

# CURRENT RANGE OF INCENTIVES OFFERED TO BUSINESSES BY 'GREEN' CERTIFICATION PROGRAMS AND QUALITY-RATINGS SYSTEMS

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**Activity 3.1.3.2: Marketing certification**

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## **ABSTRACT**

Incentives offered to businesses to become certified under “green” or quality certification programs fall into several categories:

- 1) Claims made or messages offered to convince businesses that becoming certified will be to their benefit
- 2) Marketing support to help the business increase its market share, find new customers, improve its image
- 3) Technical or financial assistance to help the business implement measures to satisfy certification criteria, become certified, and/or reduce costs
- 4) Preferred status for use of resources and/or by specific markets with purchasing policies and criteria
- 5) Factors arising outside of the industry which provide advantage to certified businesses
- 6) Assurance of and recognition for environmental and/or social responsibility

This report describes these incentives and provides examples of how a range of certification programs - in the tourism industry as well as outside of tourism – are implementing these incentives. It also offers examples of government and private institution initiatives to promote sustainable purchasing and/or development of sustainable products and services.

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## INTRODUCTION

As a tool for improving tourism practices and minimizing tourism's negative impacts on the environment, cultures and societies, ecotourism and sustainable tourism certification are being developed around the world. Because they are relatively new and small in scope, there is currently an insufficient supply of certified tourism providers to exhibit significant and improved impacts in tourism destinations. Extensive marketing of certification both to industry service providers as well as to consumers is needed. On the supply side, businesses will become motivated if they are offered convincing incentives demonstrating the benefits of certification to them. This report examines the incentives offered by certification programs in the tourism industry as well as in other industry. Within tourism, it also looks at incentives offered to tourism businesses from quality and star rating certification or award systems.

Incentives offered to businesses to become certified under "green" or quality certification programs fall into several categories:

1) Certification programs and their proponents have developed a series of messages and/or claims to persuade businesses to become certified. These claims may or may not be proven, or may not be true at the time they are made. That is, some of the claims – e.g. increased market share for certified businesses – may not yet be realized, even if they are likely in the future.

Examples are the following. Certification:

- Reduces operating costs
- Reduces threats of various types, including government regulation, harm due to environmental disaster, social or community unrest, boycotts, mismanagement, decline in quality and market losses
- Conveys a positive image due to respect for the brand or logo
- Increases market share in new or existing markets and niche markets
- Improves community and government relations
- Increases staff moral, performance and involvement
- Provides assurance that the business is "doing the right thing" – i.e. it is morally, socially, and/or environmentally responsible

2) Promotion and marketing are probably the most common and easily recognized benefits that are offered to businesses to encourage them to become certified. In some cases, certification programs charge certified businesses an additional fee for marketing assistance. A range of marketing tools and techniques may be offered, including:

- Use of a logo to connote value, quality, safety, security, environmental responsibility, social responsibility, Fair Trade, etc.
- Association with a well-respected brand or image and/or a credible certification program
- Listing of the business in guidebooks, directories, on websites, in brochures and other printed materials
- Recognition or promotion at industry or public gatherings such as conferences, trade fairs, festivals, forums, etc.

- Media attention to provide increased exposure to general public and industry
- Advertising in printed, audio or visual media
- Membership in alliances or partnerships to expand marketing capacities
- Eligibility for awards which bring recognition, media attention, and sometimes funds for superior performance
- Marketing and production of guidebooks of certified businesses by non-governmental organizations (such as environmental or consumer advocacy groups)
- Access to “green” markets<sup>1</sup>

3) Technical and financial assistance can be powerful incentives to encourage businesses to become certified. This is especially true for small and medium-sized enterprises and community or indigenous-based enterprises who may lack such support. The following are examples of such assistance:

- Guidelines, criteria and a framework for implementing measures to ensure quality control, safety, security, social responsibility, Fair Trade, environmental responsibility, and/or management/administrative/financial accountability
- Training and/or consultant advice on environmental, social, quality, management, administrative or financial issues and/or on applying for certification
- Informational resources to implement technical or managerial changes
- Marketing statistics, information and training
- Networking support and/or assistance in developing cooperatives or mutual support systems
- Partnership opportunities with government, NGOs, other industry members, etc. Benefits may include marketing support, discounts, preferred access and technical assistance.
- Cost savings (e.g. energy, water use) due to increased resource efficiency
- Discounts on materials, equipment, consulting fees, labor, etc. needed to implement certification criteria
- Reductions in certification (or re-certification) fees or financial assistance to pay fees
- Tax or credit incentives for becoming certified
- Governmental endorsements for certification programs, sometimes as a response for implementing environmental legislation
- Reduced fees for use of common (government) resources, such as national parks
- Reduced fees for professional development opportunities (trainings, conferences) and/or membership in professional organizations

4) In some countries, governmental organizations offer privileges to businesses who become certified under an accredited program. By offering incentives, governments provide confirmation that certification provides value, whether it be by reducing need for regulatory pressure or as a cost-savings measure. Nevertheless, it is important to note that government

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<sup>1</sup> These are known by various names such as “Cultural Creatives,” LOHAS (lifestyles of health and sustainability), and “Healthy Products, Healthy Planet (HP2).” They also include proponents or socially/environmentally responsible investing.

incentives for certified businesses or even for the development of a certification program may cause the program to fall under the General Agreement of Trade in Services (GATS) or other free trade agreements. Normally voluntary certification programs are exempt from these agreements, but government involvement at any level, local or national, brings them into play. However, if the programs can demonstrate that they are non-discriminatory, follow international rules, or are internationally recognized, the incentives would be permitted.

At the same time, local and national governments, as well as companies and socially/environmentally responsible organizations are implementing environmental preferable purchasing policies. These policies require or encourage the purchase of goods and services that fulfill a specific set of criteria. The criteria of many certification programs qualify, thereby conveying preferred status to businesses certified under these programs.

Examples of these preferred status incentives are:

- Governments giving longer term permissions or preferential access to government-managed resources (cultural and natural assets such as are found in national parks, e.g.)
- Governments offering tax or other financial incentives
- Government endorsements for exemptions from certain policies or limited access regulations
- Travel agencies prioritizing certified or quality-rated businesses because they are organizational members or through selective reservation systems
- Tour operators or travel agencies requirements that members have an environmental policy, a first step towards conferring partiality on “green” certified businesses
- Green Hotel Initiatives to increase the demand for environmentally responsible hotel services and help purchasers and suppliers determine a hotel’s environmental performance
- State or federal policies encouraging staff to use certified lodging when on business travel
- State or national programs to help industries (e.g. hotels) adopt sustainable practices

A variety of governmental and non-governmental organizations (e.g. environmental organizations, consumer advocacy groups, sustainable development organizations) are actively lobbying corporations and governments to adopt socially/environmentally responsible purchasing policies and to increase supply of certified products and services.<sup>2</sup>

5) Aside from the variety of incentives offered by certification programs and companies, organizations and governments who purchase certified products and services, businesses may be stimulated to adopt environmental/socially responsible practices and become certified for reasons outside of industry control. These include:

- Macro-economic factors such as increases in prices of oil or petroleum based products or chemicals (used in non-organic agriculture)

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<sup>2</sup> For more information, see Mastny, Lisa, 2003. “Purchasing Power: Harnessing Institutional Procurement for People and the Planet.” Worldwatch Paper 166, Worldwatch Institute.

- Perceived or real threats to the environment, cultures or the social status of people in places that businesses operate, especially those due to industry activities
- Media attention on negative industry practices
- Policies and practices adopted by international organizations and funders

By becoming certified, businesses can reduce their costs and/or belie the image that they might be contributing to negative impacts on environmental, social or cultural resources.

6) A final incentive for businesses to become “green” certified is to gain affirmation that it is fulfilling a moral, social and/or environmental responsibility. Proponents for social responsibility value the guidelines and framework for improving environmental and social responsibility that are provided by certification standards and criteria. The designation, whether entirely deserved or not, may be sufficient incentive for business owners, managers, and employees to become certified, regardless of other incentives.

## **INCENTIVES OFFERED BY TOURISM CERTIFICATION AND QUALITY-RATINGS PROGRAMS**

### **AAA Five Diamond Rating**

[www.ouraaa.com/news/news/diamond/](http://www.ouraaa.com/news/news/diamond/)

AAA **certification is free of charge**. It is funded through AAA membership fees, licensing fees, and other sources.

One of the main incentives for hotels and restaurants is **exposure and promotion to AAA’s large and dedicated membership** (47 million members in the US and Canada, or one in four American households). AAA develops close relationships with its members through its local club structures and maintains contact with them through a newsletter which focuses on local and national travel issues, and promotes the Diamond Rating Program.

