

Sustainable Tourism

and

Cultural Heritage

**A Review of Development Assistance and Its Potential to
Promote Sustainability**

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List of Abbreviations

Abbreviations are common in many fields, including those of tourism, cultural heritage management, and development cooperation. Abbreviations used only in limited areas (e.g., in one paragraph) are described in the text. Those with broader use and relevance are listed below.

ADB	Asian Development Bank
AfDB	African Development Bank
BMZ	German Federal Ministry of Economic Cooperation and Development
CHM	Cultural Heritage Management
CHT	Cultural Heritage Tourism
DFID	Department for International Development (UK)
EIA	Environmental impact analysis
EU	European Union
GEF	Global Environment Facility
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit (Germany)
ICCROM	International Center for the Study of the Preservation and Restoration of Cultural Property
ICOMOS	International Council on Monuments and Sites
IDB	Inter-American Development Bank
IUCN	The World Conservation Union
NGO	Non-governmental organization
NORAD	Norwegian Agency for Development Cooperation
OECD	Organization for Economic Cooperation and Development
PATA	Pacific Asia Travel Association
SD	Sustainable development
SIDA	Swedish International Development Agency
SNV	Netherlands Development Organisation
ST	Sustainable tourism
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific, and Cultural Organization
USAID	US Agency for International Development
WTO	World Tourism Organization
WTTC	World Travel and Tourism Council

Preface

The objective of this report on Sustainable Tourism and Cultural Heritage is to present the state of the art of knowledge, experiences and best practices from different multi- and bilateral agencies that have worked with this issue. The report draws on experience from sites and destinations around the world, including many that are inscribed on the UNESCO World Heritage List.

It is often said that knowledge in this field needs to be further developed before Sustainable Tourism can be integrated into multi- and bilateral development co-operation policies.

NWHO wants to show that this is not the case.

Arild Molstad A/S had administrative responsibility for the report, and Mr. Molstad contributed to its content in various ways. **Kreg Lindberg** (Institute of Transport Economics – TØI) had overall responsibility for report writing and content. **Don Hawkins** contributed information on the activities of selected agencies, including the World Bank and USAID, as well as the material contained in Appendix 3 and 4. **Walter Jamieson** contributed background information on several topics discussed in the report. The case studies are based on material provided by Hawkins (Appendix 6) and Jamieson (Appendix 7).

This report is based on the experiences of the authors and available published and unpublished information. There will, of course, be a lot of literature, case studies and other information relevant to the concept of Sustainable Tourism and Cultural Heritage that is not published in this report.

Nevertheless, in our opinion, the relevant knowledge exists. Through multi- and bilateral partnerships that also involve the private sector, strategies, programs and projects can be developed and implemented. It is due time that this is recognised so that action can be taken.

The Strategy for Environment in Norwegian Multi- and Bilateral Development Co-operation recognizes as a priority the development of models for sustainable tourism in prioritized areas of cultural interest (Agenda 21).

NWHO believes the time to take action is now, and we want to be a partner in developing these strategies, programs and projects.

Kris Endresen
Director, NWHO
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Executive Summary

This report 1) provides an up-to-date overview of the relationship between protection of cultural heritage, including World Heritage Sites, and tourism, 2) describes strategies that can lead to sustainable tourism where cultural heritage is a key factor, and 3) points out how development cooperation can play a role in this process, with a particular focus on Africa and Asia.

The mutual dependence that exists between tourism and cultural heritage is becoming more evident. While culture heritage creates a foundation for tourism's growth, tourism has the power to generate funds that make conservation possible. Cultural heritage loses much of its meaning without an audience, and a society participating in and benefiting from it. Without sustainable management, tourism loses its potential for growth.

The focus of this report is how to promote symbiosis rather than conflict between the needs of conservation management and tourism, and particularly how development cooperation can play a role in achieving this symbiosis.

Recent growth has catapulted the tourism industry into the position of becoming arguably the biggest industry in the world, with a 12% share of global GDP. Its size threatens vulnerable destinations whose culture heritage is their main attraction, while on the other hand sustainable tourism can play a vital part in addressing such developing country problems as poverty, poor infrastructure, unemployment, and a decline in a nation's sense of cultural identity.

Though it has not been fully tapped, tourism has the potential to create benefits specifically for the poor in destination countries. Indeed, the British development cooperation agency (DFID) has focused on a pro-poor approach as part of its involvement in tourism.

Tourism poses important challenges for development assistance, which so far has involved itself in this sector only to a minor degree. The report points out that arguments against bilateral and multilateral development assistance roles in tourism are real, but often overstated – and that these

problems are not unique to tourism: many are generic to development cooperation and the development process. The report concludes that a failure of development agencies to become involved in tourism represents a failure to capitalize on the considerable opportunities it presents in terms of resource management and sustainable development.

Development cooperation can help tackle challenges such as global underestimation of the value of culture- and nature-based attractions; currency leakage that deprive local communities of tourism-generated income; a private industry preoccupied with short-term profits at the expense of long-term resource management; and a lack of experience and administrative/organizational structure.

These challenges are particularly dramatic in the area of cultural heritage, as damage inflicted upon local culture is accelerating and often irreparable (these are non-renewable resources). The "user pays" principle is often neglected, while the "free and open access" argument is invoked by the tourism industry. The industry is characterized by "market failure," which means that a *laissez-faire* approach may not lead to socially-desirable results. Therefore, there is a need for government intervention. The report identifies and outlines a range of private-public sector alliances, using strategies and mechanisms ("best practices") that have proved successful. Practical cases are provided to illustrate ways to meet these challenges.

The report argues that development of sustainable tourism can be consistent with the aim of development cooperation in general. Moreover, sustainable tourism represents a hitherto largely neglected opportunity for a developing country to generate employment opportunities (including for poor people), growth, and a more viable economy on terms that do not run counter to its long-term interests.

The authors of this report conclude that **there is a solid, and growing, basis for action**. In addition to the knowledge and experience of development agencies, there is extensive expertise within the consultancy and academic world, among NGOs, as well as inside the tourism industry itself. How-

ever, the importance of collaboration and information exchange in project development and implementation is vital. As is a sense of urgency to combat the disappearance of cultural landscapes that have value far beyond what can be measured in economic terms; they are central, often fast-disappearing symbols of national identity and uniqueness. As expressed by **World Bank President James Wolfensohn**, “**culture can be justified for tourism, for industry, and for employment, but it must also be seen as an essential element in preserving and enhancing national pride and spirit.**”¹

1. Introduction

Tourism to sites of cultural and natural significance has existed at least since the time of Greek Antiquity, as reflected by Hellenistic world's invention of the Seven Wonders of the World. In more recent times, 157 countries have ratified the World Heritage Convention of 1972 (protecting the world's cultural and natural heritage), and 582 sites are inscribed on the UNESCO World Heritage List. UNESCO's Director General F. Mayor expressed it this way:

“The potential benefits of World Heritage extend far beyond the sites which have been listed, since these areas can play a leadership role in setting standards for protected areas as a whole, can bring resources for training which will be of wider application, and can be “flagships” in terms of raising public awareness of conservation issues.”

Together with other culture and nature areas, these World Heritage Sites are important tourism attractions and form the backbone of the tourism industry. Indeed, inscription on the World Heritage List can quickly cause a site to become a major tourist attraction.

There is some debate regarding the exact size and growth of tourism, but it clearly is one of the largest industries in the world, if not the absolute largest. The World Travel and Tourism Council (WTTC) estimates that tourism generated 192 million jobs and \$3.6 billion² in GDP in 1999, which is 12% of the world total. WTTC forecasts continued growth, with annual rates of 3% between 1999 and 2010 for the world as a whole.³

In short, tourism's economic impact is significant and still growing. Moreover, much of the employment and associated income involves foreign exchange earnings. In addition, though there is wide variability across destinations and regions, tourism generally provides jobs of various types (from unskilled to skilled, part-time to full-time) and for both genders. Thus, tourism can make an important contribution to economic development. Tourism also generates a variety of other impacts, both positive and negative. For example, it can help keep traditions alive and finance the protection of cultural and natural heritage, as well as

increase visitor appreciation of that heritage. Conversely, tourism can damage heritage when not well managed.

Thus, there is a tension between tourism and cultural and natural heritage management, indeed between tourism and broader societal values. Tourism is a double-edged sword. As noted by UNESCO:

Cultural tourism can encourage the revival of traditions and the restoration of sites and monuments. But unbridled tourism can have the opposite effect. Here there is a real dilemma. Is there not a risk that the boom in cultural tourism, by the sheer weight of numbers involved, may harbour the seeds of its own destruction by eroding the very cultures and sites that are its stock in trade?

Or, as stated by Egyptologist Rainer Stadelman, “Tourism is already a catastrophe. But we have to admit that without tourism there would be no public interest, and without that there would be no money for our work.”⁴ The tension between symbiosis and conflict has been repeated in many contexts and provides the motivation for this report. On the one hand, cultural heritage can serve as a tourism attraction, while tourism can lead to financial and political support for management of this heritage. On the other hand, there is also potential conflict insofar as tourism can damage cultural heritage, and limits on visitation can damage tourism (or hinder its expansion).

What is clear is that tourism is growing and will have an increasing impact on cultural heritage. In its forecast *Tourism: 2020 Vision*, the **World Tourism Organization** (WTO) predicts that cultural tourism will be one of the five key tourism market segments in the future, and notes that growth in this area will present an increasing challenge in terms of managing visitor flows to cultural sites.⁵ The focus of this report is how to promote symbiosis rather than conflict, and particularly how development cooperation can facilitate achievement of this objective.

The means to achieve symbiosis is to pursue well-managed tourism in cultural and natural heritage settings. Although members of the tourism industry may oppose specific measures or management

in specific settings, industry organizations note that “the challenge is to manage the future growth of the industry so as to minimise its negative impacts on the environment and host communities whilst maximising the benefits it brings in terms of jobs, wealth and support for local culture and industry, and protection of the built and natural environment.”

A recurring theme in this report is the motivation for involving development cooperation in the process of achieving sustainable tourism, as well as the roles that assistance can play. One can justify providing technical assistance, training, and financial support in tourism just as in other economic sectors, like agriculture, that create jobs and income. However, for reasons discussed in Section 2.8, there is a more specific rationale for development cooperation that stems from the nature of the tourism industry and relevant power relationships.

Development cooperation can be an important lever, an important stimulus, for achieving sustainable tourism. If sustainable tourism is achieved, it will not only help development cooperation agencies achieve economic development goals, but also cultural heritage management goals. For example, tourism can financially contribute to resource management. In addition, local residents may see tourism-related jobs as concrete benefits of cultural heritage management, which can enhance public support for that heritage.

Section 2 of this report describes the tourism development context, including a rationale for development cooperation. Section 3 reviews several strategies that promote sustainability in tourism. Section 4 reviews issues in development cooperation generally, as well as what selected agencies have done within tourism. Section 5 is a concluding statement that reiterates the importance of development cooperation in the sector. The appendices contain various material, starting with an overview of relevant agencies and processes outside the bilateral and multilateral assistance sector. Other appendices contain a case study of tourism’s impacts in Tana Toraja, Indonesia, databases of relevant development cooperation projects, and two case studies of tourism projects funded by development cooperation, one in Ghana and one in Thailand.

It is worth noting several limitations, assumptions, and definitions in the context of this report. First, the focus is on cultural heritage. However, cultural and natural heritage often overlap, such that issues, examples, and experiences from nature tourism can also be relevant in the present context (and vice versa). This is discussed in Section 2.6. Second, the focus is on tourism, but it is recognized that the involvement of development agencies in cultural heritage clearly goes beyond tourism.⁶ Culture, like nature, can be an important component of economic development generally, not just in tourism. Moreover, culture provide benefits internationally to those who have not visited, and may never visit, sites. Such “existence” and “option” values helped motivate funding for environmental programs such as the Global Environment Facility (a multi-billion dollar fund for environmental projects), and similar values in the culture context also justify development cooperation.⁷

Third, for purposes of this report, **cultural heritage tourism** (CHT) is viewed as travel concerned with experiencing cultural environments, including landscapes, the visual and performing arts, and special lifestyles, values, traditions and events. It is important to stress that CHT involves not only tangible or visible heritage such as sites, colors, materials, and settlement patterns, but also intangible heritage such as societal structures, traditions, values, and religion. However, the primary focus of this report will be on tangible culture.

Tourism can be, and often is, defined quite broadly to include business and other forms of travel. The present focus is on recreational travel, the “layman’s” concept of tourism. Likewise, the focus will not be on volunteer tourism, in which “tourists” work on projects, though this can be an important tool for cultural resource management. For example, the Cultural Restoration Tourism Project is organizing an effort to rebuild the Baldan Baraivan temple in Mongolia. Several small groups of “volunteer-tourists” are brought to the site to help with the restoration work.⁸

The focus of this report is on assistance by bilateral and multilateral development cooperation agencies. The general activities of UNESCO, UNEP, WTO, and other agencies and organizations are discussed in Appendix 1. Geographically, the focus is on Asia and Africa.⁹

Lastly, it should be noted that this report is based on the experience of the authors, published and unpublished literature, personal communication with relevant actors, and other related sources. Site visits and detailed evaluation of the examples presented here were not undertaken as part of the project.¹⁰

2. The Context

Readers of this report may come from varied disciplinary areas, so this section provides brief background on relevant aspects of tourism and culture. Background on development cooperation is presented later (Section 4).

2.1. Tourism: System, Economic Impact, and Market

There are numerous books on what might loosely be called the tourism “system” – the nature and structure of actors and their relationships in tourism. This section provides a brief description of that system. One of the key features of tourism is the diversity in attractions, destinations, and business characteristics. Given this diversity, the following is inevitably a simplified overview.

At the core, and the focus of this report, are attractions, in this case cultural and natural heritage attractions. These attractions can be grouped as:¹¹

- Features within the natural environment.
- Man-made buildings, structures and sites that were designed for a purpose other than attracting visitors, such as religious worship, but which now attract substantial numbers of visitors who use them as leisure amenities.
- Man-made buildings, structures, and sites that are designed to attract visitors and are purpose-built to accommodate their needs, such as theme parks.
- Special events.

Destinations often contain more than one attraction, though major attractions (such as the Egyptian pyramids) can be either the sole or the leading attraction at a destination. Within a destination, there are various tourism facilities, such as hotels and restaurants. To some degree, these facilities depend on the attractions, but the difference between the two can be blurred, as some facilities (such as famous hotels) are themselves attractions. Attractions can be classified using various typologies, such as ownership (e.g., public or private)

and whether they are primary or secondary in terms of visitor decisions to visit a destination.

Tourism is a complex product and can be classified by:

- Destination/activity type (e.g., beach, nature, culture, activity, visiting friends and relatives – VFR);
- Type of travel (e.g., organized in tour or free independent traveler – FIT);
- Source market (e.g., domestic or international); and
- Travel cost/style (e.g., high-end/luxury or budget/backpacker).

Moreover, the scope of visitation to cultural and natural heritage attractions goes beyond technical definitions of tourism, which may require overnight stays or minimum distances traveled during the journey. Though much of the focus in Asia and Africa is on international tourism, visitation by nearby residents can generate some of the same impacts, both positive and negative, as visitation by persons living thousands of kilometers away.

The diversity of travel relevant in the present context includes both tourists who pay travel agents thousands of dollars for trips to the furthest reaches of the globe to residents visiting a nearby museum. To simplify matters, key actors, especially for international visitation, include 1) the outbound (source-market) operators, both at the wholesale and retail levels, that sell tours to travelers, 2) the inbound (ground) operators that organize and lead the trips in the destination country, and 3) the attraction that is being visited.

Regardless of how tourists travel, the tourism phenomenon generates substantial positive economic impacts around the world. The following table provides estimates from the WTTC.

Table 1: WTTC Economic Impact Estimates for Travel and Tourism (1999)

Region	GDP			Employment	
	Billions of \$	% of Total in Region	Annual % Growth*	Millions of Jobs	% of Total in Region
World	3,550	11.7	3.0	192.3	8.2
North Africa	20	6.8	6.0	2.2	7.4
Sub-Saharan Africa	26	11.2	5.2	9.6	7.4
North America	1,171	11.8	2.5	21.2	11.9
Latin America	90	5.6	6.1	8.9	6.0
Caribbean	29	20.6	5.5	3.6	15.8
Oceania	68	14.7	3.8	2.1	16.0
Northeast Asia	537	10.0	2.8	57.2	7.1
Southeast Asia	81	10.6	5.5	15.2	7.3
South Asia	27	5.3	9.1	22.3	5.4
Europe	1,461	14.0	2.6	47.8	13.2
Middle East	41	7.3	5.2	2.0	6.1

*1999-2010 estimated, adjusted for inflation

GDP = Gross Domestic Product

Source: WTTC (1999)

These data not only show the current importance of tourism as a generator of jobs and income, but also the expected future growth, despite the recent economic problems in Asia. With the exception of Northeast Asia, all the regions within Africa and Asia are expected to grow faster than the world average for 1999 to 2010. Though inter-regional travel, especially from Europe and North America, historically has been a major part of the market, intra-regional travel, especially in Asia, is expected to be increasingly important as population, incomes, and leisure time increase.¹²

Future growth estimates paint a rosy picture for tourism, and those that want to benefit from it. However, the increase in demand is complemented by an increase in supply, as destinations react to the opportunities created by tourism. The availability of cultural resources (especially historic tangible resources) is ultimately limited. Nonetheless, new cultural attractions continue to be developed.¹³ As the EU notes:

while global tourist demand is on the increase, the number of destinations and global capacity are advancing even more quickly.... To hold on

to their market share, destinations will have to cope with competition by enhancing quality and by diversifying their products and markets. Emerging and potential destinations will have to find their niche in this competitive market by capitalising on their 'uniqueness' and novelty and by avoiding mistakes made by other destinations.

This competition does not mean that CHT sites need to be turned into cultural Disneylands, but rather that attention needs to be paid to consumer tastes and desires should tourism be desired at heritage sites. This might lead, for example, to greater attention to creative presentation and interpretation. With respect to heritage sites in OECD countries, it has been observed that:¹⁴

it is perhaps no accident that some of the new heritage attractions which rapidly gained substantive market shares in the 1980s relied less on the physical resource of their location and more on the presentation of this place through multi-media interpretation: quite literally constructing the resource to meet perceived demands.

Many heritage sites in Asia and Africa have relied primarily on their physical resources, and unique or unusual sites may be able to continue to do so. However, less unique sites will require greater attention to the presentation, while unique sites that follow this path will be able to benefit financially from their enhanced market position. The dynamics of supply and demand will lead to the paradoxical situation of some sites being challenged to attract tourists and other sites being challenged to manage an overabundance of tourists.

