

**UNEP Green Economy Report**

***Request for Proposals***

**Development of the Chapter on “Tourism” for inclusion in the Green Economy Report and  
associated background technical papers  
(in association with UNWTO)**

**deadline for submissions: Friday 06 November 2009**



## **PURPOSE OF DOCUMENT**

This document is a request for proposals (RFP) within the framework of the Green Economy Initiative implemented by the United Nations Environment Programme (UNEP).

Proposals are sought for the development of a chapter on Tourism for inclusion in the Green Economy Report as well as its associated background technical papers. This work is being developed in association with the UN World Tourism Organization (UNWTO).

The primary target audiences of this RFP are:

1. Academic research institutions
2. Research and Development experts
3. Consulting firms.

## **BACKGROUND ON THE GREEN ECONOMY REPORT**

### **The Green Economy Initiative**

On 22 October 2008, UNEP and leading economists launched the Green Economy Initiative (GEI) aimed at seizing an historic opportunity to bring about tomorrow's economy today. The GEI has three key elements: the Green Economy Report, that will provide an overview, analysis and synthesis of how public policy can help markets accelerate the transition towards a green economy; The Economics of Ecosystems and Biodiversity (TEEB), a partnership project focusing on valuation issues; and finally the Green Jobs report, published in September 2008, that looked at employment trends.

### **The Green Economy Report**

The Green Economy Report (GER) will provide an in-depth analysis of the potential of investing in selected “green” sectors. The report will also offer guidance on the enabling conditions, including policy and institutional reforms, that are needed in support of such green investments. The Green Economy Report follows from the work undertaken by UNEP on the Global Green New Deal as an immediate response to the economic and financial crises.

Using sound macro-economic analysis, it will demonstrate that investing in so-called “green” sectors can (1) contribute to addressing the economic crisis while putting economies on the path to sustainable growth and development; (2) save and create decent jobs, and (3) address environmental problems, such as biodiversity loss, ecosystems degradation and climate change, (4) contribute to the reduction and removal of persistent poverty.

### **Organisation of research teams and working arrangement**

The Green Economy Report will be produced by a group of experts from a range of institutions in developed and developing countries.

An institution that has the primary responsibility for ensuring the completion, to the highest possible standard, of a specific chapter and related background technical papers and assuring communication with UNEP and UNWTO is referred to as **Chapter Coordinating Author** (the purpose of the present RFP is to select the Tourism Chapter Coordinating Author). With the aim of ensuring that each chapter gains broad acceptance in its field as well as raising the overall profile of the report, each chapter is expected to be signed off by a number of individuals recognized as the world authorities in the field. **Lead Authors** would be expected to contribute significantly to the drafting of a chapter. Chapter Coordinating Authors would be expected to

compile a list of the "top 10" experts in their respective field and engage them in the process. Top experts unable to contribute text would be invited to review the chapter. An expanded group of such experts may be organised into a Global Reference Group of around 40 sectoral global experts to support the process of developing core propositions and searching for information. **Contributing Authors** -- Many other individuals are expected to be involved in the core drafting of the chapters and background material. Some will be formally contracted, usually by the Chapter Coordinating Authors, others would be willing to contribute pro bono as part of an "open architecture" framework. A significant proportion of the budget is expected to be allocated to contributing authors in developing countries. More discreet contributions are also expected (including boxes, individual case studies, data, etc.) from a wide range of individuals and institutions. All contributions will be explicitly acknowledged in the final product.

The Chapter Coordinating Author has responsibility for making the necessary contractual arrangements to involve Lead and Contributing Authors in the work of the chapter and associated background technical papers. A list of expected contributing authors will be annexed to the agreement.

### **Format of the Report**

The Green Economy Report will review 11 sectors, including Agriculture, Buildings, Cities, Fisheries, Forests, Industry, Renewable Energy, Tourism, Transport, Waste management and Water. In addition, it will contain a chapter on enabling conditions as well as a chapter presenting cross sectoral modelling results.

Each chapter is expected to be approximately 30 pages in length and will be backed by several background technical papers which, when compiled, would amount to approximately 150 pages.