The high demand from hotels to be rated is due to not only the credibility of the program, but also due to the number of **marketing and promotional benefits generated by being AAA rated**. The biggest benefit of becoming AAA rated is increased AAA member patronage to participating hotels. Representatives of AAA Publishing attribute the success of the Diamond Award program largely to member participation. Without this assured increase in patronage, hotels would have little incentive to participate.

Hotel operators believe that their AAA rating directly affects occupancy and revenue—the higher the rating, the more guests; more guests mean higher potential income. A less obvious but very important benefit from a good AAA rating is **public perception. A higher AAA rating can often enhance a property’s image**.

AAA **markets its logo** to all rated hotels. **Fees vary on size** of hotel, based on number of rooms, but are **nominal**, ranging from \$500 to \$1500. The license allows hotels to use the logo

in any marketing they conduct, including promotional displays and materials, and on websites such as Travelocity and Expedia. 70% of AAA-rated hotels have purchased the license and use the AAA brand for their promotion and marketing.

Partnerships: AAA has created **strategic partnerships within the hospitality industry** (major hotels, airlines, etc.) on a national corporate level to help promote its tourism services. The industry partner works with AAA travel agency to get member benefits, packages, value added for AAA members. There are 50 preferred industry partners that work with AAA travel agency. For example, AAA has made partnerships with hotel chains such as Sleep, Comfort, Hampton, Quality, Clarion, Econolodge, Days Inn, Hilton and Hyatt Hotels. These **hotels offer up to 10 to 20 percent discounts for AAA members in exchange for promotion by AAA on its website and other media materials, as well as association with the credible AAA brand name.**

AAA travel agency is the 7<sup>th</sup> largest in the U.S. and it partners with wholesale travel partners – cruises, hotels, airlines, etc. – to provide commissions and revenues for clubs and give discounts to members. These incentives for members translate into increased patronage of AAA-rated hotels.

### **Mobil Five-Star Rating**

[www.mobiltravelguide.com](http://www.mobiltravelguide.com)

Marketing: Mobil has a **public relations department that markets** its rating program and the **Mobil Travel Guide** as the source of information for consumers regarding rated facilities. It markets the Guide through many media sources including newspapers, magazines, and online media. The Mobil Travel Guide is sold in bookstores and travel agencies throughout the country and has become a popular source of hotel and restaurant information.

It has expanded its website to make its ratings information more accessible to the public and increase the visibility of the program and rated lodges and restaurants. It has gained **institutional recognition as one of the top quality rating programs in the United States**, and relies on the credibility of its name as a top marketing strategy.

### **Small Luxury Hotels**

[www.slh.com](http://www.slh.com)

SLH member hotels receive **marketing, advertising, and booking benefits.**

SLH works closely with top producing travel agents to ensure that the SLH reservations service and the Global Distribution System (an international travel reservation system) code LX (Luxury) remain positioned competitively with other luxury hotel brands. SLH maintains a **database of over 18,000 travel agencies actively book via the SLH reservation system.** The hotels appreciate this wide exposure, as an important complement to their own individual marketing efforts.

Each year, SLH distributes over 300,000 copies of the annually-updated, award-winning ***Small Luxury Hotels of the World Directory***, listing 290 member hotels directories to member hotels, selected journalists, travel agencies, past guests, as well as travel and marketing partners, and via direct mail and response advertising. The directory features individually detailed information for each member property.

**SLH Magazine** was launched in 2002 in France, the US, and the UK as an exclusive magazine for members. Utilized for guest retention, it is a persuasive marketing tool to promote the SLH brand and its individual properties, while providing entertainment value for member guests. Published semi-annually, the magazine is distributed in SLH guest rooms, through SLH databases, and via marketing partners and events.

SLH maintains **one of the largest hotel sites on the internet**. The site allows travelers to enter their personal hotel preference information and to customize reservation services. It also includes information on facilities, attractions, special offers, sixteen color images, a location map, a printable fact sheet, and property information (slh.com).

SLH holds an **annual conference**, which is popular among attendees.

Partnerships: SLH has had a close **partnership with American Express**. Ongoing benefits include an annual discretionary marketing fund for SLH and joint-marketing opportunities directed at appropriately qualified Amex card members in various countries. Additionally, SLH members enjoy a special negotiated commission rate with American Express for card transactions at property level. This is undertaken through a central membership agreement that offers lower rates than those available to individual properties. Participation in this program is compulsory for SLH Members.

### **Green Hotels in the Green Mountain State – Vermont**

[www.vtgreenhotels.org](http://www.vtgreenhotels.org)

While this small program offers limited tangible incentives to its hotel members, it offers them the following **justifications and messages**:

GH's main marketing message is that **better environmental management will save hotels money** by reducing overhead costs through improved environmental management and accounting. According to the Green Hotel website, hotels can expect the following benefits from participation:

- Profit from increased resource efficiency and reduced waste disposal costs
- **Region-wide marketing** of your business as an environmental leader
- Free **technical assistance**
- Gain **increased market share** from environmentally conscious guests
- **Develop and strengthen guest loyalty** by being involved with “greening” efforts

## **Audubon Green Leaf Eco-Rating Program for Hotels**

[www.terrachoice.ca/hotelwebsite/indexcanada.htm](http://www.terrachoice.ca/hotelwebsite/indexcanada.htm)

The program focuses on the business and government hotel market niche, taking advantage of the **Canadian government's green travel policy that encourages government employees and business travelers to stay at green accommodations.**

Green Leaf uses **eco-efficiency as promotional incentives** for hotels to participate. It uses environmentally-responsible messaging including the following benefits of certification: 1) Reducing operating expenses, 2) Increasing market share, and 3) Accessing tools for better environmental management. On its website, Green Leaf encourages participation by claiming that hotels will become preferred by the government and that they'll receive educational materials and recommendation reports giving specific direction for environmental cost savings.

Green Leaf has formed **alliances with the Global Ecolabeling Network and Green Seal**, which presumably could be incentives for hotels to be considered part of the larger eco community.

## **Ecotel**

Ecotel is run by HVS Eco Services, which specializes in **designing, implementing and monitoring comprehensive environmental programs** for both existing and developing hotels. HVS Eco Services provides an in-depth, professional environmental assessment of the property's equipment, facilities and operating procedures, and prepares a summary report that identifies problems and opportunities, outlines recommendations and implementation strategies and details a cost-benefit analysis to illustrate the savings. HVS provides many **cost-saving and promotional incentives** to recruit prospective Ecotel clients.

Marketing: ECOTEL markets to business and leisure travelers. HVS conducts an **ECOTEL Awareness Campaign promoted through multinational companies** that have a high ratio of expatriate business travelers.

Ecotel clients receive considerable **media and professional attention.** The Ecotel certified properties have been promoted internationally through leading media venues such as NBC-TV, CNN Travel Guide, Conde Nast Traveler, USA Weekend, Newsday, Successful Meetings, and British Vogue. The program has also been exhibited globally at leading forums and conferences around the world.

HVS Eco Services provides the **Ecotel Resource Guide** to all Ecotel clients. This guide is a compiled database of pertinent environmental information to assist managers faced with the challenges of implementing environmental programs at their hotels. The guide includes environmentally friendly product vendors, the Ecotel Directory and Ecotel case study profiles, eco facts, and an events calendar.

## **Green Seal – environmentally sound lodging (and other products and equipment)**

[www.greenseal.org](http://www.greenseal.org)

The Commonwealth of Pennsylvania issued an Executive Order in 2001 **requesting that state government employees use environmentally-sound lodging facilities**. Green Seal was selected to develop a purchasing and operations guide for the lodging industry. The mandate served as incentive for hotels that market to state government employees to become Green Seal certified.

Green Seal has developed an Environmental Partners program to get information about environmentally responsible products to governmental agencies, businesses, non-profit organizations and academic institutions. **Partners commit to adopting an environmental procurement policy** and in turn receive guidance, informational resources and other services from Green Seal. The Center for a New American Dream has been an instrumental partner through its focus on **developing and implementing environmental procurement standards with local governments**. In addition, it works closely with the University of Tennessee and expert consultants to develop standards and evaluate products.

## **Fairmont Hotels and Resorts Green Partnership Program**

[www.fairmont.com](http://www.fairmont.com)

This large hotel chain has instituted an **employee environmental incentive program**. Fairmont Green Committees at each hotel compete with one another to implement as many of the 200 (and growing) environmental initiatives identified by the company. The hotel that completes the highest number of environmental initiatives in one year receives recognition for environmental superiority, the title of Environmental Hotel of the Year. And the ten Green Committee members receive a one-week, all expenses paid eco-exchange to another Fairmont property somewhere in the world.

