

# National Sustainable Tourism Certification Scheme of Sri Lanka: Current Status, Issues and Lessons

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## INTRODUCTION

Though the concept of sustainable tourism (ecotourism, green tourism) was discussed since the early 1970s, with the introduction of the SDGs, sustainable tourism was directly linked with the SDGs. ‘Sustainable Tourism’ can be defined as the “tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities. Therefore, operating the tourism sector in a sustainable manner is a need of the hour, while many customers of the sector too were expecting a sustainable travel experience. The sustainability of the tourism industry is guided by two major directions, a). Mandatory requirements legislated by national/regional legislative bodies and b). Voluntary standards, usually set by the certification and accreditation bodies.

Tourism certification is defined as a voluntary procedure that assesses, audits, and provides written assurance that a facility, product, process, or service meets specific standards. Moreover, it awards a marketable logo to those hotels/operators etc., that meet or exceed baseline standards (Honey & Rome, 2001). The Global Sustainable Tourism Council (GSTC) establishes and manages global standards for sustainable travel and tourism, known as the GSTC Criteria. Currently, two types of such criteria are known as Destination Criteria (for policymakers and destination managers) and Industry Criteria (for hotels and tour operators).

Sri Lanka also promoted international tourism as one of the major economic strategies after the end of the internal/ethnic conflicts in 2009. In 2009, around 400,000 inbound international tourists per year were reported which surged to a historically high 2.3 million in 2018 (Sri Lanka Tourism Development Authority, 2018). The influx of

tourists highlighted the importance of managing the sector sustainably as it exerted high pressure on the environment and the local cultures. Owing to the above fact, Sri Lanka commenced the National Sustainable Tourism Certification (NSTC) program in May 2018, initially with the accommodation sector in collaboration with the United Nations Development Program (UNDP) and the GSTC, employing the GSTC industry as the baseline criteria. Therefore, the key objective of the study was to illustrate the current status and major issues encountered in the implementation of the program in Sri Lanka while drawing some lessons from the Japanese experience. This study finds the level of rollout of the NSTC and examines what can be done for further acceleration of the program.

## **METHODOLOGY**

As the paper adopts a qualitative approach, primary data were gathered from the Key Informants interviews (KIIs) and secondary data were obtained from published literature. To understand the present level of operation and to identify the problems involved, we conducted 12 KIIs among stakeholders of the industry that include key officials in the public sector, the UNDP, business operators of the tourism industry, and academia<sup>1</sup>.

The major analytical method of this study was the argumentative literature review while corroborating the major findings obtained through the KIIs were reviewed with selected literature. The study conducted an in-depth desk review of available literature to discuss the historical development of sustainable tourism certification, the GSTC certification process, and the application of the GSTC certification in Sri Lankan context. Furthermore, a detailed review of available literature was conducted on the application of GSTC certification in Japan to gain experience in executing the program in Japan as Japan successfully implemented a similar program.

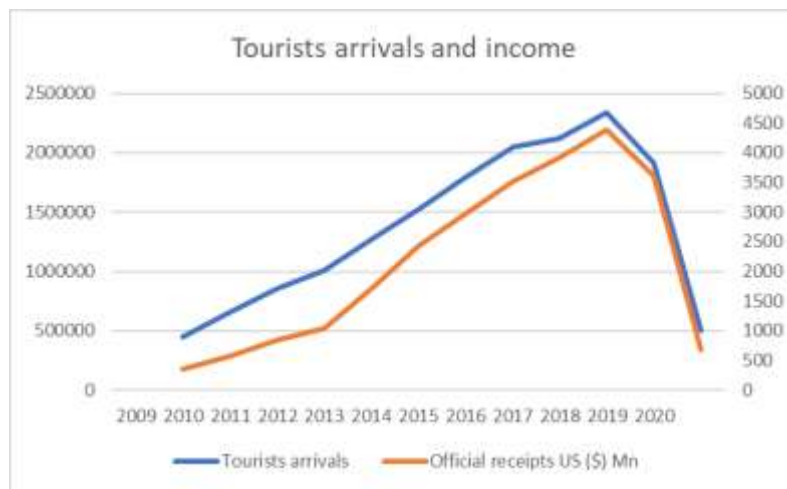
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## FINDINGS

### Current status

Sri Lanka has considerable potential for sustainable tourism development; however, it is argued that Sri Lanka had not exploited its full potential. Figure 01 shows that there is a steady increase in the number of arrivals and income generated by the tourism sector after post-war in 2009. However, Easter Sunday Attack in 2019 and the onset of the COVID-19 pandemic from 2020 onwards have again affected negatively on the tourism sector.



