact assessment” (Honey and Rome, 2001 p. 6).

EMAS. Eco-Management and Audit Scheme. European Commission certification program introduced in 1993. Until recently EMAS criteria and benchmarks were available only for a few specific industries such as mining and quarrying, manufacturing industry, power supply, and waste treatment.

Environmental Management System. A systematic organizational structure designed to control and monitor environmental impacts. Process-based criteria generally require organizations to devise and implement Environmental Management Systems.

Indicator. Measure that provides a clue to a matter of larger significance or makes perceptible a trend or phenomenon not immediately detectable (World Resources Institute, 1995). In the context of certification, an indicator is a measurable element of the criteria that the verification process will assess.

International Organization for Standardization (ISO). A network of national standards institutes that establishes standards and specifications for a wide range of industries. ISO sets international guidelines for the operation of certification and accreditation, and international standards for specific products and generic for quality management and environmental management.

Interpretation “is a means of communicating ideas and feelings that help people enrich their understanding and appreciation of their world and their role within it. Common interpretation techniques used in ecotourism include commentary on guided tours, presentation and discussions, drama performance, musical performance, brochures signs, displays, and audiovisual presentations” (Honey and Rome, 2001 p. 7).

ISO 9000 series. An international standard for quality management systems from the International Organization for Standardization (ISO). Based on the previous UK BS5750 standard.

ISO 14000 series. Environmental management system from the International Organization for Standardization (ISO). Approved in 1996, ISO 14001 standards were originally developed for

heavy industry and the manufacturing sector. More recently the service sector has started to adopt them, although with limited participation within the tourism industry, mainly by hotels.

ISO 14001. Environmental management system from the International Organization for Standardization. It contains a set of requirements for the environmental aspects that an organization can have control on (ISO 14000 Series - www.iso).

ISO 14024. Set of principles that a certifier should follow when developing environmental criteria for a product (ISO 14000 - www.ansi).

ISO Guide 61. Broad requisites for assessment and accreditation of certification/registration bodies (ISO/IEC Compendium, 1999 - www.iso).

ISO Guide 62. Broad requisites for bodies operating assessment and certification/registration of quality systems (ISO/IEC Compendium, 1999 - www.iso).

ISO Guide 65. Broad requisites for organizations operating product certification systems (ISO/IEC Compendium, 1999 - www.iso).

Mass or Mainstream tourism “are terms commonly but loosely used to refer to popular forms of leisure tourism”...They involve “the movement of a large number of people on nominally standardized packaged tour holidays to resorts and on cruise ships” (Honey and Rome, 2001 p. 7).

Measuring. A way of quantifying the extent of environmental impacts.

Monitoring. The continued measurement and evaluation of environmental impacts to compare an organization’s environmental performance to agreed environmental targets. Monitoring in certification programs usually refers to the process of ensuring that the applicant meets the criteria throughout the period of validity of the certificate/ecolabel.

Nature Tourism “is travel to unspoiled places to experience and enjoy nature” (Honey and Rome, 2001 p. 8).

National accreditation/normalization/standardization offices. Body recognized by one government to assess, against internationally agreed standards, organizations that provide certification, testing, inspection, and calibration services.

Stakeholders are all the parties having “an interest in a particular certification program (Honey and Rome, 2001 p. 8).

Standard. An expected level of quality, graded against competitors, similar industries, or a theoretical classification.

Standards performance based. Level of quality set according to the ability of applicants to meet a minimum performance on a series of indicators. Minimum performances are based on benchmarks for that specific indicator against the average performance within the sector.

Standards process based. Level of quality set according to the ability of applicants to produce evidence of actions taken to make a positive contribution towards or achieve the goals of the certification program.

Standards: difference between standards and criteria. Criteria are established means to verify if performance or process had reached the quality of the standards required.

Sustainable development “entails using, conserving, and enhancing the community’s resources so that ecological development possess, on which life depends, are maintained and the total quality of life, now and in the future, can be sustained” (Honey and Rome, 2001 p. 8).

Sustainable Tourism is “envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled with maintaining cultural integrity, essential ecological process, biological diversity, and life support systems” (WTO definition quoted in Honey and Rome, 2001 p. 8).

Sustainable Tourism Certification “are programs that measure a range of environmental, socio-cultural, and economic equity issues both internally (within the business, service, or product) and externally (on the surrounding community and physical environment) (Honey and Rome, 2001 p. 8).

Tourism. “ The activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes” (WTO definition quoted in Cooper et al, 1999 p. 8).

Tourism certification programs measure and compare “quantity, service, and price, areas deemed most important to travelers... They are based on criteria that are either process- or performance-based or a combination of these two, and they may involve first-,second-,or third-party verification or auditing” (Honey and Rome, 2001 p. 9).

Unique Selling Proposition. Strategic marketing term used to define the need to differentiate a product or service from its competitors based on an attribute that is meaningful to consumers, can be effectively communicated and is difficult for competitors to imitate.

Verification. Process of examining, measuring, testing or otherwise determining conformance with requirements specified in the application criteria.

Verification, first party. Process of determining conformance undertaken by the applicant itself.

Verification, second party. Process of determining conformance undertaken by the certification body.

Verification, third party. Process of determining conformance undertaken by an independent organization contracted by the certification body, with no vested interest in the outcome or direct connection to either applicant or certification body.

Verifier. The person licensed to evaluate the claims of a site.

Verifying body. The organization that undertakes the process of verifying whether the applicant has met the criteria. This will usually be an independent company or consultant (see verifier).

VISIT. Voluntary Initiatives for Sustainability in Tourism. European project to promote and develop sustainable tourism and ecolabels in Europe (www.ecotrans).

VIST. Acronym for WTO report conducted by Ecotrans analyzing voluntary initiatives for sustainable tourism.

Appendices

APPENDIX 1. Advisory Committees

1.1. Executive Advisory Committee

Kelly Bricker, West Virginia University, formerly with Fiji Ecotourism Association

Andrew Drumm, The Nature Conservancy (TNC)

Herbert Hamele, European Network for Sustainable Tourism Development (ECOTRANS)

Oliver Hillel, Ecotourism Specialist

Martha Honey, Institute for Policy Studies (IPS)

Judith Kepher-Gona, Ecotourism Society of Kenya (ESOK)

Eddie Koch, South African Tourism Specialist

Fergus Maclaren, The International Ecotourism Society (TIES)

Michael Meyer, Ecological Tourism in Europe (ETE)

Oswaldo Muñoz, Ecuadorian Ecotourism Specialist

Abigail Rome, Ecotourism Specialist

Seleni Matus, Conservation International (CI)

Greta Ryan, formerly with Conservation International (CI)

Sergio Salvati, World Wide Fund for Nature (WWF-Brazil)

Robert Toth, Certification Specialist

Brett Tollman, Wildlife Tourism Specialist

Tensie Whelan, Rainforest Alliance (RA)

Justin Woolford, World Wide Fund for Nature (WWF-UK)

Eugenio Yunis, World Tourism Organization (WTO)

1.2. Core Consultation and Advisory Committee

Mary Altomare, The Natural Step

Trevor Axford, Accreditation/Certification Specialist

Amos Bien and Rodolfo Lizano, Costa Rican Certification for Sustainable Tourism (CST)

Saúl Blanco Sosa, Director Técnico de la Asociación Alianza Verde

José Luis Cabada, Sunny Land Tours, Inc.

Antonio Compagnoni, International Federation of Organic Agriculture Movements (IFOAM)

Crist Inman and Lawrence Pratt, the Central American Institute of Business Administration (INCAE)

Coralie Breen, Oceans Blue Foundation (OBF)

Guy Chester, Australian Nature and Ecotourism Accreditation Program (NEAP)

Alice Crabtree, Australian Nature and Ecotourism Accreditation Program (NEAP)

Angela Kalisch, Policy Co-ordinator, Fair Trade in Tourism, Tourism Concern

Ruud Klep, Sustainable Tourism Experts and Partners (STEP)

Prof. Sarath Kotagama, Vice President, Ecotourism Society of Sri Lanka, University of Colombo

Alice Tepper Marlin, Social Accountability International (SAI)

Kelly Robinson, formerly with the Caribbean Alliance for Sustainable Tourism (CAST)

Michael Seltzer, Businesses Enterprises for Sustainable Travel (BEST)

Peter Scott, Marine Stewardship Council (MSC)

Scott Wayne, Managing Partner, SW Associates "g

Arthur Weissman, Green Seal

Graeme Worboys and Geoffrey Lipman, Green Globe 21

APPENDIX 2. Terms of Reference

Cluster No. 1: Stakeholder participation

Objective

Identify and recruit stakeholders such as representatives from non-governmental organizations (NGOs), certification programs, multilateral funding agencies, governmental entities and members of the tourism industry to participate in the discussions concerning the viability of a sustainable tourism accreditation body. Ensure that the project involves all the stakeholders, maintains an open and participatory approach and that the necessary actions take place to ensure good participation. Document and prepare reports of recommendations based on the outcomes of stakeholder meetings. The involvement of representatives from different geographic regions and with different interests is fundamental for a successful study on the implementation of a sustainable tourism accreditation body.

Activities

Document a strategy to assure adequate participation from different stakeholders, including a list of participants and the appropriate recruitment procedures. The strategy should include:

- Organization of meetings with certification programs. It would be necessary to have at least two meetings (physical or virtual) with tourism certification programs to discuss the project's scope and objectives and agree on efficient communication mechanisms.
- Identify the most efficient mechanism to ensure participation of an extended audience that will include representatives from all stakeholders.
- Consultation with other accreditation organizations, either through meetings, interviews, or workshop participation.
- Meetings with key specific individuals to ensure involvement and endorsement.
- Consultation with Ministries of Tourism in host countries.
- Consultation through national accreditation bodies.
- Consultation through national standardization and normalization offices.
- Creation of online feedback mechanism.
- Use of popular tourism list serves.
- Implement the designed strategy after approval from the Executive Advisory Committee.
- Organize three participatory workshops, as tools for facilitating stakeholder participation and incorporating their feedback into the project, in consultation with the Advisory Committee through the Rainforest Alliance's Sustainable Tourism Manager.
- Prepare lists of participants.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Design the methodology to be utilized during these workshops to assure that the desirable products are obtained in coordination with clusters 2 and 4.
- Prepare the agenda and the necessary materials for each workshop.
- Find the destinations where the workshops will be held in coordination with local organizations. These workshops should take place in countries in the southern hemisphere that will assure the participation of a significant number of stakeholders.
- Write reports of findings, conclusions and recommendations from each workshop.
- Circulate the results of the workshops to all participants, the Advisory Committee and other relevant players.
- Coordinate with the Rainforest Alliance's Sustainable Tourism and the representative from the World Tourism Organization (WTO) to the Advisory Committee regarding the incorporation of discussions on accreditation in the regional meetings that WTO is organizing for 2002, UN International Year of Ecotourism.
- Similarly, coordinate with the Rainforest Alliance's Sustainable Tourism and the World Tourism Organization (WTO) as well as with The International Ecotourism Society (TIES) the incorporation of discussions on accreditation in six regional meetings currently being organized by TIES and the United Nations Environmental Program (UNEP) as part of the agenda for 2002, UN International Year of Ecotourism.
- Meet other consultants and members of the Advisory Committee at least every four months to assess project's progress (see timetable at the end of this document).
- Present monthly updates to the Rainforest Alliance.
- Participate in monthly conference calls.
- Represent the project in a region (attend related events, direct requests for information and contribute with collecting information for the other clusters in the assigned world region).

Additional qualifications

The consultant in charge must work directly with the Advisory Committee and external experts representing the different stakeholder groups: certification programs, industry, governments, and environmental and social NGOs.

Deliverables

Documented strategy to engage stakeholders through a participatory approach as well as reports (minutes) on actual activities implemented in that regard (meetings and workshops).

Cluster No. 2: Market demand

Objective

Assess the demand for accreditation services and analyze the causes that are effecting the demand. Determine what the different stakeholders -- consumer, tourism operators,

certification programs and ultimately countries and regions -- need from an accreditation system.

Activities

- Acquire and analyze relevant information and documentation.
- Interview key players in tourism (industry, governments, NGOs and other international institutions) in coordination with the other clusters.
- Research market demand and marketing strategies of a minimum of ten key international accreditation agencies, including the following four performance-based agencies: International Federation of Organic Agriculture Movements, Forest Stewardship Council, Marine Stewardship Council and Social Accountability International. This activity must be performed in coordination with clusters No. 3 and 4. The expert team will submit candidate agencies to the Rainforest Alliance and the Executive Advisory Committee for their review and concurrence prior to the initiation of this activity⁶.
- Perform a needs assessment and determine willingness to pay of the different stakeholders for an accreditation system at three levels: a) certification programs, b) industry, and c) governments. A stratified market survey may be needed using representative sampling. For this activity it would be necessary to utilize the benchmarking study of financial models in accreditation (see cluster No. 3), in order to determine the primary audiences for the assessment.
 - What is the need of such a unified system?
 - Are beneficiaries willing to pay for maintaining an accreditation agency?
- Analyze the effectiveness of certification at the consumer level and its link with accreditation.⁷
- Prepare a white paper analyzing market demand for accreditation. This white paper must include the analysis of the effectiveness of certification at the consumer level.
- Document the marketing parameters and propose a marketing strategy for a potential sustainable tourism accreditation agency answering at minimum the following questions:
 - Is it possible to achieve worldwide recognition of a single seal for accredited sustainable tourism certification programs? (This question does not refer to a single certification seal. It refers to an accreditation seal for certification programs).

⁶ Important note: in all clusters it is required to consult other accreditation agencies. Therefore, it is absolutely necessary to coordinate efforts and define the most cost-effective consultation mechanism to avoid duplication and impose less of a burden on those accreditation agencies being analyzed. This may require developing a survey form that would elicit basic information common to all cluster studies. This could be followed up with in-person or telephone interviews.

⁷ Even though the feasibility study focuses on the demand for accreditation, the project must take into consideration the limitations that certification programs have due to lack of consumer awareness and education towards certification. It is not envisioned at this point to conduct a mass-consumer survey. The consultant will need to rely on secondary sources for this analysis.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Are there compelling reasons for a single worldwide certification mark/label or would regional and local marks/labels of accredited certification programs suffice?
- Who should do the marketing: the accreditation body or the industry?
- Who should be the target markets?
- Who should be the target audiences of any marketing campaign?
- Meet other consultants and members of the Advisory Committee at least every four months to assess project's progress (see timetable at the end of this document).
- Present monthly updates to the Rainforest Alliance.
- Participate in monthly conference calls.
- Represent the project in a region (attend related events, direct requests for information and contribute with collecting information for the other clusters in the assigned world region).

Additional qualifications

- The consultant must have access to industry organizations, governments and NGOs to be able to conduct these analyses effectively.
- Marketing background in tourism.
- Knowledge of the tourism industry, traveler's purchasing behavior and understanding of the marketing limitations of certification programs.
- Direct coordination with the consultants working in all other clusters.

Deliverables

- A needs assessment of the different stakeholders for an accreditation system, which will feed into the white paper mentioned below.
- A white paper analyzing market demand for accreditation and willingness to pay, including an analysis of the effectiveness of certification at the consumer level.
- A preliminary strategy to market the accreditation body to the target audiences identified through the activities of this cluster.

Cluster No. 3: Financial sustainability

Objective

Undertake a benchmarking study of other financial models implemented by relevant accreditation agencies. Study the financial feasibility, provide potential phases, and recommend a financial model for establishing and maintaining an accreditation organization.

Activities

- Acquire and analyze relevant information and documentation.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Interview key players in tourism (industry, governments, NGOs and other international institutions) in coordination with the other clusters.
- Interview a minimum of ten key international accreditation agencies including the International Federation of Organic Agriculture Movements, Forest Stewardship Council, Marine Stewardship Council and Social Accountability International, to perform a benchmarking study on financial models that will allow the consultant to present different models and phases (with the corresponding assumptions) and recommend a financial model that takes into consideration previous experiences. This activity must be performed in coordination with clusters No. 2 and 4. The expert team will submit candidate agencies to the Rainforest Alliance and the Executive Advisory Committee for their review and concurrence prior to the initiation of this activity.
- Analyze the market data (cluster No. 2), potential expenses and other financial data (according to inputs from cluster No. 4 regarding organizational structure, timing and staffing) in order to determine the financial implications of creating and maintaining an accreditation body.
- Complement the white paper that analyzes market demand for accreditation (provided by cluster No. 2) by documenting the financial feasibility of establishing an accreditation body.
- Meet other consultants and members of the Advisory Committee at least every four months to assess project's progress (see timetable at the end of this document).
- Present monthly updates to the Rainforest Alliance.
- Participate in monthly conference calls.
- Represent the project in a region (attend related events, direct requests for information and contribute with collecting information for the other clusters in the assigned world region).

Additional qualifications

- Expertise in financial feasibility.
- Knowledge of financial models utilized by other accreditation agencies including their and strengths and pitfalls.
- Direct coordination with the consultants working on clusters No. 2 and 4.

Deliverables

- A benchmarking study of other models implemented by relevant accreditation agencies, a series of potential phases and a recommended financial model to establish and maintain an accreditation organization.
- An addendum to the white paper on market demand documenting the financial feasibility of establishing and maintaining an accreditation organization based on the recommended financial model.

Cluster No. 4: Organization and implementation

Objective

Produce a report on the most effective organizational structure and financial model, with the necessary timing and staffing implications, for a sustainable tourism accreditation body, as well as the steps for its implementation. Study the feasibility of defining minimum international accreditation standards.

Activities

- Acquire and analyze relevant information and documentation.
- Interview key players in tourism (industry, governments, NGOs and other international institutions) in coordination with the other clusters.
- Interview a minimum of ten key international accreditation agencies including the International Federation of Organic Agriculture Movements, Forest Stewardship Council, Marine Stewardship Council and Social Accountability International, to feed the design of a organizational model that takes into consideration previous experiences. This activity must be performed in coordination with clusters No. 2 and 3. The expert team will submit candidate agencies to the Rainforest Alliance and the Executive Advisory Committee for their review and concurrence prior to the initiation of this activity.
- Complement the white paper with a complete organizational blueprint that must take into account the results of the regional workshops (in coordination with cluster No. 1) and answer the following questions:

Planning:

- What could be the mission, goals and objectives of the accreditation body?
- Should it seek UN or other credible endorsement?
- What is the general perception of the success/failure of an accreditation entity?
- Where should an accreditation agency be housed (including potential geographic location)?
- What would be the most appropriate marketing strategy? (Use inputs from cluster No. 2).

Accreditation process:

- Should the sustainable tourism accreditation body define its own accreditation standards or adapt others' standards?
- What existing standards and protocols, if any, are appropriate for adoption or adaptation by a potential accreditation body?
- Should the accreditation body define protocols for setting certification standards?
- Should the accreditation body establish protocols to ensure that certification programs have adequate stakeholder involvement and transparency?

Criteria and standards:

- Should the accreditation body set minimum performance criteria for certification programs?
- What are the recommendations for accreditation criteria per region?
- Is it possible to define international accreditation criteria utilizing the regional inputs?
- Should the accreditation system be targeted to certification programs of accommodation providers, transporters, operators, agencies, guides, products, etc. or to all of the above?
- Is it necessary to have international standards for each application, (e.g. accommodations, operators, transportation, etc.) or are local or regional standards appropriate for each type of application?

Organizational structure:

- What kind of structure should the organization have?
- What type of governance should the organization have?
- What are the necessary timing and staffing implications that the accreditation body should take into account?
- Should it be a membership or a non-membership organization?

Finances:

- What is the expected budget to create and maintain such an organization? (Use inputs from cluster No. 3).
- Should it be a self-financed organization or rely on donations/selling of services? (Use inputs from cluster No. 3).
- Present recommendations for accreditation criteria based on the results of the participatory workshops (in coordination with cluster No. 1) and a thorough analysis of current accreditation criteria from a minimum of ten accreditation agencies (including the International Federation of Organic Agriculture Movements, Forest Stewardship Council, Marine Stewardship Council and Social Accountability International in coordination with clusters No. 2 and 3). The expert team will submit candidate agencies to the Rainforest Alliance and the Executive Advisory Committee for their review and concurrence prior to the initiation of this activity.
- Prepare and present a final report that consolidates the deliverables from clusters No. 1, 2 and 3 with the results of this cluster, including final recommendations and an implementation plan (in coordination with all other clusters).
- Organize preliminary meetings with key players for project's implementation
- Meet other consultants and members of the Advisory Committee at least every four months to assess project's progress (see timetable at the end of this document).
- Present monthly updates to the Rainforest Alliance.
- Participate in monthly conference calls.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

- Represent the project in a region (attend related events, direct requests for information and contribute with collecting information for the other clusters in the assigned world region).

Additional qualifications

- Expertise in organizational development, strategic and business planning and experience with the establishment of other accreditation agencies.
- Knowledge of organizational models utilized by other accreditation agencies including their strengths and weaknesses.
- Direct coordination with the consultants working in all the other clusters.

Deliverables

- Progress reports covering the subs that will later become the final document.
- A final report that consolidates the deliverables from clusters No 1, 2 and 3 with the results of this cluster, including final conclusions and recommendations. This report must consider:
 - The assessment on needs and willingness to pay (cluster No. 2).
 - The recommended marketing strategy (cluster No. 2).
 - The recommended financial model (cluster No. 3).
 - The complete organizational blueprint.
 - Recommendations for accreditation criteria using the regional inputs.
 - Conclusions and final recommendations.
 - An implementation plan.
 - Organization of preliminary meetings with key players for project's implementation.