*The draft outline of the report, the draft outline of the chapter and the provisional list of background technical papers are annexed to this document.*

## **PROPOSAL**

### **Proposal Selection**

Through this RFP, UNEP and UNWTO are seeking a proposal to develop the chapter on Tourism for the Green Economy Report as well as its associated background technical papers.

#### **Activities to be carried out:**

1. **Manage the process** associated with the production of background technical papers and a chapter on Tourism for the Green Economy Report, including the mobilization and subcontracting, when required, of research teams (Lead Authors, Contributing Authors)
2. **Oversee the production of the background technical papers** in support of the drafting of the Green Economy Report chapter on Tourism
3. **Oversee the drafting of the chapter on Tourism** for inclusion in the Green Economy Report

### **Modelling**

The Chapter Coordinating Author is expected to be conversant with quantitative macro-economic analysis tools, including modelling.

In undertaking the economic analysis of the sector they cover, chapter authors are expected to

develop and make use of a set of economic, social and environmental indicators that will be benchmarks against which the three hypotheses of the report will be demonstrated. For example, such indicators may include rate of growth of the sector, level of employment, return on capital investment, material and resource efficiency, emissions level and overall environmental performance. The bidding team will be asked to define its modelling needs in its proposal. It is expected that the modelling per se for the chapter be conducted by the Millennium Institute, which is coordinating the modelling across the report (and for which a separate budget has been secured). The selected team would be expected to work closely with the Millennium Institute in the development of this chapter.

Additional information on the modelling used in the report can be obtained from the Millennium Institute website, at [http://www.millenniuminstitute.net/integrated\\_planning/tools/T21/](http://www.millenniuminstitute.net/integrated_planning/tools/T21/)

### **Country/regional grouping**

As a global report, the GER recognises the difference of national and regional circumstances and conditions, which may have bearing on the space and nature of the transition towards a green economy and the possible variance in policy interventions that may be required in different parts of the world. To reflect such difference, chapters will rely on regional/country groupings on the basis of geography, level of development, or other criteria as may be most relevant to the sector considered.

Country and regional case studies may be used to illustrate the analysis and recommendations made in the chapter.

### **Scope of the chapter on Tourism**

This chapter will, as with the rest of the report, be grounded in macro-economic analysis and will make use of scenario modelling carried out as part of the project. The overall emphasis of the chapter will be on investment in sustainable tourism. It will address the following three themes:

- Investment: What is the current level of investment in sustainable tourism programmes and projects (at the public, private and international level)? What additional level of investment is required where, in which areas (transport, accommodation, etc), by whom and why? Identification of parameters to determine which of these investments are examples of sustainable tourism -- using existing tools such as Indicators developed by the UNWTO/UNEP, the Global Sustainable Criteria (GSTC), etc.
- Economy-wide effects of increased investments in sustainable tourism: What are the effects (positive and negative) of such investments on output, jobs (quantity and quality of direct and indirect jobs), livelihoods, health, poverty reduction, and environmental conservation?
- Enabling conditions: what are the financial, policy, institutional, political, market, technological, human resources, capacity and behavioural requirements and barriers to tourism approaches and to supporting investments, and how to overcome them?

Specifically, this chapter will focus on how can investment in sustainable tourism solutions can contribute to the sustainable development of the sector and the transformation to the Green Economy at national and global level. The chapter will generally analyse investment in tourism and identify:

- a) what the challenges are,
- b) the current status of such investments (focusing on the different areas such as transport, accommodation, etc...)
- c) the required increases in such investments

- d) types of investments to support a shift to sustainable tourism
- e) their expected contribution to environmental gains;
- f) the expected output growth of the sector,
- g) the level and quality of employment that they can generate
- h) their expected contribution to poverty reduction and to the achievement of the Millennium Development Goals (MDGs).

The chapter will address the crucial issue of ensuring that tourism responds effectively to the main environmental challenges, including biodiversity loss, ecosystems degradation and climate change, through a win-win approach that balances the economic goals of the tourism industry with sustainability criteria and aims. It needs to be noted as well that tourism is a cross-cutting sector and as such intersects with many of the other green sectors covered in the Report, including Agriculture, Buildings, Cities, Forests, Transport and Water.

