



Can we “build back better”?

The place for sustainable and responsible tourism in the COVID-19 recovery

Professor Lisa Ruhanen, UQ Business School, The University of Queensland

Bali International Tourism Conference, 17th November 2021

Acknowledgment of **Country**

The University of Queensland (UQ) acknowledges the Traditional Owners and their custodianship of the lands on which we meet.

We pay our respects to their Ancestors and their descendants, who continue cultural and spiritual connections to Country.

We recognise their valuable contributions to Australian and global society.



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The COVID-19 shock

10.6% of all jobs (334 million) in 2019



62 million jobs were lost, representing
a drop of 18.5%

The threat of job losses persists as
many jobs are currently supported by
government retention schemes and
reduced hours



The COVID-19 shock

10.4% of global GDP (US\$9.2 trillion)
in 2019



Loss of US\$4.5 trillion

Contribution to GDP contribution
dropped by 49.1%

Share of GDP decreased to 5.5%



The COVID-19 shock

US1.7 trillion (US\$9.2 trillion) in 2019

6.8% of total exports

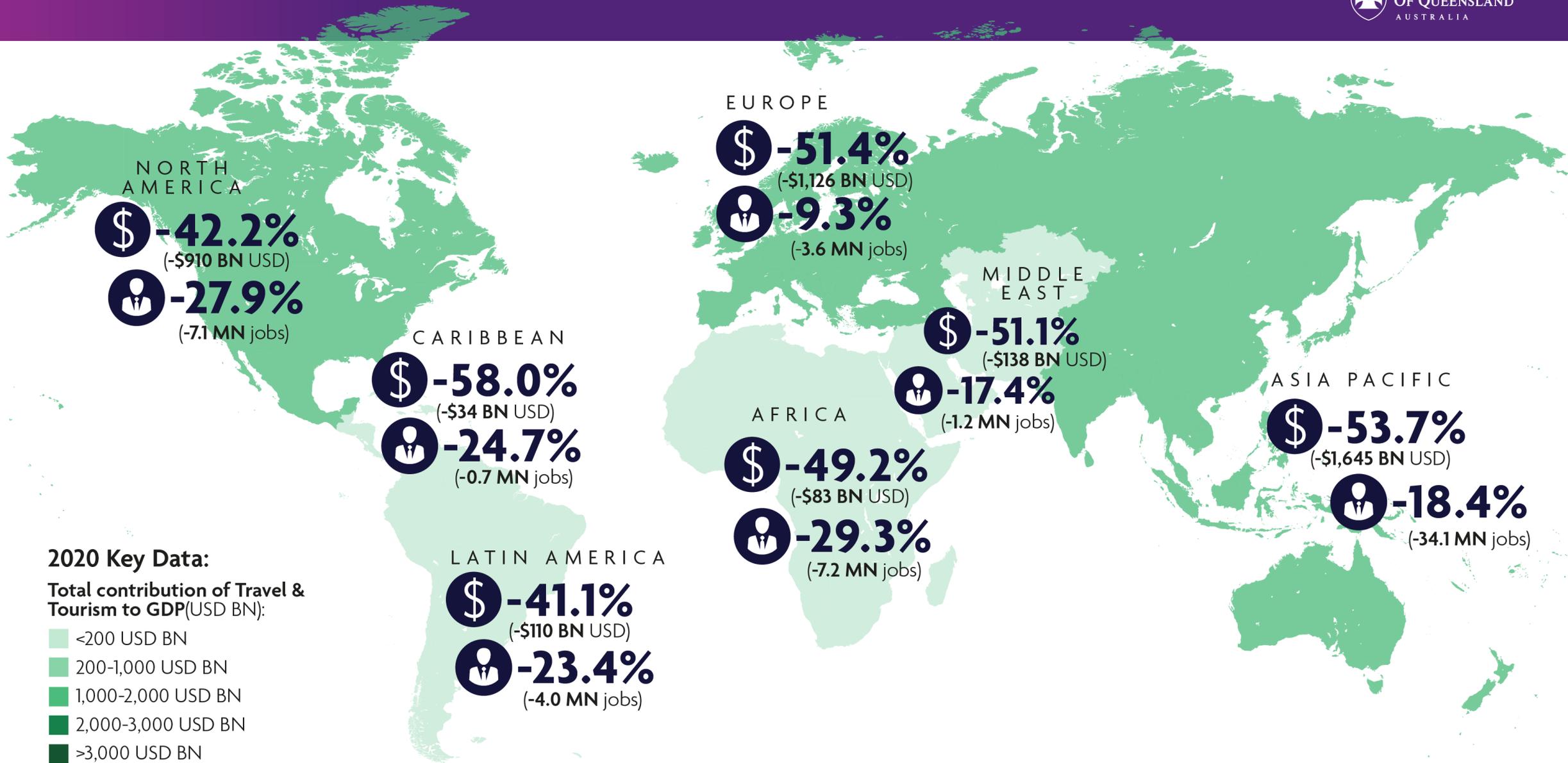
27.4% of global services exports



Domestic spending decreased by 45%

International visitor spending
declined by 69.4%





2020 Key Data:

Total contribution of Travel & Tourism to GDP(USD BN):

- <200 USD BN
- 200-1,000 USD BN
- 1,000-2,000 USD BN
- 2,000-3,000 USD BN
- >3,000 USD BN

T&T GDP change 2020

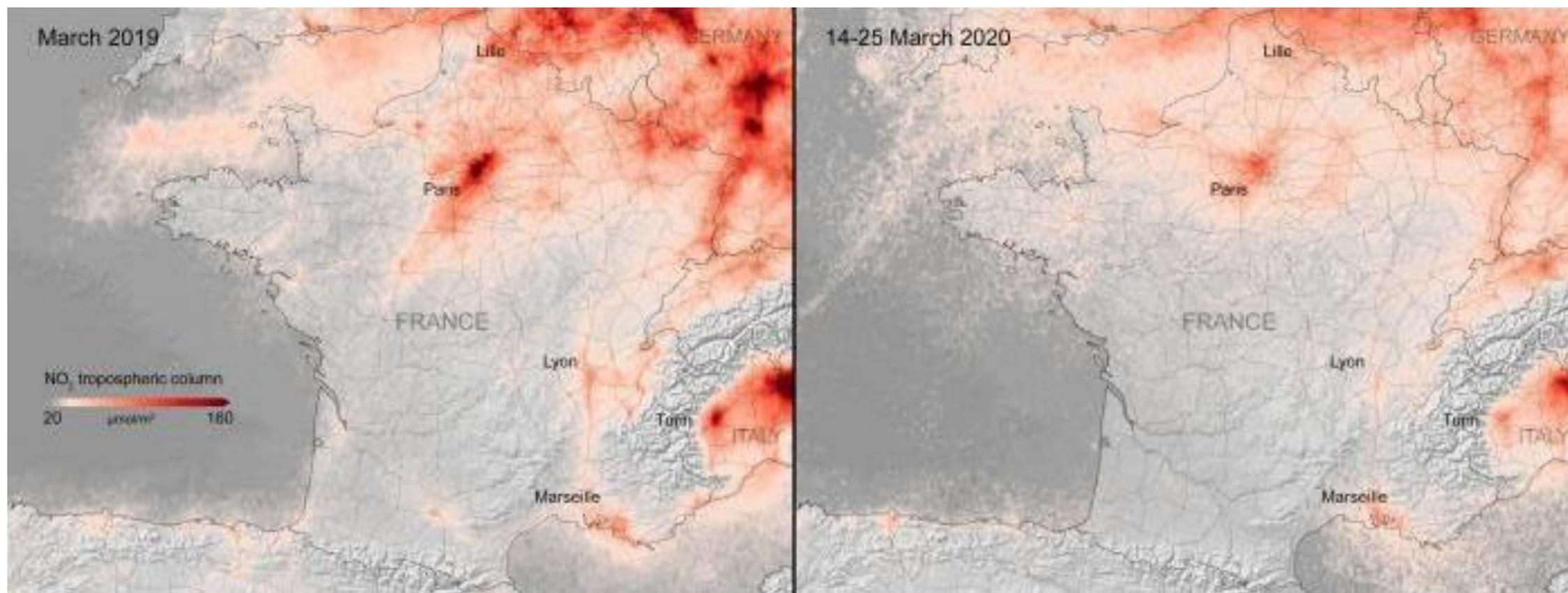
T&T change in jobs 2020

1. All values are in constant 2020 prices & exchange rates. As reported in March 2021

The environment recovers while humanity stays home



The environment recovers while humanity stays home



But we missed travel...

