

TRENDS IN HOTEL CERTIFICATION AND RATING PROGRAMS: GUIDELINES FOR THE CARIBBEAN

PREFACE

If projections are right, the number of international tourists in just over ten years from now will be approximately 940 million, equivalent to one-sixth of today's world population. Already, travel and tourism contribute eight percent to the world's GDP. The Caribbean, long a major destination, has benefited more than most regions. In 1997, for example, some 18.8 million tourists visited the region and spent an estimated \$16.5 billion, contributing almost 24 percent to GDP and creating (directly or indirectly) one in every four jobs.

While a boon to the economy of many smaller countries, tourism – like almost all industries – has its downside. The basic requirement for sustained success is a healthy physical and cultural environment. Yet most of the tourist infrastructure necessarily is located on or adjacent to some of the most fragile ecosystems, leading to their degradation. By its success, the tourist industry may be slowly and unwittingly eroding its core asset, to the detriment of the industry itself.

At the same time, the “environmental movement” is gaining increasing momentum, with people changing their individual preferences and actions to support the concept of environmental sustainability. Probably nowhere is this more evident than in Europe and America, which accounted for seventy percent of all tourists visiting the Caribbean in 1997. The U.S. Travel Data Center, for example, has estimated that some 43 million persons (generally in the higher income bracket) in the United States identify themselves as “eco-conscious travelers”, and are likely to support “green” travel agencies.

In both the United States and especially Europe, various “quality seals” such as environmental awards and eco-labels have been used for several years to differentiate environmentally and socially friendly products, services and establishments. Within the tourism industry, eco-labeling has been one of the most successful marketing techniques for an hotel to gain credibility and custom. Frequently, these eco-labels are awarded only after a screening or certification process has been undertaken, where an hotel has been independently audited for meeting standards and policies relating to a general code of conduct or specific benchmark. By voluntarily requesting such an audit by a third party, the hotel in effect is taking a proactive approach to ensure good environmental management practices.

Certification for an eco-label usually comprises four steps. First, the hotel fills in an application form, which can be quite detailed, outlining the characteristics of the facility

and normal operating procedures. Secondly, this is followed up with a site visit, for ground-truthing purposes, by an independent auditing team who write up a report of its findings and any recommendations for further action. Thirdly, depending on the outcome of this audit, the hotel may either be given straight-out certification, or more commonly be given a grace period to put certain recommended actions in place. Guidance normally is provided in this matter, either through the provision of publications and other materials or through direct counsel. And lastly, after the hotelier or auditing team has verified any needed actions, certification is awarded. Periodic audits are then required from there on.

Market recognition from use of the eco-label is often the major motivating factor for an hotel to seek certification. In addition to the promotional advantages provided by a certification program, travel agents, tour operators and many tourists place faith in the eco-label system for guiding their actions. It is not surprising that travel agents also like to refer to hotels in other countries with similar certification.

Apart from certification programs, there is also a growing trend for major tour operators to conduct their own rating survey and provide special recognition to those hotels which meet preferred environmental standards. Two such tour operators – British Airways Holidays (BAH) and Touristik Union International (TUI) – are covered in this assessment.

For many hoteliers, the eco-label certification process has not only resulted in a market advantage over its competitors, but also has directly benefited the bottom line. Routine measures can reduce water and related costs by up to 30 percent, provide significant savings in energy, solid waste haulage, chemical and maintenance costs, and have a typical pay-back period of less than two years. Other additional advantages frequently include improved corporate/hotel image, internal management, local community relations, client satisfaction (reported to be 90 percent under Costa Rica's Certification for Sustainable Tourism), and reduced environmental liability. For especially the many small and medium-sized operations in the Caribbean, voluntary participation in an eco-labeling program could well provide a rewarding combination of commercial realism and environmental commitment.

Within especially the last five years, several initiatives have been undertaken to enhance the environmental sensitivity of the travel and tourism industry in the Caribbean and to take full advantage of the increased marketing opportunities. These include actions undertaken by the Caribbean Hotel Association (CHA) together with its daughter organization, Caribbean Action for Sustainable Tourism (CAST), the Caribbean Tourism Organization (CTO), as well as international organizations including the UN Caribbean Environment Program (UN-CEP), Organization of American States (OAS), Inter American Development Bank (IDB), and Organization of Eastern Caribbean States (OECS). Other than Costa Rica, governments such as Antigua, Barbados, Jamaica and St. Lucia are incorporating environmental criteria into their hotel grading systems.

The purpose of this assessment is to further the discussion regarding the selection of relevant guidelines and benchmarks, and the best ways to implement these for attaining

environmental excellence in the tourism industry. A brief background on the origins of the certification process is provided, followed by an overview of the more important environmental issues which need to be taken account of in the Caribbean. Lastly, a diverse selection of certification and rating programs is evaluated to compare the relevancy of their various approaches for the Caribbean tourism industry.