APPENDIX 3. Monthly activities of working team

August 2001	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Contracting	Contracts signed
Design consultation methodologies and workshop outlines	Correspondence with RS on appropriateness
Regional workshops discussed	Correspondence with RA on appropriateness
Detailed workplan drafted	Document sent for comment
September 2001	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Definition of stakeholders - accreditation bodies, certification bodies, tourism ecolabel, certification programs, government entities, tourism industry representative groups, NGOs, multilateral funding agencies	Stakeholder database
Develop framework for stakeholder database	Stakeholder database file and entries
Regional workshops determined, delivery partners found	Correspondence with RA on appropriateness
Consultation methodology prepared for consultation questionnaire and data collection sheets	Methodology document
Invitation letters for workshops prepared	Database to contain postal and email addresses
Detailed workplan completed	Document sent to RA for approval
Consultation strategy prepared, including workshop, questionnaire and dissemination strategies	Deliverable: document
1 day and 3 hour workshop outlines prepared	Workshop outline documents
Arrange first consultation workshops in Australia	Liase with Ecotourism Association of Australia and ATRi conference organizers
STSC information pack	
Amazon Ecotour 2001	Document workshop outcomes following template
Ongoing establishment of meetings and additional consultation activities at non project specific events/meetings	
Input to STSC Web page	Material provided to RA
E-mail distribution list operational	

October 2001	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
IYE meeting consultation workshop, Andean South America	Document workshop outcomes following template
Ecotourism Association Australia Conference	Consultation workshops
World Tourism Convention + ATRi	Consultation workshops
Press release written and distributed	Information requests added to database
Agree publicity and publication schedule	
Submission of academic paper to Journal of Travel and Tourism Research	Paper published on STSC
November 2001	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Formal progress report	Formal report presented
World Travel Market consultation workshop, London	Document workshop outcomes following template
IIED consultation workshop, London	Document workshop outcomes following template
IYE meeting consultation workshop, Belize	Document workshop outcomes following template
December 2001	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
WTO government members questionnaire	Questionnaire prepared and agreed in three languages Survey administered
Co-ordination of delivery of TIES IYE workshop reports	TIES IYE workshop methodology agreed
STSC Web page launched	Material provided to RA
January 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Send consultation questionnaires to stakeholders	Stakeholder database records

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Task	Evidence
Industry update on STSC progress written and distributed	Information queries responded and additional entries added to database
Industry stakeholders questionnaire	Questionnaire prepared and agreed Survey administered and logged in database
Expert interview consultation with certification and accreditation bodies	Schedule of meetings and transcript of interviews. Results used for first draft.
Brand and logo developed	Logo proposed to RA but decisions on logo usage postponed
Continue to collate data from WTO and stakeholder questionnaires	Questionnaire collection
February 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Preparation of first draft of deliverables including workshop outcomes from workshops to date and questionnaires	Discussions with Advisory Committee
Intl Adventure Travel & Outdoor Sports show, Chicago	Document workshop outcomes following template
Receipt and discussion of preliminary TIES IYE workshop reports	TIES IYE workshop report reporting format agreed
Consumer needs/attitudes survey	Secondary research found of limited value as surveys are not comparable nor reliable Primary research overly expensive and not representative therefore discarded.
Reminders of stakeholder questionnaires	Copy of letter sent, and records kept in database
Continue to collate data from WTO and stakeholder questionnaires	Questionnaire collection
Preparation of first draft of report	Discussions with Advisory Committee
March 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
ITB, Berlin	Document workshop outcomes following template
Continue to collate data from stakeholder questionnaires	Questionnaire collection
WTO government members questionnaire	Report completed and submitted to RA and WTO

April 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Present first draft to Advisory Committee	First draft of report
Input to STSC Web page: Reports from workshops conducted to date	Material provided to RA
May 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Participating at IYE Summit, Quebec	Summit presentation on STSC Advisory Committee workshop conducted Stakeholder verbal recommendations on first draft
Expert face to face and telephone interviews for consultation for second draft initiated	Schedule and transcript of interviews
June 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Feedback from Advisory Committee on first draft reports (in time for IYE Summit)	Advisory Committee recommendations document
Mapping out phases for network, association and accreditation	Drafts of executive summary circulated
Receipt of TIES IYE workshop reports	TIES IYE workshop reports accepted
Receipt of TIES IYE workshop attendants lists	TIES IYE workshop attendants entered to database
Stakeholder written recommendations	Stakeholder recommendations document
Planning considerable rewriting and changes in responsibilities for second draft	Appointments and duties rescheduled
Expert face to face and telephone interviews for consultation for second draft initiated	Schedule and transcript of interviews
July 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Testing phases with expert interviews	Drafts of executive summary improved

Task	Evidence
Input to STSC Web page: WTO survey, IYE workshops.	Material provided to RA
August 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Report on government support for tourism certification for small firms	Report written
Report on stakeholder views on ecotourism certification from IYE results	Report written
Testing phases with expert interviews	Drafts of executive summary improved
Final report writing	Discussions with RA
September 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Agreeing phases	Executive summary circulated
Reformatting report in line with phases	Draft report modified
Identifying gaps in report and allocating tasks	List of tasks allocated
Final report writing	Discussions with RA
Participation at WTO Committee on Sustainable Development of Tourism meeting	Draft executive summary tailored to audience Presentation prepared Outcomes discussed
Input to STSC Web page	Material provided to RA
October 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Participation at Ecotourism Association Australia International Conference, Cairns	Draft executive summary tailored to audience Presentation prepared Outcomes discussed
Final report writing	Discussions with RA
Testing feasibility of key proposals with some stakeholders	Backing from some stakeholders
Input to STSC Web page	Website updated
November 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Update stakeholder database	Stakeholder database file and entries
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Task	Evidence
Stakeholder role written, linked to marketing strategy and organizational blueprint	New Stakeholder role added to report
Participation at World Tourism Market Environment Day events	PR and awareness raising activities with key stakeholders
Methodology expanded, results from consultation more explicit as chapter of report	In final report
Financial expenditure and revenue models considered	In final report
Testing feasibility of key proposals with some stakeholders	Backing from some stakeholders
Response to Advisory Committee recommendation written	Recommendations from Advisory Committee document written with responses
Final report writing	Discussions with RA
December 2002	
Task	Evidence
Monthly updates/meetings/phone calls	Contact established
Update stakeholder database	Stakeholder database file and entries
Executive summary written	In final report
Implementation plan written	In final report
Editing and proofreading of report	In final report
Submit final report	Final report
Submit document on how Advisory Committee recommendations are included in final report	Recommendations response report
Press release for report	Press release written
January 2003	
Task	Evidence
Feedback from Advisory Board	Feedback communications
Report disseminated	Distributed to stakeholder database

APPENDIX 4. Organizations and individuals consulted

4.1. Consultation in workshops

Representatives from the following institutions participated in workshops open to all organizations. Over 1,000 organizations were invited to these events, and encouraged to extend the invitation to other organizations. The invitation was also widely distributed on electronic distribution and discussion lists, such as Planeta.com's discussion list managed by Ron Mader. Full transcripts of each workshop are available at www.rainforest-alliance.org/programs/sv/stsc.html

NAME	COUNTRY	NAME	COUNTRY
"Adeturs" IECA Anapia - Puno	Peru	Coconut Court Beach Hotel in Barbados (environmental manager)	
"Chalalan" Alborgua Ecologico	Peru	Belize Tourism Board	Belize
A2R Fundos Ambientais	Brazil	Borneo Ecotours, MATTA Sabah	Borneo
ABC Travel Reps	Peru	Boschvaart Milieu Advies b.v.	Netherlands
ACIF		Buenaventura Baltimore y Pro Naturaleza Tambopata	
Aedes Asociacion Especializado Pova el Desarrollo Sostenible	Brazil	Candamo	
African Conservation Centre	Kenya	Canadros	Ecuador
AGUAPE	Brazil	Canopy Tower	Panama
AKONTURY	Peru	CAR-CUSCO	Peru
Ambore Turismo Aventura	Brazil	Caribbean Natural Resources Institute	St. Lucia
Ande Peruvian Odyssey SA	Peru	CC.NN.NAGAZU	Peru
Artesanía Peruana Girfer Hnos	Peru	CEDEPA	Peru
Asciacion Cindes	Peru	CEE Delhi	India
Asociacion Aproinpe	Peru	CEE Himalaya	India
Asociación para el Ecoturismo y la Conservación	Peru	Cenfotur Ecocultur	Peru
Asociacion para la Promocion Turistica De Llachon	Peru	Centre for Regional - Og Turismeforskning	Denmark
ASPAC - Assoc. de Silves pe la Preservacao	Brazil	Centre for Responsible and Sustainable Tourism Development - Serbia	Serbia, FR Yugoslavia
Aspen Institute Non-Profit Sector Research Fund	UK	Centre of Sustainable Tourism	Australia
Associação Verde Futuro	Brazil	Centro "Bari Wesna"	Peru
Associação Alianza Verde	Guatemala	Centro de Biencia do Ambiente	Brazil
Australian New Frontiers	Australia	Centro de Promocion y Desarrollo Rural A Mazonico Cepodra	Peru
Austrian Ecolabel for Tourism Organizations (Das Österreichisches Umweltzeichen für Tourismusbetriebe)	Austria	Centro Universitario Nilton Loins	Brazil
AZR Pabdesanbienkais-tena capival		Chalalan	Bolivia
Bangladesh Centre for Advanced Studies	Bangladesh	Charles Sturt University	Australia
Barbados Marine Trust +	Barbados	Charles Sturt University	Australia
		Australia School of Environment and Information Sciences	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

NAME	COUNTRY	NAME	COUNTRY
CIESA - Centro Integrado De Ensino Superior Do AM.	Brazil	Explorandes SAC	Peru
Comisión de Promoción del Perú	Peru	Fachhochschule Deggendeuf	Germany
Comisión de Reglamentos Técnicos y Comerciales / Inst. De Defensa de la Competencia y de la Propiedad Intelectual	Peru	Fachhochschule - Munchen	Germany
Conservacion Enterani	Peru	Facultade Adm. UNICA (ESAG-Fpóplis /SC)	Brazil
Conservación Internacional	Bolivia	Fair Trade in Tourism South Africa	South Africa
Consortio Cooperativo Red Ecoturística Nacional (COPRENA)	Costa Rica	Falls Creek Resort Management	Australia
Contour Projects b.v.	Netherlands	Feconaya	Peru
Coralima	Peru	Feiser S.R.L	
Corporacion Salvadorena del Turismo	El Salvador	FH Deggeudaf - Toledo	Germany
Country Tourism in Latvia	Latvia	institute for Development and Environment - TIDE	
DED (Servicio Aleman de Cooperacion Social y Teonica)	Peru	Fiji Eco tourism Association	Fiji
Deloitte Touche		Flores & Associates	Brazil
Department of Tourism	Benegal	Friends of Nature	
Siliguri College		Fundacion Eco Peru-Holanda	Peru
Destination 21	Denmark	Fundacion Natura	Panama
Development Bank of South Africa	South Africa	Fundacion RHEDES	Honduras
Dirección de Areas Naturales Protegidas Instituto Nacional	Brazil	GREEN GLOBE 21	UK
Dirección de Policía de Turismo y Ecología	Peru	Green Globe Asia Pacific Pty LTD	Australia
Dirección Nacional de Turismo	Peru	Green Tourism Business Scheme	Australia
Earth Sanctuaries Ltd	Australia	Greenstop	UK
ECEAT	Netherlands	Griffith University	Australia
EcoBiosfera El Triunfo S.C.	Mexico	Grupo Odesen	
Ecociudad - Foro Ciudades para la Vida	Peru	Guide	Brazil
Ecological Tourism in Europe (ETE)	Germany	Horizontes Nature Tours	Costa Rica
Ecomaya, S.A.	Guatemala	Hospitality and Tourism Management, Johnson State College	USA
ECOSS Ecotourism & Conservation Society of Sikkim	India	HYDROSPHERA	Peru
Ecotecnia Andina	Peru	ICLEI (International Council for Local Environmental Initiatives)	Canada
Ecotourism Association of Australia	Australia	IGUATEMI / Fpóplis	Brazil
Ecotourism Society of Sri Lanka & ISO 14001 EMS Users Association	Sri Lanka	IIED (International Institute for Environment and Development)	UK
Edith Cowan University	Australia	Ilatin Travel	Peru
ELF	Estonia	INBio Parque (Instituto Nacional de Biodiversidad)	Costa Rica
EMBRATUR	Brazil	INCAE	Costa Rica
EMS Users Association	Sri Lanka	INKAPUSAYUC	Peru
Ente Nazionale di Unificazione (UNI)	Italy	INPECO Instituto Portugues de Ecologia	Portugal
Equations	Bangalore	INRENA-Peru	Peru
Estácio de Sá	Brazil	Institute for Policy Studies (IPS)	USA
		Institute Peruano de Asesoria y Desarrollo Indigena IPADI	Peru
		Instituto Ambiental do Parana	Brazil
		Instituto Costarricense de	Costa Rica

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

NAME	COUNTRY	NAME	COUNTRY
Turismo			
Instituto de Pesquisa de Guaraque (IPG)	Brazil	Instituto de Pesquisa de Guaraque (IPG)	Brazil
Instituto Guatemalteco de Turismo	Guatemala	Instituto Guatemalteco de Turismo	Guatemala
Instituto Ing-ong	Brazil	Instituto Ing-ong	Brazil
Instituto Vitaecivilis	Brazil	Instituto Vitaecivilis	Brazil
International Centre for Tourism & Hospitality Research	UK	International Centre for Tourism & Hospitality Research	UK
Bournemouth University		Bournemouth University	
International Hotel & Restaurant Association (IHRA)	France	International Hotel & Restaurant Association (IHRA)	France
International Hotels - Environment Initiative	UK	International Hotels - Environment Initiative	UK
International Institute for Environment and Development	UK	International Institute for Environment and Development	UK
International Marine Life Alliance		International Marine Life Alliance	
International Solar Center e.V.	Germany	International Solar Center e.V.	Germany
Japan Travel Bureau	Japan	Japan Travel Bureau	Japan
Johnson State College	USA	Johnson State College	USA
Khangchendzonga Conservation Committee (KCC)	India	Khangchendzonga Conservation Committee (KCC)	India
Kiskeya-Alternativa/Kalalú	Dominican Republic	Kiskeya-Alternativa/Kalalú	Dominican Republic
La Mosquitia Ecoaventuras	Honduras	La Mosquitia Ecoaventuras	Honduras
Landcare Research	New Zealand	Landcare Research	New Zealand
LEA / CTTMAR UNIVALI	Brazil	LEA / CTTMAR UNIVALI	Brazil
Leeds Metropolitan University	UK	Leeds Metropolitan University	UK
Lüneburger Universitäts-Studentenkreis	Germany	Lüneburger Universitäts-Studentenkreis	Germany
Turistik e.V.		Turistik e.V.	
Maestria de Ecoturismo_UNALM	Peru	Maestria de Ecoturismo_UNALM	Peru
Marine Aquarium Council	UK	Marine Aquarium Council	UK
Matsigenka	Peru	Matsigenka	Peru
Maweni Farm Ltd.		Maweni Farm Ltd.	
Mercury Himalayan Exploration Ltd.		Mercury Himalayan Exploration Ltd.	
Mesoamerican Travel SA	Honduras	Mesoamerican Travel SA	Honduras
Ministère des Affaires étrangères et du Commerce International (Department of Foreign Affairs and International Trade)	Canada	Ministère des Affaires étrangères et du Commerce International (Department of Foreign Affairs and International Trade)	Canada
Ministerio de Industria, Turismo, Integración y Negociaciones Comerciales Internacionales	Peru	Ministerio de Industria, Turismo, Integración y Negociaciones Comerciales Internacionales	Peru
Ministerio del Ambiente y Recursos Naturales	El Salvador	Ministerio del Ambiente y Recursos Naturales	El Salvador
Ministério Meio Ambiente	Brazil	Ministério Meio Ambiente	Brazil
Mitinci Junin	Peru	Mitinci Junin	Peru
Monkey Bay Wildlife	Belize	Monkey Bay Wildlife	Belize

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

NAME	COUNTRY	NAME	COUNTRY
Sanctuary			
Movimiento Verde	Brazil	Movimiento Verde	Brazil
Múltiplo Turismo	Brazil	Múltiplo Turismo	Brazil
Mundo Azul	Peru	Mundo Azul	Peru
Municipalidad Metrodo Litano de Lima	Peru	Municipalidad Metrodo Litano de Lima	Peru
National Dong Hwa University	TAIWAN	National Dong Hwa University	TAIWAN
National Geographic Society	USA	National Geographic Society	USA
National Parks and Wildlife Services	Australia	National Parks and Wildlife Services	Australia
Netuno Ecoturismo	Brazil	Netuno Ecoturismo	Brazil
Northern Railway Trekking & Mountaineering Association	India	Northern Railway Trekking & Mountaineering Association	India
Obscuro	Brazil	Obscuro	Brazil
Oceans Blue Foundation	Canada	Oceans Blue Foundation	Canada
Office for Foreign Affairs	Liechtenstein	Office for Foreign Affairs	Liechtenstein
Office of Aboriginal Development	Australia	Office of Aboriginal Development	Australia
Okó - Institut	Germany	Okó - Institut	Germany
OSR	Brazil	OSR	Brazil
PATA Bangkok	Thailand	PATA Bangkok	Thailand
Peruvian Odyssey	Peru	Peruvian Odyssey	Peru
Planeta	Mexico	Planeta	Mexico
PNUD - Faculdade	Brazil	PNUD - Faculdade	Brazil
PPRA Avaliacoes e Pericia de Engenharia	Brazil	PPRA Avaliacoes e Pericia de Engenharia	Brazil
Prefeitura de Guajara' Mirim	Brazil	Prefeitura de Guajara' Mirim	Brazil
Probioma	Peru	Probioma	Peru
Procansate	Honduras	Procansate	Honduras
Programme for Belize	Belize	Programme for Belize	Belize
Projeto Brazil Nature	Brazil	Projeto Brazil Nature	Brazil
Projeto Ecoturístico	Brazil	Projeto Ecoturístico	Brazil
Prom Perú - Commission for the Promotion of Perú	Peru	Prom Perú - Commission for the Promotion of Perú	Peru
Promanu	Peru	Promanu	Peru
Promark Japan, Japan Ecotourism Soc.	Japan	Promark Japan, Japan Ecotourism Soc.	Japan
Promotor Turístico	Peru	Promotor Turístico	Peru
Cotohuasi-Arequipa		Cotohuasi-Arequipa	
Promotor de Turismo	Peru	Promotor de Turismo	Peru
Cotahuasi		Cotahuasi	
PromPeru	Peru	PromPeru	Peru
PRORURAL	Peru	PRORURAL	Peru
Proyecto Ecologico Quetzal	Guatemala C.A.	Proyecto Ecologico Quetzal	Guatemala C.A.
Proyecto Educativo Josafat Roel Pineda		Proyecto Educativo Josafat Roel Pineda	
Proyecto Posada Amazonas		Proyecto Posada Amazonas	
Proyecto Pro-nano		Proyecto Pro-nano	
PUG/SP		PUG/SP	
PyFDNPE - GTZ		PyFDNPE - GTZ	
R.B. Toth Associates	USA	R.B. Toth Associates	USA
Rainforest Alliance	USA	Rainforest Alliance	USA
RedTurs - Sustainable Tourism Network of Peru	Peru	RedTurs - Sustainable Tourism Network of Peru	Peru
Rena Vale		Rena Vale	
Retour Foundation	Netherlands	Retour Foundation	Netherlands

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

NAME	COUNTRY	NAME	COUNTRY
Ruisseau	France	UNALM - Maestaia En	
SAB, Consultoria Ambiental	Spain	Ecoturismo	
Y Turistica			
SalvaNATURA	El Salvador		
Servicio Nacional de Areas	Bolivia		
Protegidas		UNCTAD	Switzerland
Sikkim Tours & Travels Pvt.	India		
Ltd			
Slovenian Foundation for	Slovenia	UNEP, Division of	France
Environmental Education in		Technology, Industry and	
Europe (FEEE-S)		Economics	
Soc. Brasil E.	Brazil	UNFV	
SOS Sahel - UK	UK	Unidad de Salvamento Alta	
Spanish Ecotourism Society	Spain	Montana Plicia de Turismo y	
Sri Lanka Ecotourism	Sri Lanka	Ecologia	
Foundation		UNISO-SENAC	
State Department for	USA	United Rural Development	India
Standardization, Metrology		Society	
and Certification of Georgia		Univ Macional Agraria La	Peru
Student UFSC	Brazil	Molina	
Sustainable Tourism	Canada	Univ nae. Agronele Molina	
Association Canada		Universidad de San Martin de	Peru
Swans ea Institute	UK	Porres	
T.C.M. bv	Netherlands	Universidad Nacional Agraria	Peru
Tambopata Reserve Society	Peru	La Molina	
TayaRonee		Universidad para la	
Tearfund	UK	Cooperación Internacional	
Tembowengi African		Universidad San Ignacio de	Peru
Adventures		Loyola	
The David Bellamy	UK	Universidad San Luis	
Conservation Award, British		Gonzaga	
Holiday and Home Parks		Universidad Technologica de	Honduras
Association		Honduras	
The Ecotourism Society	USA	Universidade Anhembi	
(TIES)		Morumbi	
The Nature Conservancy	USA	University of Greifswald	Germany
(TNC)		University of North London	UK
Tourism and Environment	UK	University of Queensland	Australia
Forum		University of Tasmania	Australia
Tourism Commission of the	Argentina	University of Westminster	UK
Chamber of Diputatos +		USMP	
Universidad de la Plata		UTAM Governo Do Estado	Brazil
Tourism Concern	UK	Do Amazonas	
Tourism Victoria	Australia	Victoria University-	Australia
Travel & Tourism Industry	USA	Hospitality and Tourism	
Consultants		Department	
Turismo Vivencial		VISANET	Peru
Humaechuco - Yungay		Vitae Civilis	Brazil
UDESC		Viverde Turismo	
UEA - Universidade de Estado	Brazil	Wet Tropics Management	Australia
de Amazonas		Authority	
UESA		WTO - Organización Mundial	Spain
UFLA - Pos - Ecoturismo		del Turismo, Sección del	
UFPE - Universidade Federal	Brazil	Desarrollo Sostenible del	
de Pernambuco		Turismo	
UFSC			

NAME	COUNTRY	NAME	COUNTRY
WWF - Brazil	Brazil	Yelverton Brook Luxury Eco	Australia
WWF-India	India	Retreat	
WWF-UK	UK	Yomibabo	

4.2. Organizations consulted by questionnaire

The following institutions participated to consultation through a questionnaire sent to over 1000 organisations by e-mail. Full transcripts are available at www.rainforest-alliance.org/programs/sv/stsc.html

NAME	COUNTRY	NAME	COUNTRY
CRC for Sustainable Tourism	Australia	NEAP	Australia
Griffith University		ECOCLUB S.A.	Greece
Chrissy Schwinn	USA	Griffith University - Cooperative	Australia
Sunny Lands Tours, Inc.	USA	Centre for Sustainable Tourism	
Hospitality and Tourism	USA	Turtle Island Holidays	Australia
Management, Johnson State College		Associacion Alianza Verde	Guatemala
Ecotourism Society of Saskatchewan	Canada	Council of Economic Priorities	USA
New Key to Costa Rica	USA	Quality Tourism for the Caribbean	Trinidad & Tobago
International Hotels - Environment Initiative	UK	Parks Victoria	Australia
\Contour Projects b.v.	Netherlands	Planeta	Mexico
Green Globe Asia Pacific	Australia	INPECO Instituto Portugues de Ecologia	Portugal
Committed to Green Foundation	UK	University of Reading, Department of Geography	UK
Equadorean Ecotourism Association	Equador	IUCN and SVN	Vietnam
KAN		Excursiones Pantera S.A. DE C.V.	Mexico
Institute of Natural Resources, University of Natal	South Africa	Destination21	Denmark
BrazilMax		WWF-UK	UK
PAN Parks Foundation c/o WWF	Hungary	H. Ayuntamiento de Othin Blanco	Mexico
James Sullivan	Canada	Comite Permanente de la Expofer	
Jeff Violi		Fiji Ecotourism Association, The University of the South Pacific	
Mt. Buller Resort Management Board	Australia	Centro de Gestión Tecnológica e Industrial (CEGESTI)	Costa Rica
SGS Tecnos S.A.		Missing Link Tourism Consultants	Australia

4.3. WTO government members that responded to the STSC survey

The following institutions participated to consultation through a questionnaire sent to the member states of the WTO. The following institutions responded to the questionnaire sent to the member states of the WTO (see Appendix 8). Full transcripts are available on Appendix 9.

ALBANIA

Agim Singimeri
Ministry of Public works and tourism

AUSTRIA

Renate Penitz
Federal Ministry of Economics and Labour

AZERBAIJAN

Natig Mamedov
Ministry Youth, Sport and Tourism

CHILE

Ricardo Gonzales Comejo
Servicio Nacional de Turismo

CZECH REPUBLIC

Anna Bohacova
Ministry for Regional Development

ERITREA

Woldu G. Michael
Ministry of Tourism

HUNGARY

Tamas Zahanyi
Ministry of Economic affairs

REPUBLIC OF INDONESIA

Thamrin B. Bachri
Ministry of Culture & Tourism.

IRAN

Dr. N. Mostofi
Planning, research and training affairs, Iran
touring and tourism organization.