## **Nature's Best: Approved Swedish Ecotourism**

Nature's Best offers members the following **marketing support and opportunities**:

- Links from a planned Nature's Best website and an individual profile page
- Diploma that can be displayed at company office or at accommodations
- Right to use the logo for marketing
- CD and decals with logo
- Listing in official databases and registers of ecotourism in Sweden
- Eligibility for participation in Swedish ecotourism marketing campaigns
- Eligibility for award at annual Grand Travel Awards in Stockholm
- Possibility for recognition by other environmental and ecotourism labeling systems at a reduced cost

## **Green Tourism Business Scheme (GTBS) – Scotland**

[www.green-business.co.uk](http://www.green-business.co.uk)

GTBS claims the following benefits as incentive for businesses to become certified. GTBS certification:

- Reduces operating costs (approximately 10-30%)
- Increases market appeal and entry into niche markets
- Increases staff involvement
- Provides promotion through its website, newsletters, events and a hotline
- Offers a practical sustainable development framework, recognized as a good model
- Provides professional audits at reasonable prices
- Links a quality experience with environmental responsibility

GTBS cites the following statistics to encourage businesses to join:

- There is a 10% **higher occupancy** in GTBS member accommodations
- Over 30% of GTBS members in Scotland can demonstrate an **increase in profits** as a result of participation

In addition, it states that:

- 86% join to attract the green tourism markets
- 72% join to increase business performance
- 94% of businesses join the GTBS to help the environment

GTBS is planning the following development projects as added incentive to members:

- Green Market places – Green supply chains
- Green Destinations - Portals and branding
- Tour Operators, Visitor Attractions and Transport Criteria
- Green Stepping stones – Commitment, Action & Review
- Website Improvements, Green Shop & Destination card
- Workbooks, Benchmarking Examples of Good Practice

Finally, GTBS members are eligible for marketing support from local government councils.

## **Europe**

A list of incentives offered by certification programs in Europe is included in Appendix 1. These incentives fall mainly into the categories of marketing, technical and financial support to certified businesses.

In addition, in Europe there are examples of **non-profit organizations producing guides of certified businesses and/or actively marketing certified companies**. These include:

- The "Green Holiday Guide Europe" is published by ECEAT (European Centre for Eco Agro Tourism) in collaboration with ANWB (Dutch National Touring Club). The guide

includes more than 1,200 organic farms, environmentally-friendly camping sites and places to stay in 13 European countries.

- The Friends of Nature International website ([www.eco-tour.org](http://www.eco-tour.org)) highlights the VISIT Holiday Guide in their online information service on environmentally-friendly tourism.
- Europe's leading touring club ADAC in Germany (with almost 15 million members) indicates camping sites, which are certified by an eco-label in its Camping and Caravaning Guide. [www.adac-verlag-gmbh.de/magazine](http://www.adac-verlag-gmbh.de/magazine)

### **Smart Voyager – Ecuador**

<http://rainforestalliance.org/programs/tourism/smartvoyager/>

In order to encourage small boat (holding 21 or fewer passengers) owners, **funding** from the World Bank, Ecologic Enterprise Ventures and others was **offered to businesses to purchase equipment** (such as desalinization plants and 4-cycle outboard motors) needed to qualify for certification.

**Peer pressure and competition** are key motivating factors. **Education and awareness-raising to businesses and consumers** regarding certification are also offered. This has shown to be valuable to overcome negative and false perceptions about tourism certification.

**Marketing** of certified businesses is **done by entities with access to international markets and wide exposure** (NGOs and larger companies, guidebooks, etc.). For example, the International Galapagos Tour Operators Association (IGTOA), a group of 33 North American travel wholesalers who provide the majority of package tours to the islands, is a supporting partner and plays a key role in promoting Smart Voyager to clients. Rainforest Alliance and the Certification Network of the Americas have also been key in promoting the program and certified businesses.

### **Certification for Sustainable Tourism (CST) – Costa Rica**

[www.turismo-sostenible.co.cr](http://www.turismo-sostenible.co.cr)

On its website, CST offers the Costa Rican tourism industry a “new way to differentiate our tourist industry with respect to our competitors, and one which enhances those tourism products which show a connotation of sustainability, opening **new possibilities for marketing and international promotion.**” It goes on to add that the program's impacts will “enhance the country's image as an authentic naturalist tourist destination, thus **increasing considerably the competitiveness** of our national tourism product.”

For businesses, CST promises **improved competition and promotion** through national and international tourism promotion programs. It states that efficient use of resources should promote **cost savings** and have **positive impacts on the tourism product**

CST offers, but does not always comply, **preference for subsidized participation in trade fairs and for cooperative advertising**

It also provides some minimal **information about sources of clean technology**, but cannot endorse any or make an official list of suppliers because, as a government entity, it can't rate them or promote individual companies.

It provides promotional opportunities by putting certified businesses on its **website**.

It has started using the CST logo on all ICT advertising, but does not explain what it means.

### **Brazil Sustainable Tourism Certification Program**

[www.pcts.org.br](http://www.pcts.org.br)

This program is still being developed and is not yet certifying businesses. Therefore, managers do not make claims about the benefits seen by certified tourism businesses. However, they support the implementation of good sustainable practices, considering certification as a means to an end (i.e. sustainable tourism). They also emphasize that quality (what the customer buys) needs to include sustainability (sustainable is the "Intel inside").

The program will offer the following **marketing support** of the following types:

- representation at international trade fairs
- catalog of companies (promoted in categories depending on status)
- information on its website [www.sustainabletourismbrazil.org](http://www.sustainabletourismbrazil.org) (in English, Spanish and Portuguese)
- familiarization tours
- press contacts and newsletter
- market information and studies

It will also provide **technical and financial assistance** such as:

- subsidized technical support through independent, local **consultants** (with specialization in tourism/sustainability issues) who have been trained in the program's standards. The consultants will run short workshops with a group of SME accommodations and will conduct technical visits to help the companies implement the standard. This will take place over a 6 - 10 month time frame.
- **guides and manuals** of good practice
- **technical information** on the program website

The Program developers and managers are also working with local and federal agencies, institutions and organizations to develop incentives to increase participation.

### **Green Deal – Guatemala**

[www.greendeal.org](http://www.greendeal.org)

While certification is initially seen by the businesses as an opportunity for marketing, Alianza Verde, the organization that runs the Green Deal program, is quick to inform businesses that, even in the best case, promotion takes a year or more to see results.

The Green Deal website lists the following benefits for businesses certified by Green Deal:

Environmental and Cultural:

- **Confirmation that the business complies with current all environmental and labor legislation**
- **Knowledge that the business is contributing directly to protection of natural and cultural patrimony**, and assuring long-term sustainability
- **Public recognition** as a leader in social and environmental initiatives

Social and Economic:

- **Cooperative marketing** through the Green Deal website, in the annual guide of tourism wholesalers, in publications in local and national tourism magazines, and participation in fairs and promotional events
- **Operational audits**
- **Reduced costs** through savings of water and electricity, better operating machinery, and reduced risks of quality control problems

Other:

- **Risk assessment analysis** to identify potential security, labor and/or infrastructure hazards
- **Efficient working equipment and trained personnel**

Other incentives for businesses are that they:

- **appear in the catalogue** of certified businesses established by Rainforest Alliance for the IDB project
- can obtain **co-financing** from other NGOs to upgrade physical infrastructure
- receive **technical assistance** from FUNDESA on operational aspects
- receive **training** by Alianza Verde or through partner NGOs such as FUNDESA and others
- appear on the Green Deal **website and local tourism magazines**
- receive up to 50% **discount (subsidy) in certification costs** of \$2100 for the first year and \$1500 thereafter
- experience **savings in operating costs**

Three certified businesses have improved their business management practices as a direct result of the certification process, resulting in marked increases in occupancy and income because of improved quality of service. **These businesses have motivated others to get certified.**

**Ecuadorian National Program of Ecotourism Certification (PRONEC) – Ecuador**  
[www.ecoturismo.org.ec/paginas/certificacion.htm](http://www.ecoturismo.org.ec/paginas/certificacion.htm)

While Ecuador's program is not an audited certification program, in 2002 the government formally established an Ecotourism and Sustainability Regulation consisting of standards

regulating minimum quality and service, environmental, and social standards, and put businesses that satisfy these standards into a special category of “Ecotourism Business.” These businesses enjoy the following incentives as stated in the Ecotourism Regulation:

- Direct access to **beneficial taxes treatment** established in the National Tourism Law
- Preference in **national promotional programs** offered by the Ministry of Tourism

### **Fair Trade in Tourism South Africa**

[www.fairtourismsa.org.za](http://www.fairtourismsa.org.za)

The following **marketing support** is provided to FTTSA certified businesses:

- FTTSA trademark and use of it for marketing
- Promotional material such as an award certificate, monthly newsletters, brochures, etc.
- Exposure on the FTTSA website and other FTTSA materials and website linkages with other FTTSA and like-minded businesses
- Promotion of FTTSA brand and certified establishments at major trade shows (e.g. ITB, World Travel Market, Indaba) through networking and presentations by FTTSA staff, in print and electronic media, and direct mail.
- Promotion of FTTSA at international conferences on tourism, such as those organized by the World Tourism Organization
- Association with the FTTSA trademark, recognized as an indication of truth in advertising, especially with regards to environmental and social benefits