THE AGENDA 21 MOVEMENT

The impetus for many of the current initiatives in the tourism industry stems from Agenda 21, which refers to a comprehensive program of action for attaining sustainable development in the coming century. The Agenda was adopted by over 180 governments at the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992.

Certain key themes underpin the program, of which at least three are relevant to this assessment. The first is the need for partnerships between the public and private sectors. A second is the need for maintaining the quality of life without compromising the future well-being of the people or the planet, and a third is the need to establish systems for integrating economic and environmental accounting. In addition, the program of action recommends the development, adoption and implementation of codes of conduct by industries as a means of attaining the goals of sustainable development through best management practices.

The tourism industry has taken action to further define the relevancy of Agenda 21 for its own activities. In 1996, the World Travel and Tourism Council (WTTC), World Tourism Organization and the Earth Council jointly launched an initiative entitled *Agenda 21 for the Travel and Tourism Industry: Towards Environmentally Sustainable Development*. The action plan identifies guiding principles (in reality, a voluntary code of conduct), as well as priority areas and objectives and suggested steps to achieve them. Since 1996, seminars have been held in various regions of the world (the latest being in Dominica in December, 1998) to further Agenda 21's implementation.

This plan is but one of many which have been formulated by various tourism organizations; a 1995 UNEP - Industry and Environment report (*Environmental Codes of Conduct*), for example, listed more than thirty such codes worldwide.

Whereas a code of conduct provides general guidelines for action, it does not provide the specificity needed to actually achieve the goals on a day-to day basis. Agenda 21 again provides the basis for accomplishing these goals through an integrated system of economic and environmental accounting.

Beginning in 1991, and with further impetus provided by the 1992 Conference, the International Standards Organization (ISO) took up the challenge of formulating voluntary, generic standards for environmental management systems (EMS). A world

federation, ISO, has been around since 1947,-- but its work has been almost totally dedicated to the establishment of very technical, international specifications for anything from freight containers to the thickness of credit cards.

ISO 14000, released in 1996, is actually a series of standards that cover everything from EMS (ISO 14001) to auditor qualifications, environmental labeling, life-cycle assessment and others, some of which have not yet been drafted. ISO 14001, which governs certification (or registration), requires conformance with a series of elements of an EMS. These elements include an organization's environmental policy, planning, implementation and operations, checking for corrective action, and management review.

Basically, an EMS is what an organization does to minimize harmful effects on the environment caused by its activities, and ISO 14001 concerns the way an organization goes about its work, and not directly the result of this work. Hence, it is management, rather than performance, based. It does require a thorough awareness by the organization of its impact on the environment, including possible effects on local communities and other stakeholders such as citizens' groups, and on the local physical infrastructure. In addition, an organization must have an EMS with a structure that forces continual improvement, and prove it to an accredited ISO 14000 registrar before certification is given. Certification is good for three years, but more frequent auditing could be undertaken.

In addition to ISO 14000, several individual countries and organizations have introduced similar standards as an integral part of their country's clean production strategy. These include the British Standards Institute (BS 7750 Specification for Environmental Management Systems), the Canadian Standards Association (CAN/CSA Z750-94: Guidelines for an Environmental Management System), and the European Union Eco-Management and Audit Scheme (EMAS). All are generic in nature and all generally interchangeable.

To date, sixteen hotels have become certified under ISO 14001 – thirteen in Europe (Germany, Portugal and Sweden) and three in the Asia-Pacific region (Hong Kong and Mauritius). In Europe, these include the Forum Hotels, Intercontinental Hotels, Lusotur Golfes, Renaissance, and Sanga Saby Kurs and Konfernce Center; in the Asia-Pacific, Island Shangrila-La Hotel, Kowloon Shangrila-La Hotel, and Labourdonnais Waterfront Hotel. Three hotels, including one in Manila, currently are in the application stage.

There may be plans for ISO or one of these other organizations to prepare and release voluntary standards relating specifically to the travel and tourism industry sometime in the future. But the existing, generic nature of the 14000 series and its ilk may be unsuitable and rather burdensome for especially smaller enterprises. Certification is not inexpensive; even for a small hotel, costs could easily exceed US\$5,000, together of course with further expenditures for periodic auditing (as often as six to twelve months initially). Once certification is obtained, it is still entirely up to the hotelier to market the recognition, since no assistance in this matter is provided by ISO.

All of the above is not to say that Agenda 21 was the genesis of all tourism industry initiatives addressing environmental sustainability. At least as early as 1990, such organizations as British Airways Holidays, Silver Thistle, TUI and the International Hotel Association were presenting environmental awards to hotels and companies which demonstrated the principles of sustainable tourism.