JAMAICA

Althea Johnson
Ministry of Tourism and Sport

KENYA

C.K. Mwatsama
Ministry of Tourism and Information

KYRGYZ REPUBLIC

Akmatova Ludmila
State Committee for Tourism, Sport and Youth
Policy

MALTA

Malta Tourism Authority

MAURITIUS

Mijoo A.I.
Ministry of Tourism

MEXICO

Alejandro Munoz Ledo
Secretaria de Turismo

NAMIBIA

Albert V. Mize
Ministry of Environment and Tourism

PARAGUAY

Delta Benitez De Gomez
Secretaria de Turismo

POLAND

Joanna Tkaczyk
Polish Centre for Testing and Certification

SEYCHELLES

Zoritta Urosevic Nibourette
Seychelles Tourism Marketing Authority

SWAZILAND

kuthula E. Dlamini
Ministry of Tourism

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

TANZANIA

Mr. Aloyce K. Nzuki

Ministry of Natural Resources and Tourism

TURKEY

Department of Investment Guidance

Ministry of Tourism

and

Sevgi Durak

Ministry of Tourism

ZIMBABWE

Simba Mandinyenta

Zimbabwe Tourism Authority

APPENDIX 5. Press clips and articles from STSC

The following is a short list of articles written fully about the STSC or with direct mentions of the STSC in the printed and electronic press.

- Anon, (Dec. 2001) Mesoamerican Meeting Reviews Ecotourism Strategies for United Nations' International Year of Ecotourism The Ecotourism Observer (WWW).
- Baker, C. (2002) Environmental labels and certification schemes, Green Hotelier, N. 25 Special 10 year anniversary edition.
- Font, X. & Sallows, M. (2002) Setting global sustainability standards: the Sustainable Tourism Stewardship Council, *Tourism Recreation Research*, 27(1) 21-32.
- Font, X. (2002) Certification systems and standards in tourism, *Annals of Tourism Research*, 29 (4) 869-871.
- Font, X. (2002) Environmental certification in tourism and hospitality: progress, process and prospects, *Tourism Management*, 23(3) 197-205.
- Green Globe (12/11/01) Sustainable Tourism Stewardship Council study to begin Green Globe 21 / The News: Issue No. 6.
- Hinchberger, W., (1/1/02) IYE" puts ecotourism in world spotlight, Ecoamericas.
- Maccarrone-Eaglen, A. & Font, X. (2002) Government intervention in support to small tourism firm access to sustainability certification, *Small firms in the tourism and hospitality sectors: an international conference*, Leeds, 12-13 Sept 2002.
- Martha Honey & Abigail Rome Oct. 2001 Protecting Paradise: Certification Programs for Sustainable Tourism and Ecotourism Institute for Policy Studies.
- Salazar Salvati, S. (2002) Tourism Certification in Brazil, ecotourism_certification@yahoo.com
- Sallows, M. & Font, X. (2003) Ecotourism certification criteria and procedures: implications for ecotourism planning and environmental management. In Diamantis, D. Geldenhuys, S. (Eds) *Ecotourism: management and assessment*, London: Continuum.
- Sanabria, R. (Nov. 2001) Acreditación a Certificadores de Turismo Sostenible. *Ambientico*, No. 98 (Magazine in Costa Rica).
- Sanabria, R. (2002) in Honey, M. (Ed) (2002) *Ecotourism Certification: setting standards in practice*, New York: Island Press.
- Tyler Maclaren, F. (Sept. 2001) Ecotourism Accreditation and Certification's Role in IYE, The Ecotourism Observer (WWW).

APPENDIX 6. WTO survey on tourism certification programs

These are the 59 local, national and international certification programs and ecolabels identified and analyzed by WTO are listed here for identification purposes. A variety of other tourism certification programs have been initiated since this data was collected and some of these programs have ceased to operate.

Nr	Title	Target area	Target group	Since
1.	Blue Flag campaign	Europe	Sports facilities (Beaches, marinas)	1987
2.	Qualität Plus Kleinwalsertal (Quality Plus Kleinwalsertal)	Austria	Accommodation (all types)	1988
3.	Blaue Schwalbe (Blue Swallow)	Europe	Accommodation (several types)	1990
4.	Grüne Hand – Wir tun etwas für die Umwelt (Green Hand – We do something for the Environment)	Austria	Accommodation (hotels, private)	1991
5.	Gite Panda	Belgium	Accommodation (Gites)	1992
6.	Umweltsiegel Lungau (Environmental Seal Lungau)	Austria	Accommodation (several types)	1992
7.	Wir führen einen umweltorientierten Betrieb (Greener Management for Hotels and Restaurants)	Germany	Accommodation (all types)	1993
8.	Alcúdia – Municipi Ecoturístic (Alcúdia – Ecotouristic Municipality)	Spain	Accommodation (several types)	1994
9.	Den Grønne Nøgle (The Green Key)	Denmark, Sweden, Greenland, Estonia	Accommodation (all types)	1994
10.	ECOTEL Certification	World	Accommodation (Hotels)	1994
11.	Nachhaltigkeits-Zertifizierung für Hotelbetriebe („Label oe-plus“) (Certification of Sustainability for Hotels)	Switzerland	Accommodation (Hotels)	1994
12.	Naturprodukt Nationalpark Hohe Tauern (Natural products Hohe Tauern National Park)	Austria	Accommodation (all types), Other businesses	1994

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Nr	Title	Target area	Target group	Since
13.	Standardy pro ubytovací zařízení venkovské turistiky (Standards for Countryside Accommodation)	Czech Republic	Accommodation (bio-ecological holiday farms)	1994
14.	Umweltsiegel Tirol-Südtirol (Environmental Seal Tyrol - South Tyrol)	Austria, Italy	Accommodation (all types)	1994
15.	Gite Panda	France	Accommodation (Gites)	1995
16.	PATA Green Leaf Program/ APEC/PATA Code for Sustainable Tourism	Asia-Pacific	Accommodation (all types), Tourism companies (all fields)	1995
17.	Sistema de Turismo Responsable (Biosphere Hotels – Quality for Life)	Spain	Accommodation (several types)	1995
18.	David Bellamy Conservation Award	United Kingdom	Accommodation (holiday parks, camping, caravanning)	1996
19.	Hiiumaa Roheline Märk - Loodussõbralik Teenindus (Hiiumaa Green Label - environmentally sound service)	Estonia	Accommodation (all types)	1996
20.	Umweltgütesiegel auf Alpenvereinshütten (Eco-label of the Alpine Associations for Huts)	Germany, Austria, Italy	Accommodation (alpine huts)	1996
21.	Alberghi Consigliati per l'impegno in Difesa dell'Ambiente (Recommended Environmentally Friendly Hotels)	Italy	Accommodation (Hotels)	1997
22.	Certificación para la Sostenibilidad Turística (Certification for Sustainable Tourism)	Costa Rica	Accommodation (all types), Tourism businesses (all fields)	1997
23.	Das Österreichische Umweltzeichen für Tourismusbetriebe (The Austrian Ecolabel for Tourism)	Austria	Accommodation (all types)	1997
24.	Green Key for Holiday Houses	Denmark	Accommodation (holiday houses)	1997

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Nr	Title	Target area	Target group	Since
25.	National Ecotourism Accreditation Program	Australia	Accommodation (several types), Tourism products (Tour offers)	1997
26.	Umweltbewußter Hotel- und Gaststättenbetrieb (Environmental orientated Hotel and Gastronomy business)	Germany	Accommodation (all types)	1997
27.	Clean Marine Green Leaf Eco-rating Program	Canada	Sports facilities (marinas, yacht clubs, other boating facilities)	1998
28.	El Distintivo de Garantia de Calidad Ambiental (“El Distintivo”) (The Emblem of Guarantee of Environmental Quality)	Spain	Accommodation (all types)	1998
29.	Green Tourism Business Scheme	United Kingdom	Accommodation (all types)	1998
30.	GreenLeaf Eco-Rating Program	Canada	Accommodation (several types)	1998
31.	Greenlinks Eco-Rating Program	Canada	Sports facilities (Golf courses)	1998
32.	Hôtel au Naturel (Hotel of Nature)	France	Accommodation (Hotels)	1998
33.	Milieubarometer (Environmental Barometer)	The Netherlands	Accommodation (camping)	1998
34.	Öko-Pikto (Eco-Picto)	Europe	Accommodation (camping)	1998
35.	Regionalmarke Biosphärenreservat Schorfheide-Chorin (Regional Brand Biosphere Reserve Schorfheide-Chorin)	Germany	Accommodation (all types), Trade companies	1998
36.	Umweltsiegel Uckermark (Environmental Seal Uckermark)	Germany	Accommodation (several types)	1998
37.	Urlaub auf Biohöfen in Deutschland (Holiday in Organic farms in Germany)	Germany	Accommodation (bio-ecological holiday farms)	1998
38.	EcoLabel Luxembourg	Luxembourg	Accommodation (all types)	1999

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Nr	Title	Target area	Target group	Since
39.	Green Globe Certification	World	Accommodation, Tour operators, Destinations	1999
40.	Guida Agli Agriturismi Bioecologici (Holiday in Organic farms in Germany)	Italy	Accommodation (bio-ecological holiday farms)	1999
41.	Les Clefs Vertes (The Green Keys)	France	Accommodation (camping, caravanning)	1999
42.	Nordic Ecolabeling: Miljömärkning av hotel (Nordic Swan)	Scandinavia, Iceland	Accommodation (Hotels)	1999
43.	Öko-Proof-Betrieb (Eco-Proof-Company)	Germany	Accommodation (Hotels)	1999
44.	Entreprise éco-dynamique (eco-dynamic company)	Belgium	Accommodation (Hotels), Other businesses	2000
45.	Horizons : the Saskatchewan Ecotourism Accreditation System	Canada	Tour operators	2000
46.	Label Vert (Green Label)	Belgium	Accommodation (several types)	2000
47.	Power Smart Green Hotel Program	Canada	Accommodation (all types)	2000
48.	SmartVoyager	Ecuador	Tourism products (tourist boat operations)	2000
49.	Der UMWELT verpflichtet (Committed to Green)	Germany	Sports facilities (Golf clubs)	2001
50.	Estonia – the Natural Way	Estonia	Tourism products (Tour offers, etc.)	2001
51.	Groene Duim (Green Thumb)	The Netherlands	Accommodation (several types), Destinations	2001
Nr	Title	Target area	Target group	Since

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

52.	Umweltzertifizierung für die Tourismusbranche nach der Norm von ISO für kleine Betriebe (Environmental Certification for Tourism – Introduction of Environmental Management Systems in conformance to ISO for small businesses)	Italy	Accommodation (several types)	2001
53.	PAN Parks Initiative	Europe	Nature areas (Protected areas)	2002
54.	VIABONO	Germany	Tourism businesses (accommodation, destinations, further services)	End of 2001
55.	Destination 21	Denmark	Destinations	Expected in 2001
56.	European Charter for Sustainable Tourism in Protected Areas	Europe	Nature areas (Protected areas), Tourism businesses, Tour operators	Expected in 2001
57.	Eco Diving Standards	The Netherlands	Sports facilities (dive shops, land tour operators, etc.), Accommodation (hotels)	Expected in 2001/2002
58.	Kiskeya Alternative Certification Program	Haiti / Dominican Republic	Tour operators	Expected in 2001/2002
59.	Lee Valley Eco-label Project	France	Accommodation (all types), Other businesses	Expected in 2001/2002

APPENDIX 7. General consultation questionnaire

SUSTAINABLE TOURISM STEWARDSHIP COUNCIL CONSULTATION QUESTIONNAIRE

Name of respondent:

Position:

Institution:

Address:

E-mail:

CERTIFICATION

Certification is the procedure by which a third party (the certifier) gives written assurance to the consumer that a product, process, service or management system conforms to specified requirements.

The proposed Sustainable Tourism Stewardship Council under consideration will work with current certification schemes, not replace them. For this reason we need further information from you regarding the use of certification programs in a range of industries in your country, including tourism, and how such programs are accepted in the market place.

What level of knowledge about certification already exists in your country or region?

How many certification programs are you aware of? Please identify any you are aware of.

Do these certification systems have wide consumer recognition?

Are these certification programs process or performance based?

What are some of the challenges these certification programs face?

What is the market demand for certification?

Is certification working at the consumer level?

What are the costs and benefits of current certification programs?

What is the accessibility for different size of businesses?

ACCREDITATION

The proposed Sustainable Tourism Stewardship Council would need to operate in conjunction with national accreditation bodies, and for this reason we need to find out how existing accreditation bodies are used, their market acceptance and the financial operating circumstances they operate under.

Accreditation bodies 'audit the auditor' and their capacity to certify companies and/or products. Each country has its own accreditation body, such as UKAS in the UK, JAS-ANZ in Australia and New Zealand and SABS in South Africa. There is a large number of bodies globally that accredit around 14 000 certification bodies, each one of which is licensed to work in a particular country/countries with particular standard/s.

Is there a role for accreditation in your region? To what industries does this need apply?

Is there a need for regional coordination of an accreditation effort for the tourism industry?

What roles can an accreditation body play?

Are there core standards that all certification bodies should comply with?

Who are the potential beneficiaries of an accreditation body?

How should an accreditation body be implemented? In what stages/phases?

Who should have responsibility for operating an accreditation body?

What percentage of its budget should be allocated to marketing?

Is an accreditation body a good idea? If yes, under which conditions?

What are the potential shortcomings of an accreditation body for tourism?

FINANCIAL ASPECTS

The proposed Sustainable Tourism Stewardship Council would need to keep its operating costs to a minimum, yet it is expected that funding will be required for a two year start-up period, followed by a five year subsidy to cover its secretariat, to be reviewed after this period. A key issue at this stage is to determine willingness to contribute to cover the costs from a variety of sources. Fully self-financing through membership is unlikely and other methods of financing need to be scrutinized in the light of the requirement of independence.

Possible funding methods would combine membership fees from certification bodies, funding from international agencies, in kind provision of a secretariat by an international organization, financial support from private foundations, funding from the national environmental agencies in the countries where the tourists originate from – that mainly means the western countries, provisions from the national tourism boards in the tourism countries, grants, financial support from the tour operators, environmental “tax” paid by eco-tourists – collected by the tour operators and send to the STSC.

How do you think an accreditation body should be funded?

Is accreditation the responsibility of the local governments in the tourist-destination countries or is it the responsibility of the governments in the countries where the tourists originate? Why?

Should the tourism industry play a major role in funding such a body, when accreditation is something that can assist governments in terms of ensuring better sustainability of tourism in terms of environmental, social and economic improvements?

Should a fee structure be established for certification schemes applying for accreditation?

Should there be a differentiation in the level of fees according to the financial size of the certification scheme?

How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?

What do you see the role of international agencies might be?

WILLINGNESS TO PAY

One of the very important elements of setting up any new organization is to make sure that the organization is build on a solid financial foundation. The idea of this organization is that the members will at least partially fund the sustainable tourism accreditation body that we are trying to form. In order for us to be able to put together a solid budget we need to have an estimate of the percentage of the budget that can be funded true member contributions.

Please let us know what you think would be the maximum chargeable amount of money for the services stated underneath. Because there is such a variation in size between sustainable tourism certification bodies, please answer the questions both for small local sustainable tourism certificates and for large regional or international sustainable tourism certificates.

Application fees are paid when a certification body sends in an application to the accreditation body

What is the maximum amount you think it would be possible to charge in application fee, if we want to make sure that the sustainable tourism certificates will actually apply? (Please state amount in USD or Euros):

Small local sustainable tourism certificates

Large regional or international sustainable tourism certificates

Acceptance fee is a one-time fee paid when the certification body gets accepted as a member of the accreditation body

What is the maximum amount you think it would be possible to charge in acceptance fee, if we want to make sure that the sustainable tourism certificates will actually apply? (Please state amount in USD or Euros):

Small local sustainable tourism certificates

Large regional or international sustainable tourism certificates

Yearly membership fee is a fixed fee paid on a yearly basis in order to maintain the membership of the accreditation body

What is the maximum amount you think it would be possible to charge in yearly membership fee, if we want to make sure that the sustainable tourism certificates will actually apply? (Please state amount in USD or Euros):

Small local sustainable tourism certificates

Large regional or international sustainable tourism certificates

MARKETING AND ACCEPTANCE

The proposed Sustainable Tourism Stewardship Council under consideration will need to ensure that tour operators and tourists prefer products certified by an accredited certifier because these are more sustainable. Budgetary constraints are likely to focus direct marketing to the tourism industry, and indirect marketing to consumers through alliances with consumer groups.

Should national tourist boards support the promotion of tourism companies from your country that have been certified by an accredited certifier over non certified companies?

Should STSC lobby for tour operators to use suppliers certified by an accredited certifier in their packages? Why?

Should STSC lobby shareholders of large corporations to encourage their companies to become certified by an accredited certifier? Why?

Should STSC lobby financial institutions to provide soft credits to companies aiming to achieve accredited certification?

In your opinion, do you think accreditation of certifiers might affect the purchasing behavior of tour operators and tourists? How?

OTHER COMMENTS

PLEASE RETURN BY April 5th 2002 TO A.Maccarrone-Eaglen@lmu.ac.uk

APPENDIX 8. Questionnaire to WTO government members

Distributed to the governments of the member states of the World Tourism Organization.



SUSTAINABLE TOURISM STEWARDSHIP COUNCIL CONSULTATION QUESTIONNAIRE FOR WTO MEMBER STATES

Name of respondent:

Position:

Institution:

Address:

E-mail:

CERTIFICATION

The proposed Sustainable Tourism Stewardship Council under consideration will work with current certification schemes, not replace them. For this reason we need further information from the WTO questionnaire last year regarding your government's use of certification programs in a range of industries, including tourism, and how such programs are accepted in the market place.

Certification is the procedure by which a third party (the certifier) gives written assurance to the consumer that a product, process, service or management system conforms to specified requirements.

Does your government have a national standards office to develop standards in your country? Who is the contact that most closely works on standards for tourism and hospitality companies?

If yes, are auditing and certification services carried out by government personnel, or by private sector certification bodies?

Which certification bodies operate in your country? (Either generic certification bodies that tourism companies can apply for, or tourism-specific schemes)

What tourism ecolabeling initiatives are currently supported by your government at the national, provincial and local levels?

Are these ecolabeling initiatives funded or subsidized directly by your government?

In terms of tourism certification, what do you think the main benefits of such certification are to your country?

In your opinion, what are the shortcomings of tourism certification in your country?

ACCREDITATION

The proposed Sustainable Tourism Stewardship Council would need to operate in conjunction with national accreditation bodies, and for this reason we need to find out how your government uses accreditation bodies, their market acceptance and the financial operating circumstances they operate under.

Accreditation bodies 'certify the certifiers' and their capacity to certify companies and/or products. There is a large number of bodies globally that accredit around 14 000 certification bodies, each one of which is licensed to work in a particular country/countries with particular standard/s.

Does your government support or operate a national accreditation body/normalization agency to accredit particular certification bodies to operate in your country?

If yes, how is this accreditation body funded? Does it receive direct funding support from the government?

If yes, what percentage of its operating costs is provided from government funds?

If not, how is it funded?
By membership fees?
Other?

Could you please name a key contact at this organization that we may contact in the course of this research?

If a tourism specific accreditation body were to be established, with global relevance, what would you see to be the major advantages to such a body?

Will it require one main office plus several regional offices, if yes how many – or is it enough with only one office that covers the whole world?

FINANCIAL ASPECTS

The proposed Sustainable Tourism Stewardship Council would need to keep its operating costs to a minimum, yet it is expected that funding will be required for a two year start-up period, followed by a five year subsidy to cover its secretariat, to be reviewed after this period. A key issue at this stage is to determine willingness to contribute to cover the costs. Securing support from national governments to promote the STSC and to initiate and support national certification schemes is a key requirement.

To what extent would your government see it as its responsibility to provide financial support to the organization?

Would you see this as a one-off situation, or would you see it as the ongoing responsibility of the government in your country?

If you do not see it as government responsibility, who should have responsibility for funding the body?

Is it the responsibility of the local governments in the tourist-destination countries or is it the responsibility of the governments in the countries where the tourists originate? Why?

Should the industry play a major role in funding such a body, when accreditation is something that can assist governments in terms of ensuring better sustainability of tourism in terms of environmental, social and economic improvements?

Should a fee structure be established for certification schemes applying for accreditation?

Should there be a differentiation in the level of fees according to the financial size of the certification scheme?

What would be the highest willingness to pay level for the accreditation services from a tourism certification scheme operating in your country?

What kind of financial structure could be the most suitable for an international tourism accreditation body?

How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?

What do you see the role of international agencies might be?

MARKETING AND ACCEPTANCE

The proposed Sustainable Tourism Stewardship Council under consideration will need to ensure that tour operators and tourists prefer products certified by an accredited certifier because these are more sustainable. National Tourist Boards will need to play a key role in delivering this message.

Do you think a single, identifiable logo/brand should be developed to assist consumer recognition? If not, why?

Who should have the major responsibility for promoting a global accreditation body?

Would your national tourist board support the promotion of tourism companies from your country that have been certified by a certifier accredited by the proposed STSC? How would you do this?

In your opinion, how do you think such a body might affect the purchasing behavior of tour operators and tourists?

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Please feel free to make any suggestions about the steps you consider necessary to establish an accreditation body for sustainable tourism.