Before lockdown



During lockdown



Qantas flight to nowhere sells out in 10 minutes

22 Sep 2020 by Seher Asaf



“It’s probably the fastest selling flight in Qantas history... People clearly miss travel and the experience of flying. If the demand is there, we’ll definitely look at doing more of these scenic flights while we all wait for borders to open”

Qantas CEO Alan Joyce

Deloitte's COVID-19 international tourism scenarios

International demand scenario assumptions

Mild



Harsh



Severe



The outlook

The economic outlook seems positive...

Consumer confidence is predicted to return...

Government support to rebuild the sector...

But...does sustainability have a place in this rapid recovery?



Sustainable and responsible tourism

- By the 1990's sustainable tourism development had achieved 'virtual global endorsement as the new [tourism] industry paradigm.
- Based on assumptions about an increase in environmental concerns and 'responsible tourist behaviour'.
- The emphasis on responsibility means that all involved in tourism are responsible for achieving the goals of responsible tourism and as such sustainable development.
- An approach to the way we act and engage with the destination environment, people and economy as tourists, as business owners, as destination managers.



A place for sustainability?

Despite best efforts to increase, encourage and facilitate responsible behaviour the sustainable tourism message appears to have had little impact on the overall growth and development of tourism.

Would require simultaneous individual decisions by millions of people, to sacrifice their personal interests to the general good. This is vanishingly improbable (Buckley, 2013).

Research is consistently demonstrating that tourists continue to be motivated by factors other than environmental concern - carbon footprint 1% vs price 43%.



“Rebuilding tourism is
a priority, but the
sector must become
more sustainable and
resilient in the future”
(OECD, December 2020)

- Restoring traveller confidence
- Supporting tourism businesses to adapt and survive
- Promoting domestic tourism and supporting safe return of international tourism
- Providing clear information to travellers and businesses, and limiting uncertainty (to the extent possible)
- Evolving response measures to maintain capacity in the sector and address gaps in supports
- Strengthening co-operation within and between countries
- **Building more resilient, sustainable tourism**

OECD: “Crisis is a once in a lifetime opportunity to move toward fairer, more sustainable and resilient models of tourism development”



Tourism is at a crossroads and the measures put in place today will shape the tourism of tomorrow.

Governments need to consider the longer-term implications of the crisis, while capitalising on digitalisation, supporting the low carbon transition, and promoting the structural transformation needed to build a stronger, more sustainable and resilient tourism economy.

Sustainability may become more prominent in tourism choices, due to greater awareness of climate change and adverse impacts of tourism.

Shorter travel distances may result in a lower environmental impact of tourism.

UNWTO: “Embrace the principle of less is more”

“National tourism administrations and destinations are currently concerned about coming up with plans for the immediate recovery.

We have had too many governments and enterprises developing large scale projects and construction of assets of volume under the excuse of embracing the high-growth tourism industry in the Asia-Pacific region.

If we had had a greater focus on sustainability from the beginning instead of only pursuing profits, we might have been better placed to survive the current crisis”.



“More than ever, people now have a better understanding of the destructive nature of irresponsible travel behaviour. This pandemic has hit not just one country or one region but the entire planet earth. If we, as human beings, do not behave responsibly, including when we travel, then the whole planet is threatened” (Xu Jing, UNWTO).



Grow back better? Or just start growing?

“Tourism is the sector with the broadest economic value chain and the deepest social footprint. Herein lies the opportunity to rethink, restart and to grow back better. But first, we need to restart tourism”.