The nature and requirements of eco-labeling programs have changed over time, however. In earlier days, an hotel frequently could show its commitment simply by paying membership dues to an organization for use of the eco-label. In other instances, especially in Europe, certification was based on achieving set performance standards, such as the amount of electricity, water and solid waste used or generated per room. Most certification programs nowadays are based on the ISO 14001 criteria: namely, compliance-based, through independent auditing, rather than merely commitment-based; and management-based, providing the necessary flexibility in operations, rather than performance-based.

Since the mid-1990's, several new certification/eco-labeling programs have been initiated, many with potential use for the Caribbean travel and tourism industry. Before reviewing these programs in detail, let's consider some of the specific environmental challenges and operational difficulties that a typical hotel has to deal with in the Caribbean. Even though an EMS program may be specific to the tourism industry, its benchmark for attainment may simply be unrealistic, or its standards may not adequately address the special environmental conditions of the region.

BEST MANAGEMENT PRACTICES FOR THE CARIBBEAN

The Caribbean, more than most tourist destinations, relies upon pristine conditions of the coastal zone – good beaches, clear water and healthy marine life. Tropical vegetation and fauna often are also cited as important assets for tourism. An island, however, is essentially a fragile, closed ecosystem with limited resources, such as water supply, and any actions – even those inland – eventually impact the whole system. For tourism to flourish, it must provide a physically healthy environment for the visitor, and ensure good community relations. No man is an island, especially on an island.

An excellent report by UNEP-CEP (*Coastal Tourism in the Wider Caribbean Region: Impacts and Best Management Practices*, 1997) considered tourism's most detrimental practices to be physical damage or change to habitats, sewage disposal, solid waste disposal, unnecessary wastage of water, and public/social interaction. These findings generally have been corroborated by studies undertaken by Island Resources Foundation, International Union for the Conservation of Nature and Natural Resources (IUCN) and others, and sections of the report are used liberally below.

Many of the impacts leading to physical damage or change to habitats result from the construction stage of hotel facilities, and not through their operation. Since eco-

labeling/certification programs are directed at already established operations, this area is not elaborated upon here. Suffice it to say that certain ongoing actions may have a detrimental impact on natural habitats and result not only in damage to an hotel business but also its physical infrastructure.

Quite often, beach front is a prerogative for a hotel property. Degradation of the natural dune, beach and nearshore vegetation, through pedestrian use, raking, removal of seagrasses, or removal of deep rooted natural vegetation and replanting with shallow rooted species, can lead to less beach protection and hence more erosion. Coastal protective measures are not as effective as maintaining the littoral zone in its natural state, and have proven to be of limited defense from a major storm and resulting inland flooding.

Tourism impacts to especially coral reefs can be devastating. Coral reefs require very precise conditions to thrive: a low level of nutrients, normal saline conditions, clear water and non-disturbance from visitors. Once dead, the reefs break apart, leading to increased coastal erosion, reduced fish catch, and reduced tourist earnings from diving and snorkeling activities.

In most islands, sewage is the largest single source of pollution. It is estimated that 80 to 90 percent of the sewage generated across the region is disposed of in nearshore coastal waters without adequate treatment. While some hotels are connected to central sewage systems, many dispose of sewage effluent through sub-surface means. Disposal of sewage and sewage effluent in the coastal area may contaminate surface and ground water resources. In many cases, contamination of the marine environment is immediate, as disposal takes place directly to the sea. Given the permeable nature of many soils in the Caribbean, sub-surface disposal often is not effective in removing nutrients before eventual discharge to the sea.

Common impacts of sewage contamination include: nutrient enrichment of surface and groundwater, deterioration of bathing and drinking water quality, outbreaks of disease and health problems, smothering of coral reefs by algal blooms, increased turbidity and reduced salinity in coastal waters close to outfall pipes and drains, fish kills, deterioration of the aesthetic quality of beaches and wetlands, and odor problems. Improper disposal of oils and noxious chemicals create similar problems, but remedial problems may be far more costly.

In many Caribbean countries, solid waste disposal sites are located in areas with soils of high porosity. Consequently, leachate from the site, including chemicals, enters the groundwater, finally reaching surface waters or the sea. Usually, there is a lack of adequate space for disposal sites, and most are open dumps. Properly managed landfills are almost non-existent. Burning is often practiced, which creates adverse impacts through the generation of noxious fumes. Additionally, dumps can emit noxious gases which are produced from the breakdown of organic matter under anaerobic conditions. The tourism industry in all likelihood produces more solid waste per capita than the community at large.

Solid waste disposal problems are pervasive, causing loss of wildlife, deteriorated human health, less aesthetic appeal, and losses in revenue for tourism. To a large degree, however, the extent of the problem can be mitigated by the hotelier organizing systems for collecting, monitoring and disposing of solid waste. The environmental “3 R’s” – recycle, reuse, reduce -- can not only decrease impacts to the natural system but also lead to significant savings in costs.