OTHER COMMENTS

PLEASE FAX BY 22ND FEB 2002 TO +44 113.283.3111 AND +34 915.713.733

Appendix 9. Responses received from WTO government members to the STSC survey (grouped by region)

West Europe

	Agim Singimeri Institution: Ministry of Public Works and Tourism ALBANIA	Renate Penitz Institution: Federal Ministry of Economics and Labour AUSTRIA	Ev. Soteriou Institution: Cyprus Tourism Organization CYPRUS	Institution: Malta Tourism Authority MALTA	Department of Investment Guidance. Institution: Ministry of Tourism TURKEY	Sevgi Durak Institution: Ministry of Tourism TURKEY
Does your government have a national standards office to develop standards in your country? Who is the contact that most closely works on standards for tourism and hospitality companies?	Yes. Ministry of Public Work and Tourism. The Directory of Marketing and Tourism Standards.	Industry: Austrian Standards Institute. Contact: Mr. Peter Jonas. Esp. Tourism Accommodation: Federal Chambre of Commerce, Tourism Department: Mr. Michael Raffling. Federal Ministry of Economics and Labour and the Federal Ministry of Agriculture, Forestry, Environment and Water Management for the "Austrian Ecolabels for Tourism".	Cyprus Organization of Standards and Control of Quality. General Director.	Malta Standards Authority. Malta Tourism Authority (MTA)	Yes, Turkish Standardization Institute. General Directorate of establishments, Ministry of Tourism is the body of certification. Local authorities (municipalities)	Yes. Turkish Standardization Institution (TSE) in general and the Ministry of Tourism for Tourism Sector. The contact for tourism is Omer Kamil Balaban, President of the Board of Tourism Supervisors.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If yes, are auditing and certification services carried out by government personnel, or by private sector certification bodies?</p>	<p>It s by government.</p>	<p>Depends on the nature of certification; Certification for tourism accommodation is carried out by the Federal Chambre of Commerce, whereas certification for the Austrian Ecolabel for Tourism is carried out by the Austrian Consumer association, a private association, on behalf of the Ministries of Economics and Environment.</p>	<p>Used to be carried out by government personnel and will be carried out by a certification company.</p>	<p>Government.</p>	<p>Auditing and certification services are carried out by government personnel.</p>	<p>For the tourism sector it is carried out by government personnel.</p>
<p>Which certification bodies operate in your country? (either generic certification bodies that tourism companies can apply for, or tourism-specific schemes)</p>	<p>The expert of classification. The State of Commission of classification and license.</p>	<p>Tourism specific schemes: Federal Chamber of Commerce, Ministries.</p>	<p>ISO series, Green Globe, Blue Flag.</p>	<p>Hospitality Assured for professional service standard.</p>	<p>Regulation of establishments defines the basic qualities of establishments published by general directorate of establishments. The establishments are certified according to the regulation.</p>	<p>Certification is carried out by TSE in general and by the Ministry of Tourism for Tourism sector, as well.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>What tourism ecolabeling initiatives are currently supported by your government at the national, provincial and local levels?</p>	<p>The initiatives are supported at national level.</p>	<p>Austrian Eco-label for Tourism, a national label.</p>	<p>Blue Flag ISO 14001.</p>	<p>MTA is currently working to introduce an ecolabel certification system.</p>	<p>We do not have ecolabeling initiatives.</p>	<p>Ministry of Tourism plans “Tourism Center” (areas which are declared by government) by taking into consideration ecology. Additionally we have Ministry of Environment, which is responsible for environmental protection.</p>
<p>Are these ecolabeling initiatives funded or subsidized directly by your government?</p>	<p>Yes</p>	<p>An initiative founded and funded by the Federal Ministry of Economy and Labour together with the Federal Ministry for Agriculture and Environment.</p>	<p>Blue Flag is not subsidized but assistance is offered. ISO 14001 is subsidized by government.</p>	<p>Yes</p>		<p>The Ministry of Tourism supports infrastructure investments of local authorities in tourism areas. Detailed information on support of their regions can be got from the Ministry of Environment.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>In terms of tourism certification, what do you think the main benefits of such certification are to your country?</p>	<p>The orientation and the strength of the new accommodation units.</p>	<p>Main benefits are: Raise awareness for environmental issues in the Austrian tourism and leisure industry. Demonstrate that environmental management is a quality element in tourism by setting high quality standards. Show that environmental management makes good business sense. Offer guidance for interested tourists. Present a marketing instrument for the tourism companies. Raise the level of quality in general in the Austrian tourism industry.</p>	<p>Defines and maintains standards. Creates awareness in industry, community, market and encourage correct practices. Marketing tool.</p>	<p>Product improvement.</p>	<p>Enhancement of quality, facilitation of marketing, standardization of management in hotels, travel agencies etc, and the training of personnel.</p>	<p>Some standards for same kind of establishments in whole country. To award/support this kind of investments/establishments. To create public consciousness on Tourism and Ecology.</p>
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>In your opinion, what are the shortcomings of tourism certification in your country?</p>		<p>Regular evaluation and adaptation of the criteria is becoming more important, in order to further develop/raise the quality level in the tourism industry.</p>	<p>The scheme is not thorough enough to ensure quality standards.</p>	<p>It may be in conflict with tour operator's certification schemes.</p>	<p>Establishments that do not comply with the established regulation cannot get the tourism license, which results in economic loss. A gap in the need of trained tourism personnel.</p>	
<p>Does your government support or operate a national accreditation body/ normalization agency to accredit particular certification bodies to operate in your country?</p>	<p>Yes</p>	<p>In Austria accreditation is a legal act on the basis of the accreditation law. Accreditation body in Austria is the Federal Ministry of Economics and Labour (member of the European Co-operation for Accreditation-EA).</p>	<p>Cyprus Organization of standards and Control of Quality work with particular certification schemes e.g. ISO.</p>	<p>No</p>	<p>No. We do not have a national accreditation body for accrediting particular certification bodies.</p>	<p>In Turkey TSE is responsible for creating national standards in general and the Ministry of Tourism is for Tourism Sector. These responsibilities are given by law and cannot be transferred or shared. Because of this the following questions are not answered.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If yes, how is this accreditation body funded? Does it receive direct funding support from the government?</p>	<p>It is funded by State budget. The Ministry of Finance.</p>		<p>Used to be an organization completely funded by government, under the Ministry of Commerce, Industry and Tourism and it is a company currently under formation.</p>			
<p>If yes, what percentage of its operating costs is provided from government funds? If not, how is it funded? By membership fees? Other?</p>	<p>About 95% from government funds and 5% from membership fees.</p>		<p>Completely.</p>			
<p>Could you please name a key contact at this organization that we may contact in the course of this research?</p>	<p>The directorate of Marketing and Tourism Standards.</p>	<p>Federal Ministry of Economics and Labour, Dept. IV/9, Mr. Gunter Fries, Landstrasser Hauptstrasse 55-57, AT-1031 Vienna, Austria. Tel: +43-1-711008248; email: guenter.fries@bmwa.gv.at</p>	<p>Mr. Polis P. Volsis, president of the B. e C. Tel: 357-22911327, email@pvotsis@laiki.com</p>			

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If a tourism specific accreditation body were to be established, with global relevance, what would you see to be the major advantages to such a body?</p>	<p>The unification of the verification process.</p>	<p>The definition of standard criteria, internationally recognized and implemented, would be the major advantage.</p>	<p>International recognition. International quality assurance control of standards for an international industry.</p>	<p>Uniformity.</p>	<p>Establishment of an auto control system, improvement of the certification system.</p>	
<p>Will it require one main office plus several regional offices, if yes how many – or is it enough with only one office that covers the whole world?</p>	<p>Main office and several offices.</p>	<p>In order to consider regional particularities, regional offices will also be required.</p>	<p>Yes, the number will depend on the quantity of work produced in each region of the world.</p>		<p>Yes, one main office plus several regional offices. The number of the regional offices is to be determined according to the conditions of each country involved.</p>	
<p>To what extent would your government see it as its responsibility to provide financial support to the organization? Would you see this as a one-off situation, or would you see it as the ongoing responsibility of the government in your country?</p>		<p>Not known so far.</p>	<p>The funding should result from fees charged for accreditation but if additional funding is required the government should consider it.</p>	<p>Funding by countries should be in proportion to a country's resources. This should be similar to WTO's membership fee structure. A tangible service should be delivered and the links between the generating and receiving countries responsibilities identified.</p>		

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If you do not see it as government responsibility, who should have responsibility for funding the body?</p>	<p>Government responsibility.</p>	<p>International organizations or the funding companies.</p>		<p>Government's responsibility.</p>		
<p>Is it the responsibility of the local governments in the tourist-destination countries or is it the responsibility of the governments in the countries where the tourists originate? Why?</p>	<p>Tourist destination countries.</p>	<p>Most likely the tourist destinations.</p>	<p>Local government because it mainly relates to the destination.</p>	<p>Government in the country.</p>		
<p>Should the industry play a major role in funding such a body, when accreditation is something that can assist governments in terms of ensuring better sustainability of tourism in terms of environmental, social and economic improvements?</p>		<p>Indeed the industry should play a major role in funding but also in funding such a body, as they have to implement the standards set up.</p>	<p>Yes, because it relates to the validity of accreditation.</p>	<p>No</p>		

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Should a fee structure be established for certification schemes applying for accreditation?		Yes, as this system works well in Austria.	Yes	Yes		
Should there be a differentiation in the level of fees according to the financial size of the certification scheme?		Criteria for differentiation must be developed according to international best practices.	Product of research	Yes		
What would be the highest willingness to pay level for the accreditation services from a tourism certification scheme operating in your country?		Cannot be said in general, depends on the services provided by the body and the resulting benefits.	Product of research	No accreditation scheme is currently operational.		
What kind of financial structure could be the most suitable for an international tourism accreditation body?		No answer can be provided, due to lack of experience.		Governments should support it.		

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?	A primary role.	Support by internationally re-known organizations/agencies is very important, in order to position the body on the market.		Very important to avoid duplication of work and initiatives.		
What do you see the role of international agencies might be?	Provide orientation.	They should also have a founding responsibility, advisory function (steering group).		Information, provision, consultation.		
Do you think a single, identifiable logo/brand should be developed to assist consumer recognition? If not, why?	Yes	Another logo could be developed in addition to the national one, but not necessarily. (Might be useful for countries, which did not introduce a national logo so far). However, existing national and well-introduced logos should not be replaced.	Yes	Yes	An international logo should be developed.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Who should have the major responsibility for promoting a global accreditation body?	WTO	The funding organization.	WTO if it is specific to tourism.	WTO	World Tourism Organization (WTO)	
Would your national tourist board support the promotion of tourism companies from your country that have been certified by a certifier accredited by the proposed STSC? How would you do this?	Yes	It depends on the attractiveness of the product and its benefits.	Yes, e.g. inclusion in electronic and printed information materials.	Yes. By sharing information and by working with tour operators.	No	
In your opinion, how do you think such a body might affect the purchasing behavior of tour operators and tourists?	Positively only.	A positive trend can be expected.	Favorably.	Positively particularly due to trends and expectations for similar initiatives.	Complying with international standards would affect the marketing and selling the establishments, services in the most positive way.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>Please feel free to make any suggestions about the steps you consider necessary to establish an accreditation body for sustainable tourism.</p>				<p>Internationally practical for different types of destinations. Not too demanding on funds. The challenge is to set standards which are, at the same time, applicable to different destinations.</p>		
<p>OTHER COMMENTS</p>		<p>The European Commission, who currently has similar projects ongoing at European level, should be involved closely in this process of establishment.</p>				

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

East Europe

	Natig Mamedov Institution: Ministry Youth, Sport and Tourism AZERBAIJAN	Anna Bohacova Institution: Ministry for Regional Development CZECH REPUBLIC	Tamas Zahanyi Institution: Ministry of Economic affairs HUNGARY	Akmatova Ludmila Institution: State Committee for Tourism, Sport and Youth Policy. KYRGYZ REPUBLIC	Joanna Tkaczyk Institution: Polish Centre For Testing and Certification POLAND
Does your government have a national standards office to develop standards in your country? Who is the contact that most closely works on standards for tourism and hospitality companies?	Yes, contact person Chingiz Azimov	Ministry for Regional Development of the Czech Republic. Ing. Maria Vitakova, director for the Tourism Department	Hungarian Standard Institutions Jozsef Haba email address: j.haba@mszt.hu	Kyrgyz Standard Service Department, Rosa Yusupova	Yes. Polish Committee for Standardization (PKN)
If yes, are auditing and certification services carried out by government personnel, or by private sector certification bodies?	No	Trade regulations		Government	Both.
Which certification bodies operate in your country? (either generic certification bodies that tourism companies can apply for, or tourism-specific schemes)	On tourism field there are no certification bodies	Trade regulations	Certification of hotels, accommodation (rural and private), restaurants by local authorities (self-government) compulsory registration for guides, travel agencies by government body.	Certification Board under the “National Tourism Development Foundation” (NGO)	Generic quality system certification bodies.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

What tourism ecolabeling initiatives are currently supported by your government at the national, provincial and local levels?	At the National Foundation National Parks	Tourism in Regions and Spa industry	“Green Hotels” Hungarian Hotel association, “Environment friendly product” Ministry of Environment protection.	None	ISO 14000 and ISO 9000 certification.
Are these ecolabeling initiatives funded or subsidized directly by your government?	Yes	Yes	“Environment friendly product” funded by government.	No	ISO 9000 certification for SMEs – partly.
In terms of tourism certification, what do you think the main benefits of such certification are to your country?	Yes, we think that it can bring the main benefits	Yes	Quality assurance, providing information for tourists	Service in Tourism sphere will be qualitative, higher and safer.	Improvement of tourist services quality, promotion of Polish tourist agencies.
In your opinion, what are the shortcomings of tourism certification in your country?			Not full-scale (e.g. no certification for equestrian and water tourism), lack of information	Organizations do not understand the importance of tourism certification. In their opinion this campaign is one more method of wheedle money out of the company.	Not implemented tourist service certification yet.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Does your government support or operate a national accreditation body/ normalization agency to accredit particular certification bodies to operate in your country?	Yes	No	General inspectorate for consumer protection on national and regional level (not a real accreditation body)	Actually no. Our certification body operates under NGO and has no financial support from our government.	Polish Centre for Accreditation (PCA) supported by government.
If yes, how is this accreditation body funded? Does it receive direct funding support from the government?	Yes		Funded by government		Self-financing and governmental grants for investments.
If yes, what percentage of its operating costs is provided from government funds? If not, how is it funded? By membership fees? Other?	All operating costs are provided from government funds			The head of Certification Body and its employees get salary from NGO "Tourism development Foundation". Other expenditures at expenses of Certification Body.	Payment for accreditation. Governmental budget for investments.
Could you please name a key contact at this organization that we may contact in the course of this research?	It is the Ministry of Youth Sport and Tourism		ISTUANNE TOTH – director +36-1-4594918, email address: bpfgvued@felugveloseg.data.et.hu	Director of NGO – Maksat Diushebaev. Head of the Body: Elmira Mukasheva.	Mr Karol Hauptmann – Director of PCA.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If a tourism specific accreditation body were to be established, with global relevance, what would you see to be the major advantages to such a body?</p>	<p>It will be more possibility</p>		<p>Full-scale accreditation in the Tourism Industry. On going monitoring.</p>	<p>It works for future of tourism in our country. Now it spreads ideas of importance of certification in tourism.</p>	<p>Unified approach to accreditation, unified procedures, unified quality level of tourist services.</p>
<p>Will it require one main office plus several regional offices, if yes how many – or is it enough with only one office that covers the whole world?</p>	<p>No, only one office</p>		<p>One office in Budapest and 9 offices in the Tourism regions of Hungary</p>	<p>At present it requires one main office in Biskek plus regional offices for south regions lands for resort zone 1 – plus 1 in Biskek, research center, sociology and laboratories.</p>	<p>Only one office that covers the whole world with a certain number of quality auditors, one accredited certification body for tourist services per country.</p>
<p>To what extent would your government see it as its responsibility to provide financial support to the organization? Would you see this as a one-off situation, or would you see it as the ongoing responsibility of the government in your country?</p>	<p>We think that in this period it is responsibility of the government</p>	<p>We will try to find possibilities of cooperation.</p>	<p>Theoretically medium responsibility depending on the activity of the Council. Depends on the details of operations.</p>	<p>To a minimum, because financial and economical situation in our country is very poor. We see it as the ongoing responsibility of the government.</p>	<p>We are interested in your project but the final decision will be taken after receiving detailed proposal draft.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If you do not see it as government responsibility, who should have responsibility for funding the body?</p>	<p>Chingiz Azimov</p>				<p>Tourist service industry, tourist service certification bodies accredited by the STSC.</p>
<p>Is it the responsibility of the local governments in the tourist-destination countries or is it the responsibility of the governments in the countries where the tourists originate? Why?</p>	<p>It is the responsibility of the government in the country where the tourists originate.</p>		<p>Mainly the Tourist destination countries</p>	<p>It is the responsibility of the local governments in the tourist-destination countries.</p>	<p>Both, local governments to promote tourist services in their countries; countries where the tourists originate – to protect their citizens rights.</p>
<p>Should the industry play a major role in funding such a body, when accreditation is something that can assist governments in terms of ensuring better sustainability of tourism in terms of environmental, social and economic improvements?</p>	<p>Yes</p>		<p>Funding from the industry would endanger the independence of the council.</p>	<p>Yes</p>	<p>Yes.</p>
<p>Should a fee structure be established for certification schemes applying for accreditation?</p>	<p>Yes</p>		<p>Yes</p>	<p>Yes</p>	<p>Yes.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Should there be a differentiation in the level of fees according to the financial size of the certification scheme?	Yes		Yes	Yes	Yes.
What would be the highest willingness to pay level for the accreditation services from a tourism certification scheme operating in your country?	It will be according to the level of fees			Willingness to prove the company's progress and work quality	It depends on incomes of a tourism certification body.
What kind of financial structure could be the most suitable for an international tourism accreditation body?	It will be most suitable for an international tourism accreditation body.				Regular fee for participation in system.
How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?	It will be much important.		Very important.	There was no support, we did not apply.	It is a big role for those organizations. They can deliver financial and organizational support.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

What do you see the role of international agencies might be?	Main role		Exchange of experience providing professional support and perhaps funds	It should provide with needed information. Methods of operation, technical support, grants for training and workshops or seminar.	The STSC should act under auspices of those organizations and should be accepted, recognized and promoted by them.
Do you think a single, identifiable logo/brand should be developed to assist consumer recognition? If not, why?	It is better to developed identifiable logo/brand.	Yes	Yes, logo is very important in the communication	Yes	Yes.
Who should have the major responsibility for promoting a global accreditation body?	Chingiz Azimov	Foundation Members	WTO and National Tourist boards	WTO and NTOs	Accredited certification bodies, tourist organizations, governments, WTO, UNEP, UNDP, World Bank.
Would your national tourist board support the promotion of tourism companies from your country that have been certified by a certifier accredited by the proposed STSC? How would you do this?	National Tourist Board will support	The National Tourist Board will be trying to find possibilities of cooperation.	Yes, e.g. presenting the logo next to certified companies in brochures	Yes, we will organize conferences, seminars, and lectures etc. on this issue.	Yes. Tourist agencies, brochures, folders, advertising fairs.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

In your opinion, how do you think such a body might affect the purchasing behavior of tour operators and tourists?	We think that such body will effect in behavior of tour operators and tourist safety.		It would be awareness of sustainability and environment protection.	For the first time the tour operators will react negatively, but tourists will find support.	Such a body might promote tour operators rising their quality level and competitiveness.
Please feel free to make any suggestions about the steps you consider necessary to establish an accreditation body for sustainable tourism.	We think it will be suitable to open a regional branch of the international body			We have provided our tourists with safety products, for this we have to: establish steady and firm system; distribute information with arguments about the importance of certification.	To develop: Requirements/procedures for accreditation body, operation rules. Requirements for certification bodies to comply with. Requirements concerning experts. Requirements/criteria to be met by certified tourist agencies.
OTHER COMMENTS					To assure high level of accreditation services and unified procedures it would be advisable to establish only one accredited/authorized certification body in the country.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Africa

	Woldu G. Michael Institution: Ministry of Tourism ERITREA	C.K. Mwatsama Institution: Ministry of Tourism and Information KENYA	Mijjoo A.I. Institution: Ministry of Tourism MAURITIUS	Albert V. Mieke Institution: Ministry of Environment and Tourism. NAMIBIA	Mr. Aloyce K. Nzuki Institution: Ministry of Natural Resources and Tourism TANZANIA	Zoritta Urosevic Nibourette. Institution: Seychelles Tourism Marketing Authority SEYCHELLES	Nokuthula E. Dlamini Institution: Ministry of Tourism. SWAZILAND	Simba Mandinyenta Institution: Zimbabwe Tourism Authority ZIMBABWE
Does your government have a national standards office to develop standards in your country? Who is the contact that most closely works on standards for tourism and hospitality companies?	The National Standard office is checking products. Ministry of Tourism is responsible for the Tourism and Hospitality companies.	Yes. Hotel and Restaurants Authority (H.R.A.) tourism@nbnet.co.ke Kenya Bureau of Standards (KBS) Kebs@africanline.co.ke	No	Yes, Namibia Tourist Board contact: Gideon Shilongo – tel.: 264-61-2842368, fax: 2842364	There is no national standard office to develop standards. Institutions that work remotely on standards for Tourism are national Bureau of Standards, the Ministry of Natural Resources and the National Environmental Management Council	In the process to be established.	No	Yes, within the ZTA we have the human resources and standards division headed by Marianne Setuma, setuma@ztazinc.org.zw

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

If yes, are auditing and certification services carried out by government personnel, or by private sector certification bodies?	Government personnel.	Government personnel – Department of Tourism	No	Government Statutory Body, the Namibian Tourism Board.	Not applicable	Mix bodies.		Certification is done by Zimbabwe Tourist Authority, empowered by the tourism ACT> ZTA is a 'parastatal'.
Which certification bodies operate in your country? (Either generic certification bodies that tourism companies can apply for, or tourism-specific schemes)	Tourism specific schemes.	Kenya Bureau of Standards (KBS). Societe' Generale de surveillance sgsenquiriesKenia@sgs.com		The newly created Namibia Tourist Board.	None	SBS – Seychelles Bureau of Standards – ISO 9000 – ISO 14001	Not in existence yet.	Liqueur License Body; City Council; Rural District Councils.
What tourism ecolabeling initiatives are currently supported by your government at the national, provincial and local levels?	The office of the Ministry of Tourism is at its infant stage, it is not taking an ecolabeling initiative yet.	None	Green Globe	It does not exist. Currently stars are used for grading.	The Tourism Code of Ethics	All	Not yet in place.	Tourism Development zones; Seans Frontiers Conservation Initiatives ecotourism.
Are these ecolabeling initiatives funded or subsidized directly by your government?	The Ministry is subsidized by the government.	N.A.	No		No	No, lack of resources. We would like to.	Subsidized and funded by EU.	Some are funded by the government and some subsidized.
In terms of tourism certification, what do you think the main	It helps in giving efficient service.	Raising and maintaining standards of	Government recognition of the importance	Sets minimum standards and provides basis	The benefits would center around	Contribute positively for sustainable	To maintain a compatible standard	Standards are maintained and there is a

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

benefits of such certification are to your country?		service to international level, improve Kenya's image, ensure sustainable development of tourism, maintaining high caliber of trained manpower in tourism.	of the environment to support the image of tourism.	for quality improvements.	sustainable utilization of natural and cultural resources. Sustainable tourism is a key policy statement in Tanzania.	development. Quality positioning for the tourists and responsible travel.	system with other countries at international level.	database of product list of what is on offer. This helps to assess the capacity of the country.
In your opinion, what are the shortcomings of tourism certification in your country?		Inadequate resources in terms of finance and technical support.		Does not yet apply to all sectors of tourism.	No certification is in place yet.	It is not the willingness to be certified but the macro economies. Situation maybe difficult for foreign exchange.	Standards and certification. We currently do not have the personnel with the full knowledge.	The process is long and sometimes operators do not renew their license certificate on time.
Does your government support or operate a national accreditation body/ normalization agency to accredit particular certification bodies to operate in your country?	This will be seen in the long run.	Yes, Kenya Bureau of Standards. Hotels and Restaurants Authority.	No		No	Yes, SBS Seychelles Bureau of Standards.	Swaziland government does not operate an accreditation body but it can support that body when the need arises.	The government had accredited Zimbabwe Tourist Authority through the Tourism Act.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

If yes, how is this accreditation body funded? Does it receive direct funding support from the government?		Government of Kenya funded.	N.A.		Not applicable	Yes, by government.		The ZTA is funded through the 2%, which is collected by Tourism Services Providers/operators from tourist on behalf of ZTA.
If yes, what percentage of its operating costs is provided from government funds? If not, how is it funded? By membership fees? Other?		100% Government funded.	N.A.		Not applicable	100% by government, and paid fees for report of certification for ISO 9000 and 14001.	The government can fund the operational costs but other countries can donate some funds.	2% registration fee, renewed at license fee.
Could you please name a key contact at this organization that we may contact in the course of this research?	We don't have yet.	The director of Tourism. Tel 313010, fax 217604 tourism@nbnet.co.ke	N.A.		Not applicable	Mr. Irene Joseph, Managing Director and Director General SBS. PO Box 953, Victoria, Seychelles.		Marianne Situma, situma@ztazim.co.zw