As with the other chapters of the report, the focus will be on macroeconomics, by relating tourism economics to the macroeconomic level – that is, how this sector is significant to the macroeconomy (sector GDP, export earnings, leakages, job contributions – direct and indirect, etc). The chapter will assess how increased investments to support a shift to sustainable tourism solutions would contribute to the output growth (value added) of the tourism sector. It will also make projections of how increased investment in sustainable tourism management will affect the level and quality of employment, including rural and youth employment and gender dimensions, in this sector – with reference to the international labour standards and decent work criteria (ILO standards) --, the various dimensions of poverty, and achievement of the Millennium Development Goals (MDGs) and Multilateral Environmental Agreements (MEAs), with the use of country examples. The chapter will also address the crucial issue of financing for sustainable tourism management and other enabling conditions that will enable increased investments in this sector such as the issues of trade policy, market access, and standards among others, focusing mainly on the need to support developing countries in this process.

On the basis of these analyses, the chapter will provide recommendations on how to launch or scale up sustainable investment programmes to make a sustainable tourism sector a significant contributor to a Green Economy at the country level.

***Timeline***

Drafts chapter and associated background technical papers will be submitted by the **end of February 2010** and made available for peer review by UNEP thereafter. The Chapter Coordinating Author will submit final products, incorporating comments and suggestions from the peer review, by the end of **July 2010**.

<b>INSTRUCTIONS TO BIDDERS</b>
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***Budget***

UNEP and UNWTO will be considering the proposed budget after selection of the technical proposal. **The maximum budget for the production of the chapter and its associated background technical papers is of USD 90,000.** The indicated budget should only cover the above described tasks and should not comprise the consultancy services to be provided during the development of the proposal.

***Evaluation criteria***

Proposals will be evaluated according to the following criteria:

- Proven ability to manage large research projects involving multiple institutions;
- Ability to work against tight deadlines;
- Capacity to constitute, mobilize and manage a truly global team of internationally recognized experts;
- Expertise in Tourism;
- Expertise in environmental policy, including in the fields of biodiversity and climate change;
- Expertise in macro-economic quantitative analysis;
- A good international network and access to relevant sources of information;
- Price;
- Timeframe.

The proposals will be evaluated by a review committee composed of representatives from UNEP and UNWTO.

***Bidders background***

Bidders are kindly requested to include a short summary of past relevant work, achievements and references.

***Terms and conditions***

1. There are no specific format and headings for the submission of proposals.
2. Proposals and subsequent study reports should be drafted using the English language;
3. Proposals shall indicate an appropriate price schedule and all prices shall be quoted in US dollars.
4. UNEP will make no payment and no reimbursement of expenses related to the preparation of proposals.
5. UNEP and UNWTO may at its own discretion extend this deadline for the submission of proposals.
6. UNEP and UNWTO may at its discretion accept only part of the proposal.
7. The final selection of proposals will be in accordance with the proposals evaluation procedures of UNEP and UNWTO and UNEP and UNWTO's decision is final.
8. Bidders are requested to complete a compliance statement with reference to the terms and conditions of contract.

***Submission of Proposals***

The deadline for submission of proposals is Friday **6 November 2009**, a preliminary expression of interest by email is encouraged.

The proposal should be sent (preferably by email) to:

Mr. Nicolas Bertrand  
 Economics Affairs Officer  
**Email: nicolas.bertrand@unep.org**  
 United Nations Environment Programme  
 Division of Technology, Industry and Economics  
 Economics and Trade Branch  
 International Environment House  
 11 - 13 Chemin des Anémones  
 1219 Geneva, Switzerland

With a copy to  
Luigi Cabrini  
Director  
Sustainable Development of Tourism  
**Email: [lcabrini@unwto.org](mailto:lcabrini@unwto.org)**  
**World Tourism Organization**  
**Capitan Haya 42**  
**28020 Madrid - Spain**

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***For additional information***

Should any problems of interpretation arise in the course of drawing up the proposal, bidders may submit a written request by email or call for further information:

Mr. Nicolas Bertrand  
Economics Affairs Officer  
**Email: [nicolas.bertrand@unep.org](mailto:nicolas.bertrand@unep.org)**  
**Direct line: +41 (0)22 917 8609**

## ANNEX 1: DRAFT OUTLINE OF THE GREEN ECONOMY REPORT

### **1. Executive summary**

### **2. Introduction**

- What does this report do?
- Who are the audience for this report?
- What is the global context for this report?
- What are the objectives of this report?
- What has been the process of developing this report?
- How to use this report?

