

Concept Paper

Towards Positive Impact in Tourism

Indicators and methodologies for measurement

August 2023

As a collective effort among certification bodies and destination management organizations we pledge to collaborate on the development of a unified framework for assessing the sustainability impact of tourism. Our goal is to establish consistent methodologies for measuring the impact of sustainability standards, to integrate impact indicators in the GSTC -Criteria, and thereby to encourage the adoption of globally sustainable and regenerative tourism practices.

This initiative is carried out through the global project 'Tourism Impact Alliance', implemented by TourCert in collaboration with GSTC and co-financed by the Swiss State Secretariat for Economic Affairs SECO. It addresses the challenge of over 150 tourism sustainability labels and the many different standards. The project aims to promote the harmonization of standards and the measurability of sustainability performance, to provide an impetus for increased collaboration among certification organizations and to promote digitalization, innovation and collaborative thinking in certification and auditing.

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1. Introduction: Why impact?

Against the background of the growing need for action to preserve an environment worth living in, a shifting perspective on evaluating success is being encouraged and discussed in tourism as in many areas of social and economic activity throughout the globe. The long-term sustainability of economic, environmental and social systems is gaining high importance and guidelines for a responsible management of tourism are being set up. Policymaking as well as private initiatives depend on access to comprehensive information to grasp the urgency of challenges, to identify causes, to create awareness and understanding and, finally, to verify the effectiveness of measures.

Evidence-based information needs to be able to determine whether tourism is developing in a sustainable manner or how far the development has progressed and whether there may still be a need for stronger political commitments to accelerate sustainability performances.

The purpose of this initiative is to fill measurement gaps from the past and to provide a methodological framework for assessing tourism sustainability within certification processes and as a tool for strategic guidance for all tourism stakeholders.

This concept paper aims to anticipate desired sustainability outcomes and to embrace an integrated strategic course for the transformation of the tourism industry. The organizations involved in this initiative are motivated to enhance currently used methodologies and tools through open communication and collaboration to better assist the tourism industry in achieving sustainable business practices.

The proposed outputs of this framework provide Certification Bodies and Standard Owners worldwide a first baseline and prioritization proposal of the most relevant indicators when assessing tourism sustainability. These indicators are designed to create adequate policy responses that contribute to creating higher prosperity options for the tourism sector and strengthening competitiveness in the global tourism market. This work also enables benchmarking to be developed with other regions and businesses and fosters collaborative work around an agreed set of measurements.

2. Dynamics in measuring and monitoring sustainability of tourism

The rise of tourism sustainability indicator frameworks

Sustainability indicators are established tools for assessing and monitoring sustainable development strategies. They inform about the impacts of tourism activities and determine whether these are acceptable or not. As such, sustainability indicators can lead to better decisions and more effective actions by simplifying and aggregating the information available to policymakers while also communicating the ideas, thoughts and values of different stakeholder groups.

As an 'early warning system', sustainability measurements enable evidence-based decisions on strategies and measures. They create knowledge as a requirement for taking responsibility. Meaningful indicators draw conclusions about the state or the change of relevant economic or social-ecological systems, with the parameters relating to causes or effects. This information can be used as a baseline for identifying issues for a destination and assessing them on a continuous basis in order to reduce future risks to tourism and the overall region.

In 2005, the United Nations World Tourism Organization listed tourism-specific sustainability indicators in the Guidebook on Indicators of Sustainable Development for Tourism Destinations', including more than 700 indicators for 50 sustainability issues.

Soon after the first publication of the WTO guide, the development of sustainable tourism indicators started to emerge in different national contexts and private sector initiatives. International institutions likewise called for indicators to evaluate sustainability in tourism. An example is the Agenda 21 for the travel and tourism industry in 1996 that aimed for establishing realistic and applicable sustainability indicators at the local and national levels. The European Commission provided a first guideline in 2003 with the 'Basic Orientations for the Sustainability of European Tourism' and called for the "urgent need for reliable carrying capacity analysis techniques, development of user-friendly sustainability reporting mechanisms, and better statistical monitoring and indicator systems to provide information for managing tourism supply and demand".

A similar call for the development of sustainability indicators emerged within the academic sphere in the last decades. A range of scientific work focused on discussions about general conceptualisations of sustainability principles in tourism and proposed a variety of additional measurement approaches and frameworks. Overall, scientific efforts to display and benchmark tourism impacts have been hampered by a lack of consensus regarding the choice of indicators and how they should be applied.

Emerging frameworks for tourism sustainability measurement

Currently, several international and national initiatives aim to provide guidance for measuring the sustainability of tourism for destinations and the private sector. The following frameworks represent the most recent developments:

The GSTC-Criteria for the tourism industry and destinations

The GSTC-criteria are the internationally recognised standard for tourism sustainability in tourism. The criteria were developed through a global stakeholder consultation process, involving input from tourism industry experts, NGOs, government representatives, and other stakeholders from around the world. They provide a framework for measuring and managing sustainable tourism practices, separating between criteria for the private-sector (Industry) and tourism destinations. They cover four key areas of sustainability in tourism: sustainable management, socioeconomic impacts, cultural heritage, and environmental impacts.

The set also proposes indicators that are designed to provide guidance in measuring compliance with the criteria. Yet, they are designed in a way, so that the certified entities develop their own indicator sets based on these recommendations and there is no guidance on data collection methodologies or measurement approaches. In addition, the indicator recommendations rather focus on aspects that are necessary for verification and certification processes, rather than for impact-measurements in tourism businesses or destinations. Therefore, GSTC plans to launch a Interpretation Document for specific requirements for seven of the GSTC Industry Criteria, to provide additional information on how a requirement should be interpreted and how an entity can comply with the criteria. This goes hand-in-hand with the framework that is presented here, which gives specific recommendations for aligned impact measurements of the GSTC-criteria.