In addition, FTTSA offers certified members:

- **Feedback and advice** for complying with criteria
- **Awareness-raising workshops** for staff
- Invitation to **specialized workshops and events**
- **Knowledge that the business is making a positive contribution** to the local economy and to transformation throughout South Africa

FTTSA makes the following **claims**:

- Certified businesses will experience improved management and operations, including better buy-in from staff and community stakeholders
- Certified businesses benefit from having an independent “stamp of approval” that shows their customers that the business is seriously committed to Fair Trade in Tourism

### **Heritage Ecotourism Rating Scheme – South Africa**

Incentives offered include **resource savings** through reduced and managed resource use (reportedly around 15% of current accounts) and the **advertising and marketing benefits** associated with 'going green'

## **Eco-Rating Scheme (ESOK) – Kenya**

[www.esok.org](http://www.esok.org)

ESOK does not offer any tangible incentives to businesses who join their program. They simply note that businesses have a responsibility towards their environment and the communities in the areas in which they operate. The scheme provides them with an **opportunity to gauge their performance and make improvements towards best practices.**

## **Blue Flag Beach Certification – Worldwide and South Africa**

[www.blueflag.org](http://www.blueflag.org)

**Marketing benefits** for communities and managers of Blue Flag sites include:

- Listing on the Blue Flag website
- Occasional promotional opportunities to raise community/beach profiles. These include:
  - advertising on airport billboards
  - inclusion in flyers distributed through tourism outlets
  - advertising in magazines in the hospitality/tourism sector
  - articles in outdoor magazines
  - promotions by authorities and beaches in local media
  - national workshops with media coverage
- Notice boards at the beaches informing public that they are visiting a Blue Flag beach and explaining what this means
- Promotional items such as flags, etc. placed in the sand

Promotion by beach managers and local authorities are considered the most valuable of all marketing benefits. In turn, local authorities feel that **conservation, tourism promotion and education** provided by the Blue Flag program are incentives to have their beaches certified.

The following are the **direct benefits** offered by the Blue Flag Campaign in South Africa:

- safer beaches with lower levels of crime, vandalism and better crowd control;
- clean bathing water;
- access for the disabled;
- tourism promotion, with positive feedback from tourists
- less pollution and litter;
- top quality beach facilities;
- improved environmental management;
- easier beach management;
- opportunity to tap into other proactive coastal initiatives;
- standardization of national facilities countrywide
- financial spin-offs for city, town or beach, e.g. increase in property values and better business for local traders

In the Caribbean, at least, the Blue Flag label and certification is so well recognized and coveted that tourist boards and hotels in beach destinations are taking the initiative to get the certification. That is, securing a Blue Flag label, conferred upon local municipalities, serves as an incentive for individual businesses to become certified by Green Globe 21 and/or to help the locality achieve Blue Flag status.<sup>3</sup>

### **Green Globe 21 (GG21) – Worldwide and Asia-Pacific**

[www.greenglobe21.com/](http://www.greenglobe21.com/)

Green Globe 21 provides a variety of marketing incentives to businesses that are certified, benchmarked or affiliated. These include: a monthly email newsletter, articles in travel magazines and online, sponsorship of awards, travel exhibitions and events, community events, training courses, conferences, and through existing customers and representatives.

They have also formed a variety of **alliances and partnerships** to promote and market the program. These include: **MOU's or agreements with travel organizations, certification bodies**, Shell, Jason's Encounter, Instituto Hospitalidade and Rainforest Alliance, AAA Tourism Green Stars, etc. These travel organizations assist with promotion of the program and funding for individual operators.

GG21 **encourages all their operators to promote their Green Globe 21 status** by using the logo in all of their promotional material. This increases awareness of the brand throughout the tourism industry. GG21 offers **prizes** to companies who promote their Green Globe 21 status. They recently held a competition for the company with the best promotion of Green Globe 21, on their website – and the winner received a premium marketing opportunity through an **article in the PATA Compass magazine**.

They also provide all certified operators with a **Case Study of their operation** highlighting their environmental achievements and best practice.

They have an **arrangement with the PATA Compass magazine and the National Hotel Executive magazine to publish a series of articles** focusing on Green Globe customers. Recently the Caribbean Alliance for Sustainable Tourism (CAST) and the Environmental Audits for Sustainable Tourism (EAST) published brochures promoting Green Globe Certified businesses. The Rainforest Alliance is also preparing a publication of a catalogue that includes the certified operations for the Network together with a description of the certifying programs.

The incentive for operators to join Green Globe 21 comes primarily through the **cost savings** associated with a systematic approach to environmental management. This includes savings in water consumption, solid waste disposal, electricity consumption and resource conservation. The Green Globe 21 system provides businesses with a **mechanism to measure ongoing improvements** from year to year and provides a basis for triple bottom line reporting.

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<sup>3</sup> On the other hand, some hotels are opposed to Blue Flag because they fear that “their” beaches will no longer remain “private” for their clients, and that they will lose their natural character, as Blue Flag criteria require public facilities on the beaches.

Green Globe 21 claims that another major incentive for operators to join the program over other such programs is that they are a “globally recognized brand and currently offer the only worldwide environmental program especially for the travel and tourism industry and tourist destinations”. Green Globe 21 state that this **increases companies' marketing potential**.

### **Caribbean and Barbados**

[www.cha-cast.com/Old%20Website/programs.htm](http://www.cha-cast.com/Old%20Website/programs.htm)

In Barbados, legislation through the Tourism Development Act provides for **operators to claim a 150% tax deduction for expenses associated with acquiring Green Globe 21 and other certifications**. This represents recognition by the government that **being part of an environmental certification scheme can reduce the compliance costs** to governments. The Act<sup>4</sup> has many incentives (e.g. training opportunities) for SMEs. In addition, staff at Casuarina Hotel, one of the larger, more established GG21 certified hotels in Barbados, offer SMEs technical assistance on how to implement a basic environmental management system (EMS).

The Caribbean Alliance for Sustainable Tourism and PA Consulting, with support from United States Agency for International Development (USAID) have been working with 200 small hoteliers in the Caribbean over the past two years to introduce the concept of environmental best practices. This work was done under the Caribbean Hotel Environmental Management Initiative (CHEMI), and focuses on two key areas for hotels: **Environmental Awareness and Environmental Improvement Assistance**. It has provided hoteliers with resources such as:

- **Toolkits or informational brochures** on six environmental management best practice
- **Environmental management materials** including publications, magazines, videos and equipment samples
- **Training videos** on the topics of environmental management, preventative maintenance, solid waste management, water conservation and energy conservation

Hoteliers in seven countries also received environmental improvement assistance on their properties. This included:

- 200 hotels were recipients of **environmental walk-throughs** or half-day **assessments** by a trained professional to identify simple low-cost and high payback actions that go straight to the bottom line.
- 41 hotels were the recipients of Small Hotel Environmental Assessments (SHEA), a **3-day environmental assessment** during which two trained professionals conduct detailed environmental management analysis of a hotel’s operations and facilities and recommend areas for environmental improvements.

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<sup>4</sup> The “Bill” which became the Act can be seen at [http://www.barbadosbusiness.gov.bb/miib/Legislation/Documents/tourism\\_development\\_bill\\_2002.pdf](http://www.barbadosbusiness.gov.bb/miib/Legislation/Documents/tourism_development_bill_2002.pdf)

- Of the 41 SHEA recipient hotels, 27 received **further technical assistance and environmental management system training** for preparing and applying for Green Globe 21 Benchmarking and Certification.
- Currently 24 (12% of the initial 200) hotels have been successfully **Green Globe 21 benchmarked** and are awaiting their assessments for Certification. More are expected.

In addition, in Barbados the Environmental Protection Department (**Ministry of the Environment**), as well as the **Ministers of Tourism and Finance**, have endorsed GG21 as the recommended EMS for hotels and other business along the coast, as it is recognized that those hotels who have already implemented it, have significantly reduced their chemical usage, their water and energy usage, waste water and garbage output and consequently the ambient water quality has improved. This in turn makes it easier to implement the Blue Flag Program. The incentive for the endorsement was the new Land Based Sources of Pollution Protocol (LBS) which requires significant changes to the Coastal Zone Management Act and the Marine Pollution Control Act.