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If a tourism specific accreditation body were to be established, with global relevance, what would you see to be the major advantages to such a body?</p>	<p>It will open them a chance to compete and get acceptance internationally.</p>	<p>Harmonization of ethics, environmental responsibility, service quality, base for legal reprieve by consumers, base for legislation enforcement.</p>	<p>Yes</p>		<p>Uniformity in standards and practices</p>	<p>To establish labels that are <u>known</u> and <u>recognized by the public</u> and to incorporate parameters of sustainability.</p>	<p>It would expose our tourism. In the countries and other parts of the world people would be aware and access to the country can be made.</p>	<p>Uniformity of Standards and maybe more funding.</p>
<p>Will it require one main office plus several regional offices, if yes how many – or is it enough with only one office that covers the whole world?</p>	<p>It will require one main office and six regional offices parallel to WTO Regional Commissions.</p>	<p>Main office with Regional and National offices.</p>	<p>Only one main office.</p>		<p>It will need one main office plus 6 regional offices: Africa, Americas, East Asia-Pacific, Middle East, and South Asia.</p>	<p>By regions.</p>	<p>One main office and regional offices is ideal, e.g. Four regional offices for Africa: Western Africa, Eastern Africa, Central Africa, and Southern Africa.</p>	<p>Maybe one office and other regional representatives in all member states.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>To what extent would your government see it as its responsibility to provide financial support to the organization? Would you see this as a one-off situation, or would you see it as the ongoing responsibility of the government in your country?</p>	<p>We don't see it as a government responsibility.</p>	<p>Not exceeding current level of funding, Hotels and Restaurants Authority to be integrated in global system.</p>	<p>On a 50:50 basis. Operators 50%, Government/International agencies 50%. Ongoing responsibility.</p>		<p>This should be an ongoing responsibility of the tourism sector public as well as private.</p>	<p>We cannot afford financial support.</p>	<p>It could take the initiative of making those funds available since it does have a Tourism Ministry. It can be an ongoing responsibility not only for government but also for other stakeholders as well as to promote tourism.</p>	
<p>If you do not see it as government responsibility, who should have responsibility for funding the body?</p>	<p>International Organizations and Countries of high tourism receipts.</p>	<p>Tourism Private sectors operatives.</p>	<p>N.A.</p>		<p>Co-financing between private and public sector.</p>	<p>Membership + Contract fees + by players in the industry directly concerned.</p>		

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Should there be a differentiation in the level of fees according to the financial size of the certification scheme?	Yes	Yes	Yes		Yes	Yes	Yes	
What would be the highest willingness to pay level for the accreditation services from a tourism certification scheme operating in your country?	Until now the certification scheme is done by governmental office.	Almost all private sector stakeholders would be willing to pay for the service.	USD 3000		Not more than USD 200	I cannot reply.	That can depend on the size of the certification scheme and the income generated by the operations.	
What kind of financial structure could be the most suitable for an international tourism accreditation body?	Standardized financial structure.	Members contribute to regional office. Regional office retains 60% of rate 40% remitted to global secretariat.			Subscription from members.		It would be a charitable body.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?	It is basic and essential.	Lends the project credibility and recognition.	It is very important.		Support from WTO, UNEP, UNDP and World Bank is paramount.	Absolute necessity to collaborate closely, or even to see them represented in a board of the new body.	WTO markets the various countries. UNDP develop countries for better attractions. World bank for financial support.	
What do you see the role of international agencies might be?	They have to encourage STSC by supply all necessary materials.	Formulate the accreditation criteria, set clear goals and objectives of the Agency in relation to services and products to be provided.	To establish a worldwide quality/norms and standard.		International agencies should assist in setting up an accreditation body and promote it in various countries.	Each of them should play a big role in the sector of involvement.	It links all the countries that, in tourism, market undiscovered destinations.	
Do you think a single, identifiable logo/brand should be developed to assist consumer recognition? If not, why?	Yes	Yes	Yes		Yes, need a single logo	Yes, and it should be largely promoted towards the consumers. Medias have a primary role to play.	Yes, so that the person willing to help can easily identify the consumer and know and know the work he is going.	Yes

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Who should have the major responsibility for promoting a global accreditation body?	National Tourist Boards	WTO	National Tourism Authority		All countries, coordinated by main office.	STSC should be the leading agency, spread effort with all stakeholders: public + private sectors + WTO, UNEP etc...	The government because it is a national body.	WTO
Would your national tourist board support the promotion of tourism companies from your country that have been certified by a certifier accredited by the proposed STSC? How would you do this?	Yes, by advertising Mass Media, Internet etc...	Yes, through the listing and classification of companies in their promotion efforts.	Yes		Yes, Companies will be identified and linked through the promotion in the website.	Yes, as it is a value added to the quality of the product we are selling as well as a strong positioning of the country itself. More notably in terms of promotions, trends.	Yes, by registering those companies and giving them tourist information to facilitate tourism operation.	Yes. By further promoting the idea to other companies.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>In your opinion, how do you think such a body might affect the purchasing behavior of tour operators and tourists?</p> <p>Please feel free to make any suggestions about the steps you consider necessary to establish an accreditation body for sustainable tourism.</p>	<p>It will boost it up.</p>	<p>Environmentally conscious visitors will not select operators that are unaccredited. Accreditation may cause operators to become more price conscious as competition increases.</p> <p>Evaluate existing criteria, set-up standards, implement, monitor and evaluate.</p>	<p>It will not affect significantly the purchasing behavior; on the contrary it will promote the destination.</p> <p>Identify services to be accredited. Prepare a checklist to be discussed with stakeholders of the various services. Once agreed upon to start a program which is viable and acceptable to the industry.</p>	<p>It sounds like a good idea, but it needs more education of thinking.</p>	<p>Tour operators and tourists will now be selective. They will want to deal with certified partners and/or products.</p> <p>The private sector must be involved in the planning process.</p>	<p>We have to be clear that it is only a portion of tourists that are concerned of responsible travel and ecolabels. However a strong awareness campaign has to be realized to increase the interest of this experience.</p> <p>There is a huge gap between the policies, the public sector concerns on sustainable development while responses concerns the private sector. The most difficult task is to sensitize the consumers.</p>	<p>It would not affect them as such but can make them work even harder because of the competition out there.</p> <p>It must be a clear organization structure to allow an efficient network.</p>	<p>Tour operators and tourists will be more informed and they will be anticipating value for money.</p>
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

OTHER COMMENTS		<p>WTO has the necessary network and authority to carry out accreditation. The council can be an arm of WTO, not a separate body.</p>		<p>Namibia Tourism Board is responsible for certification/registration of tourism products i.e. accommodation establishments.</p> <p>The National Qualification Assessment is attached to and financed by the Ministry of Higher Education. Is this the same as accreditation body?</p> <p>Perhaps we need to learn more about STSC.</p>		<p>Acknowledging the value of being labeled, and the quality of the travel as the most important. The year 2002. IYE, is the perfect time to start such promotion and establish this body.</p>		
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Americas

<p>Does your government have a national standards office to develop standards in your country? Who is the contact that most closely works on standards for tourism and hospitality companies?</p>	<p>Ricardo Gonzales Cornejo Institution: Servicio Nacional de Turismo CHILE</p> <p>The National Institute of Normalization (INN) is in charge of defining norms in Chile. However for tourism the organism is the National Tourism Service</p>	<p>Ministry of Economic Development-General Directorate of Tourism COLOMBIA</p> <p>Yes. The Colombian Institute of Technical Norms and Certification (ICONTEC), an active member of ISO with contacts with other similar organizations worldwide. In the Colombian legislation the National Organism of Normalization is recognized by the government with the primary function of elaborating, adopting and publishing national technical norms and the adoption of norms elaborated by other</p>	<p>Competitiveness Assessor, Ministry of Tourism, ECUADOR</p> <p>Yes, INEN. Contact in tourism standards is the Ministry of Tourism</p>	<p>Althea Johnson Institution: Ministry of Tourism and Sport JAMAICA</p> <p>Yes, the Jamaican Bureau of Standards (JBS). However the JBC does not develop standards for the Tourism Industry. The Tourism Product Development Company develops operational standards for tourism facilities; TPDCo seeks advice from JBC when developing standards.</p>	<p>Alejandro Munoz Ledo Institution: Secretaria de Turismo MEXICO</p> <p>The Directorate General of Normalization, in the Secretary of Economics</p>	<p>Delta Benitez De Gomez Institution: Secretaria de Turismo PARAGUAY</p> <p>Yes. Instituto Nacional de Tecnologia y Normalizacion, dependant of the Ministry of Industry and Commerce</p>
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

		<p>bodies. ICONTEC advances this function through technical committees. The Sectorial Units of Normalization in Hospitality, Travel Agencies, Tour Guides and restaurants, which are technical organizations recognized by ICONTEC, which have the function of preparing norms specific to their subsectors, within the international guidelines established for these activities, with the possibility to submit them to the national normalization body for the process of adoption and publication as Colombian technical norms.</p> <p>On the other hand,</p>				
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

		the National Service of Skills Training (SENA) is an organization that operates in the sector of training and skills development for hotels, restaurants and other sub-sectors in tourism. Within this process they have worked on job competencies, with the aim to certify skills for professional and technical tasks.				
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If yes, are auditing and certification services carried out by government personnel, or by private sector certification bodies?</p>	<p>At present only ISO for industrial sectors, through private certifiers accredited by INN. There are no known cases of tourism companies.</p>	<p>At present they are working in the definition of quality standards in tourism and they have defined some technical norms for tourism sub-sectors. The auditing and certification services are delivered by private organizations accredited by the Superintendence of Industry and Commerce, in accordance to special technical criteria, technical and human infrastructure, ethical solvency and adequacy, meeting quality assurance processes. Also there should be no conflict of interest in the certification process, nor to advance consultancy activities, nor be</p>	<p>Under taken by both</p>	<p>Auditing is carried out by private sector – SGS Supervise Jamaica Limited, for Tourism and Manufacturing sectors. Certification done by private sector international organizations. The JBS also audits and certifies.</p>	<p>Mexican Society of Normalization, Council of Normalization and Certification of Labor Competence, Mexican Institute of Normalization and Certification, and Certified Mexican Quality</p>	<p>In Paraguay there are the ISO 9000 and 14000 but there is no tourism certification</p>
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

		inabilitated by the law or regulations. For tourism quality certifiers, these should also comply with these requisites, with the acceptance from the Development Ministry.				
Which certification bodies operate in your country? (either generic certification bodies that tourism companies can apply for, or tourism-specific schemes)	6 private certifiers certifying to ISO 9000 standards	Currently there are 7 certification organizations, 4 of which are national and 3 multinational with offices in the country. 6 are private and one has mixed public-private capital.	Operate ISO 9000:2000 ISO 1401: 1994 Smart Voyager (tourism) Green leave	Tourism Entities apply to international certification organizations (such as ISO, Green Globe 21, Blue Flag), which are located outside Jamaica. SGS uses their North American counterpart.	By private certification agencies.	National government (decreto 5725/99) introduced a national quality award. The Tourism National Secretary includes the aim of developing a national system of Sustainable Tourism Certification in their strategic plan for quality in tourism for 2001.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>What tourism ecolabeling initiatives are currently supported by your government at the national, provincial and local levels?</p>	<p>There are no systems at present, but there is plenty of interest and there are some projects under way.</p>	<p>Environment Ministry, as part of the national policy for cleaner production, is currently developing a voluntary environmental ecolabel for eco-friendly products</p>	<p>Yes, planning to support the CST</p>	<p>Green Globe 21 Blue Flag</p>	<p>No ecolabeling initiatives at present</p>	
<p>Are these ecolabeling initiatives funded or subsidized directly by your government?</p>	<p>There are governmental subsidy mechanisms to financially support these initiatives, such as the Development and Innovation Fund.</p>	<p>Not directly with financial support; regional nodes of cleaner production have been created, with technical support, capacity-building and information provision in environmental aspects to the productive sectors of the country. This is offered through the cooperation of the Swiss government with the Ministry of Environment and the bodies that constitute the regional nodes</p>	<p>Project not started</p>	<p>No. Presently, ecolabeling initiatives are subsidized through United States agency for International development – USAID projects for the Tourism and Manufacturing sector.</p>	<p>N.A.</p>	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>In terms of tourism certification, what do you think the main benefits of such certification are to your country?</p>	<p>When the system is serious, it allows to incorporate an additional element to improve the commercialization of tourism services (market transparency) and incentives the companies delivering services to continuously improve their quality, which contributes to improve the competitiveness of the sector generally</p>	<p>The benefits of tourism certification would be two aspects: internally the certified organizations can better manage their organizations, and externally certification is beneficial because a company has an indicator of comparison with other national and international companies, which gives consumers using this type of organization an idea of their quality of work.</p>	<p>That the tourism supply in the country is strengthened and recognized worldwide. Education on the importance of the adequate delivery of services and subject to international norms. Users can feel reassured of the services contracted. Improvement of the quality of the delivery of tourism services. Strengthening of the tourism activity in the country.</p>	<p>The main benefits are marketing, promotions and cost saving.</p>	<p>Competitive advantage, better international coverage, increase of demand for sustainable products and services, to reach niche markets, acknowledgement as responsible economic activity.</p>	
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>In your opinion, what are the shortcomings of tourism certification in your country?</p>		<p>At present there is no tourism certification in the country, since the process of normalization and definition of standards is only starting. The few existing norms are of voluntary character, and the sector does not have the culture of quality assurance and the application of standards, therefore the process of certification will be undertaken in the medium term.</p>	<p>Lack of necessary investment for certification Lack of training in the hinterland/jungle Lack of communication of the process and benefits</p>		<p>Weak certification culture in sustainability, lack of promotion and dissemination of benefits of certification to tourists and industry, insufficient efforts between private and public sector to establish sustainable tourism certification.</p>	
<p>Does your government support or operate a national accreditation body/ normaliz. agency to accredit particular certification bodies to operate in your country?</p>	<p>The INN is the body in charge of accrediting certification bodies against ISO, the only case at present</p>	<p>Yes. The Superintendence of Industry and Commerce is the Colombian accreditation body, which is ascribed to the Ministry of Economic Development</p>	<p>If the organization is the Ministry of External Commerce, the OAE (Ecuadorian Accreditation Organization) is the office in charge. For normalization it is INEN</p>	<p>No national accreditation body exists.</p>	<p>Yes</p>	<p>There is legislation but its implementation is in its early stages</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If yes, how is this accreditation body funded? Does it receive direct funding support from the government?</p>	<p>Generally INN is auto-financed, coming from projects financed from the government and the provision of services to the private sector. Accreditation is considered as an external service to be financed by the company requiring it.</p>	<p>The government, charging to the national budget, maintains the accreditation body in its totality.</p>	<p>Accreditation: OAE, government Certification: INEN, government</p>	<p>N.A.</p>	<p>Through contributions of specialist groups from all the stakeholders in creating the accreditation body; a pioneering team was created that developed the manuals and procedures necessary to approve and start up the body. During this process the different stakeholders contributed financially and through technical know-how. No, this is a non-profit organization, constituted in a general assembly, a directive council, a general directorate and three management units that undertake their tasks through evaluation committees</p>	
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If yes, what percentage of its operating costs is provided from government funds? If not, how is it funded? By membership fees? Other?</p>	<p>Information not available.</p>	<p>100% financed by the Colombian government, for some aspects of skills training and technology transfer it has support from other governments and NGOs.</p>	<p>Fully</p>	<p>N.A.</p>	<p>Information not available. Membership fees allow the institution to operate, this is made up of funding members, listed members and honorary members. Other funding comes from projects, research and assessments.</p>	
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>Could you please name a key contact at this organization that we may contact in the course of this research?</p>		<p>Contacts should be: Superintendence of Industry and Commerce, Carlos Alberto Pacheco (cpacheco@correo.si.gov.co) and Juan Carlos Gonzalez (jgonzalez@correo.si.gov.co) At the Colombian Institute of Technical Norms and Accreditation, Mr. Gabriel Nava, Director of National Normalization, gnava@icontec.org.co At General Directorate of Tourism, Mr. Carlos Alberto Vives Pacheco, calidad@mindesa.gov.co assessor and coordinator of the quality and safety group</p>	<p>Bayardo Flores MNAC Av Eloy Alfaro y Amazonas 3r piso Edificio MAG-MICIP Phone 59322551612 Fax 59322566743 e-mail mac@micip.gov.ec</p>	<p>N.A.</p>		
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If a tourism specific accreditation body were to be established, with global relevance, what would you see to be the major advantages to such a body?</p>	<p>To unify criteria for the process of certification and to have a guarantee of seriousness of the system, both for the consumer and for the tourism company. The efficiency of certification systems is based in their credibility, something that today is very much doubtful.</p>	<p>Advantages: specialization of staff, trust given to the international community given from knowing this organization would dedicate to the tourism industry, putting forward unified criteria in the subject and not diversifying to other activities that could lead to a loss of credibility or quality, or conflict of interest. It would be interesting that certification was not limited to sustainability issues, but in the many areas of tourism, especially productivity and corporate social responsibility. Also the different processes of</p>	<p>Unifying standards Strengthening the tourism activity in the delivery of services National experts in tourism, and knowledgeable of the country and its reality, would be involved in the accreditation that would allow for clear and credible results, and not away from the reality. Creating a database of companies and/or products with standards that are adequate to international level.</p>	<p>Advantages: Competitive advantage in a globalized economy; marketing benefits; transparency. This body would include bodies that offer certification services whether local or foreign to ensure that users of services get value and that there is some level of equivalence and consistency in services.</p>	<p>Constant information exchange Would contribute to strengthening (tourism) activities through developing an evaluation system for the sector, reliable and harmonized.</p>	
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		certification at national level from different countries need to be taken into account, with the aim to implement a single system for tourism certification				
Will it require one main office plus several regional offices, if yes how many – or is it enough with only one office that covers the whole world?	To make the system more efficient, I consider that there should be one central office that operated in coordination with national tourism boards in each country, within the limits that these can provide a guarantee of seriousness in the administration of the system.	If a main office is needed, it would not be necessary to have regional offices, following the steps from an accreditation body such as STSC. The experience of ISO could be interesting for the STSC as a model, looking for similarities but at a specialized level for tourism	The headquarters should be in Spain, the country where the World Tourism Organization is based, and should have regional offices for each continent.	Yes, one main office and several regional offices, depending on the budget.	Yes. One office per region.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>To what extent would your government see it as its responsibility to provide financial support to the organization? Would you see this as a one-off situation, or would you see it as the ongoing responsibility of the government in your country?</p>	<p>There is the possibility of contributing to the financial costs if the system is held within an organization such as UN, OFA or a similar one with which the Chilean government has formal agreements. However, this contribution should not be permanent, but a contribution to the development and implementation in its first phase.</p>	<p>The government could eventually allocate some funds to be invested in STSC, which would be catalogued as an investment that would benefit the country at a medium to long term. However, it is possible that governments appoint a private certification body, chosen following technical criteria, as the national body of certification in tourism. This would be established as a member of STSC or the worldwide certification body with one member per country in the ISO style, in this case the investment would come through the membership fees and contributions.</p>	<p>No resources available. Not government responsibility</p>		<p>Responsibility shared between public and private sector</p>	
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STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If you do not see it as government responsibility, who should have responsibility for funding the body?</p>	<p>I believe it is the responsibility of governments to assist in the formulation and start up of a system such as this, but this should be able to be self-financing afterwards through selling its services of accreditation to local certifiers (these being private or government-operated)</p>	<p>If the government is not responsible for the accreditation body, this could be financed through accreditation fees, the use of the brand and logo of the accreditation body, the participation of industry, charging a percentage of the work of certification bodies, etc.</p>	<p>The accredited certifiers</p>	<p>Multilateral organization – OMT, WHO, PAHO, OAS, WTTC – Private sector – Hotel and Tourist Associations, Tour Operators, Airlines.</p>	<p>Private sector</p>	
<p>Is it the responsibility of the local governments in the tourist-destination countries or is it the responsibility of the governments in the countries where the tourists originate? Why?</p>	<p>I think it is a responsibility of tourism destination countries, since these are the ones exporting tourism services and they have the ethical duty to ensure that these services are of quality.</p>	<p>The responsibility is of governments and businesses of the country because they are the ones that have the tourist developments, the products and processes that they want to certify with the aim of improving the competitiveness, added value, specialization and differentiation against their</p>	<p>It is not a government responsibility to standardize operations; it is a private sector responsibility.</p>	<p>N.A.</p>	<p>Tourist destination countries.</p>	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

		competitors. Also having a worldwide tourism certification could help the standardization of infrastructure, promotional and commercialization mechanisms with distribution channels.				
Should the industry play a major role in funding such a body, when accreditation is something that can assist governments in terms of ensuring better sustainability of tourism in terms of environmental, social and economic improvements?	In as far as the system allows to create competitive advantages and therefore improve the competitiveness of the local product, it should be of interest to the private sector and therefore to collaborate in its financing.	Yes. Because the industry has the economic capacity and the market penetration in the different markets that would allow the STSC to become established quickly and with worldwide credibility. Also, the changing markets can be interested in environmentally certified products, which would give a competitive advantage to those businesses, and also open new demand segments, or		Yes	The private sector role is fundamental to confirm the voluntary compromise to continuous improvement and to respond to the market requirements.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

		improve the efficiency of the chains of supply.				
Should a fee structure be established for certification schemes applying for accreditation?	This is a local form of autofinancing, which also allows reducing the number of certification programs or methods of certification, since only those with financial solvency will remain.	Yes. Because these fees would help in the financing of the international accreditation body in staffing, marketing, training, participation in international meetings, and co-operation processes, amongst others	Yes	Yes. According to the percentage of the countries tourism receipts.	Yes, this would a way to autofinance.	
Should there be a differentiation in the level of fees according to the financial size of the certification scheme?	It is fundamental to democratize the access to accreditation, and therefore differential payment would allow local certification programs to be recognized as valid, yet these can provide innovative approaches to other programs, generating feedback between certification models.	Yes. Depending of the certification scheme it would be necessary to make an evaluation of the funds required from additional funds.	Yes	Yes. According to the size of the entity being certified and possible impact.	Yes.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

What would be the highest willingness to pay level for the accreditation services from a tourism certification scheme operating in your country?	Information not available.	Marketing would be an aspect that the certification program could handle.		Fees could be 10%-20% of the audit fees for the entity.	Exchange of information and achievements.	
What kind of financial structure could be the most suitable for an international tourism accreditation body?	Information not available.	A member countries scheme that would be managed to guarantee impartiality.			Membership fees to support operations.	
How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?	Fundamental, since this is the element that gives credibility to the system, without this it would be one more system amidst the many out there.	Initial support from organizations of this type would be crucial, since while the accreditation and certification schemes are developed, there would be start-up costs that would need to be covered	If a large amount is required to start operations, these are the organizations that would have the funds.	Very important. They will insist on transparency and accountability.	With the support from these organizations it would be possible to establish collaboration mechanisms.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