Statistical Framework for Measuring the Sustainability of Tourism (SF-MST)

This initiative currently developed by the UNWTO and seeks to create a multidimensional conceptual framework designed to support the collection and presentation of data on the sustainability of tourism covering tourism's economic, environmental and social impacts in a holistic way, acknowledging connections between the dimensions. The framework builds upon the Tourism Satellite Account (TSA) and the System of Environmental-Economic Accounting – Central Framework (SEEA-CF), which is an

accounting framework that is designed to capture the structure and interlinkages between the economy and the environment on a national and international level. It is aimed to support national statistical office to develop sustainability assessments of tourism and provides structured approach to the organization of data, mainly on the national level.

Even though the MST framework also acknowledges the importance of the subnational tourism level, the framework highlights the differences in the data availability and measurement approaches that do not allow a simple replication of national level methods and practices. Also, the SF-MST does not give guidance on possible methodological approaches and does not recommend any specific indicators. The proposed framework in this paper provides first application possibilities on the subnational level, that are aligned with the MST-framework.

Accommodation Framework by Travalyst

Travalyst was founded in 2019 as a coalition of the large brands in travel and tourism Amadeus, Booking.com, Expedia Group, Google, Skyscanner, Travelport, Trip.com Group, Tripadvisor and Visa. The goal of the initiative is to bring credible, consistent sustainability information to the mainstream. To give travellers guidance about sustainability commitments of hotels that are listed on Online Travel Agencies (OTA), Travalyst developed the Accommodation Framework, which is an agreed list of attributes for collecting data from accommodation providers. It covers operational and policy information across five categories and provides solutions to display this data as sustainability information on the platforms. In addition, the framework aims to showcase, whether the properties have been awarded by a third-party certification. OTA's use the framework to develop own labels, badges or other signs as validations for the attributes.

The criteria are mainly absolute attributes that provide information on the fulfilment of certain sustainability characteristics (f.e. Energy: All hotel windows are double glazed). So far, the framework is based on self-declarations by the properties, with random inspections. Travalyst plans to develop and improve methods for verification of data to ensure accuracy and trustworthiness. So far, the attributes are not complemented with indicators that provide guidance on the sustainability performance of the entities. Therefore, the proposed indicators of this framework could provide a first baseline for integrating impact measures in the Accommodation Framework of Travalyst.

Pathway to Net Positive Hospitality by the Sustainable Hospitality Alliance

In 2022, the Sustainable Hospitality Alliance launched the Pathway to Net Positive Hospitality as a roadmap for hotels that are committed to sustainable business practices. It introduced a set of 15 categories for seven sustainability topics that are in line with in the three dimensions Environment, Social and Governance. Hospitality businesses can use this list as a guidance for their sustainability commitments. The framework also differentiates between four stages of sustainability 'maturity' that start with measuring and reducing impact (stage 1), moving on to minimizing negative impact (stage 2) to achieving net zero (stage 3) until giving back more than taking from environment and society (stage 4). The Pathway framework is based on previous work by the World Travel and Tourism Council Hotel Sustainability Basics, the Glasgow Declaration for Climate Action in Tourism, the GSTC Criteria, the Travalyst Accommodation Criteria, and the SDGs.

In future, it is planned to help measure progress towards Net Positive, by introducing a KPI measurement framework aligned with ESG reporting requirements. The proposed framework here can provide a first guidance on potential impact indicators, as it also follows the idea of Key Performance Indicators and also supports the mentioned frameworks such as the GSTC-Criteria.

Proposal for Green Claims Directive by the European Commission

The European Commission has proposed the Green Claims Directive to address greenwashing concerns by tackling the risk of companies misleading consumers over environmental claims. The proposed requirements would apply to most EU operating companies, with implications also for businesses that have value chains in the EU. Businesses will need to substantiate environmental claims using life cycle assessments, communicate them accurately and holistically, and have them externally verified. Common phrases such as 'net zero', 'carbon neutral' and 'eco-friendly' would be prohibited in advertisements, in social media posts or on packaging unless they were sufficiently substantiated and verified. To meet the new requirements, companies will need to have a robust environmental claims management framework. Certification bodies will be required to act as a third-party conformity assessment body that has been accredited in accordance with EU Regulation norms.

The proposal also highlights the need to establish common methodologies for quantitative indicators, to make comparisons and benchmarks possible. In addition, the proposal suggests specific frameworks such as the Product Environmental Footprint Category Rules (PEFCR), the Product Environmental Footprint (PEF) and Organization Environmental Footprint (OEF) as well as the consumption footprint indicator developed by JRC, covering 16 specific impact indicators. Certification bodies will have to provide solutions to (at least partially) measure these indicators, in order to fulfil the directive.

The following figure illustrates the current main requirements proposed in the Green Claims Directive:



Illustration 1: A summary of the requirements in the Green Claims Directive

Source: Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on substantiation and communication of explicit environmental claims (Green Claims Directive), 2023

National tourism sustainability measurement frameworks

A range of national frameworks for measuring the sustainability of tourism also evolved in the last years. In general, these frameworks or indicator systems organise the indicators around three to five sustainability dimensions, mostly focusing on the Triple-Bottom-Line concept. A few national schemes, as for example in the Netherlands, include overarching dimensions such as “Political strength” that encompass the governance and management of sustainability practices. Given the importance of culture for tourism, and vice versa, some frameworks also capture tourism’s social and cultural aspects within one separate category (e.g., Austria, Finland).

While the idea that the three main sustainability dimensions – environmental, social and economic – need to be achieved simultaneously, the operationalisation of this concept has proved challenging in practice. Some frameworks seek to reflect the interdependencies, by including a combination of different dimensions that balance impacts across several categories, seeking to reflect the complex interactions of different sustainability topics. This perspective is similar to the idea of ‘maturity levels’, as presented in the Pathway to Net Positive Hospitality by the Sustainable Hospitality Alliance or the GSTC ‘Interpretation Guidelines’ that provide guidance for three different development stages. In general, the national frameworks often rely on national statistical institutes and do focus on national or regional sustainability impacts. The proposed framework here can supplement such endeavours by creating synergies through the use of similar indicators and providing solutions for business-specific approaches.