Adequate supply of potable water for the tourism industry is a major headache in most Caribbean islands. It is estimated that water consumption, on a per capita basis, can be up to ten times as much for guests as for the local community, once swimming pools and golf courses are thrown in. In addition, the tourist high season and peak water demand generally coincide with the dry season when precipitation is lowest. The potential consequences are pretty obvious: total water consumption is close to or exceeds maximum sustainable yield, resulting in the inability of aquifers to recharge themselves, leading in turn to possible saline intrusion, the danger of polluted water infiltration, and associated health risks. The dilemma is further exacerbated by the amount of waste water that must be disposed of.

Under these circumstances, any action that can be taken by the hotelier to reduce water usage (low flush toilets, low flow shower heads and toilets, automatic shut-off valves, recycling of gray water for irrigation purposes, regular checking of plumbing fixtures to reduce leaks, etc.) is an obvious benefit – not just in operation costs but to the environment.

Good community relations quite often are an intangible factor but one that is critical to the continuing success of many hotel operations in the Caribbean. Commonly, these are shaped by a deliberate and concerted effort to include, rather than exclude, local community leaders and NGOs. Areas of contention quite often include beach access, non-participation in the provision of goods and services to hotels, menial job positions for local citizens, preferential treatment regarding the supply of physical infrastructure and utilities, inappropriate guest behavior, and a general discernment of an hotel as an alien presence. Many guests are surprisingly perceptive of any feeling of animosity between their hotel and the local community, to the detriment of return visitation and the overall reputation of the hotel.

The hotelier’s approach should be one of extending aspects of the facility’s operational management to include local communities. This can be undertaken in numerous ways, but is a critical factor that needs to be fully addressed by any proposed EMS relating to eco-label certification or any rating program.

In many of the above critical areas, the hotel operator can make a short-term and direct contribution by practicing best management methods and sensitivity. Every hotel, however, has to act within the institutional constraints of the individual country. Such constraints may include an inadequate policy and/or legislative framework regarding

environmental protection, inadequate or ineffective land use planning; lack of monitoring or standards relating to effluent discharges and other pollutant sources; inadequate institutional capability to enforce or remediate actions directly or indirectly affecting an hotel's operations, a low sensitivity or communal awareness relating to the impact of actions upon the environment, and a general incapacity of the public physical infrastructure to handle wastes generated by the hotel.

Under these circumstances, both public and private participation is called for, and that tourist operations take their own lead in protecting the natural resources upon which they depend for their welfare. After all, environmental degradation is the result of everybody's actions – from those resulting from public sector system inadequacies to those of the tourism industry, developers and individuals.

A SMORGASBORD OF ECO-LABELING/CERTIFICATION PROGRAMS

For the purpose of this assessment, a broad array of eco-labeling/rating programs have been selected, not because it is envisioned that each may be available to the travel and tourism industry in the Caribbean, but because they each represent an interesting facet for consideration in setting a relevant benchmark or opting for a particular type of environmental management program. The programs considered are:

- **British Airways Holidays (BAH):** has conducted a survey of hotels in the Caribbean to identify and promote hotels with good environmental practices; currently associated with testing the viability of a benchmarking methodology for the hotel industry.
- Costa Rica's **Certification for Sustainable Tourism (CST):** one of the leading and most successful practitioners of eco-tourism in the western hemisphere, CST created its own market through a government-operated, nation-wide eco-labeling program.
- **GREEN GLOBE:** with very impressive credentials and affiliations, and with direct lineage to Agenda 21, this organization recently has begun its own certification program on a world-wide basis.
- **Green Key:** its market coverage is limited to Denmark, but certification criteria are considered to be the harshest in the world.
- **HAC Green Leaf:** this organization is now the pre-eminent eco-labeling entity in Canada; very thorough eco-rating criteria.
- **HVS Eco Services:** primarily an environmental consulting firm for the hotel industry; provides an ECOTEL certification program for the Americas.
- **Touristik Union International (TUI):** the premier German tour operator with over five million customers annually, and a pioneer in fostering environmental responsibility in the tourism industry.

Each of the organizations is evaluated according to the following criteria:

- Direct relevancy to tourism in the Caribbean (*Relevancy*)
- Organizational affiliations (*Affiliations*)
- Cost of business
- Applicability for mitigating environmental and social issues (*Applicable Mitigation*)
- Program support for certification/recognition (*Program Support*)

- Difficulty of certification/recognition (*Making the Grade*)
- Market coverage and promotional activities (*Market Coverage*)
- Guidance for establishing a relevant benchmark (*Guidance*)

1. British Airways Holidays (BAH)

a) *Relevancy*

British Airways is a major air carrier and provider of package tours for visitors primarily from Europe. Its BA Holidays Worldwide brochure has wide circulation.