Source: Authors' compilation using SLTDA (2020) data

**Figure 1: Tourists' arrivals and income in Sri Lanka 2009-2020**

However, environmental management in the tourism sector, especially in the hotel sector of Sri Lanka had not been taken into consideration up to the level/extent it should be (Wickramasinghe, 2016). If not planned reliably, being over-optimistic on the influx of tourists can impact significantly, mostly unfavorably, on the socioeconomic and the environmental landscape of the country.

### Accommodation

The accommodation sector which highly depends on natural resources such as water and energy generates a significant amount of waste; thus, it needs special attention on the sustainable operation of their business. This study found out that the hotel sector in Sri Lanka (especially the larger hotels) is already taking several steps related to sustainable hotel

management. However, serious concerns were raised on energy utilization and carbon emissions. Adoption of GSTC criteria in the accommodation sector was the first activity commenced in Sri Lanka under the NSTC program in 2018. After a series of information and training sessions, in mid-2019, the NSTCS awarded 37 certificates to accommodation providers who were selected based on 43 voluntarily submitted applications. One Platinum, four Gold, and seven Silver, nineteen Bronzes and four special certificates were awarded in this first phase of awards. However, with the border closure and lockdowns of the country with the spread of the COVID-19 virus, all these activities are lagging behind.

### **Destination**

With the 2<sup>nd</sup> phase of the NSTCS, the SLTDA with the financial and technical assistance of the UNDP has selected 9 destinations that can be transformed into sustainable tourism destinations in Sri Lanka. The program which took off in August 2021 is named as National Sustainable Destination Certification Scheme (NSDCS). With the NSDCS, it is expected to transform selected nine destinations in the nine provinces (one destination for each province). At present, training programs for the local stakeholders have been conducted for the selected destinations. NSDCS provides the priority for environmental conservation starting from prevention of single-use plastics, waste management, crowd controlling and involvement of local communities.

### **Tour Operation**

GSTC has developed separate industry criteria and the relevant indicators for the tour operator sector. Presently, Sri Lanka has not placed much emphasis on the certification of the tour operator sector. However, discussions are on the way for the introduction of sustainable certification for the tour operator sector under the ongoing NSTCS 3<sup>rd</sup> Phase in 2022. Yet, there are a few industry-initiated gatherings for sustainable tour operation.

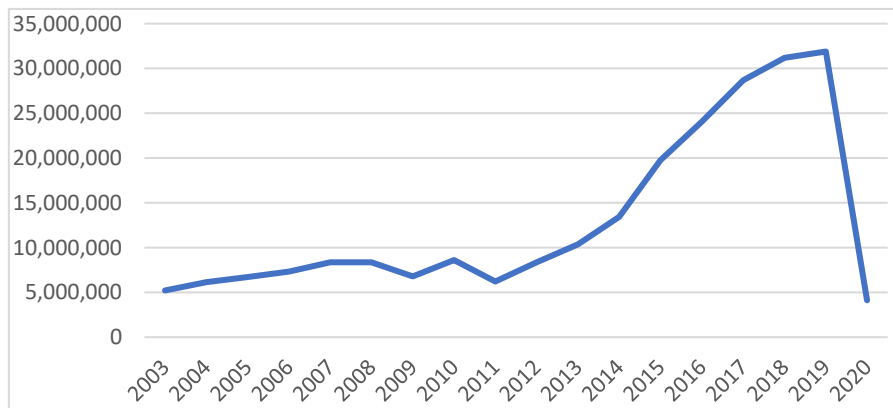
### **Major issues**

Sri Lanka started discussions on transforming the travel and tourism sector into one that is more sustainable during the early 2010s. The transformation to sustainable tourism is a voluntary process; therefore,