Reinforcing the increase in the number of sites is the increasing sophistication of tourists. As described in the next section, many tourists have experienced sun, sand, and surf holidays and want more from their vacations. This leads to a greater demand for niche activities like CHT, but also to higher expectations for quality. The increasing number of competing destinations provides the opportunity for these sophisticated consumers to be more discriminating.

Another form of competition arises in source markets themselves in the form of theme parks, not only in North America but now throughout much of the world. An even more recent phenomenon is virtual reality, in which potential visitors may not need to leave their home, or at least their hometown, to have CHT-like experiences. Thus, some see virtual reality as a significant threat to tourism.¹⁵ However, others note that virtual reality experiences (and perhaps visits to theme parks) may lead to more, rather than less, demand for original sites insofar as they may stimulate consumer desire to experience “the real thing.”

Nonetheless, the trend towards the use of sophisticated electronic media may reinforce the trend toward greater visitor sophistication and higher expectations for stimulating and informative presentations at CHT sites. Of course, the development of electronic media also provides significant opportunities for sites to be interpreted in a much more interactive and interesting manner.

2.2. Culture and Its Preservation

This section briefly identifies some of the major views of culture and its physical manifestations

related to tourism, as well as the means that have been used to protect heritage environments.¹⁶

The UNESCO World Commission on Culture and Development report *Our Creative Diversity* looks at culture as “ways of living together.” With this as a point of departure, the World Bank defines culture as

the whole complex of distinctive spiritual, material, intellectual and emotional features that characterize a society or social group. It includes not only arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions, and beliefs.¹⁷

The above reflects the separation of culture and cultural heritage into both movable and immovable forms. This report focuses primarily on culture’s immovable forms, recognizing that the “cultural landscape” includes expressions of traditions and lifestyles that must be taken into consideration when looking at effective ways of safeguarding a community’s cultural heritage.

Culture and cultural heritage are prominent resources in any society. Tangible heritage may be considered a material manifestation or symbol of cultural expression, either traditions of living society or those of past societies occupying the same area. Therefore, material heritage is pivotal for anyone wanting to gain a deeper understanding of the society. This applies to the local inhabitants as well as the visitor to a new or foreign society or environment.

A great deal of the activity within cultural heritage preservation has been concerned with maintaining **single buildings** of architectural significance and connected with important events and people. Various actors have been involved in this process, including non-governmental organizations, all levels of government, and developers. Concerns with the limitations of identifying and protecting single buildings have led to laws and regulations that protect entire **environments**. This allowed the process to involve more people in heritage conservation, and it defined a past that included the ordinary as well as the most significant. Many countries maintain heritage **sites** for interpretation and education; these are often characterized by high levels of research and documentation, as well as government management.

Steadily increasing demand for culture-oriented activities affects cultural heritage of interest at all levels, from world heritage belonging to international society or mankind in general to heritage of national, regional and local significance. Preservation issues and challenges vary accordingly. In many developing countries, the legal framework for protecting heritage is better than the management capacity. Surveying and monitoring systems for controlling the state of conservation of cultural heritage and taking the necessary precautions present great challenges.

Throughout the world, **festivals and events** – often linked to or performed in areas with cultural relics or at sites of cultural and natural significance – are now seen as important dimension of cultural tourism. They play important roles in helping to maintain cultural traditions and values while providing communities with the ability to create jobs and income. **Handicrafts** often form an important dimension of a region's cultural tourism experience. Tourism can be important in helping to maintain and develop traditional craft skills, though there is also the risk that increased demand leads to a loss of authenticity in terms of process and product.

The discussion of different forms also reflects that heritage, and conservation, can occur at different spatial scales, including that of a single artifact, a single building, a streetscape, an area, an entire historic town/city, a region/landscape, and even up to national and international scales.

There are several reasons for public and private sector involvement in **cultural heritage management (CHM)**, including:

- The recognition that heritage resources can play an important role in community continuity, renewal, and development.
- The increased quality of life associated with heritage resources.
- The role of heritage resources in creating and maintaining individual and community identity.
- The value of heritage resources in the education of children.
- The role that heritage resources can play in providing for pleasure/recreation opportunities.

- The role that heritage resources can play in economic revitalization and tourism development.

The latter reason is the focus of the present report, but the non-tourism benefits are noted here to illustrate how the value of culture and cultural heritage goes beyond serving as tourism attractions.

Our Creative Diversity goes on to note the contradictory forces of 1) globalization, which leads to cultural uniformity, and 2) fragmentation, which reflects a driving apart. Both concepts are important when discussing the role of tourism and the ways in which it contributes to the concept of a global culture, while also having in it the potential to protect and promote local identity.

2.3. Culture as a Tourism Attraction

For tourists, the desire to travel is the desire, to varying degrees, to experience something unfamiliar; foreign cultures and their manifestations thus serve as important attractions. Cultural tourism in particular is a search for and a celebration of that which is unique and beautiful, representing our most valued inheritance.

Culture and cultural heritage are crucial to people's identity, self-respect, and dignity. This applies to both affluent and poor societies. Tangible heritage may be an avenue through which the conscious tourist starts to grasp a basic understanding of the past and/or living culture, which has adapted to and influenced the environment the visitor is trying to make intelligible. Provided these basic facts are understood and serve as guidelines for presentation and communication between tourists and the local population, cultural tourism has great potential to improve understanding and respect among different cultures, and in a long term perspective may be regarded as a tool for creating and preserving peace.

Cultural tourism has long existed, but recent demographic, social, and cultural changes in the main source countries have led to an increasing number of new niche markets in destination countries, including culture-oriented holidays. Though sun, sand, and surf holidays are not expected to disappear, they have declined in relative importance as more and more visitors seek chal-

lenging, educational, and/or relatively unique experiences. These changes have led to increased popularity for tourism involving culture and nature as attractions. Some lament that recent interest in CHT does not stem from “genuine” interest in learning about the sites themselves as part of a classical education, but rather to nostalgia. Nonetheless, one can also view this increased demand as an opportunity to generate interest and awareness in a broader swathe of the society than was previously possible. Moreover, cultural attractions tend to attract market segments with relatively high levels of education and income, which can lead to relatively high net benefits to destinations.

Estimates of growth should be treated with caution, but one study by Stanford University predicted that nature tourism would grow at an annual rate of 25 to 30 percent during the 1990s.

Cultural tourism was expected to grow at 10 to 15 percent per year. It should be stressed that some visitors will take entire vacations focused on culture or nature, but many others will seek culture/nature experiences as part of a larger vacation focused on beach or other attractions and activities. Various sites and countries are responding to the opportunity provided by this growth in demand. For example, South Africa has historically relied on its climate, beaches, and nature to attract tourists, but it recently (1997 to 1999) implemented a marketing campaign titled “Explore South Africa - Culture” to attract culture-oriented tourists.

Though most of the attention in this area has been on tourism involving western/northern visitors to southern destinations, there has also been a general increase in intra-regional (South-South) tourism, as noted above. Multiple sources of visitors presents both opportunities in the form of increased benefits for destinations (due to increased numbers), but also challenges in the form not only of limiting negative impacts, but also in effectively serving two markets. There is, of course, diversity in visitor expectations and preferences within the “northern” market as well as within the “southern” market, but often the most striking difference is between the two. This diversity is illustrated in the context of visitation to a biosphere reserve in China, and the challenge it presents to managers who may wish to satisfy both domestic and foreign visitors as well as natural/cultural heritage management objectives.¹⁸ In the cultural context, this tension is illustrated by an anecdote

of how what is seen as a joyous country-fair atmosphere outside and inside Chinese temples in the eyes of domestic visitors (and the businesses they patronize) is desecration and vulgarization in the eyes of Westerners.

2.4. The Impacts of Tourism

Tourism’s impacts are often grouped into economic, environmental, social, and cultural; these categories are somewhat arbitrary and overlapping, and the latter two often are combined into one. Listing of these impacts is provided in numerous tourism reports, books, and articles.¹⁹ The focus in this section is to briefly note common socio-cultural impacts and to stress some general concepts.

Potential positive impacts include:²⁰

- building community pride;
- enhancing the sense of identity of a community or region;
- promoting intercultural/international understanding;²¹
- encouraging revival or maintenance of traditional crafts;²²
- enhancing external support for minority groups and preservation of their culture;
- broadening community horizons;
- providing funding for site preservation and management; and
- enhancing local and external appreciation and support for cultural heritage.

Potential negative impacts include:

- commodification and cheapening of culture and traditions;
- alienation and loss of cultural identity;
- undermining of local traditions and ways of life;
- displacement of traditional residents;
- increased division between those who do and do not benefit from tourism;
- conflict over (and at times loss of) land rights and access to resources (including the attractions themselves);
- damage to attractions and facilities;
- loss of authenticity and historical accuracy in interpretation; and
- selectivity in which heritage attractions are developed.²³

Given the fundamental role that culture plays in society and individual lives, these positive and negative impacts can be profoundly important.

As noted, the grouping of impacts into categories is somewhat arbitrary and is used to convey basic issues. For example, positive economic impacts can ultimately lead to positive cultural heritage impacts.

In 1995 the Inter-American Development Bank (IDB) provided a \$1.7 million grant to help preserve prehistoric cave paintings at 260 sites within the Capivara Park, a World Heritage Site in northeastern Brazil. The grant included funding to improve roads in order to stimulate tourism as a source of income for local residents, thereby improving economic conditions and helping to reduce activities that were destroying the sites.

This parallels the principle, if not always the reality, in ecotourism that creation of tourism jobs reduces pressure on natural resources. This principle can also be an important motivator for donor assistance in tourism development, as exemplified by USAID's funding of integrated conservation and development projects in Thailand, Nepal, and Madagascar.

The grouping of impacts into positive and negative is also arbitrary, or at least subjective, as whether a given impact is good or bad will depend on one's perspective. For example, some community residents may desire cultural change, while others may oppose it. The "demonstration effect," resulting from exposure to Western habits and lifestyles because of tourism, is blamed for eroding local culture. However, it can also stimulate entrepreneurial activity and economic development.

Likewise, some may desire continuity in local economic (and political) relationships, while others may desire reductions in income inequalities. Persons wishing to sell land would welcome increased land prices, while those who wish to buy land or to retain land they own (and on which they may pay property taxes) would oppose increased prices.

Even if there were consensus regarding the desirability of certain changes, it would not always be clear that the change is occurring because of tour-

ism. Many negative effects from tourism development, both culturally and otherwise, can be attributed to globalization processes rather than to tourism in particular. Nonetheless, tourism can contribute to profound changes in destination regions and, rightly or wrongly, it has been perceived by some as a new form of colonialism and Northern domination of developing countries.²⁴

Despite these complications and qualifications, it is clear that tourism generates a variety of impacts, and a key goal of sustainable tourism is to generate a more favorable balance in these impacts. The balance will be site-specific and will depend on various factors, including (importantly in this context) how tourism is planned, developed, and managed. The extent of cultural impacts in particular might depend on various aspects of the local population, including 1) the degree of isolation from other, particularly Western, cultures, 2) local inhabitants' reactions to previous context with outsiders, and remaining perceptions, 3) resistance to external influences, which in turn depends on pride and self-esteem, and 4) rights of ownership and usage with respect to the land on which they live.

2.5. Sustainable Tourism: Concepts and Objectives

The concept of sustainable tourism has grown out of the concept of **sustainable development** (SD), whose most popular definition has arisen from the World Commission on Environment and Development (the Brundtland Commission). Their 1986 report (*Our Common Future*) defined SD as:

development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

This definition is simple enough to be a popular "catch phrase," and it has done much to publicize the risk of economic development actions and policies that, through overharvest of or damage to natural resources, jeopardize long-term human survival. However, its simplicity also hides the difficulties of operationalizing the concept, of putting it to work in practice. Much about SD and sustainability is contested, including "Who defines what sustainability is?" or, in specific and practical terms, what, exactly is to be sustained?

Despite this limitation, the concept of SD, and related principles such as intra- and inter-generational equity, has been widely accepted in concept and, increasingly, in practice. Predictably, SD has been applied to individual sectors, such that one talks of sustainable agriculture, sustainable forestry, and **sustainable tourism (ST)**.

As with SD, definitions of ST are plagued by the challenge of **operationalization**—of applying the concepts to specific situations. In practice, ST is often operationalized by listing several criteria, such as tourism involving minimal environmental impact, enhanced local benefits and participation, and education of visitors. The selection of criteria is inherently subjective and varies across people and organizations. In general, there has been a broadening from the environmental dimension to include economic and sociocultural dimensions.²⁵ In the tourism context, one can also talk of experiential sustainability (maintaining quality in the visitor experience), though this can be viewed as a pre-condition for economic sustainability.

In short, it is essentially impossible to say whether a specific tourism destination or activity is sustainable. Nonetheless, the concept of sustainability is useful in describing general concerns and objectives. A more practical concept, though still general, is to think of moving toward sustainability. It is this concept that is used in this report, and the **strategies described below are designed to facilitate a move toward sustainability in the sense of increasing the benefits and decreasing the costs of tourism development.**

2.6. Ecotourism and Parallels to CHT

In one sense, nature or eco tourism should be incorporated within CHT insofar as nature also is a cultural construct and often is a complementary attraction.²⁶ However, the present focus is on culture and cultural heritage more narrowly defined. Nonetheless, nature and ecotourism issues and examples are discussed in various places in this report because experience from a decade of public, industry, and research scrutiny of ecotourism can be useful in the context of CHT.

One of these issues involves consumer demands for authentic nature and culture. In ecotourism, many assume that visitors seek authentic nature,

nature that has not been degraded by human activities. In principle, then, the interests of tourists and the tourism industry will coincide with those of the natural heritage managers—to maintain nature in a non-degraded state. However, this principle may not always hold in practice, not only because the industry often seeks short-term gains at the expense of long-term revenues, but also because 1) not all tourists seek authentic nature and 2) not all tourists recognize departures from integrity.

A similar issue arises in cultural tourism. It is often said that cultural tourists are seeking a high-quality, informed, and authentic cultural experience. However, many tourists may not recognize departures from authenticity. This is not to say that authenticity should be discouraged, but that those in charge of cultural heritage should not be surprised if the tourism industry, and consumers, have somewhat lower expectations of authenticity. If authenticity is to be preserved, the original motivation for this preservation (values that go well beyond heritage as an attraction for tourism) should not be forsaken in favor of a motivation entirely oriented around tourism.

A dependence on consumer-driven CHM not only may be limited by the above considerations, but may also be risky insofar as consumer desires may change. Desires may be reasonably stable across time within one market, but may differ significantly across markets; the preferences of some visitors may differ from those of others. They may also differ from those of mainstream (often Western) concepts of CHM. This situation raises important issues of who defines CHM goals, which is beyond the scope of this report. Nonetheless, a reliance on market-driven CHM may not always be consistent with traditional Western CHM goals.

A final commonality occurs on the “big picture” level. To some degree, broad developments in the area of CHM have followed those in the area of environmental management. For example, the UN reports *Our Creative Diversity* followed *Our Common Future*, and the World Bank and others are adapting techniques developed to value environmental resources to the measurement of cultural resources. Given that environmental awareness has led to funding sources such as the Global Environmental Facility and tourism-related assistance focused on nature/ecotourism (e.g., DFID and USAID), it is conceivable that increased cul-

tural awareness, if it can be achieved, would lead to similar developments in the cultural arena.

2.7. Industry Responses to Sustainable Tourism

Many individuals, companies, and organizations in the tourism industry have responded to the call for sustainable tourism with a variety of initiatives.²⁷ Consistent with the public focus on environmental sustainability, much of the industry's response has been in this area, though there has also been some activity in other areas, including CHM and local participation and control.

Agenda 21 is a comprehensive plan of action that, together with the Rio Declaration on Environment and Development, was adopted by more than 178 Governments at the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro, Brazil in 1992. In 1996, the WTTC, WTO, and the Earth Council launched *Agenda 21 for the Travel and Tourism Industry* based on the Rio action plan. Recently, the WTTC and the International Council for Local Environmental Initiatives (ICLEI) agreed to integrate this industry Agenda 21 with the "Local Agenda 21" planning program (see also the discussion of the CSD process in Appendix 1).

WTTC has been involved in various other activities. For example, in 1994 it launched the Green Globe program, which provides a certification process linked to ISO standards and Agenda 21 principles.²⁸ It also developed the ECoNETT website which contains advice and data on good practice, a bookstore, and other information.

Other industry organizations, particularly specialty-oriented groups such as the International Hotel & Restaurant Association (IH&RA) and the International Hotels Environment Initiative (IHEI) have helped raise environmental awareness in the industry and have provided practical advice, such as the *Environmental Action Pack for Hotels* and the *Environmental Good Practice in Hotels*. Various other industry associations, such as the American Society of Travel Agents (ASTA) and the Pacific Asia Tourism Association (PATA), have produced codes and guidelines for responsible tourism.

Turning to individual companies, American Express (AMEX) has been very active, particularly as a donor in the field of culture tourism. As noted in Appendix 1, AMEX made a \$5 million commitment to the World Monuments Watch for their annual list of the 100 Most Endangered Sites and for emergency grants.

As part of UNESCO's "Memories of the Future" project the ACCOR Group, Radisson SAS, and Jet Tours will support specific World Heritage projects in Petra, Angkor, and Machu Picchu. In this project, UNESCO recommends the following actions for operators. First, a financial contribution of \$5 per visitor will be made (by the visitors themselves or by the tour operator). Second, the operator may adopt a project. Third, visitors will receive a badge from UNESCO Friends of Heritage in recognition of their contribution, and the operator will be allowed to publicize its official relationship with UNESCO. Actions for hotels include adopting specific projects, renovation of old buildings for use as hotel centers, and promotion of movable and immovable heritage. Funds received by UNESCO are deposited into a special account and are used solely for site protection and enhancement, rather than UNESCO administration or other internal expenses.

Another example is Star Tour/Temaresor, which contributes to World Heritage Sites, including Bhaktapur, Nepal. As noted in its brochure,

Temaresor is Scandinavia's leading operator of nature and culture trips. Therefore, it is obvious that we should support this important work (World Heritage).... We believe that the people choosing Temaresor trips agree that it is important to preserve heritage for the future. Therefore we hope you are not opposed to the added cost for your trip – for nature's, culture's, and the future's sake.²⁹

With respect to environmental sensitivity and working with the local community, an example is Ecco Travel Group's DreamCamp in the Masai Mara. This operator stresses close contact with the environment, using a broad definition to include both the natural and cultural environment. With respect to environmental considerations, DreamCamp uses local building materials, solar cells, recycling of water, composting and sorting of rubbish, and various means of reducing transport. With respect to cooperation with local communi-

ties, the camp hires local employees, stimulates local production of souvenirs, contributes to the development of the local village, provides an educational stipend, and organizes Masai-led culture visits in the local village.