### **Australia: Eco Certification Program and others**

[www.ecotourism.org.au/eco\\_certification.asp](http://www.ecotourism.org.au/eco_certification.asp)

The Great Barrier Reef Marine Park Authority (GBRMPA, of the Government of Australia) rewards high standard operators by providing incentives including **issuing longer term permits** from the normal 6 years to 15 years if they have EcoCertification at the “Ecotourism” or “Advanced Ecotourism” level. GBRMPA has already granted five of these 15-year permits and currently considering another seven applications. It identifies other high standard operators as those which are certified by schemes which meet a particular set of assessment criteria.<sup>5, 6</sup>

The Department of Conservation and Land Management (CALM) of the Government of Western Australia modified its policy of issuing annual renewals for licenses for commercial tour operators to operate in public lands. Now, all **tour operators may apply for one, three or five year licenses, depending on how many, and what type of industry certification programs they have completed**. Those who are not certified at all are only eligible for one-year licenses; those certified with either a business certification program or an environmental certification program are eligible for three-year licenses; and those certified by both a business and an environmental certification program are eligible for five-year licenses.<sup>7, 8</sup> Until

<sup>5</sup> The EAA had to make certain concessions/special arrangements to the Eco Program in order for this agreement to take place, including a commitment to have regular onsite audits. These have occurred, although the “on-site” audits that have taken place to date have been restricted to desk audits – with at least one known to have been concluded in less than 2 hours. There is concern that this is not sufficient or appropriate in return for such a long term lease concession in such a fragile environment. (Coral reefs are generally considered endangered due to various human impacts including global warming.)

<sup>6</sup> Two other programs are currently negotiating for extended permits with GBRMPA – the ROC (Respect Our Culture) program and Green Globe 21 Company Standard – both individually and in a tandem application. It is unknown whether this will be granted – the biggest sticking point is the lack of “interpretation” criteria in these standards. There is great encouragement for the ROC program as there is a need for “positive” discrimination to ensure access and involvement of traditional owners – the Aboriginal and Torres Strait Islanders.

<sup>7</sup> Note that this includes certification programs such as the Business Certification offered through any of the Australian Tourism Accreditation Association schemes, and the Green Globe 21 Company Standard.

recently, the only eligible business certification program was the National Tourism Accreditation Program, and the only eligible environmental program was the Nature and Ecotourism Accreditation Program (NEAP – now known as the Eco Certification Program). Recently both these programs have evolved, and NTAP now offers an advanced environmental module that satisfies the requirements for the five-year license, and the Eco Certification program has a business section that also satisfies the requirements for a 5 year license. And, the Green Globe 21 company standard has been accepted as an eligible environmental program relatively recently.

The Department of Conservation and Land Management recognizes and promotes the following benefits to this policy:

- Commercial tour operators are able to obtain **long-term licenses that will make their investments more secure.**
- Certification is an advantage to both operators and the Department as an **invaluable quality assurance tool.**
- Certification **demonstrates the best practice** for activities in protected environments; it also sets business practice standards.
- It is a **marketing tool** based on the fact that customers are increasingly looking for quality and consistent products in an ever-competitive market.
- For operators, there will be **substantial savings on the application and renewal fees.** For a three-year license the renewal savings are to \$100, for a five-year license the savings are \$200. Operators will also save on the future license fee increases during the period of their license.
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**An environmental certification is mandatory for licenses to access to ecological and culturally sensitive sites**, and a special license is issued on a case by case basis..

Similar incentives of **extended tenure or preferential access** are also offered to other protected areas managed either by Australia National Parks (federal government) or my State governments. These are extended to tourism businesses certified by the Eco Certification Program or tourism certification programs that comply with tourism business criteria (risk management, business planning etc) and that are part of National or State-specific business Accreditation Systems.

The Eco Certification Program gives **discounted registration** for attendance at professional development opportunities such as the Ecotourism Australia conference, and also for Ecotourism Australia membership. Marketing is provided through Ecotourism Australia's attendance at trade fairs such as the Australian Tourism Exchange. In the past, special cooperative advertising rates/editorial have been arranged with the Australian Tourism Commission's Australian Tourism Source, as well as access to Visiting Journalist Programs.

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<sup>8</sup> According to Kristy Mann, Licensing Officer at CALM, only one operator has taken advantage of the 5 year license, and approximately 30 have received one form of accreditation to receive a 3 year license. She expects that as you can now that businesses can obtain both business and environmental training modules at one place, the number of 5 year licenses may increase.

Eco Certification has provided extra benefits to certified businesses through the State Tourism Authorities' **identification of certified products in their marketing material**. Tourism Queensland includes the logos in their "Sunlover" catalogues, as does Northern Territory Tourism Commission in its Motoring Guides. However, the large number of different types of sectoral tourism certification programs in Australia (e.g. Savannah Guides, Green Globe 21, various business certification programs) now dilutes the effectiveness of this through proliferation of a number of different logos.

The new Eco Certification Program (NEAP III) also offers an Eco Certification Plus category, which was supposed to provide **additional marketing benefits at an extra cost to businesses**. It now appears to consist only of discounted membership to Ecotourism Australia.<sup>9</sup>

### **Green Leaf Program, Thailand**

[www.greenleafthai.org/Green\\_Found\\_en.asp#](http://www.greenleafthai.org/Green_Found_en.asp#)

This program presently certifies hotel accommodation in Thailand only, although its proponents hope that it will become Association of South East Asian Nations (ASEAN) Standard, and they have plans to expand into other sectors of the tourism industry. The main incentives offered by Green Leaf are listed as:

1. **Efficient use of resource and energy** in tourism business protects both the environment and the social structure of local communities.
2. Sustainable tourism develops **better relationships** with local, respects local cultures and provides **economic and social benefits**.

Benefits for certified tourism businesses:

1. **Average occupancy rate rises** after joining Green Leaf certification program and implementing green hotel guidelines.
2. Green Leaf participating hotels became **knowledgeable on the elements of sustainability** in their operations and can focus their attention on the changes they needed to make in their business.
3. Participating hotels benefit from **cost reduction** through improved resource efficiency.
4. Certified hotels gain **competitive advantage** in the highly competitive market.
5. **Financial and technical assistance** become more accessible to Green Leaf hotels.

Green Leaf initially "sells" itself on **cost-savings through eco-efficiencies**, and one of the incentives to become certified is certainly access to both **specialized training and information** towards this aim. However, the recent rapid growth of the program appears to be more a result

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<sup>9</sup> Initially, this Plus category was supposed to support optional, extra marketing benefits, but appears now to be simply the "benefit" of reduced membership fee for Ecotourism Australia (and hence access to more information and involvement with the Association). It is speculated that the relatively low numbers of certified product made it hard financially to preferential market a "plus" category – the product is simply not well enough known and volume isn't sufficient to support an initiative such as this.

of the **massively increased exposure due to endorsement** by the Thai Royal Family, giving Green Leaf Hotels a major marketing advantage and greatly increased patronage.

Specific incentives mentioned under the Green Leaf banner include:

- **Direct reduction of operational costs and business management expenses.**
- Receive a **newsletter and magazine** useful for development of the environment quality and personnel of the business.
- **Marketing opportunities**
- **Participating in the Foundation's activities** without or with a special rate.
- **Inclusion** of the name in the **hotel directory** that is publicized globally.

Future plans include:

1. Working with World Wildlife Fund Thailand to promote ecological awareness.
2. Working with other organizations such as the Association of Thai Travel Agents (ATTA) and the Thai Ecotourism & Adventure Travel Association (TEATA).

### **Philippines National Ecotourism Certification Program**

While this program is not yet up and running, the draft program information offers several tangible benefits for certification, including:

- **preferential access to some protected areas**
- **fiscal incentives such as tax breaks**
- **access to an ecotourism fund for development**

Existing quality star system certification programs run by the Philippines Department of Tourism offer the following incentives to certified hotels, restaurants, tour operators, etc.

- **Membership to Philippines Convention and Visitors Corporation** and inclusion in its marketing and promotional programs.
- Issuance of **DOT ID cards** to bona fide employees.
- **Technical/security/facilitation support or assistance.**
- **Endorsement to embassies and travel trade associations** for utilization of establishment's facilities and services.
- Endorsement to Ninoy Aquino International Airport and other international airports for issuance of **access passes to qualified personnel.**
- Endorsement to Commission on Elections for **exemption from liquor ban during election related events.**
- Endorsement to the Department of Agriculture for **importation of meat and meat products.**
- **Exemption from Metro Manila Development Authority's Unified Vehicular Volume Reduction Program**
- Endorsement to Maritime Industry Authority for **issuance of Certificate of Public Convenience and availment of deregulated rates.**

## GOVERNMENT AND PRIVATE DEMAND-SIDE INCENTIVES FOR “GREEN” TOURISM

Holland’s largest and oldest travel company, TUI Netherlands has a Department of Sustainable Tourism which **strives to make all its products as environmentally and culturally responsible as possible**. It operates a variety of tourism products and services, and is a member of the World of TUI, a network of more than 200 travel companies in 16 European countries. The impacts of environmentally/socially preferable purchasing of such a large corporation will provide a huge incentive for businesses to improve their practices and qualify as preferred providers to TUI.