Our approach of impact measurement is guided by the vision and target to support sustainable tourism towards the SDG achievement through better impact management and impact verification worldwide. Thus, we are taking a global and systemic approach, with the objective to create as many synergies as possible with the presented frameworks and other emerging measurement systems. However, most of the presented approaches lack a specific performance orientation. In our approach, we aim to identify the critical impacts in tourism development, which can lead to the most effective sustainability turnaround.

The responsibility of certification bodies for monitoring sustainability impacts in tourism

As organisations that qualify and verify tourism activities in terms of sustainability, Certification Bodies (CB) and Standard Owners (SO) bear a significant responsibility to assist destinations and businesses in their journey towards sustainable practices. Through collaboration and communication, CBs and SOs should strengthen their ambition to work towards the creation of advanced models for monitoring and validating the impact of sustainability in tourism. Our efforts involve exploring methodological issues including the incorporation of economic approaches within natural systems and guided by principles of solidarity.

In coherence with current developments, the proposal here encourages CBs and SOs to recognize tourism sustainability as a concept of “nested systems,” where the economic system is integrated within a social context, which is again embedded in an environmental system. This perspective, which is often referred to as “economy-in-society-in-nature,” considers all three primary dimensions of sustainability and explicitly explores the interconnections between different spatial scales. This approach encourages a more comprehensive and holistic view of sustainable tourism practices, promoting greater consideration of the long-term impacts of tourism on the environment and society.

3. Framework for integrating indicators in the GSTC-Criteria

Certification Bodies (CB) and Standard Owners (SO) that are engaged in the Tourism Impact Alliance have recognised the importance of measuring sustainability as an issue for tourism policymaking and entrepreneurial actions.

An in-depth consultation process with CBs and SOs discovered that reliable and adequate data are essential to facilitate different types of analyses of tourism activities. It was highlighted that evidence-based information provides credibility, fosters dialogue and collaboration among different stakeholders, contributes to effective and coherent policymaking, and promotes transparency of decision-making.

Consultation process within the Tourism Impact Alliance

The Tourism Impact Alliance formed the Impact Panel as a think tank and exchange platform for impact measurement, impact management and verification of sustainability commitments in tourism. It consists of Certification Bodies, Standard Owners and other regional sustainability networks.

The Impact Panel plays an important role in bringing together global sustainable tourism stakeholders to discuss common challenges and agree on standards and principles. Through discussions and coordination within the Impact Panel, common tools and instruments in the context of sustainability certification are discussed and implemented, which in turn feeds into the wider areas of the overall project.

The panel held monthly meetings in the first half of 2023 on various topics to advance joint impact management within its own initiatives and certifications. The meetings had a special focus on the development of joint sustainability indicators and methodological approaches to advance measurement for the standards and the Impact Alliance. The aim was to identify concrete core indicators, develop methodological frameworks and explore the feasibility and integration into certification processes.

In specific, the Impact Panel discussed applied methods for carbon accounting in tourism with a special emphasis on applying the HCMI method for SME's in tourism. Furthermore, the panel elaborated on how to create initial buy-in and maintain momentum with tourism stakeholders to ensure a long-term impact. The panel explored necessities to improve measuring real impact in a destination and how to create synergies between destination and industry certifications in a destination. Also, the panel analyzed specific indicator approaches in detail and discussed measurement purposes, methodological limitations and specific solutions.

The Impact Panel will continue its work on impact management and measurement as a joint effort to establish baseline standards and to implement them in practice.

Current use of tourism sustainability indicators in CBs and SOs

So far, implemented indicators are not always concisely and systematically implemented in certification schemes. Several schemes include quantification elements to track improvements of resources uses over time, to link the sustainability ambitions to certain thresholds or to align activities with international targets. However, these engagements are rarely based on a systematic approach and the used indicator vary substantially among different schemes.

The CBs and SOs identified a need to link environmental indicators to regional tourism activities, to provide benchmark options and to make information more accessible in general. Communication and knowledge-transfer also needs to be strengthened to ensure that data is collected effectively. Additionally, decision-making is yet often solely based on economic factors, making it crucial to provide useful sustainability indicators that can increase attention to sustainability issues at a strategic level.

Sustainability indicators so far come with a lack of data or data gaps and often have time and space constraints. It was argued that infrequently and large-scale collected data can hamper the overall indicator interpretation. Especially destinations have difficulties in measuring complex issues such as environmental impacts or tourism pressure, especially when tourism is rather scattered and has different densities throughout each region. This also comes with the necessity to have clear data definitions and methodological clarity for each indicator.

Another challenge of setting up indicators is the motivation or missing 'buy-in' from the entities to deliver data. It was perceived as crucial to encourage companies and destinations to provide and to share data. To motivate, the gains and objectives for assessing sustainability data would need to be effectively communicated.

Conceptual requirements of the tourism sustainability measurement framework

Setting indicators should be a balancing act of relevance and prerequisites, having a learning process and creating momentum, while step by step increasing the number of measurable indicators. The following general requirements should be met, when setting up a measurement framework:

- **Definitions:** Indicators should provide a common ground for discussing tourism sustainability between tourism entities and other key stakeholders. They should enable decision makers to design policies and measures, to track performance and to allow comparisons with other similar entities. Thus, indicators should have a common definition and clear methodological approach for the assessment. This also includes clarity on potential data standards and the requirements for data collection.
- **Entity & sustainability needs:** Indicators should address key issues of tourism sustainability and be balanced in a way that they best reflect major developments in the respective entity. The indicators should be communicable and allow individual as well as general evaluations.
- **Give guidance:** The collection and evaluation methods for indicators should be clearly explained so that continuous results can be created. Indicators should help assess progress towards achieving regional, national or international strategic goals. Guidance by international sustainability frameworks such as the GSTC criteria or a specific Sustainable Development Goal (SDG) should be used. This ensures that each indicator is aligned with recognized and established sustainability standards and frameworks, making them relevant to tourism stakeholders globally. All indicators should be linked to a target direction that reflects tourism sustainability ambitions for each entity. The indicators should allow comparisons of the performance of tourism activities and the impacts of different policies with other sectors and with different destinations over time. This should allow a monitoring of tourism progress over time and against longer term strategic objectives.