Many operators have formal or informal programs that channel money from clients to environmental or cultural projects in destination areas. For example, Wildland Adventures, a US operator, established the Travelers Conservation Trust (TCT) in 1986 as a nonprofit affiliate of the business. As described in the trust overview:

TCT identifies and supports community level projects and conservation organizations which promote environmental or cultural preservation. Many projects are carried out with volunteer assistance of Wildland Adventures staff, travelers and local officials and residents....

Participants on many Wildland Adventures are invited to become international members of a local conservation organization identified in advance by the Travelers Conservation Trust. Wildland Adventures simply adds an optional \$25-\$50 line item on each traveler's invoice as a voluntary contribution which the company then donates in its entirety in the name of each client as an individual membership in the local conservation organization. Many Wildland Adventures trips include visits to sites where active preservation or community development ecotourism projects are underway.

Several operators have alliances with local or international conservation and/or development NGOs, such as World Wildlife Fund, and trips often include visits to project sites, with a strong educational orientation. Many of these operators are small and driven by personal environmental or social philosophies, hoping not only to make a living while making a contribution, but also hoping to serve as examples for larger operators. There are also larger, and more up-market, operators active in such ways. For example, the Conservation Corporation in Africa has developed a series of upmarket game parks and lodging facilities, with local communities being a specific beneficiary, in part through invigoration of local crafts.

2.8. The Realities of Industry Structure: A Role for Development Cooperation Programs

The previous section illustrates what individual operators, and the industry as a whole, have done to contribute to sustainability. Businesses are coming under increased pressure to focus on the “triple bottom line,” to attend to economic, environmental, and social factors rather than just the first, and many tourism businesses have responded with environmentally and/or socially responsible actions.

Motives for these actions vary across businesses, and may include the following:

- Personal or corporate philanthropy and pro-sustainability philosophy;
- A desire to appeal to consumers who select tourism “products” (tour packages, flights, etc.) based on concerns for sustainability;
- A desire to achieve cost savings through, for example, using less water or energy;
- Enlightened self-interest in helping to preserve the products they sell; and/or
- A desire to be pro-active in order to avoid regulation.

The strategies described in the next section are based in part on reinforcing these considerations. For example, information campaigns to raise awareness within the industry may increase the first, third, and/or fourth motives. Likewise, information campaigns to raise awareness amongst consumers may increase the second motive.

However, the limitations of such campaigns should be recognized. There certainly are consumers who choose trips based on concerns for sustainability, and companies try to portray favorable images in recognition of this (interestingly, for the Memories of the Future project described above, industry donations have come from communications and publicity budgets within the companies). Nonetheless, there are limits to the extent to which consumers consider sustainability factors when making purchases. This may be particularly true in tourism, where the consumers often are thinking of escapism and hedonism rather than environmental or social responsibility. Moreover, consumers often do not purchase directly from various tourism actors, such as in-bound operators that sell via outbound operators. The pressure for these actors to be responsible is

mitigated by the presence of intermediaries who may not share the same concerns as consumers.

Surveys conducted in the UK indicate that consumers are reasonably interested in receiving environmental information.³⁰ However, interest had decreased since 1994. More importantly, when asked to characterize their purchase behavior, 41% selected “It is a good idea for airline and tour operators to consider environmental issues, but it does not influence my purchasing decision,” while 53% selected “All things being equal, I would choose the airline or tour operator that took into account environmental issues.” Only 4% selected “I would only consider an airline or tour operator that took into account environmental issues.” Moreover, as noted above, it is not certain that consumers will recognize the quality of an operator’s or destination’s environmental performance, even if they care about this in theory. Alternatively, they may notice, but may focus on aesthetic issues, while society as a whole may care about more fundamental issues, such as survival of species that do not contribute to aesthetic values.

Consumer decisions can be much more complex and nuanced than represented by these survey response categories, and consumers in some countries (e.g., Norway) appear to place greater importance on environmental considerations. Nonetheless, research indicates that consumers prefer companies to be environmentally responsible, but that companies must still offer equivalent levels of price/value relationships as those offered by competitors who may not be environmentally responsible.³¹ Though similar research in the cultural arena apparently is not available, it is likely that consumers are even less responsive in that context given the lack of publicity for cultural heritage issues as a part of an environmental approach.

Given these results, and strong competition in many (though not all) sectoral and geographic areas within tourism, individual businesses are faced with a dilemma—ignore sustainability except when it provides direct financial gains or risk being forced out of business by competitors using low-price strategies to achieve market share. Of course, the dilemma typically is not so simple, and many businesses have been able to pursue sustainability goals and remain competitive by serving niche markets and through other strate-

gies. However, this is a general dilemma within the tourism industry.

What is to be done in such a situation? Economists might note that the industry is characterized by strong competition, ease of entry for new businesses, and high mobility amongst certain types of businesses (e.g., outbound operators can shift destinations if a current one loses its appeal through pollution or other causes). This suggests that a free market would lead to efficient outcomes—that, for example, destinations would be sure to pursue sustainability because it is in their own financial self-interest.

Unfortunately, tourism is also characterized by externalities, common property resources, and free riders. Tourism generates a variety of externalities, many of which are negative. For example, it generates (often negative) environmental change for which it does not have to pay, and thus does not always consider in its business decisions. With respect to “common property,” there often are weak or nonexistent price or numerical limits within tourism, such that the resource is one of “open access.” This often leads to “overharvest” (overuse) of the common property resources that serve as tourism attractions.

Cooperation amongst users in such situations can lead to an “efficient” result, but such cooperation is often difficult to achieve when there are multiple businesses competing with each other (and in which many of the actors do not live in the area and may have limited motivation to cooperate). The tendency is for businesses to act as “free riders” by using the resource without paying (directly or indirectly) for this use. In such cases, a single owner of the resource could implement policies (e.g., numerical limits) to avoid overuse. However, these owners tend to be governments in the case of cultural or natural heritage, and governments generally permit open access as a service to the public.

Aside from being “owners” of cultural and natural attractions, governments are also best equipped to use planning controls and other measures to ensure that development in general is consistent with societal goals, especially in cases of “market failure” such as this. As noted by Joseph Stiglitz, Senior Vice-President for Development Economics and Chief Economist at the World Bank:

we need to recognize both the limits and strengths of markets, as well as the strengths, and limits, of government interventions aimed at correcting market failures.

Similarly, the International Council for Local Environmental Initiatives (ICLEI) stresses that:

the primary barrier to sustainable development through tourism is an over reliance on market mechanisms to guide tourism development and consumption decisions.... Sustainable tourism development requires a partnership among the stakeholders of the local tourist destination. This partnership must use both market and non-market instruments to implement a shared sustainable development vision.

The challenge is that the private sector, whose short-term financial interests encourage overuse, is often more powerful than those people and agencies in government who may wish to control the development of tourism. In addition, there are many in government who, for various reasons, have priorities similar to that of the private sector—priorities stressing growth over long-term planning and management. Moreover, there may be many in destination communities who benefit from tourism and desire unlimited growth, and their “voices” may be stronger than others in the community who bear the costs. For these reasons, many developing countries have espoused the principle of sustainable tourism, but, as the EU observes, “few of them have been able to convert this into concrete action owing to the short-term economic interests to which, all too often, priority is given to the detriment of protecting social and environmental assets.”

In short, the interests in favor of continued growth and the challenges of achieving sustainable use through effective management by single or cooperative ownership lead to the problem of overuse that is encapsulated in the destination life cycle concept in tourism.³² This concept suggests that destinations have a tendency to “overshoot” and “overdevelop,” with stagnation and decline resulting unless action is taken to avoid overdevelopment or to rejuvenate the destination if it occurs (often at great cost).

Planning processes and management actions are designed to help destinations avoid overdevelopment. In concrete terms, planning and manage-

ment are designed to identify potential problems before they become so significant that the resource is unacceptably degraded or access to the resource needs to be limited or discontinued, as occurred when King Tut’s tomb (Egypt) was closed in 1992 due to the bas-reliefs being eroded by human exhalations and perspiration. The industry tends to prefer self-regulation over management, but it is doubtful that this will lead to sustainability for the reasons discussed above. Indeed, many within the industry recognize the role of government, in part due to the free rider problem.³³

Working together, governments, the tourism industry, and development cooperation can play vital roles in this activity. Government and development cooperation can facilitate self-regulation within the industry through provision of information to businesses and consumers, as well as by supporting programs like Green Globe. However, in many cases it will be critical to provide uniform encouragement or requirements across all businesses in an area to avoid the free rider problem.

Encouragement can take the form of incentives and/or disincentives. Incentives can be direct, such as access to low-interest loans, training programs, or particular attractions (e.g., only allowing qualified operators to use a site). They can also be indirect, such as development of certification programs that can lead to market advantage relative to non-certified businesses. Disincentives can include levies on negative impacts, such as generation of waste. Governmental regulation can also take various forms, ranging from requiring environmental impact assessments to limiting access to attractions and/or destinations as a whole.

Development cooperation agencies can play various roles in this process. Direct roles, for instance, might include funding for information, training, or certification programs. However, in keeping with the findings of the World Bank described below, development cooperation agencies may play their most important role in a broader manner, by identifying and supporting individual reformers and reform processes within government and civil society. Though immediate visible outcomes may be modest, the transfer of knowledge and funding can raise the status and power of reformers and reform-oriented actors (e.g., businesses or government agencies), with the ultimate objective

being to provide a counterbalance to the forces pushing for unsustainable practices.

It should be stressed that market failure, the need for effective government intervention, and the challenges of achieving this are not unique to tourism. Moreover, there exist other justifications for development cooperation in the tourism sector, as in agriculture and other sectors. This discussion of market failure is pre-

sented to explain why education, responsible consumerism, and market forces alone are not adequate and to note that development cooperation, through provision of knowledge, encouragement, and funding, can facilitate achievement of sustainability.

3. Achieving Sustainability: Selected Strategies

What, then, are the points of involvement for development cooperation? This section outlines selected strategies for promoting sustainability, each of which has been, or can be, a focus of development cooperation. Though the intention is to go beyond “conventional wisdom,” especially with respect to issues like carrying capacity, we recognize that in general the strategies outlined here are fairly well known. They have appeared in various discussions and reports within the culture, nature, and general tourism contexts. The challenge is to implement them, and to be patient in the knowledge that change occurs slowly. Even more challenging will be to implement them at early stages of development, when they will be most effective, rather than at later stages, when the need will be more obvious, but implementation likely more difficult and more costly.

This presentation is inevitably limited by the scope of this report and the desire to provide a concise overview. The goal is to identify potential points of development cooperation action and to note relevant issues and principles, rather than to provide detailed description of the strategies. This is not a “how to” guide, but rather a “what to consider” guide.³⁴ It is likely that any given context will involve issues and strategies (such as dealing with land rights) that are not discussed here. The classification of strategies is inevitably somewhat arbitrary, and categories overlap with each other.

It should be noted that though these strategies have been developed and applied in various countries, there is inevitably a bias toward the experience of OECD countries, in which much of the evaluation and writing about tourism occurs. Therefore, the strategies may need to be adapted due to variations in decision-making processes, regulatory structures, economic conditions, and values and traditions.

3.1. Feasibility Studies, Project Formulation, and EIAs

This strategy is essentially a precursor that could be used to incorporate several of the following strategies. It particularly overlaps with site-level planning, which is used in the present context to

refer to planning and management after a decision has been made to implement a project, or when the site already exists, for instance on the World Heritage List.

Historically, many, if not most, feasibility studies have been exactly that—evaluations of whether and how a site or region could be developed to attract visitors. Such evaluations remain critical, as the ecotourism experience suggests that failure to understand and evaluate the market (and what the destination can offer) can lead to wasted funding on infrastructure and unmet community expectations regarding tourism benefits. Nonetheless, studies have been changing over time, and there is increasing attention to the complementary aspect of desirability. That is, is it desirable to develop the site or region for tourism and, if so, under what conditions? This change in the objectives of tourism development, and of assistance in the process, is a fundamental step toward improving outcomes.

A complementary activity that typically occurs in the early stages of the project cycle is environmental impact analysis (EIA). EIAs are often required by national legislation in recipient countries, but may also be required by donor legislation. For example, NORAD requires that “all ongoing and planned development cooperation projects must be assessed with regard to environmental impacts.”

EIAs can be used to identify a project’s likely impacts on the environment, as well as to influence project design and choice of project alternatives. A primary objective is to identify possible impacts at an early stage so that they can be mitigated or avoided. Though the name implies a focus on the natural environment, in some cases the environment is interpreted broadly to include economic, social, and cultural impacts as well as impacts on the natural environment.

Though EIAs can be an important tool in promoting sustainability, they can also suffer from several limitations. **EIA regulations are often excellent in principle, but more difficult in practice.** At times there is pressure to shortcut the process on the part of interested parties (notably

the industry), and EIA processes often do not deal well with impacts that are difficult to identify (such as those that are indirect), difficult to quantify (such as those on culture), those that are cumulative in nature (due to many small developments rather than a single large development), and those that require lengthy periods before being detected.

There is a frequent argument by property development interests that small-scale change in a heritage environment, such as the loss or alteration of a single building, is insignificant. However, experience has shown that the cumulative effect of what can be seen as small-scale changes can have a significant impact on the heritage value and character of an area or landscape. Most heritage resource management activity attempts to influence the level and pace of change in order to maintain the value of the artifact itself or the larger environment in which it is situated.

A joint project by the (Canadian) Training and Technology Transfer Program (TTTP) and the Minister of the Environment in Cambodia illustrates application of an EIA process at Siem Reap, the community closest to Angkor Wat, with a specific focus on cumulative effects. Cambodian environment and tourism officials identified a range of environmental issues that face Siem Reap as it further develops its tourism potential, including sanitation, sewage, availability of clean water, and river quality. There is recognition of the importance of effectively dealing with these issues not only to protect the welfare and health of local inhabitants but also to avoid damaging the tourism industry.

The assessment is cumulative in nature in that it evaluates both present and planned hotels. Based on the assessment, mitigative measures will be identified and specific initiatives undertaken. There will be a focus on identifying feasible and appropriate mitigative measures for the community. The assessment and identified measures are expected to assist the community in their efforts to secure international funding for the implementation of specific actions (e.g., design and construction of an appropriate sewage system).³⁵

Though a distinct process, environmental management systems (EMSs) can be viewed as exten-

sions of EIAs. They are developed by tourism businesses and provide a means for identifying adverse social and environmental impacts, as well as reducing those impacts. EMS registration programs such as ISO 14001 and European EMS regimes offer extensive guidance to tourism businesses, and can be adapted to conditions in other parts of the world.

3.2. Getting the Framework Right: Policy and Planning

This strategy is very broad, but also extremely important. Without effective policy and planning, it will be difficult to achieve sustainable tourism and protection of cultural heritage. As noted by the EU, private enterprise is the mainspring of tourism, but the sustainable development of this sector requires public sector involvement in establishing the necessary legislative framework and regional planning, in coordinating the various administrative levels of competence, and ensuring coordinated action amongst the various stakeholders. For example, South African policy is that tourism should be government led, private-sector driven, and community based.

Many countries have been involved in tourism planning for several years, but the resulting plans and actions have not always addressed important issues. In addition, the planning process often has not involved important actors (discussed below) and/or has not been well-coordinated with the planning and actions of relevant agencies, including agencies responsible for preservation and management of cultural and natural heritage. Often, the problem is even more acute for planning in the heritage arena.³⁶

Development cooperation can play an important role in supporting planning efforts. For example, USAID supported the development of the Red Sea Tourism Action Plan in Egypt. Likewise, in 1991 UNESCO became active in the efforts to conserve and develop Angkor and has been involved in drafting relevant legislation (policy), as well as preparing a Zoning and Environmental Management Plan (planning) for the site. Development cooperation can also be dependent on effective planning efforts. As NORAD notes with respect to development planning, “well-designed five year development plans have been crucial in developing Botswana according to the intentions and de-

cisions of the Parliament, and have been a valuable guideline in planning and implementing development activities.”

Policies are a natural outgrowth of the planning process, as they are a means of achieving the objectives set out in the plans. As with planning, policy development in tourism is fairly well advanced, though often oriented more toward growth than sustainability. With respect to cultural heritage, many countries have yet to develop a coherent set of policies for the identification and protection of heritage resources.

One important concern within the policy context is that, to varying degrees across countries, many laws and regulations remain “on the books” without being implemented effectively in practice. Another concern is that individual policies are often uncoordinated and work against each other. For example, government regulations in the form of laws and building codes can have a positive impact on heritage resource management by supporting quality development, but can also be contradictory and difficult to implement.

One means for focusing attention on a specific niche such as CHT, and promoting coordination across relevant agencies, is to conduct niche tourism strategies, such as the ecotourism and rural tourism strategies developed in Australia. Such processes facilitate discussion and coordination across stakeholders, and help identify opportunities for streamlining regulations.³⁷

The following are selected policy areas relevant to CHT:

- environmental and cultural standards;
- high quality registration/documentation;
- land ownership and use policies;
- investment conditions (such as joint venture requirements);
- human resource development;
- tourist safety;
- pricing policies; and
- business regulation (the challenge of lifting obstacles to an efficient private sector, while ensuring that environmental and social objectives are being achieved).

Some of these are discussed in the following sections. Development cooperation can assist in the development of policy in each of these areas. For

example, USAID has emphasized pricing policies in its assistance program.

3.3. Organizing for Sustainability: Institutional Issues

As noted by the EU, many different bodies share responsibility for the development of tourism, and inadequate coordination is often the cause of unbalanced growth, as well as the failure to fully reap the benefits of tourism. Lack of coordination is not, of course, unique to tourism. However, tourism cuts across several sectors, including transport, finance, immigration/foreign affairs, and culture/nature/environment. Moreover, the tourism ministry, if it exists, often is less powerful than many of the other ministries; the same often is true for the culture/nature management ministries.³⁸

The challenge, then, is to take a leadership role in coordinating across ministries despite unfavorable power balances. Though there is no easy solution to this challenge, development cooperation agencies can help by supporting the tourism and culture/nature ministries, both in terms of funding and in terms of policy and rhetoric. Coordination across ministries and departments within ministries can be promoted through establishment of working groups, boards, and other fora. Specific projects requiring (and funding) coordination for effective implementation (and receipt of donor assistance) can help stimulate this process.