### **3. The Policy Context**

- Financial and Economic crisis
- Climate Change
- Energy Crisis
- Food Crisis
- Water Crisis
- Persistent Poverty
- Core policy principles underlying a Green Economy

### **4. Green Sectors/Areas**

- 4.1 Sustainable Cities
- 4.2 Green Buildings
- 4.3 Renewable Energy
- 4.4 Industry
- 4.5 Transport
- 4.6 Waste management
- 4.7 Tourism
- 4.8 Agriculture
- 4.9 Water
- 4.10 Fisheries
- 4.11 Forestry

### **5. Enabling Conditions**

- Legislation/standard setting
- Fiscal policy reform
- Financing and investment
- Development, transfer of technology and capacity building
- Trade policies and markets
- Information, monitoring, and accountability
- Sustainable consumption
- GGND international coordination

### **6. Conclusions and recommendations**

## ANNEX 2: DRAFT OUTLINE OF THE CHAPTER ON TOURISM

*This chapter will, as with the rest of the report, be grounded in macro-economic analysis and will make use of scenario modelling carried out as part of the project. The overall emphasis of the chapter will be on investment in sustainable tourism. It will address the following three themes:*

- Investment: What is the current level of investment in sustainable tourism programmes and projects (at the public, private and international level)? What additional level of investment is required where, in which areas (transport, accommodation, etc), by whom and why? Identification of parameters to determine which of these investments are examples of sustainable tourism -- using existing tools such as Indicators developed by the UNWTO/UNEP, the Global Sustainable Criteria (GSTC), etc.
- Economy-wide effects of increased investments in sustainable tourism: What are the effects (positive and negative) of such investments on output, jobs (quantity and quality of direct and indirect jobs), livelihoods, health, poverty reduction, and environmental conservation?
- Enabling conditions: what are the financial, policy, institutional, political, market, technological, human resources, capacity and behavioural requirements and barriers to tourism approaches and to supporting investments, and how to overcome them?

Specifically, this chapter will focus on how can investment in sustainable tourism solutions contribute to the sustainable development of the sector and the transformation to the Green Economy at national and global level. The chapter will generally analyze investment in tourism, and identify:

- a) the main challenges for such investment to occur;
- b) the current status of such investments (focusing on the different areas such as transport, accommodations, etc);
- c) the required increases in such investments
- d) types of investments to support a shift to sustainable tourism;
- e) their expected contribution to environmental gains;
- f) the expected output growth of the sector;
- g) the level and quality of employment that they can generate;
- h) their expected contribution to poverty reduction and to the achievement of the Millennium Development Goals (MDGs).

The chapter will address the crucial issue of ensuring that tourism responds effectively to the main environmental challenges, including biodiversity loss, ecosystems degradation and climate change, through a win-win approach that balances the economic goals of the tourism industry with sustainability criteria and aims. It needs to be noted as well that tourism is a cross cutting sector and as such intersects with many other sectors covered in the Report, including Agriculture, Buildings, Cities, Forests, Transport and Water.

**As with the other chapters of the report, the focus will be on macroeconomics, by relating tourism economics to the macroeconomic level – that is, how this sector is significant to the macroeconomy** (sector GDP, export earnings, leakages, job contributions – direct and indirect --, etc). The chapter will assess how increased investments and which type of investments to support a shift to sustainable tourism solutions would contribute to the output growth (value added) of the tourism sector. It will also make projections of how increased investment in sustainable tourism management will affect the level and quality of employment, including rural and youth employment and gender dimensions, in this sector – with reference to the international labour standards and decent work criteria (ILO standards) --, the various dimensions of poverty, and

achievement of the Millennium Development Goals (MDGs) and Multilateral Environmental Agreements (MEAs), with the use of country examples. The chapter will also address the crucial issue of financing for sustainable tourism management and other enabling conditions that will enable increased investments in this sector such as the issues of trade policy, market access, and standards among others, focusing mainly on the need to support developing countries in this process.