b) *Affiliations*

Federation of Tour Operators, British Tourist Authority and Thames Television. For purposes of Tourism of Tomorrow Awards, BAH is also associated with the Association of British Travel Agents, American Society of Travel Agents and the Pacific Asia Travel Association. BAH recently worked with International Hotels Environment Initiative (IHEI) and CHA/CAST on a survey of Caribbean hotels.

c) *Cost of Business*

None so far. A recent survey of Caribbean hotels and awarding of environmental logos were conducted at no cost to the participants.

d) *Applicable Mitigation*

BAH combined forces with IHEI in 1997 to conduct an independent environmental benchmarking survey of all the hotels featured in the BAH Worldwide brochure. With the help of CHA/CAST, on-site surveys were conducted for those hotels in the Caribbean. The survey is particularly noteworthy, since all of the issues identified as being most relevant to the Caribbean were covered, with the exception of physical damage or change to the habitat.

e) *Program Support*

Since the program is still in the formative stage, too early to judge.

f) *Making the Grade*

Of the 98 (out of a possible 100) Caribbean hotels which participated, only 13 demonstrated significant progress in implementing the actions identified in the survey, and were awarded the environmental logo in the 1998 brochure. Under the most favorable of the various benchmarking scenarios that BAH tested, only a maximum of 21 hotels would have made the grade. To qualify, hotels would have to have an environmental management approach in place which included three of the following elements: staff training, review of environmental performance, an environmental policy statement, and a designated individual with responsibility for environmental issues. The benchmark concept will be further tested in the United Kingdom through a World Wildlife Fund grant.

g) *Market Coverage*

Qualifying hotels receive a special Tourism for Tomorrow logo, and are featured in the BA Holidays Worldwide brochure with special mention of their accomplishment.

h) *Guidance*

The survey represented one of the first exercises conducted anywhere which attempted to establish a benchmark for tourism – that is, a comparison of the achievement of different businesses against a common set of criteria to identify “best practices”. Once the benchmark is established, each hotel’s progress can be graded, and criteria can be

developed to qualify for “best practices” designation. The eventual outcome of this exercise will be extremely relevant to Caribbean hoteliers. However, it should be noted that not all of the identified environmental issues in the Caribbean were covered.

2. Certification for Sustainable Tourism (CST)

a) *Relevancy*

A circum-Caribbean nation with many of the physical and, to a lesser extent, social issues pertinent to Caribbean islands. Activities are mostly confined to within Costa Rica, but the program has met with enormous international success. Although pertinent to the total tourism industry, only hotels currently receive certification.

b) *Affiliations*

Activities are undertaken by the Costa Rica Institute of Tourism (ICT) within the Department of Natural Resources, Ministry of Tourism.

c) *Cost of Business*

No costs for membership, certification or auditing. Auditing is undertaken every six months by ICT.

d) *Applicable Mitigation*

An independent technical committee establishes the national parameters and measuring standards, which are subject to approval by ICT. These are reviewed every two years. Criteria for certification include: interaction with, and protection of, the surrounding habitat; management policies and operational systems (including reuse, recycling and reduction); interaction with guests; and socioeconomic effects on the local community. Interviews are held with the guests, as well as staff and management. Each of the criteria covers numerous activities and is very comprehensive.

e) *Program Support*

Applicants are provided with two guidance documents (an application guide, and an operational classification manual). Since members are within country, and certification is a government service, assistance is readily provided.

f) *Making the Grade*

Currently, the program has 106 hotels as members, of which already half have been certified. Since CST certification was started only in 1997, not all of the hotels have been evaluated, so it is not possible to determine the success/failure rate.

The program provides for five “bands of sustainability”. Very few hotels have attained the fifth band, which requires meeting 95 percent or more of all criteria standards.

g) *Market Coverage*

As each band level is achieved, the hotel receives increased benefits through national and international promotion, personnel training, and priority participation in world tourism fairs and events. All certified hotels can be accessed through CST’s web-site and are listed in government tourism brochures.

h) *Guidance*

Certification criteria cover every aspect concerning environmental and social issues relevant to the Caribbean. In opting for the five “bands of sustainability”, CST has adroitly avoided the thorny technical issue of establishing a single benchmark for acceptance. Instead, the program allows hotels demonstrating at least some striving for

criteria achievement (20 to 39 percent fulfillment) to enter the system. The incentive of increased benefits with increased band levels makes a lot of sense in promoting the goal of sustainability. Also, while not claiming to be ISO 14000 based, all the relevant standards are present, including management policies, operational systems, mission statement and values, plans of operation, auditing and continual improvement.