- **Worthwhile effort:** The number of individual indicators should be limited and present the most relevant issues. Based on the indicators' interpretation relative to targets and goals, recommendations for policy actions should be deduced. The regular assessment of indicators should be ensured in terms of personnel, institutional and financial resources. This also entails accessible and easy-to-use tools as well as guidelines for the associated effort of data assessment.

These approaches are preliminary conditions for setting up a measurement framework that can monitor the condition, performance, and impact of tourism sustainability:

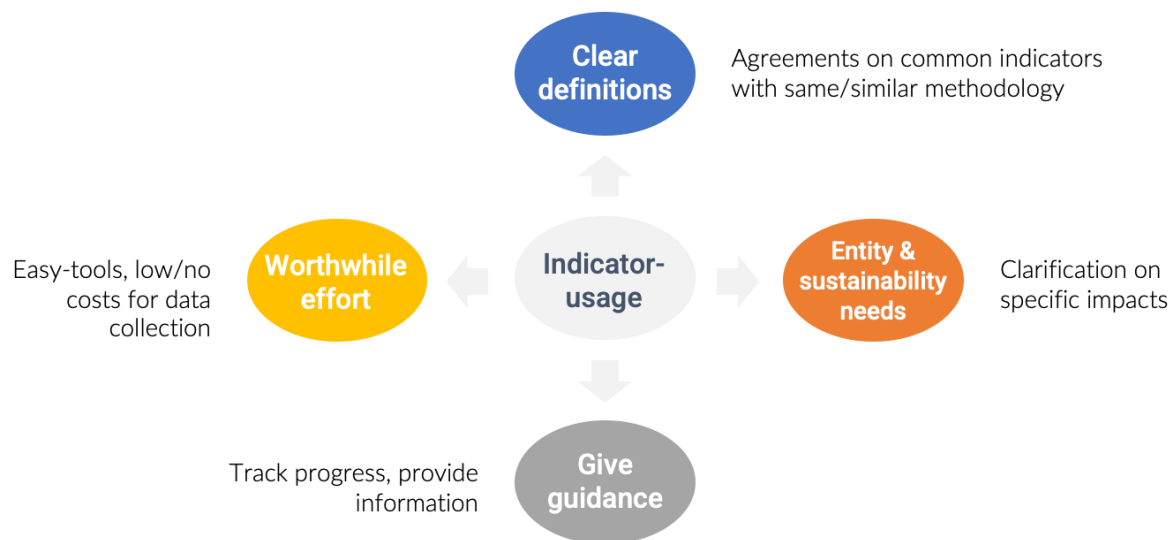


Illustration 2: Identified needs for using sustainability indicators

Source: Tourism Impact Alliance, 2023

Methodological considerations

The informative value of indicators is very much characterized by their measurability. This is linked to the question of which means and methods can be used to generate data in a systematic way. Especially in terms of a practical application, the effort of data collection must be put in relation to the generated benefit. Therefore, it is important to take methodological implications into account such as the needs of data users, the system of displaying change, the development stages and overall methodological limitations.

Data users

To ensure adequacy and a balance of interests, the proposed indicators explicitly address potential users, in specific tourism businesses with a focus on hospitality or destination management. Some indicators may be of a rather qualitative and subjective scope, which might provide crucial strategic insights for the entity itself or destination management organizations. Most of the proposed indicators have a quantitative assessment approach, which fits needs of the private sector but also decision-makers in destinations and will be used to track changes over time. Both types of indicators will be included in the framework, with the aim of addressing several target groups and therefore, creating a more inclusive system that is generally better understood.

Focus on progress with the logic of Key Performance Indicators

This framework suggests interpreting the indicators in regard to their progress towards sustainable development by the setup of Key Performance Indicators (KPI).

KPI are metrics that provide evidence of the actual stage of fulfilment of a target within a defined period of time. With the support of KPIs, strategies, the corporate objectives and the taken actions can be assessed and, if necessary, adjusted. They are therefore an instrument for making better decisions.

KPI need to be designed with at least the following elements:

- **Basic indicator:** The indicator itself with a clear metric/value and reference year.
- **Time frame:** The frequency of data collection (e.g. monthly or annually) and the target year.
- **Target:** The value that states the aspired objective. Can be an absolute number or relative in terms of shares or gradual change rates.

A KPI basically compares the current indicator value with targeted values or certain thresholds. Therefore, it is primarily a reference value that shows the extent to which deviations or (un)desirable developments take place, i.e. the extent to which the entity or destination is developing proportionally to the desired direction or in comparison to others.