On the basis of these analyses, the chapter will provide recommendations on how to launch or scale up sustainable investment programmes to make a sustainable tourism sector a significant contributor to a Green Economy at the country level.

*The chapter is expected to be approximately 30 pages long and authors are encouraged to include short-boxed examples as well as graphs. The outline presented below is provisional with an understanding that it will be enhanced and updated throughout the project life by the Chapter Coordinating Author, as appropriate, based on feedback from the Global Reference Group and informed by the findings of the background research, including scenario modelling. The Chapter Coordinating Author will also be expected to liaise extensively with other chapter coordinating authors as well as the respective teams in charge of studies on modelling, enabling conditions, and finance.*

## **0. Key stylized messages**

*What are the top level, policy relevant, messages of this chapter in terms of investment, output growth, employment, livelihoods, poverty reduction, and the environment? If the analysis falls short of producing adequate economic arguments for investing in the sector, the messages should provide an equally robust alternative rationale*

### **1. Introduction**

*This brief section will present the chapter in the context of the overall report, explaining its purpose, how the material is to be organized, and linkages with other chapters. The purpose is to ensure harmonization across the chapters as well as facilitate access to analysis and key findings.*

- What does this chapter do?
- Why is this chapter important?
- How is the chapter organized?
- What are the connections between this chapter and the rest of the report?

### **2. Challenges and opportunities**

*This section is to provide the reader with an overview of the current and long term context and challenges in the sector. It will not aim at providing a comprehensive description of the related environmental issues. Rather, it will provide the global context in which the specific analysis is to be conducted. It will refer, when necessary, to the relevant global crises including the present financial and economic crisis.*

#### ***(a) The global economic crisis and its effects on tourism***

Despite the economic and financial crises, UNWTO statistics indicates that the number of

international tourists will reach 1.6 billion by the year 2020. This is complemented with as much as four times the same volume in domestic tourism. Tourism is one of the fastest growing sectors, but has proven to be also one of the most resilient, one that rebounds quicker in times of crises and one of the sectors better positioned to take part in the transformation to a Green Economy.

The current crisis is also an opportunity to invest in tourism, and in particular in sustainable tourism, as the stimulus measures taken to benefit the tourism sector can have an immediate direct impact on job creation (given that tourism is one of the most intensive employment sectors) and a multiplier effect on other sectors of the economy such as construction or agriculture.

It is also the opportunity to innovate and prepare the sector to the transformation to a Green Economy through support to investment in green infrastructure and jobs/training. UNWTO is promoting a *Roadmap for Recovery*<sup>1</sup> which sets a number of recommendations based on three interrelated areas:

- Resilience- supporting the tourism sector's immediate response through industry support and job retention.
- Stimulus – advocating tourism's priority inclusion in general economic stimulus packages and its capacity to contribute significantly to the global objectives of job creation and economic recovery.
- Green Economy – advancing tourism in the new Green Economy as a sector that can deliver on smart growth, intelligent infrastructure and clean energy jobs.

***(b) Climate change and tourism***

Tourism is both a cause and a victim of climate change. Tourism is estimated to contribute around 5% to the global greenhouse emissions. But, the tourism industry is also highly dependent on climate-related resources as well as their consequences for changing ecosystems condition affects and will continue to affect tourism in the future. The challenge is to contribute to a green and economically efficient tourism that protects the environment and ensures economic viability for the tourism sector.

***(c) Tourism and Poverty Alleviation***

Tourism is one of the fastest growing industries and a strong contributor to poverty alleviation. Tourism is also an important source of export earnings, foreign investment and employment (particularly for more vulnerable segments of the population such as women or rural population) for many developing countries. Tourism can be, in particular during the current financial and economic crisis, an important economic sector capable of attracting foreign direct investment and supporting sustainable economic development, infuse wealth, job creation and poverty alleviation, particularly in the developing world.