participants may need an incentive. Even though the formal award of the NSTC certificates for accommodation was conducted in mid-2019, evidence of using these awards for marketing purposes seems very negligible. The major reason for this is the prevailing COVID-19 pandemic. Further, it was found out that the awareness of the value of sustainable tourism was rather limited. Moreover, even though sustainable tourism is much aligned with the Sustainable Development Goals (SDGs), it was revealed that the awareness of SDGs was limited with the many stakeholders of the sector. Transformation of businesses to a sustainable manner needs some adjustments to the existing functioning of the business that could lead to increased short-term costs and reduced profit margins, especially among the small stakeholders. It was also found that awareness of the small and medium scale operators of the sector on this program was minimal and they were somewhat reluctant to get involved in the program due to fear about the negative impact on them.

### **Japanese Experience**

As in the case of Sri Lanka, Japan has experienced a sharp increase in the number of inbound tourists for the period from 2010 to 2019. The COVID-19 pandemic, however, sharply reduced the number by 87.1 percent (see Figure 2).



Source: Authors' compilation using JNTO (2021) data

**Figure 2: International tourist arrivals to Japan**

In the case of Japan, it was the non-governmental sector that took initiatives in introducing the global sustainable tourism standards into

the Japanese tourism sector. In fact, the NPO Japan Eco-Tourism Center (JETC), one of the leading nongovernmental advocates of sustainable tourism, has held five nation-wide fora to communicate the importance of global standards and certification to the tourism stakeholders including local governments, tourism enterprises, and consumers for the three-year period from 2015 to 2018. The Japan Tourism Agency (JTA) has taken the initiative in promoting sustainable tourism since 2018. The JTA established a sustainable tourism standard for destination (JSTS-D) in 2020, which has obtained the official status of GSTS recognized standard. Twenty destinations have been registered as model areas for achieving sustainable tourism based on the JSTS-D since 2020. Fourteen of the model destinations have been selected as the 2020 and 2021 Green Destinations Top 100 Competition in the world, which exemplifies the success of Japan's GSTC-based national green scheme. The involvement of central and local governments is indispensable for the promotion of sustainable tourism to bring about a fundamental change in the way tourism practitioners manage their destinations. The financial as well as technical support, at least at the initial stage, is necessary for the continuous engagement of local small-scale destinations in sustainable tourism practices. Sustainable coordinators play a key role in implementing a sustainable tourism scheme at the destination level so that local stakeholders could collaborate to achieve the objectives of sustainable tourism.

## **CONCLUSIONS**

The study found out that the stakeholders of the tourism industry have shown a significant interest in sustainable tourism. Sri Lanka implemented certification of the accommodation sector with 37 certificates awarded by mid-2019. Currently, Sri Lanka is in the second phase of the NSTCS with sustainable destination certification. In its third phase, it is expected to implement certification for the tour operator sector in 2022. However, the study found out that certification of the accommodation sector has not reached the expected level mainly due to the adverse economic conditions and safety concerns triggered by the COVID-19 pandemic. Moreover, it was evident that the medium and small-scale operators in the sector are reluctant to engage in this program due to their belief that certification would negatively affect

their businesses. Furthermore, using certification as a branding tool seems to be minimal for tourism mainly due to the COVID-19 pandemic. It has been revealed that the awareness of some stakeholders (especially among small-scale operators) on sustainable tourism is rather limited. Notably, public intervention and centralized operation of these programs are essential for the successful implementation of the same.

Therefore, it can be noted that GSTC backed sustainable tourism certification in Sri Lanka is at an infant stage. Though many stakeholders are interested in participating in this program, the COVID-19 pandemic had negatively affected the scaling up of the program. However, it can be concluded that with the success of the rollout of national and global vaccination programs, the certification program is regaining its momentum. Learning from the Japanese experience, coordination through government involvement, and dedication of all the stakeholders could be recommended for the successful implementation of the program in creating a sustainable, resilient tourism sector in Sri Lanka.

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