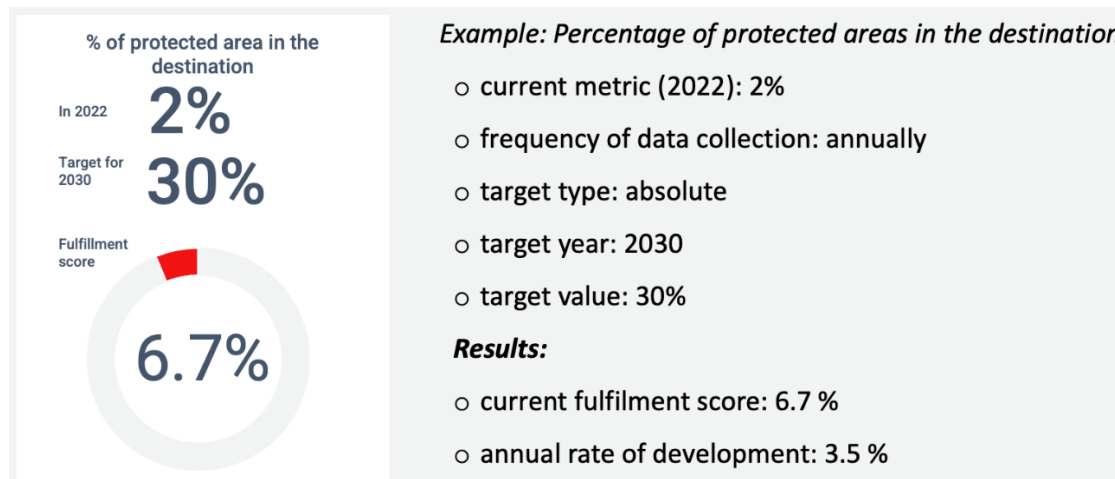


Illustration 3: Example of displaying a KPI

Source: Tourism Impact Alliance, 2023

Development stages

The framework also needs to leave enough flexibility, due to regional differences and different development stages of businesses and destinations in their sustainability progress. Therefore, the indicators should be characterised by their general “ambition” to track change. This follows recent concepts and ideas of regenerative tourism, with tourism businesses and destinations moving beyond the minimisation of negative impacts (footprint perspective), towards the creation of benefits for the environment and society (handprint perspective). Technically, the proposed development stages should be directly linked to recertification processes, so that entities are aware of the need to also improve their efforts for impact measurement.

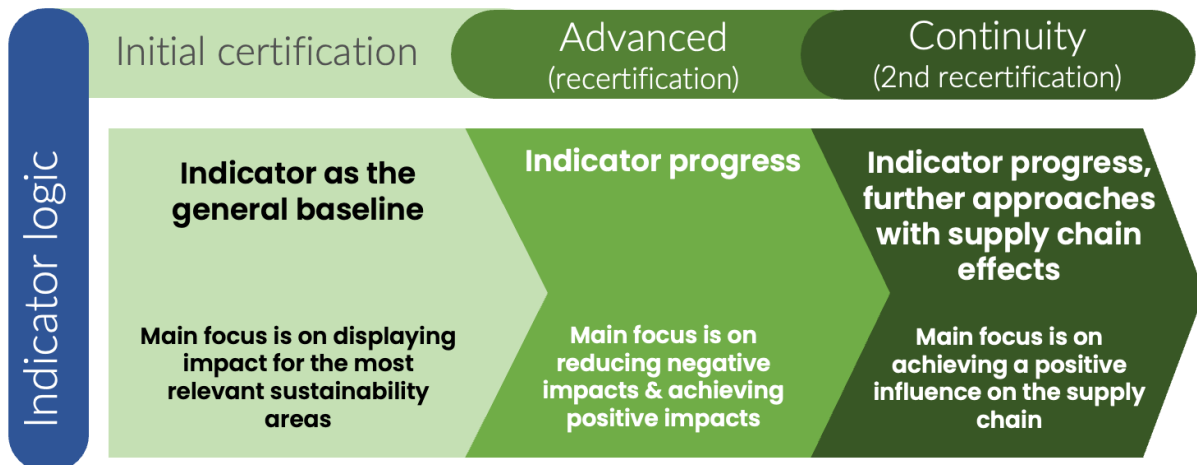


Illustration 4: Development stages of the indicator framework

Source: Tourism Impact Alliance, 2023

Limitations

It is essential to be aware of limitations when measuring tourism sustainability. Limitations include the lack of comprehensive and reliable data, the complexity and interconnectedness of sustainability issues, and the subjective nature of some indicators. Additionally, assessments may not fully capture the diverse perspectives and needs of different stakeholders or adequately consider long-term sustainability impacts. Therefore, it is important to recognize and acknowledge the limitations of sustainability assessments to avoid misinterpreting results or making misleading claims about sustainability. Awareness of these limitations can help to refine the methodology, improving the quality of data, and developing more accurate and comprehensive sustainability indicators.

The proposed framework so far focuses on a first agreement for common indicators with reference to the GSTC-Criteria, the ambition to use similar methodologies, and to focus on aspects how to track progress. The framework intentionally starts small and simple by firstly introducing indicators for the initial certification (1st development stage).

Setting indicators is a learning process. It is important to start measuring and to set first targets. Therefore, accept business and destination specific targets are at the beginning a main focus, with ambitions to link them to national targets, benchmarks or specific SDGs. It is envisaged to step by step increase the number and the ambition of measurable indicators and targets.

Regional specific discussions are needed to identify corresponding baselines, ideally including a clustering process. The Tourism Impact Alliance is intending to set up regional groups which could initiate these discussions. It will be crucial to discuss regional contexts and corresponding baselines. Otherwise, voices of those that do not have data or requirements in place, will be missing.

Indicator issue areas

The framework is directly aligned with issue areas of the GSTC criteria (GSTC-D.2 & GSTC-I). So far, the proposed indicators cover seven of the ten total issue areas, with the aim to cover all of them in future.