What do you see the role of international agencies might be?	Financially support the development and start up of the system, and further supervising the transparency in the administration through permanent auditing.	Financial support, marketing and promotion, education of the different governments that would want to be involved.	Financial, as in other projects.	Monitoring. Setting standards. Promote uniformity.	Support, know-how, information and technology transfer, to improve sustainability standards in tourism.	
Do you think a single, identifiable logo/brand should be developed to assist consumer recognition? If not, why?	Yes	Yes. Because several logos would generate confusion and wrong interpretations, and could lead to a reduction of credibility of the accreditation and certification schemes to be established	Yes	Single brand for a specific category. E.g. Hotel Accommodation, Attractions, Destination.	Yes.	Yes
Who should have the major responsibility for promoting a global accreditation body?	World Tourism Organization, and through this one, the national tourist boards.	Each national government should promote an accreditation body that can be trusted. If one single accreditation body was established world-wide, this should be a global organization that	The accreditation council	The accreditation body.	World Tourism Organization.	World Tourism Organization or a private institution linked to the WTO.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

		handles the largest number of countries and that is as impartial as possible to not generate conflict amongst countries. In this context, the World Tourism Organization would be in charge of advancing this process				
Would your national tourist board support the promotion of tourism companies from your country that have been certified by a certifier accredited by the proposed STSC? How would you do this?	This is an area that would need discussion.	Yes, because certified companies would be more trustworthy, as well as being a stimulus for innovation and recognition to the organization's efforts. Through advertising and a directory in a Web page.	Yes. Promotional preference, benefits from membership, additional information, etc.	Yes. Currently being done.	In Mexico, the Tourism Secretariat through the Council of Tourism Promotion of Mexico.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>In your opinion, how do you think such a body might affect the purchasing behavior of tour operators and tourists?</p>	<p>In as far as this can be an effective platform, accreditation could achieve a meaningful differentiation, in which case this could be an effective marketing tool, especially in tourist destinations where quality and environmental aspects are important to the tourism product sold.</p>	<p>The cost of certification would probably be passed on to the final consumer, or in some cases to the distribution channel.</p>	<p>I do not believe the cost should be passed on to the tourists, if this takes place it (certification and accreditation) becomes simply another business.</p>	<p>If tour operators are aware of certification brand they could include this in their marketing.</p>	<p>Purchasing behavior should be positively influenced, from a cost-benefit point of view, since offering better products and services with higher quality standards would mean an increase in demand for certified services.</p>	
<p>Please feel free to make any suggestions about the steps you consider necessary to establish an accreditation body for sustainable tourism.</p>		<p>It is important to standardize with views to staff certification in tourism, since this is an important factor in tourism quality within the chain of supply. The idea of creating a single accreditation body worldwide could be complicated and</p>		<p>Need to set international standards for operating a facility. The aspect of sustainability must be a priority.</p>		<p>Paraguay is at an early stage in this topic.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

		although national staff was used in each country, the final approval would be given by an organization based outside the country. Other experiences and existing organizations should be analyzed, as well as the different types of standardization that are put forward in some countries to then guarantee their certification.				
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Asia and the Middle East

	Thamrin B. Bachri Institution: Ministry of Culture & Tourism. REPUBLIC OF INDONESIA	Dr. N. Mostofi Institution: Planning, research and training affairs, Iran touring and tourism Organization. IRAN
Does your government have a national standards office to develop standards in your country? Who is the contact that most closely works on standards for tourism and hospitality companies?	National Standardization Agency of Indonesia (BSN) of all sectors. LSSKTKPI, Kompleks Golden Plaza Blok A 30, Jl. Fatmawati 15, Jakarta 12420, Indonesia. Phone: 62-21-75907123, fax: 62-21-75912801	Yes, the Iranian Standards Institution. The Monitoring and Standards Department of the ITTO, the tourism organization of Iran. However, ITTO is moving towards a national certification label for tourism and hospitality companies with the help of SGS, a Swiss based certification company.
If yes, are auditing and certification services carried out by government personnel, or by private sector certification bodies?	The auditing and certification are carried out by private named LSSKTKPI	At present by government personnel, but once the quality standards scheme is implemented it would be authorized private companies who would do the certification.
Which certification bodies operate in your country? (Either generic certification bodies that tourism companies can apply for, or tourism-specific schemes)	LSSKTKPI is the only body for tourism.	Generic, except for the certification for tourist accommodations, which is controlled by ITTO.
What tourism ecolabeling initiatives are currently supported by your government at the national, provincial and local levels?	We are planning to have an ecolabeling in tourism.	None, but the scheme initiated will be government supported.
Are these ecolabeling initiatives funded or subsidized directly by your government?	Referred to previous answer, Not applicable.	The future scheme will be subsidized.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

In terms of tourism certification, what do you think the main benefits of such certification are to your country?	Ensure the quality of product and tourism services. Protect the environment, both nature and culture.	Ensuring minimum standards and informing the market what to expect. Further to this promoting awareness about sustainability is the other benefit.
In your opinion, what are the shortcomings of tourism certification in your country?		Ineffective implementation, no focus on quality services and facilities, and many other problems, which is why we are initiating a different system.
Does your government support or operate a national accreditation body/normalization agency to accredit particular certification bodies to operate in your country?	Yes	No, International accreditation bodies are allowed to operate on initiative by the Industry sector. But for the Tourism sector the government would be supporting a national accreditation body.
If yes, how is this accreditation body funded? Does it receive direct funding support from the government?	The body is under process; ideally it's funded by the government.	The accreditation body will receive funding support from the government.
If yes, what percentage of its operating costs is provided from government funds? If not, how is it funded? By membership fees? Other?	Government fund should be greater than private, might be 80-20%. Membership is possible.	Since the system is in its inception, it is not yet determined what the share costs will be; a combination of government subsidy and membership fees is what we are looking at.
Could you please name a key contact at this organization that we may contact in the course of this research?	LSSKTKPI, Kompleks Golden Plaza Blok A 30, Jl. Fatmawati 15, Jakarta 12420, Indonesia. Phone:62-21-75907123, fax: 62-21-75912801. Contact persons: Mrs. Meity Robot and Mr. Syarman Syarif.	Mr. Roozbeth – Project manager for the SGS Iran for development of a quality standards system for the tourism sector.

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>If a tourism specific accreditation body were to be established, with global relevance, what would you see to be the major advantages to such a body?</p>	<p>Networking.</p>	<p>Helping the developing nations in establishing their accreditation system.</p>
<p>Will it require one main office plus several regional offices, if yes how many – or is it enough with only one office that covers the whole world?</p>	<p>One office in one country.</p>	<p>It would require regional offices as well and the regions should be those defined by the WTO.</p>
<p>To what extent would your government see it as its responsibility to provide financial support to the organization? Would you see this as a one-off situation, or would you see it as the ongoing responsibility of the government in your country?</p>	<p>Commitment to excellence. Yes, it is as the ongoing responsibility of the government.</p>	<p>Well, the contributions would have to be based on services provided. It would certainly have to be ongoing for effectiveness.</p>
<p>If you do not see it as government responsibility, who should have responsibility for funding the body?</p>	<p>N.A.</p>	
<p>Is it the responsibility of the local governments in the tourist-destination countries or is it the responsibility of the governments in the countries where the tourists originate? Why?</p>	<p>Both of them.</p>	<p>The destination country would worry about the sustainability and accreditation of its attractions and facilities not normally the tourist originating countries that would merely choose where to go.</p>
<p>Should the industry play a major role in funding such a body, when accreditation is something that can assist governments in terms of ensuring better sustainability of tourism in terms of environmental, social and economic improvements?</p>	<p>As one of the player, the industry is needed to fund the body.</p>	<p>Well, the economic capability of the Industry would vary in different countries, and the decision is a really matter of affordability. The government is the main guardian of sustainable development, but public-private sector partnership mean sharing of responsibility.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Should a fee structure be established for certification schemes applying for accreditation?	Yes	Yes
Should there be a differentiation in the level of fees according to the financial size of the certification scheme? What would be the highest willingness to pay level for the accreditation services from a tourism certification scheme operating in your country?	Yes No idea	Yes It depends on several factors.
What kind of financial structure could be the most suitable for an international tourism accreditation body?	No idea	Similar to that applying to ISO certifying organizations through the world.
How important is the support of international agencies such as the WTO, UNEP, UNDP and the World Bank for the establishment and operation of a global accreditation body for tourism?	No need.	Very, to ensure relevance and status.
What do you see the role of international agencies might be? Do you think a single, identifiable logo/brand should be developed to assist consumer recognition? If not, why?	Networking. Yes	Relevance to tourism needs, coordination of activities among countries, accreditation of national certification agencies and monitoring. Yes

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

<p>Who should have the major responsibility for promoting a global accreditation body?</p>	<p>Professional associations and the WTO member states.</p>	<p>National government with the support of the WTO.</p>
<p>Would your national tourist board support the promotion of tourism companies from your country that have been certified by a certifier accredited by the proposed STSC? How would you do this?</p>	<p>Yes, of course. We would include them in every promotion activities.</p>	<p>We are going to support and encourage tourism companies to be certified and receive the national certification label. However, we could encourage the globalization move through tax incentives and subsidies.</p>
<p>In your opinion, how do you think such a body might affect the purchasing behavior of tour operators and tourists?</p>	<p>It is a matter of commitment to excellence.</p>	<p>It would help in the sale of accreditation products, but costs for smaller operations need to be carefully weighed and for purchasing power. On the whole it should encourage the feeling of knowing what to expect.</p>
<p>Please feel free to make any suggestions about the steps you consider necessary to establish an accreditation body for sustainable tourism.</p>	<p>Begin with a national standard.</p>	<p>Coordination through workshops at sub-regional and regional levels to work the process up.</p>

APPENDIX 10. Other accreditation and certification bodies

10.1 Comparative analysis of organizational structure, governance, and finances

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
# board members and other pertinent information	<p><u>Board:</u> 9 elected by members</p> <p><u>Quorum</u> is 7 members</p> <p>Board approves accreditation & new members & standards</p>	<p><u>Board:</u> 10 in 2001 (fluctuates by 1-2)</p> <p>World Board approves new members</p> <p>World Board “decides all issues not yet determined by the General Assembly”</p>	<p><u>Board:</u> 7</p> <p>Accreditation Committee: 8 (appointed by Board)</p> <p>Some Board members may sit on Accreditation committee</p>	<p>Board plus Advisory board</p> <p><u>Board:</u> 6</p> <p><u>Advisory Board:</u> 18 total (9 from NGO, trade union, government; 9 from business)</p> <p><u>Accreditation Review Panel</u> (3) 2 from Advisory Board (1 NGO & 1 from commercial sector but not certification industry) plus</p>	<p>In 2000-2001, MSC revamped their governance structure.</p> <p>Information below reflects new structure</p> <p><u>Main Board:</u> 13 members acting in personal capacity</p> <p><u>Technical Advisory Board</u> (TAB) (replaces Standards Council) maximum 15 members TAB advises Board on standards and gets stakeholder input on standards</p> <p><u>Stakeholder Council (StC):</u> 30-</p>	<p><u>Board:</u> 15 (minimum 7)</p> <p>Serve in a personal capacity (though not clear from bylaws).</p> <p><u>Quorum:</u> majority</p> <p><u>Standards Advisory Group:</u> (SAG) 80 members, multi-stakeholder with equal representation from Asia, Pacific, North America, and Europe.</p>	<p><u>Board:</u> 12</p> <p>New structure has opened the board to producers and traders.</p> <p>NOTE: there is an autonomous Certification Unit that will become a separate legal entity owned by FLO.</p>	<p><u>Board:</u> 15 (12 tour operators and 1 representative from UNEP, WTO, UNESCO)</p> <p>3 inter-governmental representatives not elected by membership, nor do they have to pay membership dues; no voting rights on board</p> <p>Members serve in organizational, not personal, capacity.</p> <p>TOI housed at UNEP, which provides a staff person.</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
				1 technical (Exec. Director) ARP makes recommendation to SAI President for accreditation decision	50 members (replaces Advisory Board and Senior Advisers Group)	SAG appointed by MAC Board. NOTE: SAG was a temporary committee. There was a UNEP partnership; focus was on SAG.		
Target board representation? (i.e., # seats for # sectors?)	By-laws say there should be a balance from environmental, social, and economic sectors Economic: 2 seats Social/environmental: 7 seats Also subchamber of North and South Nov 2002, motions to change composition of board to have greater balance amongst chambers.	No – seems to work out with good geographic distribution, but no overt targets World Board aims to represent organic movement.	Nothing published, but attempts to represent the various interests in the organic industry without one single interest predominating.	<u>Board</u> : all NY-based to facilitate meetings and communication in between meetings. 2 board members also serve on Advisory Board. Advisory Board has broad categories of business vs. other (NGO, trade union, government).	Trying to expand representation from Environmental and Developing Country sectors <u>Main Board</u> includes: chairman of Technical Advisory Board (TAB), 2 joint chairmen of proposed Stakeholder Council (StC) <u>StC</u> : 2 broad categories: Public Interest and Commercial and	Representative of the global MAC multi-stakeholder network Over 50% must be non-industry. 2 seats must be non-US based.	New structure: 6 elected by members; 4 producer representatives elected at World Fairtrade Forum; 2 trade representatives elected by their stakeholder group within Fairtrade	As above; strives for balanced representation based on geography, company size, and tour operator category

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
				Looks for diversity of sector, industry, geography and split of civil society and business.	Socio-Economic. Within those 2 groups are 4 subgroups with 5 seats each. Public interest: (scientific (5), general NGOs (5), marine NGOs (5), funders/consumers/ intergovernmental (5) Commercial: Catch sector (5), supply chain (5), retail (5), developing nation fishing (5)			
Term length	3 years; up to 2 consecutive terms				3 years with indefinite consecutive terms (they had considered 2 term limit)	Originally set up as 1-year terms; has changed the By-laws to accommodate staggered terms	2 years	3 years
Board Committees		Executive Board (President, Vice President, Treasurer)	Executive Committee (President, Vice-President, Treasurer)	Board nominating committee for Advisory Board	All committees Ad Hoc and report to Board except for Finance Committee	Executive (also serves as Nominating Comm.) Nominating	<u>Board Committees:</u> Small operational board for association	Executive (5 directors) to deal with urgent matters 3 working groups appointed by

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
		Norms Management Committee (Criteria & Standards Committees); Working Groups; Task forces		May be others	May have: Executive Committee; Nominating Committee. These are board appointed. Nominating committee may draw on external resources	Committee Under development: <u>Accreditation Committee</u> ; makes decision based on Accreditation Officer (staff position) recommendation <u>Standards Committee</u> : designed to be independent of the board and impartial to oversee MAC certification. Has several subcommittees such as Training, Science.	matters and day-to-day business when needed. Other board committees ad hoc. <u>Certification Committee</u> <u>Appeals Committee</u> <u>Standards and Policy Working Group</u>	board (can be nonmembers but they cannot vote)
Board Officers	Chair Vice-Chair Treasurer	President Vice-President Treasurer	President Vice-President Treasurer		Chairman	Chair/Treasurer Vice Chair (2) President Secretary	No officers but are discussing allocating specific responsibilities	Chairman (elected from within Board to oversee management of the TOI),

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

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						President is also MAC Executive Director.	to board members.	Vice Chairman (elected from within Board to stand in for Chairman) Treasurer (Elected by Board or full membership) Secretary (UNEP staff member – not elected. Nor tour operator member) Chairman and Vice Chairman: 2 year term up to 3 terms Treasurer: 2 year term up to 2 terms
# meetings/year		In 2001, 2 World Board meetings; 5 Executive Board meetings	Full Board: 2/yr Exec. Comm: 2/yr Accreditation Council – 4/year They try to have the AC meet at the same time as the Board meeting	Advisory board meets 3 times/year.	Main Board meets: TAB meets: StC meets annually	2 Board meetings/year SAG worked by email.	2 full board meetings/year in different locations.	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
Board compensation	Board not paid, but travel expenses for meetings covered	Board not paid, but travel expenses for meetings covered; Board often brings own funding	Board not paid, but travel expenses for meetings covered; Board often brings own funding	Advisory board members not compensated, but NGO member travel expenses are grant funded.		None.	Producers are fully compensated; other board members partially compensated when needed.	
Who approves Accreditation	Board	N/A (IOAS does it)	Accreditation Council of IOAS	Alice Tepper Marlin, President of SAI on recommendation of Accreditation Review Panel	MSC Approvals Committee	MAC Accreditation Committee (appointed by Board)	N/A (FLO certifies but does not accredit)	N/A (doesn't do accreditation)
Who approves standards	Board based on recommendation by FSC International Headquarters staff	Membership approves through ballot; Board votes if no quorum in mail ballot, but next General Assembly must ratify	Set by IFOAM membership	Multi-stakeholder Advisory Board creates and approves Standard.	Board with advice from TAB on standards (TAB also gets stakeholder input on standards)	MAC Board approves standards. Standards and any revisions developed by MAC Standards Advisory Group (SAG) with stakeholder input and MAC Secretariat drafting. When Standards	Board approves standards. Standards developed by staff or members and brought to Standards & Policy working group which functions as an advisory group of experts (including stakeholder participation)	N/A

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
						Committee is developed, it will present standards to Board for approval.	Standards & Policy Working group then brings them to the Board for approval.	
Involvement of certification bodies (if app)	Cert bodies may be members with voting privileges and may give input on standards. Cert bodies do not sit on the board.	Accredited certification bodies may give input into standards	N/A, but the certifiers have created an informal group call Accredited Certifiers (ACB) to present a joint voice and to develop multilateral agreements (MLAs)	There is a technical seat on the Advisory Board, which is or can be held by a certification body. Certification bodies cannot be on Accreditation Review Panel.	Not sure	Several certifiers participated in SAG, but no official role on Board or committees.	N/A	N/A
Role of public sector on board?	Board is free of government involvement but currently discussing new role (observer status)	None	1 member on board works for state certification sector in Finland	None, but Advisory Board includes 1 public sector and 1 intergovernmental representative	Some board members are (or were) public officials	No official role on board or committees, but some government agency personnel participated in SAG.	No role except for trade union participation in the Standards & Policies working group.	N/A
Membership criteria	Fall into 3 categories: Economic, environmental, social	Open to associations, institutions,	IFOAM is only member.	Not a membership organization.	Membership is Stakeholder Council (StC)	Not a membership organization.	Membership comprised of national	Full membership limited to tour operators

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
	<p>with sub chambers for North/South. FSC uses weighted voting: Each chamber has equal voting rights (chamber: 33 1/3% or, subchamber: 16 2/3%)</p> <p>Individuals only have 10% weight of vote (1.66% of a subchamber).</p> <p>Members can vote across chambers for candidates.</p> <p>Must be committed to FSC principles. Economic members (companies) must implement the standards into their operations with a significant percentage of their sales in certified forest products and a significant part of their forest production certified within a reasonable amount of time (2 years)</p> <p>Only legal entities or</p>	<p>traders et al active in the organic sector.</p> <p>Full Members have turnover of more than 50% in organic and full voting rights.</p> <p>Associate Members have turnover less than 50% in organic. No voting rights.</p> <p>Supporters are individuals active in organics. No voting rights.</p>			<p>(formerly Advisory board)</p> <p>Balanced body fulfilling specific roles (see categories above)</p> <p>Meets annually</p> <p>2 joint StC chairman have seats on MSC Board; other StC members may be on board</p> <p>Initially appointed by board; 2 chairmen elected by StC. After first round, StC will make nominations and appointments to StC</p>		<p>fairtrade programs (National Initiatives)</p>	<p>Membership held by company, not by individual</p> <p>Must be in business for at least 2 years</p> <p>Must sign TOI Statement of Commitment to Sustainable Tourism Development and adopted its principles</p> <p>Associate memberships – none in practice</p>

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
	individuals can be members, so chapters or branches of international organizations cannot join (unless they're legal entities). Individuals							
Number of members	More than 550 individuals/companies/organizations	700 organizations	The only member is IFOAM	N/A	30-50 in StC (not typical membership organization)	N/A	17 National Initiatives (NI) in 17 countries	25
Member rights	Nominates and elects BOD; creates and votes on amendments to by-laws, standards; makes ultimate decision on appeals for dispute resolution, dissolution of the FSC	Full members have voting rights at General Assembly (elects Board)	Approves board	N/A	May nominate board members Participate as individuals, not organizations Provides input into standards, policy advice	N/A/	Members decide FLO policy at 2 meetings of the members per year. NIs receive licensing fees which cover FLO's certification and monitoring costs and the NI's marketing expenses	Full: vote, use logo Assoc: voice, no vote
Membership fee schedule	2 tiers for North & South: ranging from \$75-\$300 for North and \$38-\$150 for South depending on	60 euro registration fee plus scale of 280 - 5,350 euros	N/A	N/A	N/A	N/A	N/A	\$500-\$5000 depending on turnover

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FSC	IFOAM	IOAS	SAI	MSC	MAC	FLO	TOI
	organization size (employees), non/for-profit status, or individual	depending on turnover for organizations; individuals pay fee of 50-100 euros/year						
Membership fees/total budget expenses	\$50,000/\$1,848,000 total budget in 2000	264,000/799,000 euros total budget in 2000	N/A	N/A	N/A	N/A	N/A	\$80,000/\$140,000 total budget

10.2 Overview of accreditation and certification organizations in benchmark study

<i>Accreditation organization overview</i>	<i>IOAS</i>	<i>NOP</i>	<i>MSC</i>
Number of accredited certifiers	16	57	6
Application fee/Initial accreditation fee	6,000 USD*	3,070 to 4,850 USD (fee various according to the costs involved: time, travel etc.) – new fees effective from October 2002	779 USD (500 British £)
Annual accreditation fee/royalty fee (fee structure)	3,000 USD** plus 0,8 % of first 1,5 mill USD, then 0,2 % of next 1,5 mill USD gross income.+ Annual surveillance fee 1,700 USD <u>or</u> re-application fee (3,000 USD) and re-evaluation fee (expenses and 450 USD/day fee) in re-application years (every 4 th year).	Annual review fee 190 to 760 USD (fee various according to the time involved). Every 5 th year the certifiers need to be re-accredited; re-accreditation costs 3,070 to 4,850 USD, so that average “annual” accreditation fee is 1,270 USD – new fees effective from October 2002	A royalty fee of 0,1 % of annual turnover is charged. The fee structure is a graduated fee scale based on annual turnover
Minimum annual accreditation fee	No annual minimum fee, but each certifier have to pay at least 5,000 USD in fees annually	No annual minimum fee, but certifiers have to pay a annual review fee which in practice never will be less than 190 USD – new fees effective from October 2002	Minimum annual royalty fee 1,000 USD
Number of employees	5	8	20
Setting up costs	40,000 USD	8 – 9,000,000 USD (the exact amount is hard to estimate since the whole process took 12 years – but the amount is around this figure)	3,800,000 USD
Funding setting up costs	International Federation of Organic Agriculture Movements	Funded by the United States Department of Agriculture	Funded by Unilever
Annual operation costs	350,000 USD	1.400.000 USD**	2,575,000 USD
Main revenue source	Fees from certifiers	Government funding (the goal is to become 100 % self-funded over the next few years)	Donations

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Accreditation organization overview	IOAS	NOP	MSC
Where is the organization based physically	Headquarters in Jamestown, North Dakota USA	Headquarters in Washington, D.C. USA	Headquarters in London, UK. Also offices in Sydney (AUS) and Seattle (US)
Type of product being accredited Type of end user	Organic agricultural products Consumers of organic agricultural products	Organic agricultural products Consumers of organic agricultural products	Sea food, fishery and managing fishery Consumers of sea-food products – mainly in the western-world
Accredit for-profit and/or non-profit certifiers	Both for-profit and non-profit certifiers	Both for-profit and non-profit certifiers	Both for-profit and non-profit certifiers
Type of audit	Document review, site visit and review audit (check accuracy of inspection report). Very thorough audit every 4 years	Document review, site visit and review audit (check accuracy of inspection report).	Document review and on site visit.
Who conducts audit	Accreditors working directly for the IOAS (“in house” accreditors)	NOP accreditors (in house accreditors)	Independent accreditors trained by MSC. But MSC is in the process of hiring in-house accretitor
Nature of audit (What is being audited)	Organic standards – IOAS accredits after the ISO 65 standards	Organic standards, the certifiers ability to live up to the organic standards, the certifiers expertise and the overall quality of products certified by the certifier	Management issues /systems and concrete environmental standards
Frequency of audit	Annually, with major audit every 4 years	Annually, re-accrediting every 5 years	Annually
Conduction of site visit for the initial accreditation assessment	Yes – And on top of that an IOAS auditor accompanies the certifier on the first certification job after the accreditation	Yes – A site visit is conducted for the initial accreditation	Yes – And on top of that an MSC auditor accompanies the certifier on the first certification job after the accreditation