Jordan’s Petra Regional Planning Council (PRPC) is an example of coordination across ministries. Chaired by the minister of tourism, the council includes representatives of the department of antiquities, the ministries of planning, finance, labor, health, local government, and irrigation, the environmental protection department and local communities. There often is value in extending cooperation to the international level, as illustrated by the Mundo Maya project in Central America, as well as the Silk Route and Slave Route projects.

Many countries, especially in Africa, house their environmental and tourism departments within the same ministry. In principle, if not always in practice, this should facilitate coordination between these two sectors.

The importance of policy, planning, and institutional issues is reflected in NORAD's priority, within the environmental field, on:

- Development of effective administrative institutions, including the strengthening of decentralised environmental administration when this is appropriate.
- Measures which create increased cooperation between administrative agencies locally.
- Support for drawing up national guidelines and plans for environmental efforts, including sustainable management of all natural resources.

Though these focus on the natural environment, they are equally relevant in the cultural heritage context. The focus of this section has been on institutional coordination, but NORAD's priority list includes the vital and complementary goal of institutional strengthening. NORAD continues with a discussion of the importance of research and development, as well as the active participation of local communities, issues that are discussed below.

3.4. Partnerships: A Key Component

There are a multitude of actors in CHT, as well as a multitude of scales (e.g., local, national, international) at which they interact. Achieving coordination and partnerships across these groups is challenging, but can be a key to sustainability.

The EU stresses that:

the industry, the public authorities and civil society must work in concert, taking account of the needs of the market, the needs of the local population and the special features of the destination.

Such partnerships not only promote the setting of balanced objectives, but also promote achievement of these objectives through utilization of the varied skills and contributions each actor can make. For example, government clearly has an important role in CHT, but the private sector and NGOs offer skills, contacts, flexibility, and political independence that government agencies and local communities may lack. Existing tourism businesses, and related associations or consultancies, can play particularly important roles in terms

of product evaluation, product development, and marketing.

Private sector involvement in tourism is significant and likely to expand given current forces of increased globalization, privatization, and commercialization. However, the public sector needs to shape the environment in which the industry can develop by taking responsibility for security, health, basic infrastructure, and ownership and/or management of the natural and cultural heritage that serves as tourism attractions. Communities play important roles as receivers of tourists, as well as the positive and negative impacts that they generate. NGOs have the vital ability to "forge partnerships between stakeholders, to interface with local communities, and to 'put it all together' by providing an overview."

Various types of partnerships might be pursued, with national or regional CHT councils as one option. For example, the USAID-supported Paseo Pantera project in Central America helped to establish national nature tourism councils in Honduras and Guatemala in order to involve local communities and tourism enterprises. An example of public-private partnership is the formation of the Nepal Tourism Board, with representation from both the private and public sectors. Joint marketing undertaken by heritage sites, regional/national tourism agencies, and tourism businesses is another example of opportunities for partnerships to achieve mutual objectives in a cost-effective manner.

The remainder of this section will focus on local communities, and their relationship to tourism development and the tourism industry in particular.³⁹ At the most basic level, there is growing support for the concept that local residents should be able to control tourism in their community. This is radical in the eyes of many, and governmental and industry support (or at least acceptance) will be required if it is to be achieved. In the eyes of others, this is a necessary condition for achieving sustainable tourism development:⁴⁰

at its heart sustainable cultural tourism recognizes the value of cultural diversity, and needs to provide local cultures with a forum in which they can participate in decisions that affect the future of their culture. In other words, host cultures should be empowered to say no or yes

to tourism, and in the latter case, to set guidelines for tourism if they so wish.

Similarly, Principles 4 and 5 of the ICOMOS Cultural Tourism Charter (reproduced in Appendix 1), stress the importance of local involvement in, and benefit from, tourism development.

Communities have become increasingly involved in tourism, and this involvement takes many different forms. These forms can be grouped as follows:⁴¹

- Employment by residents in tourism businesses run by outsiders, or sale of local products to such businesses.
- Ownership of tourism businesses by residents.
- Collective ownership and/or management of a tourism business.
- Joint venture between communities and outside operators.
- Consultation by, or participation in, tourism planning body.

The first form is perhaps the most traditional, but the other forms are increasingly found. The second and third forms do not necessarily represent a partnership between the community and “outside” businesses, but this may exist either formally or informally and involve outside businesses providing advice, marketing channels, and other forms of assistance out of goodwill and/or in exchange for access to “community” resources that serve as attractions (e.g., a cultural site or natural area), linkages with relevant community businesses (e.g., guides), and so on. The fourth form is perhaps the most balanced form of collaboration between communities and outside businesses, in which there are contractual commitments involving, for example, business access to land in exchange for lease payments, local employment and supply commitments, and/or revenue sharing.⁴²

Given their lack of experience and power relative to the tourism industry, communities often need capacity building and institutional support. In Namibia, communities negotiating with the private sector can receive support from local, national, and international NGOs, government staff, and now from their own national organization, the Namibia Community Based Tourism Association (NACOBTA).⁴³ NACOBTA is supported by SIDA, USAID, and others, and illustrates how development

cooperation can support community empowerment.

It should be stressed that the goal is not for communities to take advantage of the industry, but for them to be on equal footing, a relationship that has rarely existed in the past. One important aspect of this is information that helps communities understand tourism as an industry, and its impacts, so that they can judge the desirability of, and opportunities within, tourism. One outcome of such processes is community cooperation with, rather than dependence on, the tourism industry.

3.5. The Basics: Marketing and Infrastructure Development

Although the primary focus of Section 3 is on achieving a more favorable mix of impacts given a stream of visitors, the complement is to undertake marketing and infrastructure development to promote sustainability in that stream. Such activities have been a common target of development cooperation in the past. Though marketing, especially national-level mass-marketing, may diminish somewhat as a target, infrastructure is likely to remain an important target of development cooperation.

The marketing challenge in CHT is similar to that in other areas: how to increase visitors to a site or community, how to increase their length of stay, how to increase their spending per day, and how to ensure that they come back (and/or pass along good recommendations to others).

There has been some discussion within tourism, and within nature/cultural tourism in particular, regarding targeted marketing, through which a destination attracts particularly desirable tourists, usually defined as “big spenders.” If successful, such a strategy could greatly contribute to sustainability insofar as benefits (revenues and jobs) could be increased without increasing numbers. However, to attract such a segment, and to be able to charge commensurably high prices, a destination needs to offer attractions and/or service of a quality level sufficiently high to differentiate themselves from competitors.⁴⁴ Some sites have been successful in this regard, though success involves far more than simply the promotional side of marketing.

A comparative example comes from marine tourism in Egypt.⁴⁵ At Ras Mohammed National Park, the government intervenes and regulates in the form of urban planning (e.g., sewage control, height of buildings, and road location), fishing regulations, public awareness program, and monitoring program. This does not occur at Hurghada. On a per-hotel or per-bed basis, there are more than three times as many dive sites and fixed moorings at Ras Mohammed as at Hurghada.

Sixty-five percent of dive centers at Ras Mohammed provide a pre-dive briefing. Among other things, this briefing includes advice about avoiding coral damage. Fewer than 5% of the dive centers at Hurghada provide such a briefing. There is negligible anchor damage at Ras Mohammed, while anchor damage at Hurghada is extensive. Visibility at Ras Mohammed is 15-30 meters, while it is 1-2 meters at Hurghada. The result of these differences: the average price of a dive package at Ras Mohammed is \$45. At Hurghada, it is \$27.

At Hurghada, regulation and funding for resource management were avoided in order to keep costs/prices down. This led to a relatively poor quality attraction, which forced low prices and profit margins. This led to a lack of funding for regulation and resource management, and to a continuation of the cycle.

At Ras Mohammed, regulation and funding for resource management were implemented in order to provide a high quality attraction. This led to relatively high prices and profit margins. This led to continued ability to fund regulation and resource management, and to a continuation of the cycle.

Other sites that have pursued an up-market strategy include Bhutan (compared to Nepal), Nusa Dua (vs. Kuta), Belize (vs. Cancun), and Bermuda, St.Maarten/St.Martin, the British Virgin Islands, and the Grenadines within the Caribbean. Success requires a strong government and industry commitment, an attraction of sufficient quality to appeal to up-market visitors, and a local economy that is sufficiently skilled and healthy that it can provide high-quality service and avoid a “maximize jobs at all cost” mentality. As with any strategy, the feasibility and desirability of such

approaches should be critically evaluated. For example, many rural communities in Africa and Asia simply cannot provide an upmarket experience in the near term with respect to the products or services offered. A substantial commitment of resources, as well as patience, would be necessary in such situations to develop the required hospitality and marketing skills.

Returning to the more general case, many tourism destination require financial assistance to improve their infrastructure given the essential role that clean air, sanitation, clean water and public safety play in ensuring quality CHT development. Examples of this type of assistance include funds for improvements in waste management, water supply, air quality and traffic management, and basic services (fire, police, and first aid). Where possible, infrastructure should not only help to attract and satisfy visitors, but also to serve the needs of residents (roads and visitor centers are examples of this potential).⁴⁶

3.6. Financing: The Funding Necessary for Sustainability

Many heritage resources are lost due to physical deterioration brought about by inadequate maintenance or by simple neglect. Often these conditions are the result of a lack of financial resources. In short, public funding for cultural heritage sites is very limited. Moreover, site visitation typically generates additional costs for underfunded heritage managers.⁴⁷ In such circumstances, some people speak of capturing tourism industry profits in order to finance culture. A more realistic approach is to view culture as an input to the tourism product, an input for which the industry should pay, just as they pay for petrol/gasoline for tour busses.⁴⁸ In other words, the “user pays” principle is adopted, and cultural and natural attractions are “sold” at a price high enough to generate the funding needed to encourage their establishment and maintenance.

The industry tends to oppose entrance and other fees. To some degree, this is a result of opposition to anything that might reduce client volume or profits. If one takes the view that attractions are an input for which the industry should pay, then this concern should be treated similarly to industry desires for subsidized petrol and other inputs. Moreover, though little research has been done

regarding the price responsiveness (elasticity) of fees at developing country cultural attractions, experience from natural attractions, as well as anecdotal evidence, indicate that modest fees would not dramatically affect visitation levels.⁴⁹

In a World Bank contingent valuation study of willingness to pay (WTP) of visitors to rehabilitate the Fès Medina in Morocco, the average visitor had an estimated WTP of as much as \$70 in the form of a special fee payable upon hotel reservation to help preserve and improve conditions in the Medina.⁵⁰

Additional reasons for industry opposition are that government sees the industry as an easy source of revenue and that fees are imposed quickly, without giving operators a chance to incorporate them into tour packages. This has led to many conflicts when it comes to fees at national parks and other natural areas (e.g., the Great Barrier Reef in Australia, national parks in Costa Rica, and recent fee increases in Zimbabwe). Fee implementation timing can be as important as fee size.⁵¹

Collecting fees is only half the challenge. The remainder is ensuring that revenues benefit CHM. Many World Heritage Sites do not charge entrance fees. When they do, revenue often contributes little to site conservation and management, but rather is “lost” in the general government treasury. US/ICOMOS laments that:⁵²

*much has been written about re-routing part of the tourist dollar towards conservation and public awareness funds, but in actual practice, little has been done. The conservation community has been unable to develop convincing arguments that will lure politicians, development organizations and the private tourist industry to equitably share tourist revenues with conservation. In Jordan, where hundreds of thousands of foreign tourists pay nearly \$30 to visit Petra, all of the revenue is destined to what the authorities consider more pressing development concerns.*⁵³

Similarly, Aya Sofya mosque in Istanbul charges an entrance fee of approximately \$2.50, which generates approximately \$5.5 million per year. However, the revenue goes to city and national governments, with only modest funding allocated to maintenance of Aya Sofya. The result—relatively poor visitor

experience and poor conservation of the cultural resource.

Sri Lanka’s Central Cultural Fund, the country’s principal archaeological heritage management organization, provides a more promising example. The fund runs the UNESCO Cultural Triangle project, which covers five World Heritage sites and which has developed a funding arrangement based largely on entrance fees. The fee is \$7.50 per site (or \$32.50 for all sites), with concessions for residents, students, researchers, and so on. Revenues go to the Central Cultural Fund and are exclusively spent on research, conservation, presentation and public information, maintenance, and general management.

Another example comes from Belize’s Protected Areas Conservation Trust (PACT). PACT involves a \$3.75 conservation fee for all foreign visitors, which is added to the pre-existing \$11.25 airport departure tax. Given an estimated 140,000 foreign visitors per year, this recently-implemented program is expected to generate more than \$500,000 annually. The trust is independent of the government and is supervised by a board comprised of both governmental and non-governmental representatives. PACT funding can be used for a variety of purposes within the natural and cultural resource arena, including training, environmental education, protected area planning, and institutional support. The trust is not intended to replace core government funding.

The difficulty of establishing such a fund should not be underestimated; PACT was five years in development, and the final program differed substantially from the initial proposal. Moreover, because Belize’s tourism is heavily dependent on natural and cultural attractions, there is a relatively clear justification for levying such a fee on tourists. This will not be the case for all countries. Nonetheless, the PACT represents an excellent example of creative finance for conservation.

Earmarking of revenue for conservation and management of the site that generated it (or at least for the relevant department/agency) is a controversial topic, and the political, and legislative, obstacles to achieving this can be significant. Nonetheless, the example of Bonaire Marine Park described below (Section 4.3) illustrates how development cooperation can be important in generating such change in some cases. USAID has played various

roles in fee-related issues, including supporting studies of fee structures in the Galápagos (Ecuador) and helping the King Mahendra Trust for Nature Conservation in Nepal draft legislation for sharing fee revenue at Royal Chitwan National Park with local communities.

The Chitwan example illustrates how revenue from entrance and related fees at attractions can be used to fund community projects, thereby providing tangible conservation-related benefits to local residents. The Madagascar protected area management agency (ANGAP) shares half its national park entrance fees to fund projects in local villages, and other countries (e.g., Kenya and Zimbabwe) also have revenue-sharing programs.

This discussion has focused on entrance fees, but the Belizean PACT illustrates how other forms of voluntary or mandatory revenue mechanisms also exist. In addition, UNESCO suggested that a donation program for Hue be implemented and could involve recognizing donations via names on roof tiles, bricks, and plaques. One of Spain's major tourist destinations, the island of Minorca, is currently planning to implement an "eco-tax" of up to 12 euros per person, to be collected on arrival or when registering at hotels. This parallels the PACT approach, but at a more traditional tourism destination. The revenue will be earmarked for the maintenance of national parks and the restoration of damaged coastline.⁵⁴

The US territory of Guam has a Tourism Attraction Fund financed by a hotel occupancy tax. Most of the revenue is used for marketing, especially in Japan, but some of the funds are also used for local improvements (such as better streets, lighting, and sports fields), as well as support for cultural programs, artists, tour guide training, workshops, travel for local artists and musicians, and many other items related to cultural tourism.

The discussion above has focused on how to generate revenue through tourism and channel it into agency funding for site protection and/or into local communities. However, such revenue can also promote CHM through other means. For example, tax breaks and incentives have been used effectively in OECD countries to encourage private sector conservation activities. Though such systems are subject to abuse, they can be valuable tools for CHM.⁵⁵

3.7. Site Purchase, Restoration, and Preservation

Many sites face challenges similar to that of the Preah Vihear temple in Cambodia.⁵⁶ Cambodia wants to upgrade tourist facilities at the mountain-top Preah Vihear temple on its northern border with Thailand and has asked UNESCO to help preserve the ruins of the 12th century Angkor-era temple, which was occupied by Khmer Rouge guerrillas until 1998. This is one of many sites in Cambodia, and King Norodom Sihanouk has also called on the world community to help to save the ancient Angkor temples from the ravages of time and looters, who still regularly to hack off stone carvings for sale on the international black market. Tropical vegetation and rains also threaten the Angkor ruins, which are a World Heritage Site and Cambodia's most popular tourist attraction.

The purchase, restoration, and preservation of heritage sites is the center of CHM and, ultimately, CHT.⁵⁷ Development cooperation can play an important financial and technical assistance role not only with respect to heritage artifacts and sites themselves, but also with accompanying infrastructure (e.g., museums) and activities (e.g., interpretation and cultural performances). For example, NORAD has provided support for establishment of cultural centers and museums in rural areas in Botswana, for training of museum staff (see Section 3.9), and for various groups that stage presentations of cultural traditions.

3.8. Site-level Planning and Management Techniques

It is important to preserve sites in a manner that both maintains their attractiveness to visitors and maintains the values for which they were preserved (e.g., cultural heritage values). Given the focus of this report, a detailed discussion of site planning and management techniques is not provided here.⁵⁸

One issue that merits discussion is that of **carrying capacity** (CC). The proposal to establish carrying capacities at cultural and natural heritage sites stems from the realization that sites can become overused, that at some point negative impacts occur—on the cultural/natural attraction itself, on other visitors (e.g., crowding), on local

residents, and so on. Therefore, it is intuitively appealing to speak of, and try to determine, the maximum number of visitors.⁵⁹ However, in practice, CC is impossible to determine without very strong assumptions.⁶⁰

To estimate a carrying capacity, one must select indicators and standards. One indicator might be visitor perceptions of crowding on a 1 to 8 scale, with a possible standard being an average of 5 or less. If the average level of reported crowding exceeds 5, then management would take action; this could include limiting the number of visitors, but other actions, such as dispersal of visitors, also could be implemented. Indicators and standards could also be developed with respect to resource conditions or factors that affect them. For example, an indicator may be carbon dioxide levels in an enclosed environment containing limestone formations, and a relevant standard might be 2,400 parts per million.⁶¹

The problem is that “experts” typically select these indicators and standards when doing CC estimation. Though the indicators and standards may appear scientific (e.g., carbon dioxide levels), their selection is ultimately subjective in nature. There likely would be consensus that the limestone formations should not be allowed to deteriorate (and thus agreement on the carbon dioxide indicator and standard). There may also be consensus that the site should not be “too crowded.” But it may be difficult to achieve consensus regarding an indicator and, especially, a standard for crowding. Should the indicator reflect actual number of encounters, perceptions of encounters, perceptions of crowding, or? If the latter, should the standard be an average of 5 (using the example from above)? The industry may feel that an average of 6 is preferable.

In short, indicators and standards are based on what some person or group considers to be a priority, and different people/groups may have different priorities. Given that cultural heritage resources tend to be non-renewable, there may be agreement on some standards (e.g., a standard of no degradation of immovable heritage). Nonetheless, it is important for all stakeholders to agree on, or at least accept, the indicators and standards that will be used if they are to support resulting management actions.