***(d) Opportunities for the tourism sector***

Tourism can place pressure on fragile ecosystems and contribute to degradation but can also bring tangible economic value to natural resources .In this regard one of the main challenges for public decision-makers will be to balance the tradeoffs between the economic goals and long term environmentally sustainable requirements of current and future tourists and the local communities. Consequently, only those countries that develop a framework for balancing the requirements of the tourism industry with the preservation of natural resources, those that see environmental sustainability as an opportunity to gain competitive advantage rather than a threat

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<sup>1</sup> [http://www.tourismroi.com/Content\\_Attachments/30842/File\\_633740944420906523.pdf](http://www.tourismroi.com/Content_Attachments/30842/File_633740944420906523.pdf)

to their profitability, will be successful and will win a competitive advantage over other destinations. Moreover, green investment will also have to be in the medium term lead by economic rationale as energy sources becomes scarcer and prices increase enormously as seen during the summer of 2008.

#### **(e) Tourism and protected areas**

There is increasing effort in many countries to add justification for public or private investment in protected areas by referring to the eco-tourism benefits to local communities, the tourism industry and the wider economy. Travel cost estimates, visitor counts, park fees, etc, for both domestic and international visitors have begun to be measured. Agencies and NGOs have compiled extensive information. Most observed eco-tourism is around and for protected areas. There is also a diversification of tourism products and destinations that is happening with a rising demand for nature related tourism, such as rural-based tourism, visits to national and natural parks, etc.

If organized right, and invested wisely, it is a singularly good public or private investment which brings good economic value at the community, regional and national level. It has co-benefits in terms of local livelihoods as well as ecosystem restoration (with public funding) which provide significant benefits for conservation of biodiversity and climate change adaptation due to added resilience (more freshwater security, more agricultural productivity, more protection against natural hazards).

### **3. State of investment**

*Sections 3 and 4 will encompass the core analytical findings for this chapter, including by presenting and analyzing modelling results. Section 3 will focus specifically on the current situation faced by the sector.*

Investments in the tourism sector represent currently almost 10% of total investment worldwide and in developing countries, such as in the Caribbean region, this figure could reach 50%. There is also a growing focus on tourism as a generator of exports earnings, job creation and foreign direct investment in developing countries.

If properly planned, tourism investment can be an effective tool for generating sustainable economic returns, conserving biodiversity, and creating employment opportunities for local communities. However, many investors and developers are searching for guidance on how to integrate sustainability in tourism investment.

Introduction to explain what sustainable tourism is, acknowledge complexities and different dimensions. What investment in sustainable tourism could look like – options, scale, i.e. how levels of investment and interests of investors (types of market that are developing) will depend on how green tourism is defined.

- Current drivers and trends in investment in sustainable tourism: A review of what major industry leaders and small innovators are investing in as well as micro-level efforts in both North and South and what has driven these investments. What it all adds up to: How much sustainable tourism there is and how much investment in sustainable tourism globally and by regions and/or by product or service market.
- Impacts of current level of sustainable tourism: by regions and by sub-sectors/ecosystem services against a common set of indicators including output, productivity, employment, quality of jobs including occupational health and safety and labour rights, livelihoods, health, poverty reduction environmental services, amongst other costs and benefits.

- Constraints and opportunities: What are barriers to further investment in sustainable tourism (broad – policy, etc, not just finance barriers), and where are new incentives emerging (including global and regional funds)? What are the benefits and incentives of investment in sustainable tourism? How do these incentives look like (concessions, tax exemptions, etc).
- Economic benefits of investing in sustainable tourism: What are the medium and long term economic benefits for companies and countries to fuel sustainable tourism investment (e.g. as oil prices go up investing in alternative energies will have a significant economic return)?

#### **4. Scenarios of increased investment**

*As for the sector above, section 4 will include the main analytical results of the chapter but will focus on potential scenarios. It will present key macro-economic results, notably in terms of output, employment and quality of jobs, poverty reduction and environment from different scenarios. Global and country-specific results will be presented.*

Returns from investing in tourism policy, infrastructure and management

- The macro-economic case for green investment in tourism as distinct from the business as usual, what evidence is there?
- Examples from around the world
  - Business as usual baseline of investment in sustainable tourism: globally and by regions and by sub-sectors.
  - Formulate scenarios of increased use of sustainable tourism solutions of different types over multiple time frames and varying regional coverage; supported by capacity building and information dissemination and a selected number of actionable policy interventions -- including policy interventions / incentives in support of jobs creation -- aimed at strengthening the key enabling conditions.
  - Assess the levels of needed investments associated with each sustainable tourism scenario in short, medium and long term versus business as usual, providing estimates of the range of expenditure required and indicating key areas of uncertainty.
  - A summary analysis of the results from the scenario/modelling analysis focusing on comparing the baseline and alternative green scenarios against a common set of indicators. These may include: contribution to GDP or tourism sector value added, export revenues, quality of jobs including health and safety and labour rights, income, nutrition, migration, gender, water, CO2, biodiversity.