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Accreditation organization overview	IOAS	NOP	MSC
Governance	IOAS is managed by a board of directors. The board is appointed by the International Federation of Organic Agriculture Movements and its composition reflects the various stakeholder interests in the organic industry. The IOAS board has 8 members	The NOP is a federal agency that is run by the United States Department of Agriculture. The NOP operates under a law passed by congress in 1990	A board of trustees governs MSC. The board is comprised of two broad groups of stakeholders: the public interest group and the commercial and socio-economic group. The boards is getting advice from a technical advisory board, the MSC stakeholder council, national and regional working groups, and committees

* IFOAM members pay 500 USD less

** Estimated based on information from The National Organic Program

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	SAI	MAC	FSC
Number of accredited certifiers	9	6	11
Application fee/Initial accreditation fee	15,000 USD Global, 2,000 USD one country accreditation (flat fee rates)	No fee (MAC is still in a setting up/test phase where no fees are charged)	In the new business plan it is estimated that the total application fee will be 30.000 USD
Annual accreditation fee/royalty fee (fee structure)	No annual accreditation fee, but every 3 rd year the certifiers need to be re-accredited; re-accreditation costs 5,000 USD – so that average “annual” accreditation fee is 1,670 USD. A royalty fee of 1,5 % of annual turnover is charged.	No fee (MAC is still in a setting up/test phase where no fees are charged). A fee structure will be introduced at a later stage	In FSC new graduated fee scale certifiers pay 0-2000 USD per certificate depending on size of forest operation. The new fee scale means that the certifiers are going to pay an annual accreditation fee in the range from 15.000 to 30.000 USD
Minimum annual accreditation fee	Minimum annual royalty fee 5,000 USD	No fee (MAC is still in a setting up/test phase where no fees are charged)	No annual minimum fee
Number of employees	20	8	27
Setting up costs	1,000,000 USD	130,000	25,000 USD
Funding setting up costs	Council of Economic priorities (founder), charitable foundations and private companies	The David and Lucile Packard Foundation, USAID, Canadian Government where the major donors	Austrian Government, WWF The Netherlands and Mexican Government
Annual operation costs	1,140,000 USD	750,000 USD	1,850,000 USD
Main revenue source	Donations	Donations	Donations
Where is the organization based physically	Headquarters in New York, USA	Headquarters in Honolulu, USA. Also offices in: Salomon Islands, Philippines and Washington, USA	Headquarters in Oaxaca, Mexico and national initiatives in: Brazil, Bolivia, Colombia, Estonia, Ire-land, UK, USA, Sweden, Canada, Denmark, Germany, Poland and The Netherlands
Type of product being accredited	Labor rights	Marine aquarium organisms (fish and coral)	Forestry production – production of wood
Type of end user	Workers – those working on factories certified by SAI accredited certifiers	Aquarium hobbyist around the world	Consumers (mainly in the western countries) purchasing FSC labeled pro-ducts

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	SAI	MAC	FSC
Accredit for-profit and/or non-profit certifiers	Both for-profit and non-profit certifiers	Both for-profit and non-profit certifiers	Both for-profit and non-profit certifiers
Type of audit	Document review, office audit and an SAI auditor accompanies the certifier on the first certification job after the accreditation	Document review, office audit and audit of how accredited certifiers work in the field	Site visit (office visit as well as field visit)
Who conducts audit	Independent accreditors trained by SAI	Accreditors working directly for the MAC (“in house” accreditors)	Both accreditors working directly for FSC (“in ho-use” accreditors) and independent accreditors trained by FSC
Nature of audit (What is being audited)	Social standards, financial and management issues related to the certifier, and how auditors are trained	Management issues /systems and concrete environmental standards	Compliance with FSC standards and implementation of the certification system
Frequency of audit	Every third year	Annually	Annually
Conduction of site visit for the initial accreditation assessment	Yes – A site visit is conducted for the initial accreditation	Yes – A site visit is conducted for the initial accreditation	Yes – A site visit is conducted for the initial accreditation
Governance	A board of directors governs SAI. The board is called the Advisory Board – Business; it was initially appointed by the Council of Economic Priorities (CEP). Now the board itself elects new board members (the board has 9 members). The board deals with business and legal matters. Issues with regards to the SAI standard is dealt with by the Advisory Board NGO’s, Trade Unions and Governments. This board was also initially appointed by the CEP, now new board members are elected by the board itself.	MAC is managed by a board of directors. Representation on the Board reflects the different stakeholder groups that are involved in the MSC. Different stakeholder groups have been given a number of seats on the Board – the stakeholder group that has been given the highest number of seats of the Board is the conservation group. Among the different stakeholder groups the Board members are either appointed or elected – depending on the preference of the individual stakeholder groups	A board of directors elected by the FSC members. The FSC board consists of three different chambers: Social, environmental and economic, and two sub-chambers (North and South). These chambers represent different stakeholder interests

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FLO (Certifier)	GG 21* (Certifier)	CST (Certifier)	NEAP (Certifier)
Number of certificates awarded	Certifier; 150 importers and 350 producers are certified. 17 member organizations	586 businesses and destinations certified	58 hotels certified	240 certified operators from the attraction, accommodation and tour sector
Application fee	No application fee	100 USD (Flat fee, that has to be paid annually)	No application fee	170-300 USD (Depending on the operators financial size)
Annual accreditation fee (fee structure)	FLO charges a “fair-trade” VAT tax on all products carrying the FLO brand. The revenue from this “tax” is split between the national member organizations and FLO international. Flat fee rate – the tax is a percentage of the total sales price. The level of the “tax” percentage charged is confidential	Benchmarking: 200-1,000 USD Certification: 200-1,000 USD Both fees are based on a graduated fee scale – the scale is based on the number of employees. Fees are due annually (application, benchmarking and certification)	No fees charged – currently no fees are being charged, but the goal is to make CST self-supporting and a fee structure is being setup	54-400 USD The fee structure is a graduated fee scale based on annual turnover
Minimum annual accreditation fee	No annual minimum fee	500 USD (Application, benchmarking and certification combined)	No fees charged	54 USD
Number of employees	15	Not available	Not available	1
Setting up costs	10,000 USD (Very low setting up costs because excess equipment was transferred from national offices)	Not available	100,000 USD (All funds invested in the whole setting up process from the beginning to now where CST is getting ready to start charging fees for its services)	450,000 USD

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FLO (Certifier)	GG 21* (Certifier)	CST (Certifier)	NEAP (Certifier)
Funding setting up costs	The national Fair-trade organizations	World Travel and Tourism Council	Government (via Costa Rican Tourism Institute)	Funded by Commonwealth government – tourism divisions
Annual operation costs	1,094,000 USD	3,220,000 USD**	16,500 USD	28,000 USD
Main revenue source	Membership contributions	Fees and revenues from training activities	Government (via Costa Rican Tourism Institute)	Fees – application and annual accreditation (fees cover administration and assessment costs)
Where is the organization based physically	Headquarters in Berlin, Germany. And national offices in 17 other countries - EU (Minus Portugal, Spain and Greece), Norway, Canada, Switzerland, USA and Japan	Offices in: Boumemouth, UK; Canberra, Australia; San Juan, Puerto Rico; Cape Town, South Africa	Headquarters in San Jose, Costa Rica	Headquarters in Brisbane, Australia
Type of product being accredited	Agricultural products and sports-goods produced in developing countries	Accommodation, marinas, restaurants, vineyards, car hire, cruise boats, airlines, airports, destinations, golf courses, protected areas, convention centers, caravan parks and exhibition halls	Accommodation (mass tourism, eco-tourism and sustainable tourism). Plans to extend to other sectors of the tourism industry (currently expanding to tour operators)	Attraction, accommodation and tours (ecotourism and sustainable tourism)
Type of end user	Western consumers buying Fairtrade labeled products	Tourists requesting eco-tourism and sustainable tourism products	Tourists visiting Costa Rica	Tourists requesting eco-tourism and sustainable tourism products
Certifies for-profit and/or non-profit operations	Certifies both for-profit and non-profit producers and importers	Certifies both for-profit and non-profit operations	Certifies both for-profit and non-profit operations	Certifies both for-profit and non-profit operations

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

	FLO (Certifier)	GG 21* (Certifier)	CST (Certifier)	NEAP (Certifier)
Type of audit	Site visit (office and production plan) and document review	Site visit and document review	Site visit and document Review	Annual desk audit and, random and complaint-based physical audits. The aim is to conduct one physical audit every 3 rd year
Who conducts audit	Independent certifiers trained by FLO	Independent certifiers trained by GG 21	Certifiers working directly for the CST (“in house” certifiers) – but the plan is to switch to independent certifiers	Independent certifiers trained by the independent NEAP body of auditors
Nature of audit (What is being audited)	Social conditions (democratic structure), working conditions and minimum prices (fair-prices)	Environmental and social performance – with particular emphasis on reduction of greenhouse gases	Physical-biological environment, hotel facilities and infrastructure, social-economic environment	Compliance with NEAP ecotourism or sustainable tourism standards
Frequency of audit	Annually	Annually	Annually	Annual desk audit and a site audit every third year
Conduction of site visit for the initial accreditation assessment	Yes – A site visit is conducted for the initial certification	Yes – A site visit is conducted for the initial certification	Yes – A site visit is conducted for the initial certification	No – initial assessment is based on a desk audit and two referee checks. Customer and stakeholder feedback may also be solicited
Governance	A board of trustees elected among the members of the stakeholder groups. The board has 12 members: 6 from the national member organizations, 4 producers and 2 from trade (1 from alternative trade and one from “regular” trade)	By a board of directors representing the opinions of the Green Globe 21 shareholders	By a board of directors representing the different stakeholder groups with interests in CST. The board has members from Costa Rican Tourism Institute, universities, environmental and scientific NGO’s and the Chamber of Tourism	The Board is appointed by the Ecotourism Association of Australia (EAA). The board has 5 members that all are EAA elected officials. The CEO is a paid employee, and the Chair of the Assessment group is independent of the EAA

* Only looking at companies – not communities

** Estimated based on information from Green Globe

APPENDIX 11. STSC-Network Expenses

Budget Item	A	Subtotals	B	Subtotals	Notes
Personnel					
					Assumes coordinating unit in North America or Europe; coordinates with existing networks in Europe & Asia/Pacific
1 coordinator	40,000		40,000		
.5 assistant	15,000		15,000		
1 regional rep - Latin America	36,000		36,000		
1 regional rep - Africa			36,000		
benefits @ 20%	18,200		25,400		
<i>subtotal Staff</i>		<i>109,200</i>		<i>152,400</i>	A: 2.5 staff, B: 3.5 staff
Meetings/Conferences/Workshops					
1 annual international meeting/conference	35,000		35,000		incl. Travel subsidies
Workshop 1 - Latin America	15,000		15,000		incl. Travel subsidies
Workshop 1 - Africa	-		15,000		incl. Travel subsidies
<i>subtotal Meetings/Conferences/Workshops</i>		<i>50,000</i>		<i>65,000</i>	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Budget Item	A	Subtotals	B	Subtotals	Notes
Marketing & Communications					
Marketing & Communications (general)	5,000		5,000		printing, web design, member recruitment
internet forum setup & maintenance	5,000		25,000		A: sharing existing web forum with minimal expenses B: creating & maintaining new forum including consultant
<i>subtotal Marketing & Communications</i>		<i>10,000</i>		<i>30,000</i>	
Travel					
Travel for international meetings	15,000		15,000		6 @\$2500 (Europe, Asia/Pacific, Latin America)
Travel for domestic meetings	3,000		3,000		4 @ \$750
Travel for Latin America rep	4,000		4,000		<u>4 @ \$1000</u>
Travel for African rep	-		4,000		<u>4 @ \$1000</u>
<i>subtotal Travel</i>		<i>22,000</i>		<i>26,000</i>	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Budget Item	A	Subtotals	B	Subtotals	Notes
Research					
Consultancies	-	-	-	-	The networks will probably not undertake research but will rely on participants/partners to carry it out. Exception might be business planning for Association or Accreditation levels.
Office Expenses					
Equipment	6,000		8,000		computer, printer, fax, telephone (A: 2.5 employees; B:3.5 employees rounded up)
Supplies	7,200		9,600		\$200/month per employee includes postage, supplies, stationery;
Telecommunications (telephone, fax, internet)	10,800		14,400		\$300/month per employee
Rent, utilities for Coordinator	-		-		included in coordinating unit overhead

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Budget Item	A	Subtotals	B	Subtotals	Notes
Rent, utilities for LA regional rep	6,000		6,000		15 sq meter per employee times \$100/sq meter
Rent, utilities for African regional rep	-		6,000		15 sq meter per employee times \$100/sq meter
<i>subtotal Office Expenses</i>		<i>30,000</i>		<i>44,000</i>	
subtotal	221,200		317,400		
Coordinating unit overhead @20%	44,240		63,480		Overhead to a coordinating organization is included since the networks are not an independent organization.
TOTAL	\$ 265,440		\$ 380,880		

APPENDIX 12. STSC-Association Expenses

Year 1

Budget Item		Subtotals	% of Total Budget	Notes
Personnel				
Executive Director (f/t)	80,000			Manage & oversee association, lobbying stakeholders, member recruitment, fundraising
Finance Manager (p/t .5)	30,000			Manage and oversee finances and operations incl a/r and a/p and business model.
Marketing/Communications Manager (f/t)	65,000			Manage marketing efforts including press, trade shows, collaborating with NGOs to do consumer outreach
Membership/Development Manager (f/t)	65,000			Manage member recruitment, fundraising, coordinate General Assembly
Standards & Training officer (f/t)	65,000			Oversee standards development; stakeholder consultation; develops, coordinates, and delivers training programs
Assistant (f/t)	30,000			Manage administration, bookkeeping, office, database entry, coordinate meetings
benefits @ 20%	67,000			20% benefits
<i>subtotal Staff</i>		402,000	46%	5.5 staff
Meetings/Conferences/Workshops				
1 annual international meeting/conference (General	40,000			

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Assembly)

Budget Item		Subtotals	% of Total Budget	Notes
Board meetings (incl executive committee)	52,500			Full board: 15 members @ \$1500 average x2/year; Exec Committee 5 @\$1500 1x/year
Technical committee meetings	18,000			6 members @ \$1500 x 2/year
Buyers' group meetings	15,000			2 at \$7500 each
<i>subtotal Meetings/Conferences/Workshops</i>		<i>125,500</i>	<i>15%</i>	
Marketing				
Communications & marketing	50,000			brochure, other marketing materials
Promotion	50,000			1 trade show & other promotion
certified product database development & maintenance	25,000			
internet forum, web design, and maintenance	20,000			
<i>subtotal Marketing & Communications</i>		<i>145,000</i>	<i>17%</i>	
Training				
seminar for new national certification programs	10,000			1 per year - staff time included above
training existing certification programs	10,000			1 per year - staff time included above
assessor trainings	20,000			2 per year - staff time included above
consulting - one-on-one (multilateral lenders, governments)	12,000			8 5-day consultancies travel expenses only (staff time included above)

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Budget Item		Subtotals	% of Total Budget	Notes
Rent, utilities	22,500			6-person office \$1875/mo rent and util. (15 sq mtr per empl @ \$180+\$70 sq mtr)
Legal, accounting, IT services	25,000			
Professional development/staff training	3,500			\$500/year per employee
<i>subtotal Office Expenses</i>		99,300	11%	
TOTAL		864,800	100%	

APPENDIX 13. Implementation Budget for STSC-Association or STSC-Accreditation

Budget Item		Subtotals	% of Total Budget	Notes
Personnel				
Recruitment expenses	61,000			20% of first years salary (\$305,000)
Relocation packages	51,000			2 months salary for senior staff (6)
	<i>subtotal Staff</i>	<i>112,000</i>	41%	
Meetings/Conferences/Workshops				
1 preliminary meeting of the advisory board	22,500			15 members @ \$1500 average
	<i>subtotal Meetings/Conferences/Workshops</i>	<i>22,500</i>	8%	
Marketing				
	<i>subtotal Marketing & Communications</i>	-	0%	

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

Budget Item	Subtotals	% of Total Budget	Notes
Training			
	-		
<i>subtotal Training</i>	-	0%	
Travel			
staff international travel	\$5,000		setting up travel (inspect office space, sign agreements)
<i>subtotal Travel</i>	5,000	2%	
Research			
Consultants	40,000		Consultancy to develop royalty & revenue model for Accreditation
<i>subtotal Research</i>	40000	15%	
Office Expenses			
Equipment	27,000		computers, server, printer, fax, 8 telephones, copier rental & maintenance, \$4500 per employee

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Budget Item		Subtotals	% of Total Budget	Notes
Furniture	9,000			\$1500 per employee
Refurbishment of office space	19,800			\$220/square meter @ 90 sq meters
Telephone, fax, internet set up	3,000			cabling, etc 10 telephone points for telephone and 10 data points for computer (per station
Rent, utilities	3,750			\$1875 per month; 2 month deposit
Software	4,500			6 licenses Office professional, server software, virus protection
	<i>subtotal Office Expenses</i>	<i>67,050</i>	<i>24%</i>	
Professional services				
Legal (real estate lawyer)	1,500			review rental contract
Legal (by-laws, statutes, incorporation)	5,000			create articles of incorporation, etc.

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Budget Item	Subtotals	% of Total Budget	Notes
Legal (trademark)	20,000		Europe CTM: \$10,000; US: \$5,000; WIPO: \$5,000
Legal (employment contracts)	1,500		create employment contracts for staff
	<i>28,000</i>	10%	
	<hr/>		
TOTAL	<i>274,550</i>	100%	
	<hr/> <hr/>		

APPENDIX 14. List of potential members to STSC-Association

(Preliminary estimations)

Name	Notes	Large	Medium	Small	Likely to Join STSC?	Numbers used in projections		
						Large	Medium	Small
VISIT	association of certifiers- accreditation aim		1		1	0	1	0
Asociacion Alianza Verde	certifier				1	0	0	1
Austrian national label	certifier		1		0.5	0	0.5	0
Biosphere Hotel, Asociacion Insular de Empresas y Apartamentos de Lanzarote	certifier				1	0	0	0.5
Blue Flag 2000+ certified	certifier	1			0.5	0.5	0	0
Blue Swallow (Germany)	certifier				1	0	0	0.5
British Holiday and Home Parks Association	certifier				1	0	0	0.5
Bundesumweltzeichen für Tourismusbetriebe	certifier				1	0	0	0.5
Certificate for Sustainable Tourism (CST, Costa Rica)	certifier		1		0	0	0	0

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Committed to Green Foundation	certifier			1	0.5	0	0	0.5
Destination 21, Grønt uddannelsescenter i, Vestsjælland	certifier			1	1	0	0	1
DRV International Environment Award, Deutscher Reisebüro-Verband e.V.	certifier		1		0.5	0	0.5	0
Eco-dynamic Enterprise (Entreprise éco-dynamique), Institut Bruxellois pour la Gestion de l'Environnement, Département éco- comportement et éco-management	certifier		1		0.5	0	0.5	0
Eco-Ibex (Eco-Grischun) in Graubünden, Verein Ökomarkt Graubünden, Geschäftsstelle Altes Schulhaus	certifier				0.5	0	0	0
Eco-Snail of the North Sea Island of Borkum (Umweltschnecke Nordseeinsel Borkum)	certifier			1	0.5	0	0	0.5
Ecotel Certification, HVS International	certifier		1		0.5	0	0.5	0
Eco-Tourism Society of Kenya (certification of lodges)	certifier			1	1	0	0	1
Ecotourism Society of Sweden	certifier			1	0	0	0	0
Ecotourism Symbol Alcudia (Distintivo Ecoturístico de Alcudia)	certifier			1	0.5	0	0	0.5
Environment Squirrel (Umwelteichhörnchen), Allgemeiner Deutscher Automobilclub (ADAC)	certifier	1			0.5	0.5	0	0

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Environmental quality label of holiday houses (Umweltgütezeichen für Ferienhäuser), Møns Turistbureau	certifier				0.5	0	0	0
Environmental Quality Mark for Alpine Club Mountain Huts (Umweltgütesiegel auf Alpenvereinslütten) Deutscher Alpenverein e.V.	certifier			1	0.5	0	0	0.5
Environmentally conscious hotels and guest houses, Bavaria (Umweltbewußter Hotel- und Gaststättenbetrieb, Bayern), Bayerisches Staatsministerium für Landesentwicklung und, Umweltfragen	certifier				0.5	0	0	0
Environmentally Friendly Campsites - Lever (Umweltfreundliche Campingplätze - Lever), Kommunikations- und Konfliktberatung Gerhard Jakubowski	certifier				0.5	0	0	0
Environmentally Friendly Guest Houses	certifier				0.5	0	0	0
European Prize for Tourism and the Environment	certifier				0.5	0	0	0
Foundation Öko-Fonds	certifier				0.5	0	0	0
Fred Baran	certifier				0.5	0	0	0
Gites Panda	certifier			1	1	0	0	1
Green Alliance Conservation International Foundation	certifier				1	0	0	0

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Green Deal (Guatemala)	certifier			1	1	0	0	1
Green Globe 500 members/30 certified	certifier	1			1	1	0	0
Green hand (Grüne Hand) - we do something for the environment	certifier				0.5	0	0	0
Green Hotels	certifier				0.5	0	0	0
Green Key (Denmark)	certifier		1		0.5	0	0.5	0
Green Keys (France)	certifier			1	0.5	0	0	0.5
Green Palms (Grüne Palme),	certifier				0.5	0	0	0
Green Seal	certifier				1	0	0	0
Green Tourism Business Scheme (Scotland)	certifier		1		0.5	0	0.5	0
Grüne Bäumchen, ADAC Reise GmbH	certifier				0.5	0	0	0
Holidays in bio-farms in Germany (Urlaub auf Biohöfen in Deutschland), ECEAT Deutschland	certifier				0.5	0	0	0
Horizons, Tourism Saskatchewan (does this still exist)	certifier			1	0.5	0	0	0.5
Hotel und Gaststättenverband Baden-Württemberg	certifier				0.5	0	0	0
International Environmental Award (Internationale Umweltauszeichnung), Deutscher Reisebüro und	certifier				0.5	0	0	0

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Reiseveranstalter Verband (DRV)							
Legambiente Italy)	certifier		1	0.5	0	0.5	0
Luxembourg ?	certifier		1	0.5	0	0.5	0
Milieubarometer (Holland)	certifier		1	0.5	0	0.5	0
Model campsites in Germany (Vorbildliche Campingplätze in Deutschland), Deutscher Tourismusverband (DTV)	certifier			0.5	0	0	0
Montagne Plus S.A.	certifier			0.5	0	0	0
National Award for Environmentally-friendly Tourism Resorts	certifier			0.5	0	0	0
Natural Products Hohe Tauern National Park	certifier			0.5	0	0	0
Nature and Ecotourism Accreditation Program (NEAP)	certifier		1	1	0	1	0
Nordic Swan (Scandinavia)	certifier		1	0.5	0	0.5	0
Okto-Pikto Camping - ADAV Verlag GmbH	certifier			0.5	0	0	0
PAN Parks, WWF International	certifier		1	1	0	1	0
Q-Plus-Kleiwalsertal,	certifier			0.5	0	0	0
Raiffeisen-Förderungspreis	certifier			0.5	0	0	0