The next assumption is that the relationship between the number of visitors and the selected indicators is known. This relationship will be easier to determine for some measures (e.g., carbon dioxide levels) than for others (e.g., perceived crowding). Nonetheless, in general, there is a lack of data concerning this relationship, especially in developing country contexts.⁶²

Finally, and perhaps most importantly, CC assumes that factors beyond the number of visitors do not affect the indicator or, if they do, that these relationships are also known. For example, there will be a relationship between the number of visitors and carbon dioxide levels, but this relationship can be affected by other factors, such as the quality of the ventilation system. A key point is that non-limit management actions, such as improving the ventilation system, can be used to achieve the same objective (no damage to the resource). Moreover, in the tourism context, a focus on alternatives to limitations can be particularly appealing given industry opposition to limits.

Other approaches, such as the **Limits of Acceptable Change** (LAC) process, exist. These focus on developing indicators and standards, and explicitly recognize the subjective nature of the process. They also take the focus off visitor numbers in recognition that limiting numbers is only one of many management tools that can be used to ensure that tourism does not cause undesirable change. **Management-by-objectives** (MBO) processes like LAC typically require a commitment of time and resources, and this is one reason why they have not been embraced as strongly as one would expect—it is much easier to hire a consultant to provide what appears to be a scientific solution to a management problem. Unfortunately, the validity of such solutions is deceptive and can be, and has been, challenged, often by interests in favor of greater visitation. Processes like LAC provide stronger bases for decisions and likely are more resistant to challenges.

Nonetheless, given the commitment necessary for implementing processes like LAC, it may be possible, in at-risk situations, to begin with various techniques, including limiting numbers and managing behavior, and then move to indicators and standards over time. Moreover, some visitor levels will clearly lead to violation of acceptable conditions under realistic management regimes, such that they can be rejected based on informed man-

agement judgement, without collecting detailed indicator data. For example, the projected target of 1 million tourists per year to Hue, Vietnam has been evaluated as both unrealistic and unsustainable.

On a final note regarding visitor numbers, there typically also are “soft” measures that can be used to manage visitor flows, thereby avoiding the need to limit entrances overall or in particular areas. For example, a site can offer more services (e.g., greater availability of guides) at off-peak times or can develop marked routes that avoid sensitive areas. In general, “soft” or non-intrusive methods (such as affecting travel patterns through route design and information provision) is favored over “hard” or intrusive methods (such as physical barriers).

Regardless of whether sites implement formal processes like LAC, the development and monitoring of indicators and standards is an important tool for evaluating and promoting sustainability. Put bluntly, “good planning, control and management of tourism development, which is so important to limit the adverse effects and maximise its advantages, is inconceivable without a good monitoring system.”⁶³ There has been much recent discussion and development of tourism-related indicators, which facilitates future implementation of monitoring programs.

Development cooperation can play important roles by funding and possibly requiring use of indicators/standards or more comprehensive processes like LAC; indeed, indicators can be seen as a logical extension of the EIA requirements that may already exist.

3.9. Training in Tourism Management

Many countries lack the required range of skills and knowledge that is essential to ensure authentic heritage resource management and a high-quality tourism product. One of the major tasks of international development cooperation in cultural tourism is to ensure that countries and regions have access to capacity building in order to allow them to ensure the integrity of their culture. In some cases, there is a need to train a significant number of people in particular areas of activity while in others there is a need for only a few specialists.

One of the challenges of CHM is the wide range of activities and professions that are represented in the overall activity. CHM activities include building/artifact conservation; research, documentation, recording; inventory and evaluation; planning; interpretation and story-telling; curatorial; management; marketing; finance; events and festivals planning/management; landscape preservation; archaeology; and design/architecture. Add to this, an understanding of, and ability to work with, the tourism industry, and it is clear that professionals working in CHM and CHT need to have broad training that includes social and communication, as well as technical, skills.

A key aspect of training is to illustrate that recommended strategies and policies will work; that is, that a maximum visitation, *laissez-faire* approach is not the only possible, or most desirable, one. Well thought out demonstration projects, as well as visits to effectively-managed sites, can serve as important training tools.

There are several examples of information exchange and training funded by development cooperation, including the Hué (Vietnam) “Workshop on Sustainable Tourism Development in World Heritage Sites” financed by NORAD and several other agencies and foundations. Another example is the EU URBS program designed to share expertise by linking European cities with developing country cities. Lastly, German development cooperation (GTZ) is funding an on-site training center at Petra in Jordan.

3.10. Certification and Accreditation

Certification and accreditation have been widely touted as tools for promoting sustainability with respect to tourism’s environmental impacts; by extension, they can also be applied in the cultural context. Such programs are a form of voluntary industry self-regulation that involve businesses (or destinations) undergoing an evaluation and certification process leading to an award that they can use to differentiate themselves in the marketplace. Thus, they ultimately rely on responsible consumerism. UNEP provides a good overview of such programs, which include Green Globe, Blue Flag, and many other labels.⁶⁴

These programs certainly have value, not least as a learning process for the businesses themselves (as with EIAs and monitoring programs, the act of going through the evaluation process can lead to increased awareness and action). Through the International Hotel Environment Initiative (IHEI), set up by the Prince of Wales Business Leaders Forum, over 8,000 hotels in 111 countries follow guidelines for environmental practices. Similarly, the Green Globe program has led to 500 hotels in 100 countries making commitments to environmental standards.

However, label programs are limited by their dependence on consumers who both know of and care about such labels. Though responsible consumers have shaped markets for various products, such as cosmetics, the discussion in Section 2.8 suggests that responsible consumerism within tourism may not be strong enough to encourage widespread industry involvement in such programs, especially programs that involve costly departures from current or planned practice. As noted by UNEP, evaluations of the impact of such programs on the environment, or demand for individual businesses, have been limited.

Aside from the challenge of stimulating consumer awareness of, and interest in, a given program, there are also practical problems that need to be overcome, such as that of multiple links in the tourism supply chain. For example, should an outbound operator be certified if it is socially responsible itself, but one portion of its product (e.g., a regional airline it uses or a site it visits) is not? In addition, the industry components with arguably the greatest impact at the local level, lodging facilities and inbound operators, often are not booked directly by consumers but rather through outbound operators, travel agents, and so on.⁶⁵

Despite these important considerations and limitations, certification programs can contribute to sustainable tourism, and development cooperation has played a role in such programs. For example, UNDP provided support for the early stages of the Green Globe destination process in the Philippines. Likewise, the recent Costa Rican sustainable tourism certification program was supported by USAID under the PROARCA/CAPAS program. That certification program was developed by the Costa Rican Institute of Tourism to differentiate, stimulate, and promote tourism sector businesses that comply with sustainable tourism

standards. Standards are within four categories, including:

- Physical-biological (evaluates the interaction between the company and its surrounding natural habitat).
- Infrastructure (evaluates the management policies and the operational systems within the company and its infrastructure).
- External clients (evaluates the interaction of the company with its clients in terms of how much it allows and invites the client to be an active contributor to the company's policies of sustainability).
- Socio-economic environment (evaluates the interaction of the company with the local communities and the population in general).

Details on the program and a database of evaluated hotels are provided on the program website (<http://www.sustainable-tourism.co.cr>).

3.11. Entrepreneurial and Hospitality Training and Financial Assistance

A key principle of sustainable tourism is the provision of benefits, especially economic opportunities, to local residents.⁶⁶ These benefits can be achieved through resident participation in tourism or ancillary industries (e.g., farmers selling food to restaurants). The challenge, then, is to facilitate the integration of residents and local firms into the tourism economy, to increase the local economic linkages within tourism, which conversely reduces the leakages.

However, these firms tend to lack the knowledge, experience, and finance necessary to enter the tourism market. The EU observe that "problems encountered by local firms, in particular small businesses, in tapping international services markets, are exacerbated by a lack of a commercial and marketing strategy, made all the more crucial by tight budgets." DFID lists the following information needs:⁶⁷

- basic skills such as financial planning and book-keeping;
- marketing skills, to understand potential demand and how to meet it;
- access to small amounts of capital, through micro-credit or loan guarantee programs; and
- a supportive environment in which to operate, especially the existence of similar busi-

nesses to help create local entrepreneurial “hot spots.”

The EU go on to say that:

developing these small firms, and in particular their ability to offer competitive and reliable services, is likely to contribute substantially to economic and social development.

As is common with several of the strategies presented here, this is easier said than done. DFID note that:

linkages are frequently discussed, rarely seen, and particularly important, but difficult to develop.

DFID provide an excellent summary of the various actions that actors can pursue to promote business linkages. The following is an edited version of that summary. Governments can:

- Remove red tape and regulations that suppress the informal sector (e.g., the Fiji Tourism Development Plan identified 24 requirements from different government departments needed by new businesses, which is a particular obstacle for small entrepreneurs).
- Ensure that planning and siting decisions do not prevent market access for entrepreneurs (e.g., locate lodges outside or at the edge of parks or give local entrepreneurs a market place inside the park).
- Enhance the assets of residents, both human assets (through training) and natural assets (through devolution of tenure).
- Assess which tourism market segments generate the most local economic opportunities (e.g., backpackers, domestic tourists, or “up-market”) and encourage that market.
- Encourage or require non-local businesses to expand local linkages (e.g., potential investors in South Africa have to specify how they will boost local development).
- Enhance local participation in decisionmaking (discussed above) so they can shape economic opportunities to their livelihood interests.

NGOs can:

- Provide credit and non-financial services for micro-enterprise (the renowned Grameen Bank in Bangladesh, which has loaned \$2.5

billion to over 2 million lenders, is a good example of a successful micro-credit operation).

- Build the capacity of residents to assess tourism options, contribute to planning, and implement their chosen options.
- Facilitate communication and time-consuming negotiation between tourism businesses and local people.
- Invest time in understanding tourism businesses in order to advise or mediate on combining commercial and development goals.

Businesses can explore opportunities to:

- Out-source, such as laundry and transport functions.
- Support local enterprise, such as by providing business advice, and by sharing marketing and infrastructure.
- Facilitate opportunities for tourists to visit local sellers.
- Explore partnerships, such as building on communal land in southern Africa in partnership with communities.
- Join partnerships with donors, NGOs, and governments, including providing advice on commercial feasibility.
- Be open-minded (e.g., is poor quality or reliability the real obstacle to linkages, or is it poor attitude and communication?).

The above focuses primarily on entrepreneurial aspects, but training is also needed at the broader level of hospitality employees in general if quality standards are to be met and maintained. The WTO notes, in the Asian context, that visitor expectations of quality exacerbate an existing need for training in hospitality/tourism; the same is true in Africa.

Donors can support all of the above actions, can facilitate strategic partnerships between groups, and can encourage exchange of experiences. In some cases, development cooperation might be used to subsidize the transaction costs, such as training, of changing to local suppliers.

Though there is widespread agreement that enhanced linkages are desirable, a practical and commercially-oriented viewpoint is important. If linkages do not currently exist because products need improving, transaction costs of changing are

too high, and information or communication is lacking, then donors, NGOs, and committed businesses can facilitate change. However, if local supply is inherently infeasible, intervention is not appropriate. DFID finish by saying that “the lack of examples of strong linkage suggest it is difficult and time-consuming—but also that concerted efforts have rarely been applied.”

An example of concerted effort comes from St. Lucia in the Caribbean, where a farmer’s cooperative coordinates production and marketing of fruit and vegetables to hotels on the island. The St. Lucia Hotel Association and the Ministry of Agriculture have launched an “adopt a farmer” scheme in which hotels buy produce from a specified farmer at a price agreed before planting.⁶⁸

In keeping with the general need for thoughtful planning and implementation, training programs ideally will be part of a broader human resources development plan within the tourism sector. In addition, there can be substantial benefits from coordination across businesses, such as through sponsored business associations. These associations or boards could assist individual businesses in improving their products (and adherence to ST principles), while also serving to enhance or maintain tourism’s place on the national political agenda.

Guiding is frequently cited as a specific tourism-related source of income for local residents, and at some sites there is a requirement to hire local guides. As DFID notes, the benefits of local guides go beyond the financial, and include providing visitors a richer understanding of the local environment and providing residents a sense of involvement and ownership in tourism and conservation. Local guiding also can reinforce preservation of local culture insofar as guiding includes local stories, experiences, and practices. Site management agencies can play important roles in facilitating the development of a local guide program and the development of other networks and opportunities. It should be remembered that good guiding requires a combination of technical, linguistic, and communication skills.

Crafts are also often cited as opportunities for local residents to benefit from tourism, and this presumably is especially true in the case of CHT, as crafts are one manifestation of cultural heritage. Though income from crafts may not be as stable

as that from wages from regular employment, the amounts can be significant. In addition, this income can be earned by a broad cross-section of the community, as capital, foreign language skills, and other prerequisites are relatively unimportant.

3.12. Information and Communication

As with certification programs, the information and communication approach relies on voluntary actions and thus should be only one part of a broader approach to achieving sustainability.⁶⁹ Nonetheless, it can be an important strategy for sustainable tourism, one which has not been pursued to its potential. Within this area, at least three target groups can be considered: visitors, host communities, and professionals within the industry and/or government.

The first group has received the greatest attention, at least in terms of formal information programs. There are numerous codes of conduct designed to inform visitors about appropriate behavior and to encourage them to conform to this (UNEP lists many of these, as well as codes for communities and industry). Often, such codes are provided at destinations, but they are also provided to members of organizations (such as environmental NGOs) and/or through other channels. Codes of conduct tend to focus primarily on environmentally-sensitive behavior, but often include items relevant to tangible cultural heritage as well as respecting host cultures. These can range from the general (e.g., “accept differences and adopt local customs”) to the specific (e.g., appropriate behavior when photographing, purchasing goods, and tipping). Australia is currently developing a code of conduct specifically for cultural purposes.

In addition to formal codes, there exist various channels for raising visitor awareness and encouraging specific behavior, including in-flight videos and magazines, and advice on ticket wallets, in holiday brochures, by guides, and so on. General public information campaigns in source markets can also be used to reinforce responsible consumerism in trip choice. Development cooperation can play an important role in this process.

For example, the German GTZ and BMZ, together with church and private organizations, has promoted a series of journals called *Sympathiemagazine*, published by the *Studi-*

enkreis für Tourismus und Entwicklung (Study Group for Tourism and Development). The goal is to create understanding and positive attitudes toward destinations and local populations, and many tour operators offer these brochures to their customers in preparation for their holidays.

The second group, host communities, has been the target of fewer codes of conduct. Some of these reflect multiple objectives, including encouraging friendly behavior to tourists as well as informing residents of likely changes due to tourism development, as well as how they can safeguard their culture and traditions in response to such changes (for example, the Mauritius Code of Ethics for Tourism).

In the CHT context, it is logical to use such communication channels to also raise awareness of cultural heritage issues. Lack of heritage knowledge is one of the major forces working against the retention of resources. On the other hand, in situations with effective education and awareness building, communities and individuals tend to be more supportive of CHM activities.

In the context of the Hue workshop, UNESCO recommends implementing public awareness campaigns in order to:

- heighten awareness of the need to preserve cultural resources in the area;
- bolster local culture and traditional cultural values in light of the rapid social change that tourism could bring to the area;
- promote a positive attitude toward, and interpretation of, the cross-cultural encounters that will result from increased international tourism; and
- inform local entrepreneurs, employers, and potential employees of opportunities in tourism-related industries.

Existing educational systems and curricula can play important roles here. They can be used not only for training of potential employees within tourism or CHM, but also to raise awareness within the general public. For example, NORAD supports the Forestry Association of Botswana in its efforts to introduce forestry as part of the curriculum for senior secondary schools in cooperation with the Ministry of Education.

The third group comprises industry and government professionals. Industry associations and others have developed various codes of conduct for the industry, with The Ecotourism Society guidelines for nature tour operators being a relevant example. Several countries and individual destinations also have developed guidelines for tourism businesses. An example of development cooperation in this arena is USAID's work with hotels in Jamaica, in which a consultancy (Hagler Baily) has been hired to work with hotels to identify opportunities for reducing water use and managing human waste. USAID has also helped lodge operators in Sikkim, India utilize alternative heating and cooking devices.

At the broadest level, the WTO has developed a code of ethics for tourism that focuses on the following areas:

- Tourism's contribution to mutual understanding and respect between peoples and societies.
- Tourism as a vehicle for individual and collective fulfilment.
- Tourism, a factor of sustainable development.
- Tourism, a user of the cultural heritage of mankind and a contributor to its enhancement.
- Tourism, a beneficial activity for host countries and communities.
- Obligations of stakeholders in tourism development.
- Right to tourism.
- Liberty of tourist movements.
- Rights of the workers and entrepreneurs in the tourism industry.
- Implementation of the principles of the Global Code of Ethics for Tourism.

The above presentation focuses on using information and persuasive communication to inform and modify behavior through information lists, guidelines, and codes of conduct. Of course, there are several other relevant information functions and channels. With respect to visitors, interpretation also can, and should, play a major role in providing a quality visitor experience which, as with marketing and infrastructure development, facilitates sustainable visitor flows. There are many discussions of good interpretation,⁷⁰ with a central issue being to view interpretation not as provision of facts, but as a communication process designed to reveal meanings and relationships of cultural

and natural heritage to the public (visitors) through first-hand experiences with objects, artifacts, landscapes, traditions or sites. Currently, there is very little interpretation of any kind in many developing countries, and much that exists involves basic provision of facts. Raising the quality of interpretive practice will require significant capacity building.

Amongst professionals, there is a need for a wide range of information related to CHT. Data banks, based on existing or new collections, that are easily accessible for range of users can be important resources, as can concentrations of resource experts at various institutions. Networking, through common projects, workshops, and electronic communication, can also be vital. For example, the UNESCO LEAP program is designed to encourage and assist people living within or near heritage sites to be involved in management and conservation. It includes an “online” component that serves as an email discussion and advocacy forum designed to enhance communication between those interested in CHM and to increase awareness of problems, solutions, and success stories.⁷¹ Lastly, UNESCO and PATA have joined forces in the IMPACT program designed to educate policy makers, heritage conservationists, and tourism industry personnel about how to develop the tourism industry while preserving natural and cultural heritage.⁷²

3.13. Research and Information Gathering

Though the single most important input to achieving sustainable tourism is probably political will, knowledge and information is also vital. A significant amount of knowledge and information already exists in various forms, from the “local knowledge” of communities to the academic knowledge of tourism and heritage researchers. Nonetheless, the discussion of strategies highlights the importance of gathering additional information in various arenas, from consumer research (e.g., on visitor preferences and decision-making processes) to tourism’s impacts (economic, environmental, social, and cultural). This information can serve as vital input to effective planning and management.

With respect to consumer research, CHT appears largely to be product driven, in the sense that it develops from the desire to integrate existing

heritage products into the tourism market. This differs from the user driven approach of developing products specifically in response to consumer desires. It also leads to a complacency with respect to market research, and thus a danger that demand for specific destinations may either not exist or not be sustained. Therefore, considered market research can be critical for achieving sustainable CHT.

