ITC’s Approach to Sustainable Tourism

« Making Tourism benefit the local poor »

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Geneva - October 2010
International Trade Centre (ITC)

Established in 1964 as the joint implementing agency of the WTO and the UN, ITC specializes in trade development and export promotion activities in developing and transition economies.

Mission
Promote the growth of small business exports from developing and transition countries by providing, with partners, sustainable and inclusive trade development solutions.

ITC has designed and implemented successful export promotion programmes worldwide, serving the business community, trade support institutions and policymakers.
Export Impact for Good

**ITC OUTPUTS**

- Economic Growth & Related Distribution of Wealth
- Equal access for Women Youth Poor Communities

**IMPACTS**

- Job Creation
- Social, Economic & Environmental Sustainability

**MDG Goals**

1. Eradicating extreme poverty and hunger
2. Promoting gender equality and empowering women
3. A global partnership for development
4. Ensuring environmental sustainability
Globalization, Tourism and Poverty

- International awareness to make globalization and the tourism industry growth work for the poor
- Benefits of economic growth do not automatically trickle down to the poor
- Therefore, the poor need to be brought into the growth process through employment and entrepreneurship
Tourism and FDI

• Development of tourism in LDCs
  • Even before 2002 tourism receipts in LDCs exceeded US$ 200 billion
  • Significant Increase in Investment over the past 2 decades
  • Accounted for 11% of total world exports in 2008
  • Principal export for 1/3 of developing countries

  However…

• Statistics suggest that 60-75% of revenues related to tourism leak away from LDCs as a result of:
  • Foreign Ownership
  • Choice of importing rather than sourcing locally
  • Belief in local inability to cope with international hotel chain requirements
TPRP Objectives

• TPRP is a market-led approach aiming to integrate poor local communities in LDCs and developing countries in the value chain of trade through tourism

• Facilitate an increase in the income along with an improvement of the livelihoods of poor women and men through active entrepreneurial participation in tourism value chains while ensuring the project’s sustainability economically, socially and environmentally

Achieved by:

• Involve the poor by linking them to tourist market value chains

• Ensure tourism products and services meet international requirements

• Provide market expertise, capacity building, policy advocacy, and formal market linkages

• Work with existing tourism destinations and supply sectors
TPRP and Environmental sustainability

• TPRP activities aim to ensure environmental sustainability in all phases of the project cycle, starting with the needs assessment and design phase of TPRP projects.

• TPRP has already produced a number of guidelines and manuals for national consultants, which include an assessment of the natural environment.

• Many TPRP projects create linkages between the agricultural and tourism sector, thus the need to promote organic farming, sustainable use of agricultural resources and environmentally friendly practices. More and more, eco-labels and -certifications are becoming an important requirement to enter profitable international markets.
TPRP’s Inclusive Tourism: Success Factors

- Select existing sites with minimum of tourism fluxes and infrastructure
- Ensure participation & commitment
- Build on what is already existing
- Use a business-like approach
- Structure and organize the communities
- Forge international & local partnerships
- Include environmental, social and economic factors
- Respect local legislation & manage risks
The Tourism value chain

The 4 main tourism sub-chains:

- Accommodation (Hotels)
- Food (Restaurants, intermediaries, farmers)
- Excursions (Tour operators, transports, communities)
- Handicraft (producers, vendors)
The Tourism value chain