TUI Netherlands has made an agreement with the Dutch VISIT eco-label *Milieubarometer*, whereby **TUI Netherlands commits itself to prioritise certified products above non-certified products**.

The Dutch Association of Travel Agencies, ANVR, probably the largest association of travel agencies in The Netherlands, has **requires all its members have an environmental policy**.

ResponsibleTravel.com, an Internet company and service which links travelers with travel industry members who have met their minimal responsible travel criteria, is **demanding that UK’s three largest tour operators develop responsible travel policies**

The Florida Department of Environmental Protection (FDEP) has a Florida Green Lodging Program which **works with hospitality industry to adopt innovative and sustainable practices** for conserving natural resources and reducing waste pollution. In partnership with the U.S. EPA, FDEP is developing an on-line green lodging indicator, which helps visitors to identify certified hotels, and lists their green practices. This will serve as incentive for the lodging industry to adopt good practices.

The State of California is **examining environmentally preferable purchasing (EPP) in the hospitality industry** to increase participation in resource conservation and product stewardship, reduce waste, and create a sustainable infrastructure. It is also promoting sustainable lodging facilities in the State by **strongly encouraging State employees on official business to stay and hold meetings at lodging facilities that are environmentally responsible**. Consistent with California’s EPP policy, the California Environmental Protection Agency is developing an environmental standard for lodging within the State. This will provide **incentives to the private hospitality sector to become more environmentally responsible**. It will also develop an education and outreach campaign aimed at the lodging industry as well as the general traveling public.

CERES, a non-profit organization composed of over 80 organizations and 70 companies working towards environmental responsibility, has developed a Green Hotel Initiative to **increase the demand for environmentally responsible hotel services and provide a tool (Best Practice Survey) to assist purchasers and suppliers determine a hotel’s**

**environmental performance.** It has convinced a growing list of very large and smaller companies and organizations to incorporate their Best Practice Survey into their procurement process.

The Government of Canada has a loose **green travel policy that encourages government employees and business travelers to stay at green accommodations.** Canada's Audubon Green Leaf Eco Rating Program for Hotels focuses primarily on the niche of business and government travelers and the hotels that serve these guests.

Note: Also, see section on Australian Eco Certification Program

## **INCENTIVES OFFERED BY “GREEN” CERTIFICATION PROGRAMS OUTSIDE OF TOURISM**

### **Forest Stewardship Council - wood products – [www.fsc.org](http://www.fsc.org)**

Incentives for large retailers to purchase and market certified products are often related to image and competition in the marketplace. They include:

- **Projecting a positive image** as environmentally and socially responsible businesses. Companies that are certified are generally considered more reliable to other businesses, as well as consumers. The corporate world likes to see that its suppliers have environmental management systems in place, both for reasons of cost effectiveness and efficiency, as well as a determinant of quality.
- **Avoiding negative pressure** from advocacy and environmental organizations. Home Depot and Staples are two examples of companies who were targeted by advocacy campaigns demanding that they stop buying wood and paper products from endangered forests and that they sell FSC-certified wood and recycled products. Otherwise, consumers threatened to boycott the companies.
- **Maintaining competitiveness** with other retailers who declare environmental and social responsibility
- **Becoming part of the club of responsible businesses to facilitate business to business marketing among environmentally/socially responsible companies**

FSC has sought and received **endorsement from widely respected environmental NGOs** – e.g., WWF, FOE, Greenpeace. These alliances serve certified businesses and retailers selling certified products in several ways. The NGOs lend credibility to the certification program and to the businesses themselves; facilitate education and outreach to buyers and consumers; and precipitate the formation of certified wood buyers' networks.

FSC offers incentives to smaller operations by **reducing costs for small landowners** if they participate in a management plan administered by an FSC accredited forester.

FSC also **encourages small landowners to form cooperatives** to seek certification. Producer benefits of membership in a cooperative include receiving technical assistance, as well as marketing and financial support

The ability to find and **develop market linkages to end consumers and to intermediaries** serves as an incentive for businesses to become certified. FSC and WWF have developed several initiatives to facilitate marketing. Examples include:

- The Sustainable Forest Products Global Alliance, formed by Metafore, WWF, United States Agency for International Development (US AID) along with The Home Depot, Forest Trends, and the USDA Forest Service. It is a public/private partnership working to improve the sustainable use of forest resources. Metafore, a non-profit organization that “catalyzes business action that conserves, protects and restores the world’s forests,” has developed a website ([www.certifiedwood.org](http://www.certifiedwood.org)) for consumers to provide information on where to find a variety of FSC-certified products.
- Smartwood, the world’s largest nonprofit forestry certifier, has a staff person helping supply-chain members – i.e. wholesalers, retailers, distributors - learn about each other and the products that each offers. A list-serve is being developed to provide this information as well as marketing materials.
- A WWF-FSC program to create buyers groups in Europe, North America, and globally through the formation of the Global Forest and Trade Network. They developed a database, attended trade fairs, and worked with retailers to develop buying policies. The buyers groups have now formed networks within their countries and have pledge to deal only with certified products within 3-5 years.

**Financial costs may be lower** for certified businesses because it is now understood that certification is a proxy for good management, as recognized by:

- Dow Jones Sustainability Index
- FTSE #4 (London)
- There is a focus on climate change by large reinsurance companies, such as Swiss RE. Directors' and officers' insurance (D&O) will not be issued to companies that contribute greatly or overtly to climate change because of the risk of future liability.
- More and more companies have sustainability policies. These may influence debt ratings

### **Marine Stewardship Council – sustainable fisheries – [www.msc.org](http://www.msc.org)**

**In Europe (especially the UK), some markets have created incentives for fisheries to become certified.** Such initiatives are similar to environmentally preferable purchasing used by some governments and non-profit organizations in the U.S., which have stimulated increases in purchases of FSC-certified, Energy Star and Green Seal products, among others.

WWF has a fund that **helps small fisheries develop management plans** and gain access to MSC. In addition, MSC is working on **helping small-scale fishermen market their seafood directly rather than through processing facilities.** This provides them with a value-added product.

Chain of custody certified seafood processors and distributors **can use the MSC label and also receive promotional and educational materials,** which they give to prospective buyers

MSC provides **communications and marketing support** through full-time marketing staff. Certified businesses benefit by increased exposure as a result of the following MSC activities:

- MSC staff attend trade conferences, fairs and relevant public gatherings
- MSC sponsors and participates in press events
- MSC works with celebrities (such as The Prince of Wales, the Prime Minister of the U.K. and ambassadors of European nations) to provide product endorsements, attend trade shows, and get its name and message into the media (so far, in 2004 articles have appeared in *Specialty Foods Magazine*, *The Seattle Post-Intelligencer*, *The Columbus Dispatch*, *Progressive Grocer* and *Hotel Online*).
- MSC also maintains a website directed at consumers providing information on where they can purchase MSC-certified seafood. Its Internet-based *Sea into the Future* campaign produces consumer pamphlets to educate consumers about fisheries issues and how to consume wisely, and publishes a quarterly e-newsletter entitled *Fish 4 Thought*.

**WWF also provides marketing support to businesses** through a small outreach office in Palo Alto, California, Here it works with Whole Foods to promote MSC certified products.

MSC encourages **alliances that promote the program, its products and certified businesses**. For instance, Xanterra Parks and Resorts, Whole Foods, WWF and the Alaska Seafood Marketing Institute (ASMI) are developing and implementing promotional campaigns. And, MSC collaborates with the *Seafood Choices Alliance*, an organization that connects conservation NGOs and professionals from the seafood industry, to sponsor fundraisers and participate in public events.

### **Fair Trade Certification – coffee and agricultural products - [www.transfairusa.org](http://www.transfairusa.org)**

Certifiers accredited by the Fair Trade Labeling Organization (FLO), including TransFair USA, **do not charge producers for certification**. Instead, in the case of coffee production, the traders (roasters, buyers, etc.) pay a licensing fee for using the logo seal. These funds pay for the certification and promotion by certifiers.

**TransFair assures that farmers receive fair prices for their product**. Income is also generated for the community to improve services and infrastructure.

**Farmers receive technical assistance**, including information on organic agriculture techniques.

Transfair also **encourages small farmers to form cooperatives** to assist with marketing and processing of coffee, and also because it facilitates communication between local producers.

**TransFair helps farmers with marketing by:**

- coordinating sales tours to visit importers and roasters in the U.S., providing market information, organizing their participation in trade shows and other events, and most importantly, connecting the producers with U.S. buyers.
- linking producers with buyers, distributors and retailers
- generating information about the impact and growth of Fair Trade and calculating monetary and other benefits. This provides useful marketing information for sellers, distributors and advocacy groups
- stimulating grass-roots organizations and NGOs to become active users and marketers of Fair Trade products

### **Energy Star – energy efficient appliances and buildings – [www.energystar.gov](http://www.energystar.gov)**

The fact that Energy Star is **well-known**, by over 50% of American consumers, and is a **popular brand with a reputation for credibility** due to its association with the government provides incentive for electrical appliance manufacturers to want to be certified.