With respect to impacts, the lack of data concerning use-impact relationships (i.e., how increased use affects the level of impact) was noted in the discussion of carrying capacity. If the CC approach is to be utilized, at a minimum more information is needed on these relationships and how they are affected by other management actions (e.g., visitor dispersal and persuasive communication designed to promote responsible visitor behavior).

A current World Bank research project in South Africa focuses on many of these issues. The project will evaluate the current fiscal (park revenue), economic (local jobs), and environmental impacts of nature tourism in northeastern KwaZulu Natal province. In addition, it will evaluate how various policy scenarios, such as increased fees or enhanced site quality, will affect these impacts. The resulting information can be used to make informed policy decisions.

On another level, there is also a need for research and evaluation regarding what strategies and what development cooperation roles are most effective in achieving ST. Though there are many discussions of these strategies, their endorsement tends to be based on common sense and anecdotal evidence. These sources of knowledge are important, but focused empirical evaluation is strongly recommended. Steps in that direction include DFID’s report and the research on which it is based.⁷³

Development agencies clearly can play a role here, as evidenced by DFID’s work, not least because evaluation of development cooperation programs can enhance their future effectiveness (NORAD also stresses the importance of utilizing research knowledge in their activities, while World Bank (1998b) is an example at a macro scale). In addition, development cooperation can support on-site research, as well as educational training in-country or abroad. For example, five

M.Sc. and five Ph.D. students have received Norwegian financial assistance as part of a program to strengthen sustainable management of Chobe National Park in Botswana. Norway is also supporting research at the University of Botswana.

3.14. Summary

Section 3 has briefly described several strategies, from the broad to the specific, that can be used to promote sustainable tourism. The general strategies, such as policy development and institutional strengthening, can have significant impact, but tend to have a long gestation period—it may take years to observe tangible results. The specific

strategies, such as a certification program or information campaign, may be implemented more quickly, but tend to provide less extensive benefits.

These characteristics suggest that a long-term, and multi-pronged approach may be necessary. If it was easy to achieve sustainability, it would have already happened. Such statements are not meant to inspire pessimism, but rather realism and a commitment to the challenge. Anecdotal reports indicate that development cooperation projects in tourism have, on occasion, been failures. However, they also indicate that they have led to concrete gains, particularly at local levels. It is these gains that motivate future activity in this arena.

4. Development Cooperation Agencies and Tourism

4.1. Development Cooperation: A Brief Summary

Development objectives inevitably vary across agencies and countries. Nonetheless, there are several objectives and focus areas that are common across many, if not most, development agencies.⁷⁴ They include:

- Reduce the number of people living in extreme poverty.
- Invest in social development, especially education, primary health, and population control.
- Facilitate public participation in political and economic life, especially for women.
- Reduce social inequalities.
- Pursue sustainable development to ensure environmental resource loss is reversed.
- Facilitate stable economies and good conditions for an active private sector.
- Promote well-functioning governments and bureaucracies, including democratic control, respect for human rights, and rule of law.

Though these objectives are fundamental and do not all involve tourism, tourism development is generally consistent with them. For example, tourism typically involves an active private sector and creates jobs of varying skill levels and for both genders, which can help to reduce social inequalities. In addition, it can contribute to sustainable development and the preservation and enhancement of environmental resources. The EU notes that tourism can also make a major contribution to integrating developing countries into the world economy, which is one of the EU general objectives for development cooperation.

Although there have been numerous studies of development cooperation, the World Bank has published a recent and useful overview of current thinking on the topic.⁷⁵ Views on development cooperation have varied over time, and current views admittedly may someday be seen as outdated (and some may appear self-evident).

Nonetheless, they reflect current thinking and provide a context for considering how development cooperation agencies may view, and be involved in, development cooperation relevant to tourism.

The overall theme of the World Bank report is that effective development cooperation requires the right timing and the right mix of money and ideas. Money has a large impact, but only in low-income countries with sound management; before countries reform, finance has little impact. More specific findings are as follows.⁷⁶

Financial aid works in a good policy environment. Assistance is most effective in countries with sound economic management, which involves both macroeconomic policy and delivery of public services.

Improvements in economic institutions and policies are the key to a quantum leap in poverty reduction. There have been significant improvements in governance and policies in the past decade, but further reform could lead to additional benefits. It is important that the desire for reform exist in recipient countries, with assistance helping through ideas, training, and finance. Efforts to “push” policy improvements in countries that lack internal desire for reform typically have failed.

Effective financial assistance complements private investment. In countries with sound economic management, assistance complements, rather than competes with, private investment by supporting important public services.

The value of development projects is to strengthen institutions and policies so that services can be effectively delivered. Development cooperation brings both knowledge and finance, but the latter tends not to benefit specific sectors. Sectoral support, such as in education, tends to expand public services in general rather than in the targeted sector in particular. However, knowledge is more specific, less fungible, and strengthens targeted sectors.

An active civil society improves public services. The top-down, technocratic approach has not worked well in critical areas of development. More participatory approaches often result in significant improvements in service delivery.

Development cooperation can nurture reform in even the most distorted environments, but it requires patience and a focus on ideas, not money. The goal is to help reformers develop and test their ideas rather than to provide funding for ineffective policies or services.

Turning the attention to the development agencies themselves, the World Bank recommended that development agencies should become:

- *More selective*, by putting more money into economies with sound management.
- *More knowledge-based*, by using resources to support new approaches to service delivery, identifying what works, and disseminating this information.
- *Better coordinated*, by being less interested in donor agency prestige and more interested in how communities, governments, and donors can work together to improve services.
- *More self-critical*, by evaluating agency objectives and the impacts of agency activities.

A review of Norwegian development cooperation policy by the Nord-Sør Bistandskomisjon noted the difficulties inherent in achieving development goals, and the impossibility of finding a standard “recipe” for development cooperation. Some of the conclusions include:

- Assistance must be tailored to each country and its conditions (no two countries are alike).
- Assistance must supplement and contribute to locally-driven development (rather than to try to be the driver of development).
- Recipients must be responsible for planning and implementation.
- Assistance should build up local capacity, including institutional capacity, in order to help recipients take responsibility for development (rather than being dependent on assistance).
- Assistance should be based on a perspective of equal gender status.

These Norwegian findings are generally consistent with those in the World Bank report, though differences might occur in interpretation and implementation (e.g., the Norwegian approach appears to stress recipient initiative, control, and responsibility to a greater degree than that of some other agencies).

Of course, the above findings and considerations are focused on a much more general level than tourism. They could, for example, affect development cooperation across potential recipient countries. Nonetheless, they are also relevant in the more narrow, and to some degree different, tourism context. Perhaps most fundamentally, they stress that funding in a poor economic policy environment is likely to be wasted. In the tourism context, the discussion in Section 3 of ST strategies also stresses the importance of strong institutions, good policies, and effective planning and management. Relatedly, these strategies stress training and knowledge transfer and development. They also include improved services and infrastructure to facilitate private sector investment and development. Lastly, they stress collaboration, not only across governmental agencies but also between government and civil society (NGOs, unions, the public generally, etc.).

4.2. Development Cooperation and Tourism: Overview and Selected Agencies

Turning to tourism in particular, development cooperation has focused relatively rarely on tourism *per se*. More common has been funding for items like airports and roads, which contribute to tourism, other economic sectors, and society generally. Recently, tourism has also benefited from funding of environmental programs, which often include a tourism component⁷⁷ (e.g., biodiversity projects under GEF, and the DFID and USAID programs discussed below). Nonetheless, substantial funding has also gone to tourism-specific activities, including marketing and financial assistance to tourism businesses.

Assistance has occurred in three main forms:⁷⁸

- technical assistance, especially in the preparation of tourist development plans;
- loans for major infrastructure projects; and
- loans and equity investments in the private sector, especially in hotels.

The form of assistance has varied across organizations. For example, inter-governmental agencies like the Organization of American States (OAS) have emphasized technical assistance and plan preparation. The IBRD (International Bank for Reconstruction and Development) and IDA (International Development Association) components of the World Bank Group have concentrated on tourism infrastructure, while the IFC (International Finance Corporation) component has concentrated on the private sector. Historically these agencies and other multilateral banks have primarily encouraged large-scale projects with a high degree of non-local participation. However, they have, to varying degrees, moved in the direction of small and medium sized businesses (SMEs), community development, and other focus areas consistent with the above strategies.

For example, the Inter-American Development Bank (IDB) has changed the emphasis of its participation and focus in the tourism sector, especially since the beginning of the 1990s. Instead of financing the mega development of new destinations, such as Cancun and Bahías de Huatulco (1970s), the IDB is more responsive to host communities and their socio-cultural, man-made and natural environments. Special emphasis is being placed on indigenous communities. The three principal areas for the Bank's participation in tourism development are:

- management of the environment and natural resources;
- improvement in the quality of services provided by municipalities; and
- rehabilitation of physical infrastructure to reclaim historical and cultural heritage.

The IDB increasingly is focusing on financing operations that will include, among others, the following principal components:

- establishment of an appropriate public sector framework (both legal and regulatory) that will allow private sector investment and organized civil society to participate;
- establishment of certification mechanisms; and
- human resources training modular programs for both the public and private sectors.

Likewise, the World Bank stresses that "we must develop a broadly owned framework for investment and tourism development. Private investors, public authorities, and local community groups need to work on several fronts, to:

- forge an investment climate of policies, regulations, and public infrastructure that conserves heritage areas and tourist sites;
- help local communities develop attractions and businesses; and
- forge business linkages between investors and local producers and services."⁷⁹

The examples presented in Section 3 (and Appendices 3 through 7) illustrate a wide range of tourism-related projects supported by development cooperation. In addition, the increasing involvement of bilateral assistance in tourism suggests an increasing grant orientation.

It has been suggested in the ecotourism context that a combination of loans and grants are critical in promoting community tourism ventures, with loans going to businesses and grants going to training local residents to participate in these businesses. This follows the logic of private and public goods, with local employment being valued by broader society, which can therefore be expected to pay the additional cost of bringing local residents into the industry. Similar logic can be applied to other programs, including information and communication, research, and so on. Given that grant funding from multilateral institutions is decreasing over time, a loan/grant combination may increasingly depend on coordination between multilaterals (for loans) and bilaterals (for grants).

The remainder of this section summarizes the tourism-related activities of selected agencies.⁸⁰

World Bank

The World Bank turned away from specific tourism projects following the close of their Tourism Projects Department in 1978. Nonetheless, portions of the World Bank Group (WBG), notably the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA), do support tourism through equity investments, insurance, guarantees, and other mechanisms. As of WTO's 1996 publication on development financing, the IFC

had invested in over 100 tourism projects, mainly hotels and resort villages, at a value of close to \$600 million. Tourism represented 5.5% of the IFC's portfolio at that point. In addition, Bank and Global Environment Facility (GEF) projects focused on other activities, especially infrastructure, human resources, and environmental management, often have a tourism component.

The Bank will likely continue with such non-specific, but tourism related, activities. As Bank President James Wolfensohn noted in the context of cooperation with the WTO, "in the 140 countries where we operate, tourism has become one of the fastest growing economic sectors. Our aim is to create a framework of power, water, health, justice, and financial systems that will be conducive to the development of tourism and to travel." The Bank may also be moving toward more direct involvement in tourism, with its cooperation with WTO being an example. MIGA observes that "tourism really deserves the support of the World Bank, because when properly managed it is an excellent way of alleviating poverty."⁸¹

Bank involvement in tourism has been facilitated by its small, community based programs through the Learning Innovation Loans (LILs) and the Development Grant Facilities (DGFs). The LILs provide opportunities to integrate CHM into local and national economic development. These will serve as pilot projects for developing approaches to site planning and conservation, as well as improving available sources of information about conservation. DGF funding is minimal by Bank standards (no more than \$50,000) and is focused on determining, and preserving, what community residents value. Relevant potential areas for DGF include 1) community managed low-impact tourism development, 2) participatory assessment of cultural assets along with participatory priority-setting and planning, 3) programming and use of communications media to link cultural traditions to sustainable development (e.g., theater, literature, conservation of oral history, cultural radio programming), and 4) development of crafts marketing.

One particular activity worth noting is the development of a strategy paper focused on tour-

ism in Africa. Principles noted in the strategy include the importance of:

- an environmental component, such as ecotourism;
- engagement in community participation;
- promotion of effective institution-building; and
- working with private industry to encourage their competitiveness.

The World Bank Institute (WBI) has organized various relevant conferences, including one focused on the Architecture of Historic Cities and another on Cultural Heritage and Development: Sustainable Management. In 1999, they hosted a conference in Florence, Italy on the economics of cultural heritage development projects. WBI will introduce a course in tourism in the near future.

UNDP

Little information regarding the role of United Nations Development Programme (UNDP) in tourism development was received in time for this report. They often work with WTO and are involved in human resource development projects, such as the Institute for Hotel and Catering Services hotel training center in the Maldives. They are also supporting development of a tourism master plan for Malawi, which includes a focus on creating employment in rural areas and conserving the country's natural environment and cultural heritage. However, UNDP appears to concentrate more on other sectors, such as social development or urban development, that ultimately help tourism. UNDP also supports some micro-enterprise programs, one of which is described in the Ghana case study (Appendix 6).

According to the WTO, less than 0.001 percent of UNDP funding goes to cultural projects. The agency does have a Sustainable Cities program that started in Dar Es Salaam and now involves a dozen projects focused on developing the infrastructure and capacity-building institutions of developing urban centers.

EU

As noted by the EU, "over the last 20 years the

European Community has led the way in providing support for the expansion of tourism in the developing countries.... Tourism features in all the EU's framework cooperation agreements (Lomé Convention, Barcelona Declaration, etc.)." Article 122 of Lomé IV provides that support should focus on 1) human resources and institutional development, 2) product development, 3) market development, and 4) research and information. Relevant activities have also been undertaken in other contexts, such as tourism training and promotion for Mediterranean countries under the Barcelona Declaration. In addition, other EU programs relate to tourism and/or CHM, with one example being the Asia URBS program, which ties EU cities with Asian cities to assist in urban development.

As an example of EU activities, it is supporting the St. Lucia (West Indies) Heritage Tourism Programme, whose mission is to establish nature/heritage tourism as a viable and sustainable component of the country's tourism product. Program areas include 1) public awareness and community mobilization, 2) human resource development, training, and institutional strengthening, 3) product development, 4) policy development and advocacy, and 5) niche marketing.

AfDB

Enquiries to the African Development Bank (AfDB) were not successful in generating information, but a search of the Bank's Web site indicates that tourism is funded, at least as part of broader projects. For example, the Third Line of Credit to Development Bank of Mauritius (a loan of \$7.5 million) had as an objective to "contribute to the further development of Mauritius' small- and medium-scale enterprises sector and ultimately to the country's efforts at economic diversification and job creation," with tourism being one of the sectors to benefit from the loan.

IDB

Though Latin America is not a focus area for this report, the Inter-American Development Bank (IDB) is perhaps the most active of the regional development banks when it comes to

tourism. Since 1970, the IDB has committed \$1.14 billion in loans to tourism, \$10.3 million in non-reimbursable technical assistance (grants), and \$9.4 million in Multilateral Investment Fund (MIF) grants. The Inter-American Investment Corporation (part of the IDB Group) has committed US\$21.2 million in loans and US\$12 million in investment funds.

The IDB is involved in projects relating to infrastructure, hotel management training, and the protection of cultural heritage. As an example of the latter, in 1995 the IDB provided a \$1.7 million grant to help preserve prehistoric cave paintings at 260 sites within the Capirova Park, a World Heritage Site in northeastern Brazil (described above in Section 2.4). Two recently approved projects in Brazil are the Preservation of Urban Historical and Cultural Sites - Monumenta Program (\$62.5 million) and the Technical Cooperation Program to support the Development of Ecotourism in the Brazilian Amazon (\$11 million).⁸²

Within the IDB group, the Multilateral Investment Fund is an example of a relevant mechanism in this arena. The fund includes 1) a technical cooperation program that assists in the development and modernization of the financial, regulatory and public sector framework needed for an effective, competitive private sector, 2) a human resources development program that helps build the skills and capabilities of the region's workforce, 3) a small enterprise development program focuses on broadening the participation of smaller enterprises in the regional economy, and 4) a small enterprise investment fund that demonstrates the use of equity as a development tool.

NORAD

Norway is unusual in that it has a specific political mandate for environmental programs within its development cooperation strategy, which presents a special opportunity for effective action. These programs include the following priority areas within the "Preservation of Cultural Heritage and Management of the Natural Environment's Cultural Values" section:

- Implementation and follow-up of recipient countries' commitments under the Conven-

tion for the Protection of the World Cultural and Natural Heritage (1972).

- Contribute to enhancing institutional and professional capacities which ensure administrative structures for the preservation of cultural heritage.
- Help to ensure that important sectors accept an independent responsibility for the management of cultural heritage and areas of cultural interest (through, e.g., environmental impact analyses).
- Contribute to the integration of the preservation of cultural heritage in national action plans.
- Contribute to the development of models for sustainable tourism in prioritised areas of cultural interest (Agenda 21).
- Contribute to the sustainable use and development of historical cities and areas of cultural heritage (Habitat II, Urban Sustainable Development).
- Support sustainable production and consumption systems through knowledge about traditional building, customs, use of materials and crafts.

To date, the Norwegian Agency for Development Cooperation has supported various activities relevant to the above, such as the Slave Route project and the Africa 2009 training project. However, it has not undergone the type of extended discussion regarding potential involvement in tourism that has occurred in other agencies (like SNV, GTZ, and DFID).

USAID

The US Agency for International Development (USAID) provides financial assistance for tourism-related infrastructure and ecotourism activities as part of its economic development and environmental programs. Development cooperation includes grants to governmental and non-governmental organizations, including technical assistance and provision of equipment. Development cooperation is also available indirectly through USAID-funded programs, such as the Biodiversity Support Program.

USAID's involvement in tourism is focused on ecotourism, because it "offers countries new opportunities for small enterprise investment and employment and increases the national stake in

protecting their biological resources." Activities are supported out of the biodiversity conservation programs and include developing national park systems (including creation of new parks), demarcating and equipping parks, recruiting and training staff, encouraging government reforms, and promoting regulated investments in private lodging, guide service, and other tourism ventures.

