

NASSAU DECLARATION ON TOURISM AS A KEY SECTOR FOR DEVELOPMENT IN ISLAND STATES

Reaffirming the Declaration of Barbados and the Programme of Action for the Sustainable Development of Small Island Developing States, the Mauritius Declaration and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States,

Recalling the Reunion Island Declaration on Sustainable Tourism in Islands and noting the Davos Declaration on Climate Change and Tourism Responding to Global Challenges,

Reaffirming also that Small Island Developing States remain a special case for sustainable development in acknowledgement of their unique characteristics, challenges and vulnerabilities and the ongoing impact of these on their ability to achieve sustainable development and build sustained resilience,

Acknowledging that tourism is one of the principal economic activities in Small Island Developing States and therefore an essential source of foreign currency, job opportunities, livelihood, and inclusive growth,

Acknowledging also that the tourism in Small Island Developing States is subject to special social, economic and environmental vulnerabilities, including the particular vulnerability of Small Island Developing States to the adverse effects of climate change,

Recognising in this regard the important role of sustainable tourism as a positive instrument towards the eradication of poverty, the protection of the environment and the improvement of quality of life and its contribution to the three dimensions of sustainable development,

Recognising also that as Small Island Developing States face many multi-dimensional issues, an integrated approach is required to address the specific opportunities and challenges in pursuing sustainable tourism,

Recalling the decision taken at the United Nations Conference on Sustainable Development to convene a Third International Conference on Small Island Developing States, which will take place in Apia, Samoa, in 2014,

We the Small Island Developing States, meeting in Nassau, Bahamas, from 19th to 20th February 2014, call on United Nations bodies and other international agencies, and the governments, national and local authorities of Small Island Developing States, as appropriate, to:

1. Ensure that full attention is paid to the role of tourism as a force for sustainable development and especially in poverty alleviation, and in the further shaping of policies and programmes to support Small Island Developing States in their sustainable development;

2. Continue to support sustainable tourism and develop policies that foster responsive, resilient and inclusive tourism, protect the natural and cultural heritage, especially their ecosystems and biodiversity, take full account of the current and future capacity of an island's resources (especially land, water coastline, energy and social capital), and note that existing initiatives, such as the Global Sustainable Tourism Council, UNWTO Global Observatories on Sustainable Tourism and the Global Partnership for Sustainable Tourism, among other international initiatives, could deliver direct and focused support to governments to this end;
3. Establish and maintain governance and management structures for tourism, which bring together tourism, environment, health, disaster management, culture, transport, security and immigration, planning and development responsibilities and expertise, and enable a meaningful partnership approach between the public and private sector and local community;
4. Promote policies that allow the economy and communities to gain maximum benefits from tourism, and support the design and implementation of participatory measures to strengthen local employment and engagement in the sector, including through financial partnerships, capacity development, especially in the area of statistics;
5. Provide science-based information and guidance to Small Island Developing States on the impact of climate change on tourism, and undertake greater political engagement and commitment, in the context of the United Nations Framework Convention on Climate Change, to address the adaptation and mitigation needs of Small Island Developing States;
6. Recognise the dependency of island tourism on air and sea transportation services, and in this regard, intensify efforts to develop competitive, frequent, reliable and fair services, enhance intra-regional air connectivity as well as airlift with traditional and emerging outbound markets, while contributing at the same time to emission reduction goals, and ensure that any future global and national policies on regulation and taxation of air services take account of the special circumstances of Small Island Developing States.
7. Develop innovative approaches to tourism products, based on the special qualities, biodiversity and distinctiveness of individual islands, and develop strategies to enhance the contribution of information and communication technologies to the industry;
8. Support and encourage regional partnerships, such as the Caribbean Tourism Organization and the Vanilla Islands in the Indian Ocean, and support further efforts to promote regional integration in Small Island Developing States in order to ensure a coordinated and competitive tourism industry;
9. Support international and regional tourism bodies in promoting and providing expertise in the sustainable development of tourism and encourage all Small Island Developing States to participate in them and extends it appreciation to the World Tourism Organization for its contribution and leadership to advance the sustainable development of tourism;
10. Consider these conclusions and main findings, as included in the Annex, at the Third International Conference on SIDS in 2014, disseminate them in other forums and encourage their further development and implementation.