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Regionalmarke Biosphärenreservat Schorfheide-Chorin	certifier				0.5	0	0	0
Scottish Golf Course Wildlife Initiative, Scottish Golf Course Wildlife Group	certifier			1	0	0	0	0
SeaSide Award, Seaside Award Office	certifier			1	0.5	0	0.5	0
Smart Voyager	certifier			1	1	0	0	1
TAT-Orte -Municipalities in the ecological competition	certifier				0.5	0	0	0
The Best Choice for the Environment	certifier				0.5	0	0	0
The David Bellamy Conservation Award, British Holiday and Home Parks Association	certifier			1	0.5	0	0	0.5
The Emblem of Guarantee of Environmental Quality (El distintiu de qualitat ambiental), Medi Ambient	certifier			1	0.5	0	0	0.5
The environmentally oriented hotel and guest house	certifier				0.5	0	0	0
The Farmer of Liechtenstein	certifier				0.5	0	0	0
Thuringen Gaslichkeit, Thuringer Hotel- und Gaststättenverband e. V.	certifier				0.5	0	0	0
Top Team NaTour: Federal Competition for Children and Youth Travel	certifier				0.5	0	0	0

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Virginia Institute of Marine Science College of William and Mary - Center for Coastal Resources Management				0.5	0	0	0
Wettbewerb Gemeinsam - Ontour	certifier			0.5	0	0	0
Wettbewerb Umweltfreundliche Campingplatze in Deutschland (environmentally friendly campsites)	certifier			0.5	0	0	0
Hilton	industry	1		0	0	0	0
Marriott	industry	1		0	0	0	0
IHEI	industry association		1	1	0	1	0
TOI	industry association		1	1	0	1	0
ABIH - Programa Hóspedes da Natureza	industry association			1	0.5	0	0.5
Belize Eco-Tourism Association (BETA)	industry association			1	0.5	0	0.5
Business Enterprises for Sustainable Travel	industry association		1	1	0	1	0
Cámara Nacional de Microempresarios Turísticos	industry association			1	0	0	0
Cámara Nacional de Turismo (CANATUR)	industry association			1	0	0	0
Caribbean Alliance for Sustainable Tourism	industry association			1	1	0	1
Corporación Salvadoreña de Turismo	industry association			1	0	0	0

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(CORSATUR)								
Ecotourism Association of Australia	industry association			1	1	0	0	1
Ecotourism Society of Kenya	industry association			1	1	0	0	1
FONDOTURISMO	industry association			1	0.5	0	0	0.5
INBio Parque	industry association			1	1	0	0	1
Instituto Panameño de Turismo (IPAT)	industry association			1	0	0	0	0
International Hotel & Restaurant Association (IHRA)	industry association	1			0.5	0.5	0	0
Jamaica Hotel and Tourism Association (JHTA)	industry association		1		0.5	0	0.5	0
Mexican Association of Adventure Travel and Ecotourism - AMTAVE (Asociación Mexicana de Turismo de Aventura y Ecoturismo)	industry association	1			0.5	0.5	0	0
Pacific Asia Tourism Association	industry association	1			0.5	0.5	0	0
Societe pour un Tourisme Durable et Responsable	industry association		1		0.5	0	0.5	0
The Belize Tourism Industry Association	industry association		1		0.5	0	0.5	0
The Prince of Wales Business Leaders Forum	industry association		1		0.5	0	0.5	0
Sustainable Tourism Association Canada	industry association		1		0	0	0	0

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British Airways Tourism for Tomorrow Awards	not certifier, award		1	0.5	0	0.5	0
IH&RA Environmental Award, International Hotel and Restaurant Association	award, not certifier		1	0	0	0	0
Landscape of the Year (Landschaft des Jahres), NFI Naturfreunde Internationale	award, not certifier		1	0	0	0	0
The European Charter for Sustainable Tourism in Protected Areas	membership more than certifier		1	0.5	0	0	0.5
NGOs/Academic/Research (Enviro/Social)							
Amigos de Isla Contoy A.C.	NGO Environmental	-	1	0		0	0
Areas de Conservacion Pacifico Central, Ministerio de Ambiente y Energia	NGO Environmental	-	1	0		0	0
Center for Marine Conservation	NGO Environmental	-	1	0		0	0
Centro Cientifico Tropical	NGO Environmental	-	1	0		0	0
Conservation International	NGO Environmental	-	1	1		1	0
Corredor Biológico de Talamanca	NGO	-	1	0		0	0

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	Environmental						
Durham - San Ramón Sister Communities	NGO Environmental	-		1	0		0
E.A.R. T.H.	NGO Environmental	-		1	0.5		0.5
Fiji Ecotourism Association	NGO Environmental	-		1	1		0
Fomento al Desarrollo Sostenible por Medio del Turismo (FODESTUR)	Development project	-		1	0.5		0
Fundação SOS Mata Atlantica	NGO Environmental	-		1	1		0
Fundación Cocibolca	NGO Environmental	-		1	0		0
Fundación Natura Colombia	NGO Environmental	-		1	1		0
Fundación Neotrópica	NGO Environmental	-		1	0.5		0
FUNDECOR/ CATIE	NGO Environmental	-		1	0.5		0
Green Jamaica	NGO Environmental	-		1	1		0
Greenpeace	NGO Environmental	-	1		0.5		0.5

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IUCN	NGO Environmental	-		1	1			1	0
Kiskeya-Alternativa/Kalalú	NGO Environmental	-			1	1		0	1
Monkey Bay Wildlife Sanctuary	NGO Environmental	-			1	0		0	0
Organización Estudios Tropicales	NGO Environmental	-			1	0.5		0	0.5
PROARCA / CAPAS - Programa Ambiental Regional Para Centro America	Development project	-			1	1		0	1
Programme for Belize	NGO Environmental	-			1	1		0	1
Promark Japan, Japan Ecotourism Soc.	NGO Environmental	-		1		0		0	0
Pronatura	NGO Environmental	-			1	1		0	1
Rainforest Alliance	NGO Environmental	-		1		1		1	0
RARE Center for Tropical Conservation	NGO Environmental	-			1	1		0	1
SalvaNATURA	NGO Environmental	-			1	1		0	1
The Nature Conservancy (TNC)	NGO	-		1		1		1	0

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	Environmental						
West Virginia University - Division of Forestry Recreation, Parks and Tourism Resources	NGO Environmental	-	1	0.5		0.5	0
World Wildlife Fund (WWF)	NGO Environmental	-	1	1		1	0
WWF - Brazil	NGO Environmental	-	1	1		1	0
WWF International Arctic Programme	NGO Environmental	-	1	0		0	0
WWF-UK	NGO Environmental	-	1	1		1	0
CFO Partners for America	NGO - Social		1	0.5		0.5	0
Contours	NGO - Social			1	0.5	0	0.5
Earth Council - Consejo de la Tierra	NGO - Social			1	0	0	0
Indigenous Peoples' Biodiversity Network	NGO - Social			1	0.5	0	0.5
Tearfund	NGO - Social			1	0	0	0
Tourism Concern	NGO - Social		1	1		1	0
ACEPESA	NGO - Tourism			1	1	0	1
Asociación Talamanqueña de Ecoturismo	NGO - Tourism			1	0	0	0
Asociación Conservacionista Monteverde	NGO - Tourism			1	0	0	0

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Cámara Nicaragüense de Turismo (CANATUR)	NGO - Tourism			1	0		0	0
Consortio Cooperativo Red Ecoturística Nacional (COPRENA)	NGO - Tourism			1	1		0	1
Ecotourism Association of Australia	NGO - Tourism		1		1		1	0
International Council of Cruise Lines (ICCL)	NGO - Tourism		1		0		0	0
Red Turs (Red de Turismo Sostenible)	NGO - Tourism			1	0		0	0
The International Ecotourism Society (TIES)	NGO - Tourism		1		1		1	0
CEGESTI Centro de Gestion Tecnológica e Industrial	research			1	1		0	1
Fundación para el Desarrollo Turístico y Ecológico de la Micro, Pequeña y Mediana Empresa (FUNDETUR)	research-industry			1	0		0	0
Fundación PROESA	research			1	0		0	0
Griffith University - Cooperative Centre for Sustainable Tourism	research		1		0.5		0.5	0
Governmental								
Belize Tourism Board	government			1	0.5		0	0.5
Canadian Tourism Commission	government		1		0.5		0.5	0

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CANATUR Costa Rican National Chamber of Tourism	government			1	0.5			0	0.5
Direction de l'intervention sectorielle et des produits touristiques / Tourisme Québec	government		1		0.5			0.5	0
Eco Tourism Fiji	government			1	1			0	1
EcoBiosfera El Triunfo S.C.	government			1	0			0	0
EMBRATUR Ministério da Indústria, Comércio e Turismo - Instituto Brasileiro de Turismo	government			1	1			0	1
Instituto Costarricense de Turismo (ICT)	government			1	0			0	0
Instituto Salvadoreño de Turismo (ISTU)	government			1	0.5			0	0.5
La Mosquitia Ecoaventuras	government			1	0.5			0	0.5
Maya Biosphere Reserve Program, USAID	government		1		0.5			0.5	0
Mexican Government Tourism Secretariat (SECTUR)	government			1	1			0	1
Ministerio de Ambiente y Energía (MINAE), Proyecto Corredor Biológico Mesoamericano Costa Rica	government			1	0			0	0
Ministerio de Turismo (Ecuador)	government			1	0			0	0
Nicaraguan Institute of Turismo INTUR	government			1	0.5			0	0.5

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Office of Aboriginal Development	government			1	0.5		0	0.5
Panama Tourism Bureau	government			1	0.5		0	0.5
Prom Perú - Commission for the Promotion of Perú	government			1	1		0	1
South Australian Tourism Commission	government		1		0.5		0.5	0
South East England Tourist Board	government		1		0.5		0.5	0
State of Alaska	government		1		0.5		0.5	0
Tourism Commission of the Chamber of Diputados + Universidad de la Plata	government			1	0.5		0	0.5
Tourism Victoria	government		1		0.5		0.5	0
Wet Tropics Management Authority	government			1	0.5		0	0.5
Instituto de Normas Técnicas de Costa Rica (INTECO)	government			1	0		0	0
							0	0
Ecotrans	individual/private consultancy		1		1		1	0

Appendix 15. STSC-Accreditation Expenses

Budget Item	Subtotals	% of Total Budget	Notes
Personnel			
Executive Director (f/t)	80,000		Manage & oversee association, lobbying stakeholders, member recruitment, fundraising
Finance Manager (p/t .5)	30,000		Manage and oversee finances and operations incl a/r and a/p and business model.
Marketing/Communications Manager (f/t)	65,000		Manage marketing efforts including press, trade shows, collaborating with NGOs to do consumer outreach
Membership/Development Manager (f/t)	65,000		Manage member recruitment, fundraising, coordinate General Assembly
Technical Accreditation and Standards & Training officer (f/t)	65,000		Oversee standards development; liaise with Accred. Agency & stakeholders; develops, coordinates, and delivers training programs
Assistant (f/t)	30,000		Manage administration, bookkeeping, office, database entry, coordinate meetings

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benefits @ 20%	67,000		20% benefits
	<i>subtotal Staff</i>	<i>402,000</i>	46% 5.5 staff

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Budget Item	Subtotals	% of Total Budget	Notes
Meetings/Conferences/Workshops			
1 annual international meeting/conference (General Assembly)	40,000		
Board meetings (incl executive committee)	52,500		Full board: 15 members @ \$1500 average x2/year; Exec Committee 5@\$1500 1x/year
Technical committee meetings	18,000		6 members @ \$1500 x 2/year
Buyers' group meetings	15,000		2 at \$7500 each
<i>subtotal Meetings/Conferences/Workshops</i>	<i>125,500</i>	<i>15%</i>	
Marketing			
Communications & marketing	50,000		brochure, other marketing materials
Promotion	50,000		1 trade show & other promotion
certified product database & maintenance	25,000		
internet forum, web design, and maintenance	20,000		
<i>subtotal Marketing & Communications</i>	<i>145,000</i>	<i>17%</i>	

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Budget Item		Subtotals	% of Total Budget	Notes
Training				
seminar for new national certification programs	10,000			1 per year - staff time included above
training existing certification programs	10,000			1 per year - staff time included above
assessor trainings	20,000			2 per year - staff time included above
consulting - one-on-one (multilateral lenders, governments)	12,000			8 5-day consultancies travel expenses only (staff time included above)
<i>subtotal Training</i>		<i>52,000</i>	<i>6%</i>	
Travel				
staff international travel	30,000			12 trips @ \$2500 (does not include specific meeting travel. See above)
staff domestic travel	6,000			8 trips @ \$750 (does not include specific meeting travel. See above.)
<i>subtotal Travel</i>		<i>36,000</i>	<i>4%</i>	

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Budget Item		Subtotals	% of Total Budget	Notes
Research				
		5000		coordinating costs; collaboration with other groups
	<i>subtotal Research</i>		5000	1%
Office Expenses				
Equipment	12,000			computer, printer, fax, telephone, copier rental & maintenance, yearly average for software & computer replacements/upgrades every 3 years (\$2000/year per employee)
Supplies	13,200			\$200/month per employee includes postage, supplies, stationery;
Telecommunications (telephone, fax, internet)	23,100			\$350/month per employee
Rent, utilities	22,500			6-person office \$1875/mo rent and util. (15 sq mtr per empl @ \$180+\$70 sq mtr)
Legal, accounting, IT services	25,000			
Professional development/staff training	3,500			\$500/year per employee
	<i>subtotal Office Expenses</i>		99,300	11%
	TOTAL		<u>864,800</u>	<u>100%</u>

APPENDIX 16. Potential royalty fees and accredited certifier growth projections

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Feasibility Study	Network	Network	Association	Accreditation	Accreditation	Accreditation	Accreditation	Accreditation	Accreditation	Accreditation	
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Number of certifiers	59	56	60	60	64	68	70	65	60	55	50
Number of accredited certifiers	0	0	0	0	10	20	30	32	30	27	25
% of certifiers accredited	0	0%	0%	0%	16%	29%	43%	49%	50%	49%	50%
Number of operations per accred. Certifier	50	50	50	50	50	50	50	50	50	50	50
Total certified operations subject to	0	0	0	0	500	1000	1500	1600	1500	1350	1250

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royalty

25% of certified operations are "medium-large"

125 250 375 400 375 337.5 312.5

Average royalty paid on "medium-large" certificates

\$ 150 \$ 150 \$ 175 \$ 175 \$ 200 \$ 250 \$ 260

Royalty revenue (medium-large)	\$18,750	\$37,500	\$65,625	\$70,000	\$75,000	\$84,375	\$81,250
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75% of certified operations are "small"

375 750 1125 1200 1125 1012.5 937.5

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	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	Feasibility Study	Network	Network	Association Accreditation	Accreditation	Accreditation	Accreditation	Accreditation	Accreditation	Accreditation
Minimum royalty to STSC				\$50	\$50	\$60	\$60	\$75	\$85	\$100
Royalty revenue (small)				\$18,750	\$37,500	\$67,500	\$72,000	\$84,375	\$86,063	\$93,750
TOTAL ROYALTIES				\$37,500	\$75,000	\$133,125	\$142,000	\$159,375	\$170,438	\$175,000
average royalty paid by med-large accredited certifier				\$7,500	\$7,500	\$8,750	\$8,750	\$10,000	\$12,500	\$13,000
average royalty paid by small accredited certifier				\$2,500	\$2,500	\$3,000	\$3,000	\$3,750	\$4,250	\$5,000

APPENDIX 17. STSC - Network - Association – Accreditation Ten Year Projections

2003-2012

	Network	Network	Association	Accredit.	Accredit.	Accredit.	Accredit.	Accredit.	Accredit.	Accredit.
(in US \$)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10

Revenues

Membership fees			55,200	60,720	66,792	73,471	80,818	88,900	97,790	107,569
Conference Fees	22,500	22,500	19,320	21,252	29,222	32,144	35,358	46,673	51,340	56,474
Grants/Donations/In-kind	358,380	358,380	982,500	770,000	695,000	645,000	630,000	605,000	590,000	590,000
Training			95,000	125,000	137,500	151,250	151,250	136,125	122,513	110,261

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

(in US \$)	Network 2003 Year 1	Network 2004 Year 2	Association 2005 Year 3	Accredit. 2006 Year 4	Accredit. 2007 Year 5	Accredit. 2008 Year 6	Accredit. 2009 Year 7	Accredit. 2010 Year 8	Accredit. 2011 Year 9	Accredit. 2012 Year 10
Other (Royalties)	-	-	-	18,750	75,000	133,125	142,000	159,375	170,438	175,000
Total Revenues	380,880	380,880	1,152,020	995,722	1,003,514	1,034,990	1,039,426	1,036,073	1,032,080	1,039,304
Expenses										
Operational budget	380,880	380,880	864,800	864,800	908,040	953,442	1,001,114	1,051,170	1,103,728	1,158,915
Implementation budget			274,550	-	-	-	-	-	-	-
Incremental increases	-	-	-	-	84,000	48,000	-	-	-	-
Total Expenses	380,880	380,880	1,139,350	864,800	992,040	1,001,442	1,001,114	1,051,170	1,103,728	1,158,915

STSC: Raising the standards and benefits of sustainable tourism and ecotourism certification

(in US \$)	Network 2003 Year 1	Network 2004 Year 2	Association 2005 Year 3	Accredit. 2006 Year 4	Accredit. 2007 Year 5	Accredit. 2008 Year 6	Accredit. 2009 Year 7	Accredit. 2010 Year 8	Accredit. 2011 Year 9	Accredit. 2012 Year 10
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Net Revenue	-	-	12,670	130,922	11,474	33,548	38,312	(15,097)	(71,648)	(119,610)
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Carry Forward from previous year	-	-	-	12,670	143,592	155,066	188,613	226,926	211,829	140,180
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Cash Flow	-	-	12,670	143,592	155,066	188,613	226,926	211,829	140,180	20,570
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Assumptions

Revenues:

- * Membership increase by 10% each year but the dollar/member ratio remains constant at \$650/member.
- * Conference attendance increases by 10% each year (fees remain constant).
- * Grants/Donations decrease over time.
- * Training ramps up over two years, increases by 10% each year until Year 6 and then levels off and diminishes through Year 10.
- * Royalties increase but at a decreasing rate each year. These figures were developed on a per certificate per accredited certifier basis but, realistically, the STSC should look to develop a royalty fee paid by other users, up the chain (up to the consumer level). This will need further research.

Expenses:

- * First year Association and Accreditation operational budget are the same; Accreditation budget increases by 5% each year.
- * Implementation budget only in year 1 of Association or Accreditation.
- * Incremental increases reflect additional staff at key growth points.
- * For example: Year 5, Finance Manager is full-time; full-time training coordinator is hired; Year 6: full-time Event/Membership coordinator is hired.

Carry Forward and Cash Flow

- * Any excess or deficit is carried forward to the following year to factor the cash flow.
- * A significant excess is projected in the first few years of Accreditation but is necessary to cushion reduced margins due to reduced training and grant/donation funding, stabilized membership revenues and conference fees and increased expenses.

APPENDIX 18. Summary of ISO 65 Guide “General requirements for bodies operating product certification systems”

This summary has been prepared for the purposes of the STSC considering guidelines for tourism certification programs. As a summary, its interpretation and need for brevity might have changed the meaning of some parts and it is required to refer to the full ISO 65 Guide for its implementation.

Certification body

- *General provisions.* Policies shall be non-discriminatory and shall not be used to impede access by applicants, making services accessible to all applicants without undue financial or other conditions. The criteria against which the products are evaluated are those outlined in specified standards.
- *Organization.* The certification body shall foster confidence, by being impartial, responsible for decision-making and identifying responsibility for key processes such as testing, inspection, evaluation, formulation of policy matters and others. The certification body shall have documents to prove its legality and impartiality of operations, including a structure to enable the participation of all parties significantly concerned with the development of policies and principles regarding the content and functioning of the certification system. The certification body shall have a systems to ensure impartiality of decision-making and evaluation, arrangements to cover liabilities as well as financial stability, employ qualified and sufficient personnel, have a quality system that gives confidence in its ability to operate, and systems to differentiate between certification and other activities.
- *Operations.* The certification body shall specify standards and requirements for evaluation.
- *Subcontracting.* This will be the basis of a documented agreement including confidentiality and conflict of interest clauses. The certification body shall take full responsibility for subcontracted work, ensure competency of subcontractors, and obtain the applicant’s consent.
- *Quality system.* The certification body shall have a quality policy appropriate to the type, range and volume of work performed, ensure it is understood, implemented and documented in a quality manual and associated quality procedures.
- *Conditions and procedures for granting, maintaining, extending, suspending and withdrawing certification.* The certification body shall have procedures to grant, maintain, withdraw and suspend certification.

- *Internal audits and management reviews.* The certification body shall conduct periodic internal audits to verify that it is implementing its internal quality system, and that personnel affected by the outcome of the internal audit are informed of the results, corrective action is taken and audit results are documented.
- *Documentation.* The certification body shall provide information about the authority under which it operates, a documented statement of its certification system, evaluation procedures, details on the financing of the certification body and fees charged to applicants, rights and duties of applicants including use of logos, procedures on handling complaints, and directory of certified products and their suppliers. The certification body shall keep documentation on all its certification functions and procedures, for review and approval by authorized and competent personnel.
- *Records.* Records will be kept to comply with regulations in accordance to the certification body's particular circumstances, to demonstrate that certification procedures have been fulfilled. The management of these records will ensure integrity of the process and the confidentiality of the information.
- *Confidentiality.* The certification body shall have procedures consistent with legislation to safeguard confidentiality of information obtained.
- *Certification body personnel.*
 - *General.* The personnel will be competent for technical, policy and implementation functions.
 - *Qualification criteria.* Personnel will sign a contract committing to comply with rules defined by the certification body, and declare association present or past with companies that they might have to certify. The certification body will have information on qualifications, training and experience needed for the job and those of staff employed.
- *Changes in certification requirements.* The certification body shall give notice of changes to certification requirements, take account of views before deciding on the detail of the change, publish the change, notify companies certified previously and verify that these make the necessary adjustments in a reasonable timeframe.
- *Appeals, complaints and disputes.* The certification body shall keep a record of appeals, complaints and disputes, take appropriate action and document this action.
- *Application for certification.*
 - *Information on the procedure.* The certification body shall provide up to date and accurate description of the certification procedures, requirements for certification, applicant's rights and duties, including fees. The certification body shall require that the supplier complies with relevant provisions, facilitates the evaluation, makes claims of its certified status only for the products and time that it has been certified and is not misleading towards its meaning, and upon cancellation it stops making reference to certification on its advertising.

- *The application.* The applicant will sign an application form including the scope of the certification and agreeing to comply with the requirements and supply the necessary information.
 - *Preparation for evaluation.* The certification body shall conduct and maintain records of a review of the application to ensure that the applicant understands the requirements and process, differences are resolved, and the certification body has the capability to undertake the task. The certification body shall prepare a plan for its evaluation activities, assign personnel qualified for the task, and keep evidence of adequate operation.
 - *Evaluation.* The certification body shall evaluate the products of the applicant against the standards covered by the scope of the application.
 - *Evaluation report.* The certification body shall prepare an evaluation report identifying nonconformities, and the need for further evaluation. If the applicant takes action to meet those requirements within a specified time, only the necessary parts of the evaluation will be conducted.
 - *Decision on certification.* The certification body shall decide on the certification of the applicant on the basis of the information provided during the evaluation process, and decisions on granting certification shall not be delegated. The certification body shall provide evidence of certification granted to the applicant.
 - *Surveillance.* The certification body shall have procedures and document activities to this effect. The certification body shall periodically evaluate the certified products to confirm they conform to the standards.
 - *Use of licenses, certificates and marks of conformity.* The certification body shall exercise control over ownership, use and display of licenses and certificates, and incorrect use will be dealt with.
- Complaints to suppliers.* The certification body shall require certified firms to keep records of complaints against compliance with requirements to the standard, make these available to the certification body, take corrective action and document these actions.
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