A recent review of USAID involvement in this area describes the following focus areas:

- Efforts to empower and encourage local communities to play an active role in the preservation and enhancement of cultural environments and ecotourism sites. This has been accomplished by creating alternatives for local inhabitants to replace revenues formerly earned by utilizing natural resources. These alternatives include tourism-related food, lodging, souvenirs, educational materials, guides, and transportation.
- Efforts to develop strong institutions that are charged with the responsibility of managing and protecting national parks, cultural sites and ecologically sensitive areas.
- Economic linkages between local residents, private business, non-governmental organizations (NGOs), and government agencies to ensure that the bulk of tourist generated revenues remain within the country.
- Strategies to create protected area entrance fees to provide revenues needed to maintain and upgrade sites. This frequently involves employing economic techniques that attempt to estimate tourist's willingness to pay to enter sites.

Though much of this assistance has been for sites focused on the natural environment, it has also gone to cultural heritage, including the Bonampak Mayan ruins in the Montes Azules Biosphere Reserve in Mexico. Perhaps the most comprehensive relevant USAID support is to the Jordan Promotion of Cultural Tourism project, which is designed to promote Jordan's tourist sector by assisting in the development of selected cultural sites. The project is being implemented by the Ministry of Tourism and Antiquities (MOTA). It will 1) enhance selected sites and develop tourist facilities, 2) increase public awareness of, and local involvement at, the sites,

and 3) provide institutional development support to MOTA.⁸³

DFID

The British Department for International Development (DFID) has recently undergone an evaluation of its role in tourism and has decided to focus on nature tourism in particular. In addition, DFID is trying to bring the focus away from generation of foreign exchange earnings and toward elimination of poverty. This links directly with the development objectives described above, and DFID's goal is to generate net benefits for the poor in the context of tourism development, with net benefits incorporating both benefits (such as jobs) and costs (such as negative cultural and environmental impacts). DFID notes that domestic and independent travelers may create proportionally more local economic opportunities than do international/package tourists, such that selective market development can be appropriate.⁸⁴

SNV

SNV, the Dutch development cooperation agency, also has been active in tourism over the years, and has undergone internal consideration and discussion of desired involvement in this field. The process is continuing, and SNV held a workshop in Nepal during October 1999 with tourism advisors from countries in which SNV is involved in tourism projects. The objectives of the workshop are to:

- Exchange experiences and share knowledge on the strategies, methods and results of SNV tourism development programs.
- Discuss in depth topics such as: How can local poor people benefit more from tourism development? How can local participation be ensured in tourism programs? How can negative environmental and socio-cultural impacts be mitigated?
- Contribute to SNV's policy development concerning economic themes.

The workshop is expected to generate a document presenting the best (and worst) practices of SNV's projects, a better understanding of methodologies and strategies for poverty alleviation in tourism development programs, and an over-

view of relevant references (documents, manuals, books, publications, etc.) that SNV tourism programs are using.

SNV's focus to date is succinctly stated as follows:⁸⁵

By being present in-country (SNV maintains field offices in 26 countries), SNV is able to identify areas that have a potential for tourism. Close cooperation with local people and organisations offers a good starting point from where tourism can be developed: no massive scale luxury tourism but small-scale tourism in which the local population participates to the fullest extent and reaps the benefits. People shape the ideas, execute the plans, gain extra income and retain their dignity. In short, this is tourism for people, culture and the environment.

SNV supports this kind of development through research, training, marketing and the transfer of knowledge and finance. In the past few years, tourism projects have been set up in Albania, Tanzania, Botswana, Nepal, Cameroon, Niger and Benin. This has enabled SNV to build up experience and expertise.

GTZ and BMZ

As early as 1981, the German Federal Ministry of Economic Cooperation and Development (BMZ) published an analysis of "Tourism in Developing Countries." This was updated in 1993, and BMZ set up an "Ecotourism Working Group," an interdisciplinary task force that combines research and practice-oriented consultancy. The report "Ecotourism as a Conservation Instrument," which appeared in 1995, set out basic policies and case studies. The German GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit) is responsible for planning and implementing technical cooperation projects with developing countries.

A recent GTZ publication⁸⁶ notes that:

though tourism is not currently a priority issue in German development co-operation activities, it could be a meaningful development policy option – especially where re-

gional rural development and nature conservation are concerned – if examined critically, planned competently and carried out prudently.

It goes on to say that the “development potential of tourism has been unsatisfactorily exploited.” Tourism already does play a role in many cooperative projects, and GTZ/BMZ have developed substantial material relating to this topic. This material was received too late to be fully incorporated into the present report, but agencies involved in this field are encouraged to review it.

Limitations of space, time, and available information mean that only selected examples of agency activities can be presented. It is acknowledged that many other agencies are doing relevant work in this area. For example, AusAid funds participation by Pacific region tourism leaders in tourism conferences held in Australia to facilitate exchange of knowledge and information. The involvement of so many agencies not only illustrates the role tourism can play in development cooperation, but also underscores the need for donor coordination and partnerships.

4.3. Development Cooperation and Tourism: Some Principles and Lessons Learned

There is variation across donor agencies with respect to resources, objectives, and approaches. There is also variation across recipient countries with respect to levels of development, the role of tourism within the economy, tourism development potential, and so on. Therefore, assistance programs inherently must be customized to suit specific situations. Keeping this in mind, this section presents some general principles (lessons learned), based largely on the EU experience with such programs.

First, many assistance efforts have been too thinly spread. Therefore, a more **focused** effort based on a sectoral approach and clearly targeted operations is recommended. The scope, duration, and geographic area of projects will be limited to make programs more effective (this needs to be balanced with the need to ensure integration and coherence with national and regional development policies and activities).

Second, there has been a narrow focus on marketing (to increase the number of arrivals), which has led to heavy dependence on continued funding to maintain market share, as well as a failure to seek alternative promotion and marketing instruments. Future funding in this area is expected to be limited, not only because of increased cost-sharing by recipients (public-private partnerships), but also due to the increasing recognition that attention should be paid not just to attracting visitor streams, which has been increasingly difficult in the frequent case of destinations that have not adequately managed the product, but also to focusing on sustaining the product itself.

Third, and related to the second, it is recognized that **EU programs have not taken into account tourism’s impacts on the environment and host societies.** This failure may jeopardize long-term development, both in terms of the benefits to host communities and in terms of the visitor experience.

The second and third “lessons learned” are consistent with the current tourism assistance programs in many agencies insofar as much of their funding is aimed at activities other than marketing, and in particular on projects designed to minimize negative environmental or social impacts, as well as to increase local economic benefits.

Fourth, there has been a heavy focus on funding national tourist offices (NTOs) and tourism authorities. This has led not only to the heavy focus on marketing (described above), but also to inadequate 1) coordination with the private sector, 2) attention to sustainability, and 3) clout vis-à-vis other government bodies that have more significant impacts on matters such as air access, border control, transport, fiscal policy, education, and the environment.

This last “lesson learned” is consistent with the broader range of recipient groups that exists today. Though NTOs likely will remain an important recipient group, and they provide good contact points for the tourism industry, the range should increasingly include national government agencies beyond NTOs, local and regional government agencies, the private sector, and NGOs (as representatives of civil society).⁸⁷ Of course, different development cooperation agencies are

likely to emphasize different recipient groups, both generally and with respect to tourism in particular.

As noted by DFID, NGOs have the vital ability to “forge partnerships between stakeholders, to interface with local communities, and to ‘put it all together’ by providing an overview.” Thus, they can play pivotal roles with respect to many sustainable tourism strategies, including training and information provision, and lobbying for favorable policies. NGO recipients can include those based in donor countries, those based in recipient countries, or international groups (e.g., IUCN and WWF).

An important issue within development cooperation generally, and also relevant in the tourism context, is the extent to which conditions should be attached to development cooperation. The imposition of conditions can be seen as leading to an imperial, unequal relationship, in which the donors impose their desires on recipients. However, it can also be seen as promoting an equal partnership in which both parties make commitments to projects.

The case of Bonaire Marine Park in the Netherlands Antilles provides an example. The park was established in 1979, in part with funds from World Wildlife Fund, Holland, as well as from the Dutch and Antillean governments. However, this funding only covered the initial start up costs, and active management of the park stopped after five years due to the lack of a firm financial base. In response, the Dutch government provided additional grant funding, but with the condition that the park must become self-supporting within the term of the grant (three years). Given that tourism relies directly on the park’s resources, various tourism-related funding options were considered. After extensive consultation with the dive community and hotels, an entrance fee was established, together with relevant legislation and regulations to earmark fee revenues for park operations. This example illustrates how important conditions can be in achieving sustainable tourism. The Dutch government did not micro-manage the project, but the inclusion of the condition helped ensure that its development cooperation objectives (long term conservation and

management of the natural resource) were achieved.

As noted above, efforts to “push” policy improvements in countries with no internal desire for reform typically have failed. This suggests that conditionality is likely to work only when the rationale for conditional policies is understood and accepted. Put differently, conditionality can be a stimulus to action, but is unlikely to be effectively implemented in situations with strong opposition by key actors. Conditionality of the scope considered here is unlikely to be as painful, and thus as opposed, as that in the structural adjustment context. For example, a requirement that a site charge entrance fees and earmark them for site management will be far less onerous than reduced subsidies on food and energy. Nonetheless, the principle that lasting improvement in policies will most likely occur in an organic reform environment is a good one.

One cannot expect all actors to embrace the conditions (e.g., there was opposition to the Bonaire fee by some dive operators and an influential dive magazine), such that educational efforts and political will may be necessary in situations where there is underlying support for the condition. Lastly, it should be noted that more-or-less explicit conditions, such as those related to environmental impact assessments, are in fact common in development cooperation programs (e.g., both NORAD and SIDA have EIA requirements).

Finally, there is the issue of **recipient initiative**, an important principle for NORAD and many other agencies. Though the principle of recipient responsibility and leadership is sound, depending on how it is implemented it can also be problematic for at least two reasons.

First, recipients simply may not be aware that agencies, such as NORAD, have funding for and interest in tourism-related projects. For example, WTO notes that “lack of systematic and up-to-date information on financing sources appears to be a significant handicap for tourism project developers, both public and private.” WTO presumably was referring to actors with relatively strong information networks. The statement would be even more true when it comes to rural communities and community groups.

Second, due to lack of experience with tourism development, recipients may tend to be more reactive (rather than proactive) relative to donor agencies, who either have or can gather information and expertise based on longer histories of tourism development. Using the life-cycle concept as an example, recipients might request assistance only after significant negative impacts have occurred.

In short, it is **recommended that a more active and interactive process be implemented**, one which locates the fundamental initiative and leadership with recipients, but which provides for active exploration by donors regarding potential assistance projects, as well as active provision of information regarding potentially important considerations, policies, and actions at various levels. This perspective appears consistent with SNV's approach in tourism development, described above.

5. Conclusions

As noted in the Introduction, tourism depends heavily on cultural and natural attractions, many of which are World Heritage Sites. Conversely, tourism can make important contributions to protection and management of cultural and natural heritage—it can help keep traditions alive and finance the protection of heritage, as well as increase visitor appreciation of that heritage. On the other hand, tourism can damage heritage when not well managed.

After describing the tourism and heritage context, this report presented several strategies for promoting sustainability in tourism associated with cultural and natural environments. Next, it reviewed the activities of development cooperation agencies, both in general and with respect to tourism in particular and its potential to alleviate poverty.

There certainly have been difficulties, challenges, and failures in the context of development cooperation and tourism. The World Bank closed its Tourism Projects Department in 1978. The EU notes that “tourism has only recently emerged as a sector for cooperation and most donors have little experience in this field.... Donors agree that operations lacked clear direction, that the interlocutors were poorly chosen or ineffective and the results difficult to evaluate.” Moreover, the strategies designed to lead to sustainable tourism will not always be easy to implement, and progress will not always be dramatic.

When one considers all this, a natural reaction would be to avoid tourism in development cooperation programs. However, these difficulties and challenges are not unique to tourism—they are generic to development cooperation and the development process.⁸⁸ Tourism presents special challenges, but so, too, do other sectors, from forestry to hydroelectric power generation.

In addition, many of the criticisms have been of top-down approaches involving large “mass tourism” development projects. Recent activity has evolved toward new approaches and a focus on smaller projects oriented toward nature and cultural tourism contexts. Moreover, though do-

nors generally have little experience in this field, experience can be obtained and developed over time, as it has been in other sectors.

In short, the arguments against a development cooperation role in tourism are real, but often overstated. Moreover, tourism is one of the largest industries in the world, and one of the fastest growing. A failure of development cooperation agencies to become involved in tourism represents a failure to capitalize on the opportunities it presents (in job creation, economic development, cultural interchange, and cultural heritage management) and a failure to help steer it toward a sustainable path.

Several development cooperation agencies have recognized this and have actively incorporated tourism into their programs. The efforts of DFID, SNV, and GTZ to undertake research, review, and policy processes are particularly praiseworthy, as this gives these agencies a considered, rather than ad hoc, basis for action. For example, DFID developed its action agenda based on research carried out in nature tourism destinations in India, Indonesia, and Zimbabwe. The experience and reports of these agencies, as well as others like the EU, the IDB, and the World Bank, are valuable resources that can be the stepping stones for action by other agencies considering involvement in tourism.

In addition to the knowledge and experience of development agencies, there is extensive relevant expertise within the consultancy, academic, NGO, and other sectors. **Put simply, there is a solid, and growing, basis for action.**

The importance of collaboration and information exchange in project implementation was discussed above. As part of an effort to enhance knowledge and streamline activities, **there is a similar rationale for collaboration and communication across development cooperation agencies.** Indeed, donor collaboration and coordination are stressed by the Norwegian Ministry of Foreign Affairs and NORAD. In the cultural arena, the World Bank has recently formed a knowledge-sharing network, the Cultural Heri-

tage Network, of like-minded agencies and NGOs (the network includes a tourism theme area). Such actions, and others, would also be productive amongst agencies specifically involved in tourism.

Lack of information and awareness may also be a problem within agencies. Thus, networking and information sharing regarding tourism, and agency objectives for this sector, will be important within agencies as well as across agencies.

The present report has focused on providing background information, identifying what selected agencies are already doing in tourism, and **presenting a list of strategies that can form the basis for further discussion, strategy development, and action.** It is difficult to prioritize strategies in general, as their importance will depend on local conditions, agency objectives, and other considerations. Moreover, some strategies, such as the **development of partnerships**, are broad and cut across others.

Nonetheless, the development and strengthening **of institutions, planning processes, evaluation, and policies are fundamental to sustainability**, such that these should be a priority focus, at least at the national level. On the other hand, **community involvement and**

training would be key priorities for a site level approach. Though community involvement (and control) is not a panacea, it is important for ensuring that local cultural values are maintained and strengthened. Again, the inter-relatedness of the strategies should be stressed, as, for example, good policies are of limited value if institutions are too weak to implement them effectively.

Lastly, the importance of including **a broad range of stakeholders and other actors as participants in development cooperation projects, and as recipients of development cooperation funding, is stressed.** Agencies have increasingly reached out to NGOs and other components of civil society. An equivalent effort will be needed with respect to the **tourism industry.** As described above, the industry has important viewpoints, knowledge, skills, and business connections that can be critical to the successful development of sustainable tourism. As the industry continues to grow, it can no longer be ignored—it has to be a more active partner in projects that promote sustainable tourism. The continued growth of the industry, the future of cultural heritage management, and the growth of opportunities for the poor in destination areas depend on new alliances and partnerships.

"For too long the range of values provided by culture attributes and artifacts has not been recognized – their role in job creation, social cohesion, tourism, and so on. Cultural preservation and renewal is not a luxury good, something to be done later. It is a productive sector."

James D. Wolfensohn
President of the World Bank
October 4, 1999 Florence

6. References

Citations by Section

In order to improve readability, citations in the text are not in typical academic format, but are combined and presented here (endnotes retain the academic format). For each major section, the first paragraph contains citations for the general material presented, and the second paragraph contains citations for quotations (if any). Page numbers for html documents are not provided as they will vary across setups. Citations are separated by semicolons and follow the order of material in the text.

1. Introduction

Malkin 1999, WTTC 1999; Périer-D'Ieteren 1998; Herreman 1998.

UNESCO 1999:21; *The Economist* magazine, 31 July 1999, p. 74; WTTC and IH&RA 1999:2.

2. The Context

Cheong 1995; Dewailly 1999; Herbert 1997; Bennett 1999; Lindberg et al. 1997; Mowforth and Munt 1998; Butler 1999; Lindberg 1991; Healy 1994b; Butler 1980; Frank and Bowermaster 1994:134; Canis 1996; Williams and Montanari 1999.

Swarbrooke 1995:4; EU 1998; Prentice 1993:224; WTO 1999a:6; UNESCO 1998:Preface; World Bank 1998a:8; Loermans 1995; Robinson 1999b; World Bank 1998a:74; Lindberg, Enriquez, and Sproule 1996; WTO 1996:140; DFID 1999b; WCED 1987:43; Swarbrooke and Horner 1999:358-360; World Bank 1998b:11; EU 1998; DFID 1999a.

3. Achieving Sustainability: Selected Strategies

UNESCO 1995; Steck, Strasdas, and Gustedt 1999; EU 1998; Ayad 1999; WTO 1996:140; Gurung 1996; EU 1998; Medio 1996; Carson et al. 1997; Shackley 1998b; Personal communication, S. Bandaranayake; Peters 1998; UNESCO 1995; NORAD 1998; Hawass 1998, Périer-D'Ieteren 1998; UNESCO 1995; Ayad 1999; UNEP 1998; UN 1999; UNEP 1998; Telfer and Wall 1996; Ashley and Roe 1998; DFID 1999a; Lindberg and Enriquez 1994; Healy 1994a; UNEP 1995; UNESCO 1995:8; NORAD 1998; Richards 1999; Goulding 1999; McArthur 1998; Moscardo 1999; van der Borg and Russo 1999; Prentice 1993; DFID 1999a; Goodwin et al. 1998; Morgan 1992; NORAD 1998.

NORAD 1993:5; Steyn 1998:138; NORAD 1998:18; MFA 1997:19; EU 1998; DFID 1999a; Robinson 1999a:23; Ashley and Roe 1998; Loermans 1995:42; EU 1998; DFID 1999a; EU 1998; DFID 1999b.

4. Development Cooperation Agencies and Tourism

EU 1998; Christie and Crompton 1999; WTO 1997:115; WTO 1999a:10; Lee and Barrett 1994; WTO 1996; WTO 1998; MFA 1997; DFID 1999b; GTZ 1997; Steck 1999; Steck, Strasdas, and Gustedt 1999; DFID 1999a; de Meyer n.d.

World Bank 1998b:27; Pearce 1989:45; WTO 1998; WTO 1999a:3; EU 1998:2; WTO 1996:139; WTO 1996:ii.

5. Conclusions

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¹ 21 January 1999 Comprehensive Development Framework memo, page 17.