Annex to the Nassau Declaration on Tourism for Sustainable Development in Island States

The conference on *Tourism as a Key Sector for Development in Island States*, jointly organised by the World Tourism Organization (UNWTO), Ministry of Tourism of The Bahamas and the Inter-American Development Bank (IDB), was held in Nassau, Bahamas on February 19-20, 2014. The purpose of the conference was to share knowledge and lessons learned for tourism in island states, especially Small Island Developing States (SIDS), and to highlight priorities for strengthening the impact of tourism on their local economies and communities.

The following key issues were highlighted by the conference:

- **Tourism as a force for sustainable development**
The key position of tourism in the economy of SIDS, its growth potential, and relevance to the natural and cultural assets of islands, underline the need to prioritise tourism in global and local strategies for their sustainable development. At the same time, tourism development should be carefully planned to bring maximum advantage to island communities.
- **Strengthening the resilience of SIDS tourism in the face of change**
Vulnerability is an issue for all SIDS. Tourism in SIDS is significantly affected by climate change but is also vulnerable to a number of other external influences. The resilience of the sector must be addressed by active management.
- **Addressing the competitiveness of tourism in SIDS**
At a time of increasing global competition in tourism, SIDS must ensure that they are well placed to maintain and grow their market share. Key issues to address are their connectivity and the quality of their offer.
- **The careful management of limited resources**
A common characteristic of SIDS is their small size. Tourism should be carefully planned and managed to reflect and where possible enhance the capacity of physical and human resources on islands.
- **Partnership working on tourism between SIDS**
SIDS can be more effective in pursuing the development opportunities presented by tourism if they work together. This may require strengthening regional structures and programmes as a basis for cooperation.
- **The Bahamas**, host country of the conference, shared with the participants of the conference the different facets of its sustainability strategy built on the unique and rich biodiversity, culture and history of the archipelago. The Bahamas has played a leading role in the region advancing protection of the natural environment including implementation through the Caribbean Challenge Initiative.

The topics covered by the conference were contained in six sessions: maximising the local benefits of tourism; transport and air connectivity as a major factor for SIDS as destinations; regional integration – building partnerships to compete globally; climate change and environmental challenges; innovation in tourism product development; and resilient tourism development.

The main findings and conclusions from the conference are presented below.

Tourism as a major force for the sustainable development of SIDS

Information on the importance of tourism in SIDS, and on the wide range of issues affecting its contribution to their sustainable development, was consolidated by UNWTO in the publication *Challenges and Opportunities for Tourism Development in Small Island Developing States* (2012) which formed an input to the Rio+20 conference and by The Commonwealth and The World Bank in the publication *Tourism and Inclusive Growth in Small Islands Development States* (2013).

Data from the 52 SIDS show the massive contribution that tourism makes to their economies. In half the SIDS tourism accounts for over 40% of the value of all exports of goods and services and is a primary source of foreign exchange earnings. In terms of economic impact, inbound tourism expenditure equates to more than 20% of GDP in two fifths of the SIDS where data is available.

There is considerable variation between the SIDS in their level of development. Ten fall in the lowest categories of income and human development while similar numbers are in the highest categories. Relative prosperity and poverty also varies between communities within individual SIDS.

The potential of tourism as a force for development rests partly in its strong global growth as a sector. The popularity of islands and the experiences that they offer place SIDS in a good position to benefit from this growth. Tourism arrivals in SIDS slowed considerably during the world economic recession, but most saw a strong bounce back subsequently. Amongst SIDS, it is those with the lowest levels of development that have seen fastest recent growth, showing the potential for tourism to grow where it may be most needed. This is illustrated by the graduation of Cape Verde, the Maldives, and most recently Samoa from Least Developed Country status due in part to their levels of income from tourism, with at least one other of the SIDS on the path to a similar transition supported by tourism.

The special opportunity presented by tourism as a force for development in SIDS is also seen in its ability to capitalise on the comparative advantage arising from the rich natural and cultural heritage of islands, while also presenting opportunities for enhancing the livelihoods of local communities.