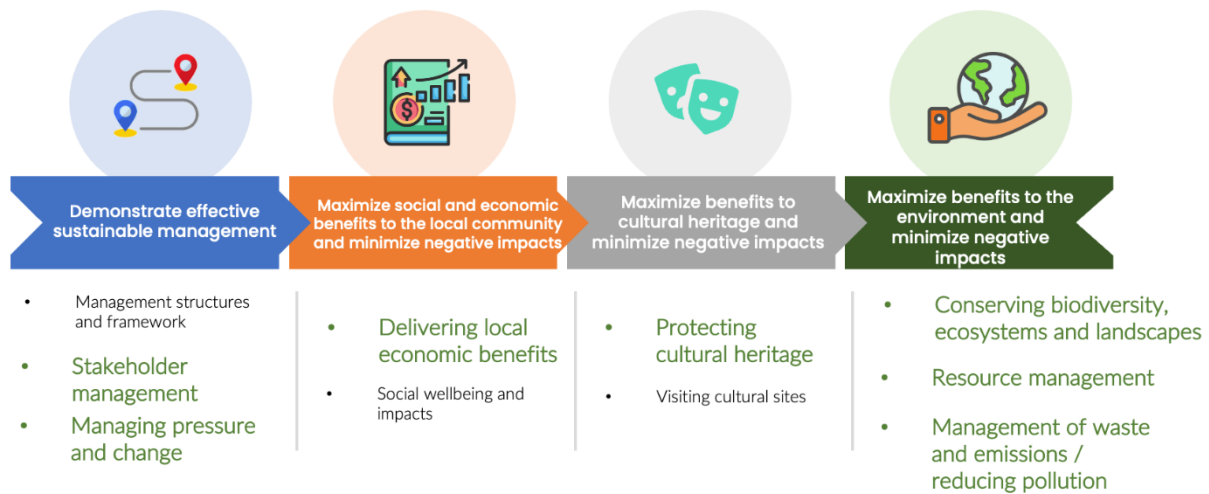


Illustration 5: GSTC-criteria coverage of the indicator framework

Source: Tourism Impact Alliance, 2023

4. Indicator proposal

The proposal includes a list of 15 indicators including a methodological note, information on the segment specification, the GSTC reference and a target reference.

In general, the indicators cover both supply and demand side considerations that are designed to represent the main areas of sustainability. The framework is intentionally not separating the segments Industry and Destination, because of the overarching objective to develop an indicator set that should be useful for all CBs.

The indicators are impact-related and prioritize sustainability performance. The limited number of indicators helps focus on agreed priority issues and to start a practical application and testing to assess their usefulness for the CBs.

Each indicator belongs to one of the four sustainability dimensions by GSTC and relates to a specific sustainability issue. It is aimed that each indicator should be measured by one particular metric. However, some indicators may have multiple metrics due to qualitative factors or because of remaining data unclarities. In this case, one metric is used to represent the current approach that is measurable, while another metric can be the desired approach that CBs might aspire to measure in future.

| Indicator topic | No. | Key performance indicator | Metric / methodological note | Sector specificity | GSTC reference | Target references |
|--|-----|--|---|--------------------------------------|----------------------------|--|
| A. Demonstrate effective sustainable management | | | | | | |
| Stakeholder engagement | A.1 | Share of tourism businesses in the destination with third-party verified sustainability certification. | No. of certified businesses per 1.000 beds relative number needs further clarification | Destination | GSTC-D A4.c | Use of national benchmarks, First-mover approach and/or national SDG 12.1 targets |
| Managing pressure, impact and change | A.2 | Nights spent from the top three countries of origin in relation to the total nights spent | % | Destination / Industry (Hospitality) | GSTC-D A8.b GSTC-I D1 | National benchmarks, Destination-specific target |
| B. Maximize social and economic benefits to the local community and minimize negative impacts | | | | | | |
| Delivering local economic benefits | B.1 | Ratio of goods and services purchased from regional, national and international source markets | % of: a. Locally sourced b. Nationally sourced Internationally sourced GSTC guideline for local 50-400 km differentiate between sourcing & production | Industry | GSTC-I B3.b | Business-specific target General direction: Increase of regional & national products |
| | B.2 | Percentage of MSME tourism businesses in relation to all tourism businesses | % IFC definition of MSME classes: link | Destination | GSTC-D B3.b | Destination-specific target |
| | B.3 | Direct tourism employment as percentage of total employment | % | Destination | GSTC-D B1.c | National benchmarks, Destination-specific target |
| | B.4 | Percentage of staff with full-time employment | % | Destination / Industry | GSTC-D B2.b GSTC-I B6.a | Destination and business-specific target General direction: Increase of staff with full-time employment |
| | B.5 | Average wage level | National currency For international correspondence: \$ | Industry | GSTC-I B7.b | Business-specific target |

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| Indicator topic | No. | Key performance indicator | Metric / methodological note | Sector specificity | GSTC reference | Target references |
|--|-----|--|---|------------------------|----------------------------|--|
| Delivering local economic benefits | | | Separation between departments | | | General direction: Increase of wage levels above inflation ratio |
| | B.6 | Gender Pay Gap | $\%: \frac{W_{men} - W_{women}}{W_{men}}$ W – median earnings | Destination / Industry | GSTC-D B2.b GSTC-I B6.b | The Global Gender Gap Report by the World Economic Forum (WEF) measures the gender gap in various areas: link General benchmark: 0% |
| | B.7 | Women in tourism management positions | % women | Destination / Industry | GSTC-D B2.b GSTC-I B6.b | United Nations Development Programme's (UNDP) Gender Equality in Public Administration (GEPA) index measures the representation of women in senior management positions in the public sector: link General benchmark: 50% |
| C. Maximize benefits to cultural heritage and minimize negative impacts | | | | | | |
| Protecting cultural heritage | C.1 | Monetary contributions to the protection of destination-wide cultural heritage | % of total gross income | Destination / Industry | GSTC-D C1.c GSTC-I C2.a | Destination and business-specific target General direction: Increase percentage |
| D. Maximize benefits to the environment and minimize negative impacts | | | | | | |