² All money figures in this report are in US\$ unless otherwise noted. The report is written in US English, except where passages are taken directly from sources written in British English. To increase readability, this report will not utilize the academic author/date referencing system except in endnotes. Instead, the reference section includes listings of material utilized in writing each section, as well as the citations for quotes such as this one. In addition, the convention of using brackets to reference minor changes in quotations is not used here.

³ Additional data and forecasts can be found in UNESCO (1999) or relevant WTTC and World Tourism Organization (WTO) documents.

⁴ Or, as an Asian proverb states, "Tourism is like a fire: You can cook your soup on it, but you can also burn down your house with it."

⁵ Future growth will come on top of already substantial figures. For example, Hawass (1998) notes that 534 million tourists visited archaeological sites around the world in 1995. In recognition of the important connection between culture and tourism, the WTO selected "Preserving World Heritage for the New Millennium" as its theme for World Tourism Day 1999 (WTO 1999a).

⁶ World Bank President James D. Wolfensohn notes that "physical and expressive culture is an undervalued resource in many developing countries. It can earn income, through tourism, crafts and other cultural enterprises. And whether income-earning or not, support to cultural activities of the very poor can have a profound effect on their well-being, social organization, and social functioning." October 4, 1999 speech at the Culture Counts conference in Florence.

⁷ For example, the World Bank (1998a) has recently moved from a focus on avoiding cultural damage in development projects to active support through 1) conceptual analyses, such as the contribution of culture to empowerment, as well as the economic rationale for investments in culture, 2) financial and technical support, and 3) partnerships.

⁸ More information is available at <http://home.earthlink.net/~crtp>

⁹ Given the geographic focus, and potential non-Scandinavian readers, the literature referenced in this report will be predominantly English. Various resources are available in Norwegian (e.g., Jacobsen and Viken 1997), but most of these focus on Norway or Scandinavia (an exception is the 1996 issue of "Mango – Fredskorpsforum," which has a tourism theme and focuses on developing country issues). See also the North/South Coalition (Idégruppen om Nord/Sør) Information Bulletin No. 1, 1999, "Tourism in a North/South Perspective."

¹⁰ Similarly, project timing and scope limited the ability to fully review the substantial relevant literature. Christie and Crompton (1999), Steck, Strasdas, and Gustedt (1999), and Sweeting, Bruner, and Rosenfeld (1999) are examples of potentially valuable publications that were not reviewed in time for more than cursory inclusion here. Further work on this topic would benefit from review of these, and other, documents. In addition, NORAD (1999) was received too late to be adequately incorporated into this report.

¹¹ Swarbrooke (1995).

¹² The importance of domestic and South-South tourism is discussed in Ghimire (1997) and in Lindberg et al. (1998).

¹³ And much potential remains. For example, WTO (1999a:4) estimates that Mexico alone has 200,000

ancient archaeological sites.

¹⁴ Prentice (1993).

¹⁵ Some argue that virtual reality *should* replace physical travel, that it is the ultimate form of sustainable tourism. This view assumes that physical travel (tourism) is currently unsustainable, that it generates more negative impacts than positive impacts. This report assumes, and argues, that tourism is, or at least can be, sustainable.

¹⁶ Additional discussion of the importance of cultural preservation and the motivation for enhancing tourism's function in this process is provided elsewhere (e.g., Boniface 1999; Kelly and Nankervis 1998; World Bank 1998a).

¹⁷ In his speech at the October 1999 "Culture Counts" conference in Florence, World Bank President Wolfensohn referred to the presentation of Wole Soyinka, the Nigerian Nobel laureate, who noted that "culture is a matrix of infinite possibilities and choices... from (which) we can extract arguments and strategies for the degradation and ennoblement of our species, for its enslavement or liberation, for the suppression of its productive potential or its enrichment; the stagnation of social existence or its renewal."

A World Bank Web page describes culture as an:

elusive term because it is all pervasive. It is material things and artifacts as well as expression of values that anchor people's identity and gives a sense of meaning to their life; it is expressed often in the performance and visual arts, music and dance. So it links strongly to social development or simply having fun. It is also the cultural or meaning making industries like film, publishing or music, the fifth largest industry the world and mainly based on cities -- so it has major economic and job accretion impacts. It is historic buildings, festivals, the arts and animation in cities and thus the reason why tourism visit places. In turn this affects the images of cities and are inward investment prospects.

¹⁸ Lindberg et al. (1997).

¹⁹ E.g., Bosselman, Peterson, and McCarthy (1999), which also summarizes an unusually frank report on negative impacts in Thailand issued by the Tourist Authority of Thailand.

²⁰ Robinson (1999b).

²¹ A popular refrain in tourism, and probably overstated, but likely true to some degree.

²² There are many examples of this, including whale bone carving amongst the Maori of New Zealand, pottery and tile painting in Turkey, rug weaving amongst the Navajo of the American southwest, and aboriginal painting in Australia.

²³ The last two may lead to a false impression of historical reality.

²⁴ As noted in the Conclusion, such challenges and perceptions are not unique to tourism, but also occur in other sectors.

²⁵ Throsby (1994) goes one step further and proposes four principles, which mirror those of SD generally, specifically for culturally sustainable development. Sofield (1991) defines principles for sustainable ethnic tourism, based on the Pentecost Land Jump (*naghol*) in Vanuatu.

²⁶ For a recent series of articles discussing indigenous culture issues in the context of ecotourism, see the Summer 1999 issue of *Cultural Survival Quarterly*.

²⁷ This section presents a few of those, but other examples can be found on the WTTC Web site (<http://www.wttc.org>), in Frank and Bowermaster (1994), and in other sources.

²⁸ Green Globe is currently going through a reorganization process.

²⁹ Likewise, Star Tour/Fritidsresor is a major supporter of Worldwide Fund for Nature (WWF) activities in the Mediterranean area via donations related to trips to selected Mediterranean destinations.

³⁰ Swarbrooke and Horner (1999).

³¹ See, for example, the Business and Environment surveys conducted for WTTC by MORI in 1998.

³² This concept is much debated in the tourism research literature, but there is general support for the idea that overdevelopment can lead to decline in the destination. Hudson (1999) provides a recent example from Jamaica.

³³ In a survey of 69 outbound tourism businesses in the UK, Forsyth (1997) found that 64% of these felt that host governments should be responsible for implementing sustainable tourism, 30% felt it was a joint responsibility of operators and the governments, and 6% felt it was the responsibility of operators alone or associations. Though WTTC, the lead industry organization, prefers voluntary measures, it recognizes (e.g., its Millenium Vision fact sheet) the need for regulation in some cases.

³⁴ There has been a proliferation of books and other material on CHT in OECD countries (e.g., Boniface 1995; Prentice 1993; Leask and Yeoman 1999), while the ecotourism literature focuses somewhat more on developing countries (e.g., Honey 1999; Lindberg, Epler Wood, and Engeldrum 1998). Shackley (1998a) includes developing country case studies of World Heritage Sites and tourism, but the book is more descriptive than analytical, and thus of limited value for present purposes.

The following is additional material for readers interested in more detail. Steck, Strasdas, and Gustedt (1999) is a (relatively) brief but thorough and relevant discussion of issues and strategies. Sweeting, Bruner, and Rosenfeld (1999) provide another good discussion, with a focus on ecotourism. Inskeep (1998) and Bosselman, Peterson, and McCarthy (1999) are other good starting points.

³⁵ More information on this project can be obtained from Walter Jamieson (wjtourism@hotmail.com).

³⁶ Without going into detail regarding planning tools, the importance of zoning should be stressed. Although zoning is often used in site-level planning and management (see below), it is also an important tool at higher levels, such as local and regional planning (e.g., for a town containing historic buildings and monuments). Zoning can be used to segregate activities, with a common recommendation being that tourism-related infrastructure and services be located away from historic buildings both to reduce the likelihood of damage to these buildings and to preserve authenticity in the “viewshed” encountered by visitors. Such restrictions are often relaxed in cases in which infrastructure and services are consistent with heritage values (e.g., they maintain architectural authenticity and do not negatively impact heritage values).

³⁷ Grant and Allcock (1998) describe the Australian ecotourism strategy process, as well as the outcomes of this process.

³⁸ Of course, the power relationships can be much more complex than presented here, as the tourism ministry/department may be more powerful than the culture/nature ministry, its partner in principle. In addition, there may be power struggles within ministries/departments, with pro-development and more conservative factions potentially at odds.

³⁹ There is a growing literature that looks at the relationship between government and local communities

in the management and cultural and natural heritage resources, including co-management and joint management. Wall (1999) discusses this topic in the tourism context.

⁴⁰ Robinson (1999a).

⁴¹ Ashley and Roe (1998).

⁴² There are many variations on these basic forms of community involvement in tourism and collaboration with the private sector. Ashley and Roe (1998) and Epler Wood (1998) provide good overviews and outline important considerations, while Christ (1998) and Drumm (1998) described examples in Africa and Ecuador, respectively.

⁴³ NACOBTA is often used as an example of good community-based tourism development involving community-industry partnerships, and future assistance programs in this area would benefit from a review of the NACOBTA experience (recent descriptions include Ashley and Roe (1998), Karwacki (1999), and Schalken (1999)).

⁴⁴ Some feel that up-market tourism, and the high prices sometimes charged for cultural and natural attractions in these cases, is a form of elitism. These concerns need to be weighed against the benefits that such tourism can bring in terms of local employment and revenues for CHM.

⁴⁵ From Medio (1996).

⁴⁶ Bosselman, Peterson, and McCarthy (1999) report that the development of Huatulco Bay in Mexico brought running water and electricity to area villages for the first time.

⁴⁷ Though monetary evaluation of these costs was not found for cultural heritage settings, Lindberg, Enriquez, and Sproule (1996) provide an example from natural heritage settings (c.f., Goodwin et al. 1998).

⁴⁸ Going further, it may be more palatable to the industry to present fees as a charge to visitors, not to the industry; in the case of visitors on tours, this would imply that fee costs are passed on to visitors via the tour package price.

⁴⁹ Lindberg and Aylward (1999) provide an empirical evaluation of price and visitation at national parks in Costa Rica, as well as report an estimate of losses to the tourism industry and employees resulting from price increases.

⁵⁰ Carson et al. (1997).

⁵¹ This, as well as other principles and techniques in the context of attraction fees, is discussed in Lindberg (1998).

⁵² US/ICOMOS Newsletter November/December 1996 special issue on tourism, page 3 of the WWW version.

⁵³ According to Ayad (1999), 25% of Petra's entrance fee revenues now goes to fund the Petra Regional Planning Council noted above. Thus, the quote is somewhat outdated, though the principle holds at many sites.

⁵⁴ Questioned about whether the tax might discourage tourists, regional finance minister Joan Mesquida replied that, if they could not pay this sort of money, "I'd rather they didn't come." A spokesperson for the Minorcan hotel owners' association told "ENDS Daily" that the proposal was a way of responding "to our clients who are demanding a better quality environment. This is a revolution in the tourist industry and one which we welcome."

⁵⁵ This topic was a theme at the May 1999 UNESCO conference in Malaysia on The Economics of Heritage.

⁵⁶ Based on a July 9 and July 26 1999 Reuters reports.

⁵⁷ Physical CHM generally has involved restoration back to the original form of the building, landscape or artifact with a goal of capturing and maintaining the essence and style of a resource. Reproduction of a resource is often not seen as an authentic response to CHM, though it can be seen as acceptable practice when the original has been lost and is seen as essential for interpretive purposes or when use of the original will damage its heritage properties.

International practice typically does not support any intervention in the physical fabric that removes (scrapes) away the accretions of time. In the past, accretions to a building or environment frequently were removed in order to go back to the original form of the artifact, but the Charter of Venice clearly argues against scraping. Nonetheless, there are instances where bringing an artifact back to its original form may be appropriate or is clearly required for cultural tourism and economic development purposes.

International practice generally does not encourage the re-creation of lost environments. This is based on the fact that the original artifact with its materials and workmanship is in fact the heritage resource. Based on this understanding, re-creations cannot be seen as possessing heritage values. Still, there are instances where recreation may be justified.

Many heritage resources are significant in large part because of their location within a particular place in the landscape. The moving of resources changes the building or artifact's heritage value and is generally discouraged. However, in cases where a resource may be lost due to redevelopment pressures and assuming that a sensitive site is available moving may be justified.

⁵⁸ There is a wealth of information on this topic for readers interested in learning more, with Hall and McArthur (1998) and WTO (1999b) being good introductory references. New publications continue to appear, with a particularly relevant forthcoming one being Art Pedersen's *Suggestions for Managing Tourism at World Heritage Sites: A Practical Manual for World Heritage Site Managers*.

⁵⁹ For example, the recent UNCSD process included as an important priority a call to identify the limits to social and environmental carrying capacities at destinations.

⁶⁰ Only a brief discussion is presented here; further discussion, and opposing viewpoints, is provided in van der Borg (1998), Canestrelli and Costa (1991), Lindberg and McCool (1998), and Lindberg, McCool and Stankey (1997).

⁶¹ Based on McGregor (1999).

⁶² Indeed, collection of such data can be one of the research focus areas, discussed below.

⁶³ Loermans (1995).

⁶⁴ See also Loermans (1995), who notes the opportunity to learn from experience in other sectors (e.g., timber certification).

⁶⁵ This also illustrates why certification programs focused on entire destinations (e.g., the Green Globe program) have met with limited success. In addition, certification programs seem to be pushed by the North, with less interest in them in the South. For example, the Dutch organization Retour considered developing a labeling program, but did not move forward with it when they found that NGOs in southern countries were not interested (Loermans 1995).

⁶⁶ Here, as elsewhere, “local” is a loose term and might include all national residents, depending on the objectives.

⁶⁷ McKercher (1998) expands on this topic. Though the focus is nature tourism in an OECD context, the principles are also relevant to the current context.

⁶⁸ Ashley and Roe (1998). Lindberg and Enriquez (1994) discuss this issues in the context of enhancing agricultural linkages in Belize, and Lindberg (Forthcoming) presents relevant conceptual issues and examples from ecotourism. See also Telfer and Wall (1996).

⁶⁹ For example, Roggenbuck (1992) discusses the potential, and limitations, of using interpretation to limit depreciative behavior at natural areas. The role of education and communication is discussed in various fora, including DFID (1999a) and in the UNCSD summary at <http://www.un.org/esa/sustdeve/tsout.htm>.

⁷⁰ For example, Goulding (1999), McArthur (1998), and Moscardo (1999).

⁷¹ LEAP Online is described at <http://www.unescobkk.org/culture/lo-txt.htm>. See also van der Borg and Russo (1999), who describe a networking program in Europe designed to share experiences amongst professionals.

⁷² More information is available at <http://www.unescobkk.org/culture/imp-txt.htm>

⁷³ See also Morgan’s (1992) evaluation of the Tongan National Centre, the Tonga Visitors Bureau, and a Tongan handicraft project.

⁷⁴ This is modified from World Bank (1998b) and other sources. More detail is provided in that document, as well as the OECD Development Assistance Committee (DAC) report *Shaping the 21st Century: The Role of Development Cooperation*. See also NORAD (1999:9) for a statement of goals within Norwegian development assistance.

⁷⁵ World Bank (1998b). The primary focus of that report is on official development assistance (grants plus concessional loans that have at least a 25% grant component). However, the principles are also generally relevant for official development finance more broadly, which includes “market” or almost-market rate loans.

Complementary issues are raised in the Comprehensive Development Framework approach proposed by World Bank President James Wolfensohn (Wolfensohn 1999). This approach also places culture as one of the core areas to be addressed.

⁷⁶ Many of these issues also have been raised specifically in the Norwegian development cooperation context (see NORAD 1999).

⁷⁷ Whether tourism is well-served by being part of a larger project is open to debate. On the one hand, it helps to integrate tourism into other sectors and activities. On the other, it may not receive the attention and expertise necessary to achieve objectives. As noted by Steck, Strasdass, and Gustedt (1999:2), technical cooperation staff (for larger projects involving tourism) “tend to have little knowledge of the tourist industry and tourism management.”

⁷⁸ Pearce (1989).

⁷⁹ Speech of World Bank President James D. Wolfensohn at the Culture Counts conference in Florence, October 4, 1999.

⁸⁰ Brief information on a broader range of agencies is provided in WTO (1996). In some cases (e.g., the Asian and African Development Banks), efforts to obtain information via Web sites and email contact yielded little success (the only information obtained for the Asian Development Bank (ADB) is from WTO (1996) and states that tourism is a relatively new sector for ADB assistance). In other cases (e.g., World Bank, DFID, and SNV, and GTZ), substantial information was obtained.

⁸¹ Statement of General Director Karin Millet.

⁸² Within the IDB, the link between heritage and economic development, as well as the economic rationale for public sector involvement and IDB support of heritage projects, is currently being discussed. An important focus for multilateral (e.g., IDB) and bilateral agencies can be to help the public sector (Ministries of Culture and/or Tourism) improve their performance in terms of efficiency and equity in the preservation of heritage and other areas that are economically justifiable. Techniques and mechanisms that demonstrate the importance of heritage restoration for tourism development (and not just within the context of an urban renewal scheme) can make important contributions. The May-June 1999 Vol.26 No.5-6 issue of IDBAMÉRICA reports on urban cultural heritage projects financed by the IDB. It is available on-line at <http://www.iadb.org/exr/idb/indexeng.htm>.

⁸³ The World Bank, through the Second Tourism Development Project, is also involved in Jordan, which relies heavily on its cultural heritage as a tourist attraction (tourism generates approximately 10% of the country's gross national product) (World Bank 1998a:80). The Bank is currently formulating a medium- to long-term Tourism Development Program, with objectives being to create the conditions for environmentally sound and culturally sensitive tourism in Petra, Wadi Rum, Jerash, and Karak. This includes achieving employment and income-generation potential, as well as improving infrastructure, environmental protection, and site management.

⁸⁴ There is some debate in the tourism literature on this topic, as higher benefits per dollar spent by these visitors may be offset by fewer dollars spent relative to more up-market visitors. An empirical example of this is provided in Lindberg (1998). In addition, the non-economic costs and benefits of each segment can be very difficult to quantify.

⁸⁵ de Jong (n.d.: preface).

⁸⁶ Beck, Strasdas, and Gustedt (1999).

⁸⁷ NORAD (1999:9) lists partners in Norwegian development cooperation as voluntary organizations, businesses, unions, cultural organizations, research organizations, government agencies, and institutions.

⁸⁸ For example, NORAD (1999:12, 5) notes that "development cooperation is filled with challenges, dilemmas, and difficult stray paths." Further, development cooperation is a "particularly risky business. There are few easy answers – from time to time one must take chances."