The IDB has therefore joined efforts with the World Tourism Organization to strengthen its commitment to the tourism industry of the Caribbean region in this International Conference. Tourism may contribute towards poverty and inequality reduction, climate change management and regional integration, the three IDB's lending priorities. That is why the IDB wants to remain a key strategic partner for the Caribbean in the years to come, since the tourism sector still offers enormous opportunities to further enhance the environmental, economic and social welfare of the Caribbean nations. The IDB firmly believes that the Caribbean count upon sound strengths to keep its renowned status as a leading international destination.

Key issues for sustainable tourism in SIDS

SIDS share a number of common characteristics which present tourism with various challenges as well as opportunities. These include their small size, relative isolation and maritime, and often tropical, environment. These characteristics make SIDS particularly vulnerable to economic and external shocks.

The small economic base of many SIDS means that they are prone to financial leakages and sometimes to shortage of labour and skills. This underlines the need to strengthening the conditions that enable local engagement in tourism investment, businesses and supply chains.

Scarcity of land and other resources, such as sources of energy and water, places a limit on tourism development and also requires tourism activities to be very well planned and managed. Furthermore, there is a particular need to protect the unique ecosystems and biodiversity of many islands, seeking to support and not damage them through tourism.

Climate change presents a particular threat to SIDS and their tourism economies, from direct impact on coastal areas and maritime environments and indirect influences on tourism markets and development.

If the potential of tourism as a force for sustainable development in SIDS is to be fully grasped, it is important to address a range of issues that affect their competitiveness. A key is the openness and accessibility of SIDS to tourism. Air connectivity plays an important part in this. SIDS should also continually strive to improve the quality of their tourism facilities, which in some destinations need new investment, while also diversifying the experiences on offer beyond the formula of sun, sea and sand.

The fact that many SIDS are economically dependent on tourism means that particular attention must be paid to ensuring the resilience of the sector at all levels.

Many of the challenges and opportunities facing SIDS in pursuing sustainable development through tourism can be more easily addressed by working together. There are a number of examples of developing partnerships between SIDS and other island territories that provide lessons for others to follow.

Outcomes and recommendations

In order to take full advantage of the opportunity presented by tourism as a key contributor to the sustainable development of Small Island Developing States, the conference calls on UN bodies and other international agencies, the governments of SIDS and representatives of the tourism industry, to:

1. Increase the attention given to tourism in policies and programmes that support the sustainable development of SIDS.
2. Engage a wide range of stakeholders in the development of sustainable tourism strategies and action plans for SIDS and strengthen their capacity to implement them.
3. Generate new investment and business opportunities in the tourism sector, which reflect the need to maximise the contribution of tourism to island economies and minimise financial leakages from them.
4. Shape the development of tourism in ways which will provide an equitable source of income within island communities, contribute to poverty reduction and enhance local quality of life.
5. Recognise the importance to the competitiveness of SIDS of strengthening air connections from existing and emerging markets, while also addressing the need to minimise emissions from air travel.

6. Improve the frequency, affordability and convenience of inter-island transport within regional island destinations such as the Caribbean.
7. Strengthen the coordination of tourism policies and actions within groups of SIDS, to gain economies of scale in tourism management, share information and knowledge, and, as integrated regional destinations, achieve a higher profile in the marketplace.
8. Strengthen the institutional, technical and economic capacity of SIDS to adapt to the consequences of climate change for the tourism sector, supported by improved information, policies, planning and management.
9. Increase the number of tourism businesses and destinations within SIDS that meet and exceed international standards and best practice in the management of energy, water and waste and the conservation of biodiversity.
10. Improve the quality of all aspects of the visitor experience in SIDS, including the provision of innovative ways for visitors to appreciate and relate to the special natural and cultural heritage of islands.
11. Invest in skills and new technology to enable SIDS to benefit from the latest techniques for communicating with markets and directly with visitors, before, during and after their visit.
12. Strengthen the resilience of SIDS to the consequences of natural disasters and other incidents that may affect their safety, security and attractiveness for tourists, either perceived or in reality, through effective risk management, mitigation and communications.
13. Thanks the Government of The Bahamas for having hosted this conference.