Energy Star provides producers and retailers of Energy Star-rated appliances with **marketing support** –materials, marketing messages, government-lead marketing campaigns, commercial data to use for sales purposes, promotion at trade fairs, attention from the media, etc. They also organize **cooperative advertising** where companies pool their money and advertise collectively.

The Energy Star program is attractive to appliances and equipment producers because it **provides them with marketing value as well as product value**, and it **does not cost them anything** to have their products certified. The U.S. government pays for product auditing and approvals.

**Rising energy costs** have also served as incentive for manufacturers and retailers to embrace Energy Star. If these businesses can reduce energy costs to consumers through their products, they will have increased market value.

Especially where there are publicly mandated energy efficiency requirements,<sup>10</sup> Energy Star developed **partnerships with utilities** to help them reduce energy demand. The EPA helps electric utility companies develop ways of measuring energy efficiency and success and to promote Energy Star products and services to their clients. When the utilities began to use ES terminology, manufacturers saw there was a demand. This created a big incentive for manufacturers to become ES.

EPA forms **partnerships with trade associations** to promote sales of Energy Star products. It works with trainers providing resources for technical training and sales training within the various industries that sell Energy Star products or services.

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<sup>10</sup> In some parts of the country, when electric restructuring occurred and customers could have a different generator from distributor, utilities want to do least cost planning and reduce consumer demand. The Public Utility Commission created surcharges on consumer bills to make sure that there would be efficiency, but also provided money to utilities if they provided incentives for consumers to reduce peak demand.

**Energy Star helps its partners** (which include home builders, hospitals, schools, small businesses, congregations, consumer and electronics retailers) **measure their electricity consumption and find ways to reduce energy use.**

In the early 1990s government issued a Federal Executive Order requiring governmental agencies to engage in **environmentally preferable purchasing**. At first it required that bulk purchases of computers and monitors be energy efficient, and then later it was extended to other equipment, machinery and products.

### **The Food Alliance – organic agriculture –www.thefoodalliance.org**

The Food Alliance maintains strong and ongoing marketplace relationships by **establishing a dialogue with producers and suppliers, sharing information** on consumer concerns, and adjusting programs accordingly. They examine the benefits farmers and suppliers are receiving via TFA certification. By determining value (e.g., new markets, price premiums, broader markets) conferred by TFA certification, they work to increase and expand benefits for all. They also look at consumer preferences and work with producers and buyers to tap into key consumer markets.

The Food Alliance develops formal **relationships with producers and a range of suppliers committing to provide a range of market support services, public relations efforts, marketing strategies and point of sale materials** while partners commit to sourcing and promoting Food Alliance certified products.

The Food Alliance has convinced **institutional buyers** such as food services and universities and restaurant chains to **commit to certified agricultural products**. Gaining access to these large markets serves as an incentive for producers to become certified.

### **The Green Flag Award Scheme – parks and green spaces - www.greenflagaward.org.uk**

The Green Flag Award is the national standard for parks and green spaces in England and Wales. It began in 1996 as a way of recognizing and rewarding the best green spaces in the country, and to encourage other recreational green areas to achieve high environmental standards. According to its website, it offers managers of parks the following benefits:

- **Promotion** – Award-holders may use the Green Flag Award logo on stationary, promotional literature, vehicles, uniforms, etc.
- **Best Value & Service Improvement** - A Green Flag Award visibly demonstrates to the local community and local councilors a clear improvement to that park or green space. Widespread coverage of green flags raises the standards within a local authority and meets the needs of best value for the council and the community. The Green Flag

Award scheme is included in the local performance indicators as set up by the Audit Commission.

- **Regeneration** - Regeneration of a park or green space benefits whole communities and raises the profile of a particular area. It is a vehicle for community involvement and a means of securing funding, not least heritage lottery fund.
- **Beacon Status** - Beacon councils get noticed and are praised by the government as examples of good practice.
- **Good Community Facilities** - Improvements to community facilities and the engagement of local people will improve health & education, reduce crime and be a visible benefit to an area.
- **Revenue Opportunities** - The Green Flag Award scheme is a lever for obtaining external funding through improvement grants and is also a means of maximizing revenue opportunities from within.
- **Tourism** - People visit nice places and successful venues for events bring repeat business. The Green Flag award makes a statement as to the quality of the experience the visitor can expect and word of mouth is a very effective marketing tool.
- **Civic Pride** - Local officials and park personnel can promote the best of their parks and green spaces as examples of civic achievement.

## APPENDIX 1: INCENTIVES OFFERED TO SMALL AND MEDIUM ENTERPRISES CERTIFIED UNDER A VARIETY OF TOURISM CERTIFICATION PROGRAMS IN EUROPE

*Compiled by Herbert Hamele, ECOTRANS*

Certificate: Title	Incentives for SME's
Alcúdia – Municipi Ecoturístic	The <b>municipality launch a subsequent information and education program</b> through leaflets on the municipality's natural and cultural heritage, leaflets for eco-tourist establishments, folders, brochures, press articles towards the public and of course, a website: <a href="http://www.alcudia.net">www.alcudia.net</a> . The municipality has been organizing <b>seminars, conferences and courses</b> on the environment for tourist actors as well. The <b>public has been informed</b> through environmental training in schools and environmental fairs are organized. And finally a <b>radio program</b> called "Punt Verd" took over the municipality's activities.
Bayerisches Umweltsiegel für das Gastgewerbe	Applicant has the opportunity to receive <b>help from a consultant</b> in the application process. The certified members are presented at a <b>public award ceremony</b> in the presence of the press.
Blue Flag International	Each of the national agencies offer <b>information and assistance</b> to the local authorities, who will be able to inform new participants.
Das Österreichische Umweltzeichen für Tourismusbetriebe	The initiative is promoted via printed <b>information from the ministries, by fairs, a travel catalogue with the listing of the certified members, newsletters and by the website:</b> <a href="http://www.umweltzeichen.at">www.umweltzeichen.at</a> The contribution of companies to the costs of certification is about ATS 2.000 to ATS 3.000. (In total the fees add up to 200 €- 550 €.) The remainder of the verification costs are paid by the ministries.
Den Grønne Nøgle	The promotion of this initiative is realized by <b>articles published in international newspapers, in the tourist Board brochures, by presentations at fairs and conferences</b> , and by the <b>website:</b> <a href="http://www.green-key.org">www.green-key.org</a>
EcoLabel Luxembourg	• <b>Large consultancy services and training programs</b> (professional excursions, day seminars, energy consultation, editing of an info-file) as support for interested enterprises in planning and realization of environmental protection measures. Special questions and difficulties are solved together with experts and authorities invited.
El Distintivo de Garantía de Calidad Ambiental ("El Distintivo")	The certified members of each year are also announced during a special public event on the world environment day. These <b>verification costs are partially (75%) financed by the Catalan Government.</b>
EHE (Estonia – the Natural Way)	Applicants are helped in the certification process <b>by workshops, seminars and other information papers.</b> The main task is now to promote this initiative among the public and the businesses throughout Estonia and also world-wide. Public relations, marketing activities should definitely be increased.
European Charter for Sustainable Tourism in Protected Areas	<b>Training for the staff</b> of the protected areas and for the tourism businesses who wish to apply have been planned in France. The <b>media have been informed</b> about the implementation of this project, and <b>articles</b> in the EUROPARC newsletter were published.