| Indicator topic | No. | Key performance indicator | Metric / methodological note | Sector specificity | GSTC reference | Target references |
|--|-----|---|---|------------------------|---------------------------------|--|
| Conserving biodiversity, ecosystems and landscapes | D.1 | Percentage of unsealed premises / protected areas (Regeneration of nature spaces) | Destination: % of destination are within protected areas of IUCN I-VI category Industry: % of premises that is not covered with asphalt/cement or other sealing materials that hinder proper drainage/airing | Destination / Industry | GSTC-D D1.a GSTC-I D3.1.d | Global perspective: Post-2020 Global Biodiversity Framework claims that 30% of all areas should be protected by 2030 ("30 by 30") Benchmark: annual increase in relation to national / global rate to reach 30 by 30 target |
| | D.2 | Water risk score | WWF Physical water risk score of the destination / municipality of the business | Destination / Industry | GSTC-D6.b GSTC-I D.1.4.a | water risk score should be below 3.4 WWF Water risk Maps: link |
| Resource management | D.3 | Water used per occupied room per night | Liter per occupied room per night | Industry | GSTC-I D.1.4.c | Business-specific target General direction: Increase ratio HWMI provides a guideline for waste measurement in hotels: link |
| | D.4 | Carbon footprint per guest per day / room night | Destination: accumulated average CO ₂ e emissions of tourism businesses; CO ₂ e emissions per guest per day, using EEIO-Model or Bottom-up methods Industry: CO ₂ e emissions per room night, using HCMI approach | Destination / Industry | GSTC-D D10.a GSTC-I D2.1.a/b | Glasgow Declaration: Halve emissions from 2020 to 2030 Benchmark: national HCMI average National Climate Protection targets |
| Management of waste and emissions / reducing pollution | D.5 | Waste diversion rate: Share of purchased recyclable materials in relation to non-recyclable materials | % Total waste including food-waste needs to be measured first, see Hotel Waste Measurement Methodology by SHA | Industry | GSTC-I D.2.4.a | Business-specific target General direction: Increase ratio The Hotel Waste Measurement Methodology by SHA provides a guideline for waste measurement in hotels: link |

5. Going forward: Further development and digitalization

Our aim is to prepare certification systems for the future by harnessing the power of collaboration. To accomplish this, we strive to determine, which data must be utilized and what level of data quality is necessary. By utilizing high-quality data, companies and destinations can make more informed decisions regarding sustainability, and audit processes can become more streamlined.

The indicator set can be used as a starting baseline that should be tested by as many CBs as possible.

The participants and partners of the Tourism Impact Alliance are aware that this proposal can only be a starting point that enhances further exchanges with GSTC processes and other dynamics. It is crucial for existing and upcoming developments on tourism sustainability measurements to recognize that CBs should be part of the solving measurement shortcomings, as they can enhance development processes by providing high-quality information for an evidence-based sustainability management in tourism businesses and destinations.

GSTC proposal of current measurement tools: GSTC currently analyzes existing measurement tools, verification programs and ISO requirements specifically for the tourism sector and free of charge. For those criteria that no measurement tools exist, GSTC intends to develop solutions. GSTC intends to provide guidance on acceptable baselines for indicators.

Interpretation Guidelines for GSTC Industry Criteria: GSTC is developing an interpretation guideline, starting with seven GSTC industry criteria. The document is focusing on how to interpret subjective indicator expressions and includes a range of performance requirements

In the Tourism Impact Alliance, we also engage in providing technological solutions regarding future auditing trends and ways to incorporate them into certification systems. The objective is to promote sustainable practices in companies and destinations, achieve transformational changes in alignment with the SDGs, and facilitate necessary global shifts. Accordingly, the indicators will be continuously tested in the Online Impact Cockpit, starting with three core indicators. The Impact Cockpit is a software for tourism businesses and destinations to measure impact, assess supply chains, benchmark indicators and report performance developed as part of the Tourism Impact Alliance.

The following three **core indicators** were defined (see also Annex):

- **Women** in Tourism Management Positions in percent
- Percentage of **protected areas** in the destination
- **Carbon footprint** per guest per day

The prioritization of the three core indicators was based on the following criteria: Coverage of all dimensions, addressing global challenges, greatest potential for global applicability and most feasible collection of data.

The indicators will be displayed in a “Score-Board” in the presented KPI-logic. In addition, we are developing a radar diagram to display the process GSTC-destination criteria are fulfilled (see illustration 6). This will be included in the Online Impact Cockpit of the Tourism Impact Alliance.



Illustration 6: Draft of displaying the GSTC-criteria fulfilment in the Online Impact Cockpit by the Tourism Impact Alliance

Source: Tourism Impact Alliance, 2023

We acknowledge that certification bodies need to enhance efforts for providing more robust, transparent and impact-related evidence-based information. Current developments such as by the EU with the Green Claims Directive or the establishment of a global statistical framework for measuring sustainability of tourism by the UNWTO will affect certification, as the quantification of sustainability progress of certified entities will be heavily demanded by a range of stakeholders within and outside of the tourism industry. CBs will have to demonstrate how they contribute to fulfil international targets, and how they can support policy measures of tourism management in destinations.

The Tourism Impact Alliance will strengthen its efforts in a further collaborative development with **OutdoorActive** and the **Data Standards Working Group**. At the GSTC conference in Antalya, a workshop about sustainability measurement was conducted by OutdoorActive and TourCert. The results will lead to the formation of an expert working group, which will continue to work on indicators for destinations, tour operators and hotels, that are relevant for guest perceptions and demand-oriented travel decisions.