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Accommodation</th>
<th>Food</th>
<th>Tours/Excursions</th>
<th>Handicraft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>Resort</td>
<td>Restaurants</td>
<td>OT</td>
<td>Shops</td>
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<td>Hotel</td>
<td>Stalls</td>
<td>Guide</td>
<td>Stalls</td>
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<td></td>
<td>Garden House</td>
<td>Markets</td>
<td>Transport</td>
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<td>Private</td>
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<td>Farm</td>
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<td>Worker</td>
<td>Company</td>
<td>Family/Individual</td>
<td>Foreign/Local</td>
<td>Company</td>
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<td>Private Investor</td>
<td>Family/Individual</td>
<td>Local</td>
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<td>Foreign/Local</td>
<td>Local</td>
<td>Family</td>
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<tr>
<td>Direct Supplier</td>
<td>Wholesalers and Producers (W&amp;P)</td>
<td>Fairly Poor/Poor</td>
<td>Fairly Poor/Poor or Rural Poor</td>
<td>G&amp;P / International Markets (IM)</td>
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<tr>
<td>Indirect Supplier</td>
<td>Construction and Equipment Companies</td>
<td>Fruit and Vegetable vendor, wholesalers, distributors</td>
<td>Wholesalers Producers</td>
<td>IM/Local Market Wholesalers (LMW)</td>
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<td>Construction workers</td>
<td>Markets Meat Producer/Vendor</td>
<td>Local Transport</td>
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<td>Furniture makers</td>
<td>Fisherman Local</td>
<td>Food (dry) vendor</td>
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<td>Transport companies</td>
<td>(W&amp;P)</td>
<td>Sufficient or fairly poor</td>
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<td>Villages/tourist sites/ transport companies/homes</td>
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<td>Sufficient /Fairly Poor / Poor</td>
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<td>Wholesalers Producers</td>
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<td>Local Transport</td>
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<td>Family/Individual</td>
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<td>Handicraft producers and raw material intermediaries</td>
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MI & GML
The Triangle of Sustainability

**Local Community**
- group organization
- local capacity building
- production and supply

**ITC Technical Inputs**

**Market Link**
- formal link to communities
- product development
- marketing, export

**Tourism Support Institutions**
- training and services
- replication
- policy advocacy
Implementing TPRP: Project Cycle

1. National EDRP Strategy
2. Government Request
3. Opportunity Study / Needs Assessment
4. Participatory Project Design
5. Implementation / Monitoring
6. Replication / Scaling Up
Current TPRP Inclusive tourism projects

- Main beneficiaries: poor communities neighboring tourist destinations/resorts
- Goal: thousands of beneficiaries can experience improvements in their livelihoods as a result of TPRP projects
- Projects:
  - Benin
  - Brazil
  - Colombia
  - Lao PDR
  - Mozambique
  - Senegal
  - The Philippines
  - ...and soon in Jamaica and Samoa
Monitoring Implementation: Impact & Assessment

• TPRP strives for **DIRECT IMPACT** on poor communities’ livelihoods

• **DIRECT IMPACT** assessed through IT-based Impact Measurement Tool (survey at the beginning of intervention, half-way and at the completion).

• The **IMT** takes into account social, economic, community development, environmental and product specific indicators
Impact Measurement

**WHY is it crucial?**

- Fundamental TPRP approach: to know the impact of projects on living conditions at the **community level** (group of households)
- In line with the MDGs: poverty reduction measurement and environmental conservation
- Credibility amongst donors
- Communication/TPRP Promotion
-Case Study-
Inclusive tourism in Benin
Objectives

• Develop sustainable tourism in Ganvié, Ouidah, Abomey by assisting poor local communities in offering products and services which meet the requirement of the tourism market. It also helps to promotes these areas as tourist destinations.

• Overall, the aim is to improve the livelihood of targeted communities by creating job opportunities and increasing salaries through a higher quality of tourism offer.
Activities

- Increase awareness of local communities through television and radio programmes on tourism and inter-cultural dialogue
- Transformation and marketing of organic soap in Abomey
- Transformation and marketing of water hyacinth (training in transformation techniques and local development) in Ganvié
- Building of a refreshment bar and a historical fresco in Ouidah
Achievements

• **Ganvié**: training in hyacinth transformation techniques provided to local communities leading to a positive environmental impact
  • Jobs created for 25 women and salaries increased by 50% for craft producers
• **Abomey**: jobs created and income increased five-fold for 25 women
• **Ouidah**: Higher visibility, conviviality, and destination attractiveness, sales increased significantly, leading to a turnover of $12,000
• In all three cities promotional materials including maps have been created to attract tourists
Thank You!

Website: www.intracen.org/poverty-reduction

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