<b>GAST – Gemeinschaft Autofreier Schweizer Tourismusorte</b>	All the destinations are working with their own <b>advertisement agency</b> .
<b>Gite Panda – Belgique</b>	A <b>leaflet listing of all certified members</b> has been elaborated for the National Holiday Fair in Belgium. <b>Articles</b> are published on the WWF Revue about the new certified members. And <b>advertisements</b> are also realized through the “Federation des Proprietaires de Gites” (the Federation of Gite’s owners).
<b>Gite Panda – France</b>	<b>Advice</b> can be given at any time by the park concerned. Participation in <b>training</b> on discovery of the cultural and natural resources organized by the Park should also be registered. The “Federation des Gites de France” organizes the promotion of this concept through the <b>booklet</b> called « Guide National, Gites Panda » published once a year.
<b>Green Certificate</b>	<b>Office in Riga for consultancies and questions.</b> We send guidelines per post to all interested people. We organize each year 8 <b>training seminars</b> in the regions for providers, who are going to receive or are owners of the Green Certificate. We provide 5 <b>training materials</b> for existing and potential owners of the Green Certificate. Official <b>website</b> : <a href="http://www.eco.traveller.lv">www.eco.traveller.lv</a> , where actual information about ecolabelling and all documentation is available.
<b>Green Tourism Business Scheme</b>	Applicants can be helped in the certification process by <b>published case studies</b> but also by a <b>consultancy hotline and training programs</b> supported through the local area tourist boards <b>for an additional cost</b> . Information on the date of opening entries is available on Scottish Tourist Board Publications/magazines but also on the Internet. In the past, they even sent a letter to all eligible businesses to inform them of the benefits of the implementation of such management. <b>Newsletters</b> are published for applicants and members; <b>Government reports, press articles and other publications</b> , the <b>website</b> : <a href="http://www.green-business.com">www.green-business.com</a> , are promoting this initiative.
<b>Guida Agli Agriturismo Bioecologici</b>	Applicants can be helped in the certification process by <b>seminars and information on the website</b> . Consumers who buy the <b>guidebook</b> or use the website may fill in a specific questionnaire which they can use to complain or make suggestions, having spent time on holiday farms. All the certified members are mentioned in the edition of the “ <b>Guide of Bio-Ecological Holiday Farms</b> ” published by Tecniche Nuove, and available in all bookshops of the country. Information is also available on the <b>website</b> : <a href="http://www.aiab.it/agriturismi/">www.aiab.it/agriturismi/</a> The FFPNR and the Regional Nature Park mainly promote the Nature Hotel Network through the distribution of <b>guides, leaflets and a booklet</b> which presents the hotels. A website is also available: <a href="http://www.parcs-naturels-regionaux.tm.fr/hotels_au_naturel/index.html">www.parcs-naturels-regionaux.tm.fr/hotels_au_naturel/index.html</a> .
<b>Hiiumaa Roheline Märk - Loodussõbralik Teenindus</b>	Information is available on the <b>website</b> : <a href="http://www.riik.ee/bka/hiiumaa/roh_mark/roh_mark.html">www.riik.ee/bka/hiiumaa/roh_mark/roh_mark.html</a> but <b>leaflets and folders</b> have also been published.
<b>Hôtel au Naturel</b>	The FFPNR and the Regional Nature Park mainly promote the Nature Hotel Network through the distribution of <b>guides, leaflets and a booklet which presents the hotels</b> . A <b>website</b> is also available: <a href="http://www.parcs-naturels-regionaux.tm.fr/hotels_au_naturel/index.html">www.parcs-naturels-regionaux.tm.fr/hotels_au_naturel/index.html</a> .
<b>La Clef Verte</b>	A <b>prize ceremony</b> is organized in each region where the applicants are located. Information is available on the <b>website</b> : <a href="http://www.clefsvertes.ifrance.com/clefsvertes">www.clefsvertes.ifrance.com/clefsvertes</a> But the initiative is also published in the <b>French guide “Le guide Suisse, Camping, Caravaning”</b> ; <b>press articles, fairs and conferences</b> are used as communication tools as well.

<b>Label Vert</b>	Dossiers on the 6 awarded companies have been <b>published and a press conference</b> is organized each time an accommodation provider is certified. The initiative is promoted at Belgium fairs, and also at foreign <b>fairs</b> . <b>Visits</b> to the accommodation providers are organized <b>for reporters</b> . A <b>guidebook</b> containing all the certified establishments is distributed in every tourist offices throughout Belgium. Finally, information is available on the website: <a href="http://www.ftlb.be/ftlbfr.htm">www.ftlb.be/ftlbfr.htm</a>
<b>Milieubarometer</b>	Before applying, applicants can be helped by a <b>consultant</b> who can explain in details the criteria and the way to meet them. Information on this program is available on the <b>website</b> : <a href="http://www.milieubarometer.com">www.milieubarometer.com</a> , but also in <b>brochures</b> , in the ANWB camping guide, and other tourist information guides. Before applying, applicants can be helped by a consultant who can explain in details the criteria and the way to meet them.
<b>Nachhaltigkeits-Zertifizierung für Hotelbetriebe („Steinbock“)</b>	Applicants can be helped in the certification process by the lead organization, which offers <b>consultancy</b> for the cost of CHF 1.500,-- (989 EUR) until 100 beds, CHF 2.500,-- (1.648 EUR) from 101 – 200 beds, CHF 3.500,-- (2307 EUR) Information is available on the <b>website</b> : <a href="http://www.oe-plus.ch/website/zertifizierung.htm">www.oe-plus.ch/website/zertifizierung.htm</a> , and also in <b>articles</b> . Several activities are organized by the lead organization to increase public relations.
<b>Nordic Ecolabeling: Miljömärkning av hotel</b>	Applicants can be helped in the certification process by a <b>phone hotline, training seminars and workshops</b> organized. The promotion of this initiative is made by <b>press conferences, articles in brochures and announcements on the website</b> : <a href="http://www.svanen.nu">www.svanen.nu</a>
<b>PAN Parks Initiative</b>	A <b>protected area applying for verification will be expected to cover some of the costs associated</b> . The lead organization is providing some essential <b>information through the website</b> : <a href="http://www.panparks.org">www.panparks.org</a>
<b>Qualität Plus Kleinwalsertal</b>	The promotion of this initiative is made by <b>press articles, little give-aways to tourists, information days</b> led by Q Plus, special <b>brochures</b> published on the label, and on the <b>internet</b> : <a href="http://www.kleinwalsertal.com">www.kleinwalsertal.com</a> and applicants can be helped in the certification process by <b>seminars, education measures, special events and individual consultancy</b> .
<b>Regionalmarke Biosphärenreservat Schorfheide-Chorin</b>	The promotion of this initiative is mainly made by <b>press articles in local magazines and at fairs</b> .
<b>Sistema de Turismo Responsable - Biosphere Hotels</b>	The IRT promote the initiative by <b>international seminars, workshops, and meetings</b> . It also regularly produces <b>information material</b> in both printed and electronic format. Information is also available on the website: <a href="http://www.biohotel.com">www.biohotel.com</a>
<b>Strutture ricettive consigliate per l'impegno in difesa dell'ambiente</b>	The promotion is mainly done by <b>conferences and presentation on the website</b> : <a href="http://www.legambienteturismo.it">http://www.legambienteturismo.it</a> in Italian and English.
<b>Urlaub auf Biohöfen in Deutschland</b>	Applicants can be helped without charge by a <b>phone consultant</b> . The lead organization promotes the initiative in brochures, articles in newspapers, and on the Internet site: <a href="http://www.eceat.de">www.eceat.de</a> or <a href="http://www.biohoeffe.de">www.biohoeffe.de</a> Certified members are also <b>listed in the guidebook</b> for holidays on organic farms in Germany. <b>Newsletters</b> are also published to inform guests. ECEAT also joins a lot of fairs to promote holidays on organic farms (Reisepavillion, Grüne Woche, Biofach, u.a.).
<b>ECOCAMPING - Integriertes Umweltmanagement auf Campingplätzen</b>	In the future, camping site owners which finish successfully the ECOCAMPING-Qualification (= implementation of an environmental management system) will be <b>distinguished with the ECOCAMPING-Logo as a diploma</b> . They will be also member of the ECOCAMPING-Network: regularly <b>information, yearly international exchange of experience and PR during fairs and within the ECOCAMPING brochure and website</b> .

<b>Entreprise éco-dynamique</b>	Applicants can obtain <b>free help in this application</b> process from two assigned environmental management consulting firms. IBGE and its public partners organize the official promotion of the certified members by <b>informing the media of the results of the label winners</b> . IBGE works also with an advertising agency to promote the label to new companies.
<b>forum anders reisen</b>	For non tour operators the membership fee is just about 60€ as they can't really take profits directly from the network. The network is regularly <b>presented at fairs, workshops, conferences, in annual brochures, and articles</b> .

<b>Number of European programs</b>	<b>50</b>
website	32
press articles	15
brochures	14
fairs	12
conferences/ meeting	11
guidelines	11
members are published	8
leaflets	7
seminars / workshops / courses	6
newsletter	5
magazines/ travel catalogues	4
folders	3
training programs	3
advertisement	2
consultancy	2
public relation	2
ceremonies	1

Additional Notes:

The approximately 50 programs in Europe offer both similar and diverse incentives, including:

- manual for preparation: how to implement environmental management into daily work (Ecocamping, few)
- hotline or workshops for applicants (many)
- onsite visit and advice (GTBS, few)
- certification ceremony with minister or VIPs (Austria, several)
- promotion of certificate on print media, web site, events (many)
- individual material for marketing (Viabono, few)
- promotion of certified tourism services on brochures, at fairs, on website (several)
- promotion by tourist boards (GTBS), internet information channels (ADAC Camping guide, TCI Italy, ANWB Netherlands), green tourism channels (Visit Holiday Guide, GTM, responsible travel, Eco-Tour)
- continuous advice for improvement of environmental performance, money saving (Ecocamping)
- monitoring and benchmarking support (NEW: TourBench)
- reduced fee for re-certification (few)
- agreement with tour operators that they receive special conditions, that they prioritize certified tourism services (TUI Netherlands)