3. GREEN GLOBE

a) *Relevancy*

Worldwide coverage, with more than 100 countries participating. GREEN GLOBE's mission is to provide an environmental management and awareness program for the travel and tourism industry, at a low cost, and to provide expert help based on international best management practices. The program is active in the Caribbean region, and has recently certified four hotels in Jamaica.

b) *Affiliations*

GREEN GLOBE was established in 1994 under the auspices of the World Travel and Tourism Council (WTTC). The certification program was launched following an agreement with SGS (Societe-Generale de Surveillance Group), the world's largest testing, inspection and verification organization. With 140 offices around the world, local SGS affiliates are able to undertake the certification assessments. The program has broad conceptual support from UNEP and The Earth Council. GREEN GLOBE has entered into partnership with Green Seal, a United States-based non-profit organization, to provide product-based environmental standards. Within the Caribbean, an affiliation has been made with CHA/CAST to establish methodology for measuring the environmental performance of hotels. In addition, GREEN GLOBE has worked with the Jamaica Hotel and Tourist Association (JHTA) in launching certification standards as part of the Environmental Audits for Sustainable Tourism (EAST), which is supported by the United States Agency for International Development (USAID).

c) *Cost of Business*

Membership costs range from US\$200 for companies with less than US\$1 million turnover to US\$5,000 for companies with over US\$30 million turnover. (Reduced membership fees are awarded to those enrolled in the CHA/CAST program.) Membership is renewable each year, subject to continuing commitment and action. The initial fee to register for certification is \$200, which is waived if the applicant is a full GREEN GLOBE member. Auditing fees vary, depending on the size and type of facility. Typically, costs could run from US\$750 for a hotel with less than 50 rooms, around US\$1,400 for a hotel with 50 to 100 rooms, to \$3,000 or more for a hotel with over 100 rooms. These costs reflect conditions in Jamaica, which currently has the only functioning SGS hotel certification program. Ongoing auditing is required annually, and would be about the same cost as initial auditing.

d) *Applicable Mitigation*

Certification criteria are based on Agenda 21 and ISO 14001. They include minimum standard requirements for waste reduction, reuse and recycling; energy efficiency, conservation and management; an environmentally sensitive purchasing policy; social and

cultural development; hazardous waste disposal; company transportation and its effect on the environment; land use planning and management; and environmental/historic site protection. These best practices should be undertaken only after consultation with the guests, local community, government, and environmental and social NGOs.

e) *Program Support*

GREEN GLOBE has published several documents and fact sheets which are pertinent to best practices implementation. On-line advice is available, and training courses are provided by both GREEN GLOBE and SGS. For those who are CAST members, preliminary audits and in-house training are available.

f) *Making the Grade*

Originally, GREEN GLOBE provided a commitment-based program; once registered, a company would receive an information package which included the GREEN GLOBE logo and instructions for its use as well as a set of basic environmental management guides to help establish priorities and targets. Participation through the annual submittal of a questionnaire was required.

Since the new, compliance based, certification process only began accepting registrations in June, 1998, it is still early to determine the percentage of applicants who will become certified. Four certificates have been issued to date, all to hotels in Jamaica. More than 240 operations in 37 countries have expressed an interest in pursuing certification.

g) *Market Coverage*

Members are provided with a listing on the GREEN GLOBE web pages on the ECoNETT (European Community Network for Environmental Travel and Tourism) web-site, with network connections to affiliated organizations, and are featured in promotional campaigns such as the annual GREEN GLOBE Achievement Awards and an Environmental Awareness Day at World Travel Market, London.

h) *Guidance*

Certification criteria cover all of the major environmental issues identified for the Caribbean. The program takes the criteria from Agenda 21 from ten priority areas and is ISO 14000 based. The process includes environmental management, mission, action plans and annual auditing. The "annex page" takes into account certain local conditions in meeting standards for certification.

4. Green Key

a) *Relevancy*

A certification program catering to hotels, youth hostels, conference centers and holiday centers. Limited to Denmark, Green Key has no presence in the Caribbean. Considered to be one of the most stringent certification programs in the world.

b) *Affiliations*

HORESTA (Association of the Hotel, Restaurant and Tourism Industry in Denmark), Open Air Council, Danish Tourist Board, Danish Tourist Associations, Danish Tourist Offices. No affiliations in the Caribbean.

c) *Cost of Business*

Membership is US\$600 plus \$6 per room. Initial auditing fees are \$400; annual auditing is free, undertaken by the local government energy and environment office.

d) *Applicable Mitigation*

A total of 55 criteria are used. Prior to certification, companies must have established waste separation and collection arrangements for recyclable materials, introduced measures limiting water and electricity consumption, committed to the use of eco-friendly detergents and environmentally conscious suppliers, prepared a plan for increased use of organic products, designed a menu to include at least two organic products for breakfast and at least one low-fat starter and one low-fat main course each day, together with other requirements. Delayed compulsory criteria (to be undertaken within an agreed upon period) include an agreement for the collection of packaging, energy optimization of indoor lighting and equipment, and adequate ventilation. Ideal criteria include access for the disabled, no use of outdoor pesticides, strict landscape irrigation times, and use of composting and mulch, among others.