United Nations Conference on Trade and
Development



Immediate actions:

- Identify land adjacent to National Parks or within protected areas with the potential for tourism development.
- Pilot low-impact tourism opportunities with the private sector in protected areas or close to National Parks (e.g. upgrading National Park campgrounds with help from commercial operators).

Ongoing:

- Facilitate unique experiences (reef, rainforest, beaches and Outback) leveraging our position as Australia's most biodiverse state.
- Investigate legislative and regulatory reform, including land use designation, to provide access and facilitate new nature-based visitor experiences.
- Plan industry pathway to net zero (e.g. single use plastics and electric transport networks)
- Stimulate 'regenerative', nature-based products and experiences
- More generally, facilitate positive social outcomes for communities and their economies through appropriate development approvals.



Tourism Industry Reference Panel's
Interim Action Plan
for Tourism Recovery

October 2021



“SUSTAINABILITY AS THE NEW NORMAL” A VISION FOR THE FUTURE OF TOURISM

UNWTO Secretary-General Zurab Pololikashvili said: “Sustainability must no longer be a niche part of tourism but must be the new norm for every part of our sector. This is one of the central elements of our *Global Guidelines to Restart Tourism*. It is in our hands to transform tourism and that emerging from COVID-19 becomes a turning point for sustainability”.



ONE PLANET VISION FOR
A RESPONSIBLE RECOVERY OF
THE TOURISM SECTOR



#RESPONSIBLERECOVERY #BUILDBACKBETTER #RESTARTTOURISM

“The tourism sector registered continuous growth in the past decade, creating significant benefits in terms of socioeconomic development and employment, which are now at stake.

At the same time, such growth represented important challenges related to the carrying capacity of destinations, consumption of natural resources and impacts on climate change.

Addressing all these issues must be at the heart of a responsible recovery of the tourism sector, as the resilience of tourism will depend on the sector’s ability to balance the needs of people, planet and prosperity”.



#ResponsibleRecovery for People

Public health:

- Integrate epidemiological indicators in tourism
- Connect hygiene with sustainability
- Restore trust through communication

Social inclusion:

- Channel targeted support towards vulnerable groups
- Channel long-term support to small and medium enterprises
- Repurpose tourism as a supporter for the community





Channel targeted support towards vulnerable groups:

Many tourism jobs represent the main source of income of local communities and the livelihoods of youth, women, rural population, Indigenous and other vulnerable groups, including those in the informal economy. Therefore, targeted support which caters for their needs should allow a more inclusive recovery. The principles of decent work and safety at a work place should guide measures aiming at enhancing job security in tourism and at providing formal employment.

#ResponsibleRecovery for Planet

- Biodiversity conservation
- Capture the value of conservation through tourism
- Support conservation efforts through tourism
- Invest in nature-based solutions for sustainable tourism
- Climate action
- Monitor and report CO₂ emissions from tourism operations
- Accelerate the decarbonization of tourism operations
- Engage the tourism sector in carbon removal





Capture the value of conservation through tourism:

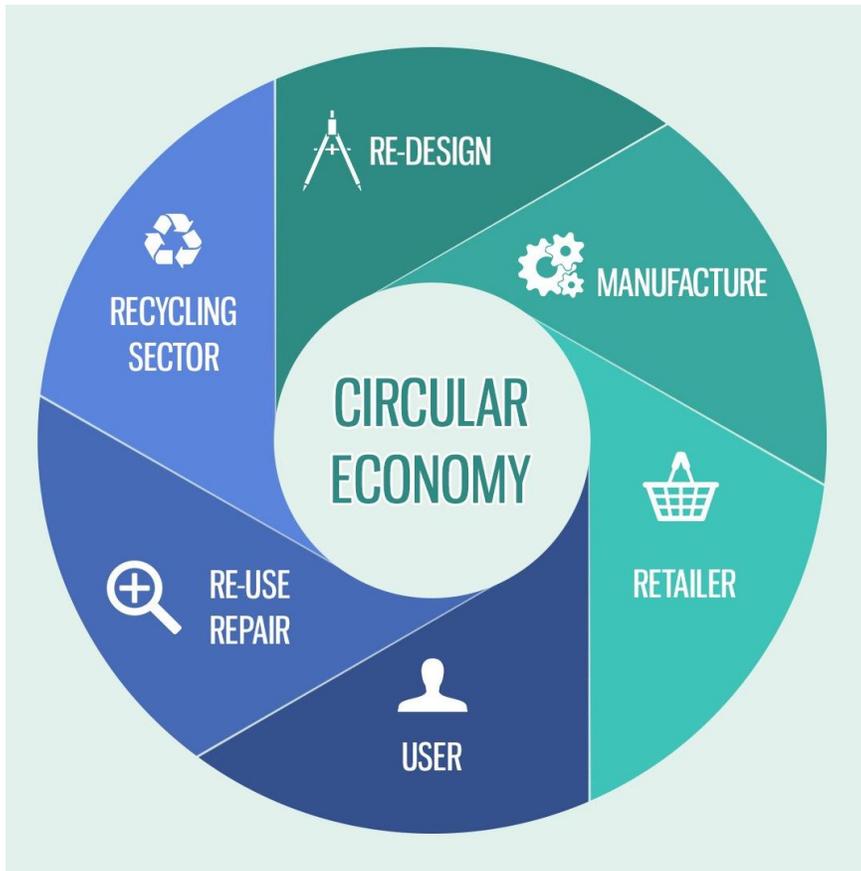
While the reduction of economic activity during COVID-19 has to some extent reduced the pressures on the environment, there are many destinations where the conservation of marine and terrestrial ecosystems, protected areas and species largely depends on tourism revenue and operators. Supporting monitoring mechanisms that would regularly capture such contribution and the value of ecosystem services through tourism at destination level would enable the tourism sector to capitalize on its conservation efforts.



Climate action:

During the COVID-19 crisis, reduced emissions and improvements in air quality have been reported and it is estimated that global CO₂ emissions for 2020 will decline by 8%.¹³ According to UNWTO/ITF research released in December 2019, the tourism sector is set to increase its CO₂ emissions by at least 25% by 2030 and therefore the need to transform tourism operations for climate action continues to be of utmost importance for the sector to remain in line with international goals.

#ResponsibleRecovery for Prosperity



- Circular economy
- Invest in transforming tourism value chains
- Prioritize sustainable food approaches for circularity
- Shift towards a circularity of plastics in tourism
- Governance and finance
- Measure beyond economic impacts
- Steer recovery funds towards better tourism
- Consolidate partnerships for implementation



Circular economy:

The COVID-19 crisis has raised awareness of the importance of local supply chains and the need to rethink how goods and services are produced and consumed, both key elements of a circular economy. Integrating circularity and further advancing resource efficiency in the tourism value chain represent an opportunity for the tourism sector to embrace a sustainable and resilient growth pathway.



Steer recovery funds towards better tourism:

Financing for the recovery of tourism should strive to balance the urgent support needed for business survival, job retention and the restart of tourism operations with longer-term goals such as the protection of ecosystems and climate change which not only underpin the global economy but also offer opportunities for creating green and decent jobs. Innovative financing solutions and blended public/private approaches would be needed.

Are we ready to really make a change?

First post-COVID cruise ship leaves Venice amid protest (June, 2021)



A place for sustainability?

“The epidemic provides a chance to do good by the climate. The chances are, though, that it will not be taken” (The Economist, March 2020).

“We still have the same cars, the same roads, the same industries, same houses... So as soon as the restrictions are released, we go right back to where we were. We’re not going to get another shot at this... We cannot afford to rebuild into the old status quo” (National Geographic, June 2020).



Concluding thoughts...

Can we “build back better”?

Is there a place for sustainable and responsible tourism in the COVID-19 recovery

- Will carrying capacity/limits to growth be meaningfully addressed when the goal is to restart tourism?
- Can we reconcile having less tourists, but higher yield?
- Will supply side investments be significant in a period of economic recovery?
- Will governments prioritise sustainability in pursuing development?
- Will consumers change their behaviour? Will we fly less?

Thank you

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