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6. Annex: Detailed indicator factsheets

Indicator B.7: Women in Tourism Management Positions

This indicator recognises that the key gender equality issues in tourism do not relate to absolute numbers of female workers, as the sector displays a high presence of women, but rather to management opportunities and wage gaps for women.

| | | |
|--------------------------------|---|-------|
| Metrics and units | Gender equality in tourism management positions | % |
| Data sources | National Labour Force Surveys, Regional business surveys | women |
| Recommended frequency | Annually | |
| Recommended granularity | Regional | |
| Comparability | <p>United Nations Development Programme's (UNDP) Gender Equality in Public Administration (GEPA) index measures the representation of women in senior management positions in the public sector: https://www.undp.org/sites/g/files/zskgke326/files/migration/ao/UNDP_AO_UPitt_2021_Gender-Equality-in-Public-Administration-EN1.pdf</p> <p>The European Union's Women in Economic Decision Making (WEDM) index measures the proportion of women on company boards: https://www.europarl.europa.eu/news/en/press-room/20220603IPR32195/women-on-boards-deal-to-boost-gender-balance-in-companies</p> <p>A general benchmark would be an equal proportion of 50%.</p> | |
| Relevance | <p>Women are well represented in the tourism industry: in 2019, 54% of people employed in tourism were women compared to 39% in the broader economy. The COVID-19 pandemic has worsened existing inequalities in the tourism labour market, affecting vulnerable groups including women. A majority of tourism businesses are MSMEs, of which many are of smaller scale – these businesses are often run by female entrepreneurs; however, women are underrepresented in senior management positions. Women in tourism still earn 14.7% less than men. Therefore, rather than measuring women's participation in the tourism workforce, the indicator focuses on the key policy issue of the proportion of women in management positions.</p> | |
| Limitations | <p>Challenges are mainly with regards to the availability of robust and granular data. European countries apply national labour force surveys with data that includes a category on the level of employment. However, one major limitation concerns the</p> | |

small sample size which reduces the robustness of data, especially for smaller regions. Thus, it may also be advisable to conduct own regional business surveys.

Furthermore, the definition of management positions may vary, depending on the organisation. It is important to have a clear and consistent definition of what constitutes a management position to accurately measure and compare gender representation.

In addition to these measurement-related constraints, the indicator faces further conceptual limitations. Measuring data on women's employment only implies a binary gender definition, excluding other identities (LGBTQIA+) which should also be represented. Given data constraints, a focus on women could be a pragmatic starting point for advancing diversity and decent work in tourism. Gender equality is not a one-dimensional issue, and intersectionality plays an important role. This means that the experiences of women from different social, economic, and cultural backgrounds may vary.



D.1: Percentage of protected areas in the destination

This indicator identifies the existence and the amount of protected areas in the destination.

| | | |
|--------------------------------|--|---|
| Metrics and units | Share of the destination area, that is designated as protected areas (IUCN I-VI) | % |
| Data sources | Regional statistical offices | |
| Recommended frequency | Every 2 – 4 years | |
| Recommended granularity | Regional (protected areas as sub-regions) | |
| Comparability | Declaration of the Convention on Biological Diversity: https://www.cbd.int/article/cop15-cbd-press-release-final-19dec2022 Benchmark: annual destination-specific development in relation to the global development | |
| Relevance | The global Convention of Biodiversity (CBD) agreed to place at least 30 per cent of the world's land and marine area under effective protection by 2030. By 2030, the loss of biodiversity is to be halted and the trend reversed. To achieve this, all economic sectors are asked to promote this ambitious goal. When monitored and managed according to sustainable development principles, tourism can raise promote environmental values, and help finance the protection and management of protected areas and sensitive sites. Tourism can also play an important role in demonstrating the economic value of environmental conservation, primarily through the level of activity that it can stimulate in the local, regional, and national economy. | |
| Limitations | The merely existence of protected areas does not guarantee effective conservation outcomes, but rather provide an evidence base from which policies and strategies can be made and monitored. Another consideration is that this indicator is only indirectly connected to tourism. As there is a wide range of protected areas, we recommend to use the internationally agreed categorization by IUCN, from Category I (nature reserve) to Category VI (protected area with sustainable use of natural resources). Each region might decide on split between different types of protected areas such as National Parks, Biosphere Reserves, or Natural Parks. | |

Indicator D.4: Carbon footprint per guest per day

This indicator measures greenhouse gas (GHG) emissions by tourism economic activities or the main tourism segments 'Transport', 'Accommodation', 'Gastronomy', and 'Activities' of destination.

| | | |
|--------------------------------|---|----------------------|
| Metrics and units | Tourism-induced CO ₂ e emissions | Kt CO ₂ e |
| Data sources | National Accounts approach: Tourism Satellite Account, Air Emission Accounts Bottom-up approach: tourism-structure data, tourist frequencies and emission factors for the segments Transport, Accommodation, Gastronomy and Activities | |
| Recommended frequency | Annually | |
| Recommended granularity | Regional | |
| Comparability | Glasgow Declaration on Climate Action in Tourism: https://www.unwto.org/the-glasgow-declaration-on-climate-action-in-tourism Nationally determined contributions (NDC) by UNFCCC: https://unfccc.int/process-and-meetings/the-paris-agreement Business-related Benchmarks by Cornell Hotel Sustainability Benchmarking Index: https://greenview.sg/services/chsb-index/ | |
| Relevance | Change mitigation constitutes a key policy issue for tourism. Greenhouse gas emissions stem from transport, but also from the consumption of goods and services in the accommodation as well as food and beverage sector. It is hence essential to monitor emissions beyond air travel. | |
| Limitations | Regarding regional tourism-related GHG-emissions, it is possible to explore national air-emission data. Another approach would be the bottom-up multiplication methodology, which combines demand-data with tourism-supply data and corresponding emission factors. A third approach would be to use business-specific carbon-emissions data, firstly focusing on Scope 1 and Scope 2, ideally following the HCMI-methodology for accommodation providers. Limitations depend on the approach that is used. National air-emission data does not include emissions by private vehicles for trips in the destinations and indirect emissions produced by tourism suppliers based in foreign countries. Limitations of the bottom-up approach are the complexity of data calculations, the need for robust data and the low comparability. When using primary data, it is necessary to have a certain amount of samples that are representative for the region. | |