e) *Program Support*

Provision of manuals, checklists and technical advice.

f) *Making the Grade*

Even though a lot of commitment is required, 98 percent of all applicants become certified, primarily because Green Key undertakes the initial audit only after it is fairly certain that the applicant will be certified. Currently, the organization has 97 members, including the Radisson SAS chain of hotels. Hotels and inns are ranked on a three to five star basis, while youth hostels are awarded 1 to 5 stars. In addition, special logos are awarded to eco-friendly conference centers and to facilities which also offer “green activities” such as a jogging route.

g) *Market Coverage*

Publicity and dissemination of information is provided by Green Key and supported by affiliated organizations. Green Key has its own web-site, with information available in English, German and Danish.

h) *Guidance*

Criteria used relate strictly to on-site, facility operations, and do not address several of the criteria considered of importance in the Caribbean, since they apparently are not relevant. Some nice features include the ranking system, and the use of different logos to represent various activities and functions. Although criteria are harsh, it should be noted that the six Radisson SAS hotels listed have either four or five stars.

5. Hotel Association of Canada (HAC) Green Leaf

a) *Relevancy*

Large hotel organization (7,502 hotel members, providing 327,000 rooms), catering to accommodations ranging from bed and breakfast to large-scale resort complexes. HAC’s mission is to provide cost savings, improved corporate image, and gains in market share for its members. Operates in Canada only.

b) *Affiliations*

Access Canada (program for the disabled), Canada Select (same status as AAA in the U.S.). HAC utilizes the Green Leaf Eco-Rating Program, and audits are undertaken by TerraChoice Environmental Services, Inc.

c) *Cost of Business*

Membership fees vary from US\$25 to US\$500 per annum, depending on size. Initial auditing costs range from US\$25 to US\$200; annual auditing fees vary from US\$20 to US\$100.

d) *Applicable Mitigation*

Criteria are facility-based, focusing on corporate environmental management, saving energy, conserving water, reducing waste, and reducing use (and proper handling of) hazardous substances. They are extremely detailed, covering everything from double-sided photo-copying to the donation of surplus food and short pencils to the community and worthy organizations. Emphasis is placed on promotion and awareness by the guest.

e) *Program Support*

Members are provided with a detailed participant's guide and checklist, and numerous pamphlets, brochures, guidelines and a video cassette are available. Technical assistance is provided by HAC and TerraChoice Environmental Services.

f) *Making the Grade*

Ninety percent of applicants are certified under the graduated rating system of 1 to 5 Green Leafs. One Green Leaf is awarded for a minimum of committing to a set of environmental principles relating to energy use, water conservation and waste reduction, and two through five are based upon the results in applying those principles. These escalate steeply in degree of difficulty. Two Green Leafs are awarded once the hotel has moved beyond an awareness of sound environmental performance and achieved tangible results in reducing environmental impacts of its operations; three are awarded when the hotel has shown excellent progress in environmental performance in all areas of facility operations and management; four are awarded when the hotel has shown national industry leadership in terms of environmental performance; and, finally, five Green Leafs are reserved for hotels which serve as world leaders in environmental performance, and continually introduce new policies and practices for others in the industry to follow.

g) *Market Coverage*

Members and their ratings are featured in provincial travel guides, and in the Federal Government Directory of Accommodation which reaches 300,000 employees.

h) *Guidance*

Some of the criteria obviously are geared to operating in a northern climate, such as reducing heating costs. Like Green Key, they also are facility-based (presumably, it is assumed that government monitoring and regulations will address any off-site impacts), and thus do not cover all of the major issues identified for the Caribbean. Again, however, this program has some nice features, including guest awareness and contributions of surplus products to the community. The rating system is particularly impressive, allowing for easy entry to the program but providing unlimited scope for advancement.

6. HVS Eco Services

a) *Relevancy*

A U.S. based environmental consulting firm, catering to the hospitality industry primarily in the United States and Central America. It has, however, undertaken operating audits in the Caribbean, such as for Little Dix Bay, Virgin Gorda, outside of the certification process. Its purpose is to lower operating expenses and increase revenues.

b) *Affiliations*

A subdivision of HVS International, the world's largest private hotel consulting firm. Certification is provided under ECOTEL. HVS Eco Services currently is associated with Eco-Rating International for undertaking an environmental performance study of southern California hotels. Company has participated in CHA's Annual Conference.

c) *Cost of Business*

Membership is free, but initial auditing costs can range from US\$1,000 to US\$15,000 depending on the size of the facility and its location. Ongoing auditing, undertaken by HVS staff, is free for the first 24 months. Re-certification and auditing is required every two years, or as considered necessary by ECOTEL. Costs associated with these periodic activities probably would be less than the initial costs.