#### **5. Financing**

*Based on the preceding analysis, this section will analyze the barriers to increased investments in green sectors and ways of removing the barriers. It will explore the critical issue of how to access additional financing and will analyze the forms, sources and mechanisms of finance.*

- Barriers to private investment in sustainable tourism eg: perceived risk, timeframe for return on investment, lack of knowledge of investors
- Sources of finance for sustainable tourism and relative importance, including national,

regional and international public (domestic, development finance, ODA) and private, (foreign and domestic direct investment, FDI, private equity, portfolio investment, corporate and project finance)

## **6. Enabling conditions**

*Based on the preceding analysis, this section will explore the enabling conditions required for the development of this sector in a green economy. This chapter will also provide essential input into the separate, crosscutting, chapter on Enabling Conditions.*

This chapter will examine the role of different actors, notably government, in getting the economic signals and investment conditions right for sustainable tourism.

- Government policies
- Pricing, charging, taxation and allocation policies that promote sustainable tourism investment
- Public institutions such as interagency coordination
- New technologies
- Consumer awareness, education and knowledge
- Trade (e.g. virtual tourism, tourism in commodities)
- Education and Training
- Mechanisms to ensure equitable sharing of the benefits from sustainable tourism

## **7. Conclusions and main recommendations**

*This section will summarize the key findings of the report and provide policy relevant messages in terms of investment, output growth, employment opportunities, livelihoods, poverty reduction financing and the environment*

### ANNEX 3: PROVISIONAL LIST OF BACKGROUND ANALYSIS IN SUPPORT OF THE DRAFTING OF THE CHAPTER ON TOURISM

Background analysis in support of the drafting of the chapter will be undertaken on:

1. Modelling – to analyze the impact of higher investments in sustainable approaches in the sector, with particular attention devoted to the assessment of social, economic and environmental repercussions. This analysis will be conducted under the responsibility of the Chapter Coordinating Author for Modelling but in close collaboration with the tourism team. A synthesis of modelling results will be included in the chapter.
2. Enabling conditions – to present elements of domestic policy reform along with key fundamentals of a global policy architecture that are essential to achieving a transition towards a green economy. This analysis will be co-drafted in close collaboration with the Chapter Coordinating Author for Enabling Conditions. A synthesis of this analysis will form the basis of section 6 (Enabling conditions) of the chapter.

The Chapter Coordinating Author – in consultation with the Global Reference Group, UNEP and UNWTO, as well as through an open architecture framework – will identify the additional analysis to be conducted in support of the drafting of the chapter. Background technical papers may thus be drafted on the following issues:

3. Global overview of sustainable tourism approaches– what constitutes sustainable tourism, what are the main types, who is investing in them, how and why (drivers and enabling conditions).
4. Global overview of public/private investment in sustainable tourism – current levels and sources and comparison with conventional tourism
5. Models to assist investors in assessing the financial returns of sustainable tourism investments  
*There have been very few efforts in measuring the enhanced economic impacts of tourism that include in a serious but viable way the wider socio-economic implications and the positive and negative environmental externalities linked to the activity. This proposed background technical report would build on work underway by UNEP and WWF on the development and implementation of scientific models to assist investors in assessing the financial returns of sustainable tourism investments.*
6. The use of water and its linkages to climate change.  
*The use of water in tourism and its linkages to climate change is a critical issue; suggesting the need for a review on how tourism flows will affect this importance resource is important. Some destinations in Africa are foreseen to disappear due to the water scarcity. Although many scenarios in climate change have recently been done for tourism, this angle is new and required.*
7. The use of energy in the accommodation sector
8. How conservation can contribute to “greening” the tourism industry, including through the use of Payments for Ecosystem Services (PES)
9. Tourism and protected areas
10. Regional studies on sustainable tourism approaches and prospects