d) *Applicable Mitigation*

Criteria are extremely detailed and focus on energy efficiency, waste management and recycling, water conservation, legislative compliance (important in the United States) and employee environmental education and training. Auditing inspections lead to the development of Action Plans which are specifically designed to address not only operating but also individual site characteristics. A detailed cost-benefit analysis of projected savings is provided.

e) *Program Support*

HVS International works directly with the hotel through inspections and follow-up visits, resulting in hands-on technical advice and assistance. Access is provided to the ECOTEL Product Index of environmentally sensitive manufacturers and service providers, along with products and services.

f) *Making the Grade*

Although HVS International has over 1,000 clients, only 34 hotels have received ECOTEL certification, none of which are in the Caribbean. It is unknown, however, how many actually apply for certification, rather than merely using the company's technical support and services. The certification program uses a graduated five Globe award system to honor hotels. Inspections are stiff, with the team present on the property for an average of 30 hours. Extensive interviews are conducted with hotel staff. It is probable that the average hotel would not make the grade.

g) *Market Coverage*

Widespread publicity is provided for the "HVS:ECOTEL Collection" of hotels, resorts and lodges through international and regional promotional campaigns. Hotel listings are provided in The American Hotel and Motel Association's Directory. In addition, a toll free central information system directs customers to the hotels, and individual advertising is provided on ECOTEL's web-pages. Promotional activities primarily are aimed at the American market.

h) *Guidance*

For the well-heeled operator, this is a good investment. Substantial savings probably have been gained by Little Dix Bay, for example. It is estimated that low-flow showerheads would result in a saving of US\$35,000 a year (representing a payback in under 25 days); faucet aerators would save over US\$12,000 a year (payback in 36 days); and readjustment of its HVAC equipment and operating practices modification would save US\$50,000 to US\$75,000 a year (at no upfront equipment cost).

Although expensive, the certification process and tailored action plan in all likelihood surpasses (in level of detail) most certification programs. The criteria, however, still do not fully cover all of the major issues relevant to the Caribbean as identified in this assessment.

7. Touristik Union International (TUI)

a) Relevancy

Founded in 1986, a world-wide tour operator with regional interests primarily in the Dominican Republic, Cuba and Mexico; also active to a lesser extent in several other Caribbean islands (Antigua, Aruba, Barbados, Bequia, Bonaire, Curacao, Grenada, Jamaica, St. Kitts and Nevis, St. Lucia and Tobago). TUI has undertaken very innovative measures to ensure that environmental best management practices are undertaken by its hotel holding companies and other participating facilities. Its mission is to provide environmentally compatible holidays for its clients.

b) Affiliations

More than 7,000 partner hotels and other accommodations worldwide. Within the circum-Caribbean region, proprietary and/or management interest in RIU Hotels (Dominican Republic) and Robinson Clubs (Mexico). Affiliated to numerous tourism organizations. Works closely with IHEI in improving its annual Environmental Checklist.

c) Cost of Business

None; participating hotels and other facilities are required to complete an annual environmental survey.

d) Applicable Mitigation

Environmental checklists are not only undertaken for individual accommodations, but also for destination areas, covering physical infrastructure characteristics (including transportation), air, noise, conservation and protection of wildlife, together with the quality of nearby beach and marine resources. In addition, an award is given annually to an environmental organization for outstanding work.

The hotel checklist is comprehensive, addressing all aspects of on-site operations and associated off-site environmental impacts. Social considerations, such as community relations are not covered, however.

e) Program Support

Guidance for completing the Environmental Checklist, is provided by TUI and its local destination manager, who also undertakes the general area assessment.

f) Making the Grade

Difficult to achieve top rating status. Of the 14 criteria listed in the checklist, at least six have to be achieved, of which four (connection to a sewage treatment facility, water conservation measures, energy saving measures, and waste separation and waste avoidance) are compulsory to be awarded the recognition of “environmentally sound hotel management”. Currently, 195 hotels have this status. In addition, based on questionnaires returned by guests, five hotels are selected annually as a “TUI Environmental Champion”. While the Environmental Checklist is completed by the hotelier and no formal auditing is undertaken, reality checks are provided by the destination manager, TUI’s 2,500 employees (who are trained to conduct their own surveys when staying at hotels), and by the guests themselves.

g) *Market Coverage*

Wide promotion in Germany through TUI brochures, press releases, conference presentations and a very informative web-site (still mostly in German, but English to follow shortly). Hotels and other facilities with awards receive special coverage.

h) *Guidance*

This program is exceptionally consumer friendly, allowing the prospective guest to comprehensively scope out both hotel and destination area. The area assessments are thorough and frank, and can be accessed through the web-site. In addition, detailed assessments for each of the award-winning hotels are provided which cover all of the criteria in the Environmental Checklist.

SUMMARY AND RECOMMENDATIONS

First and foremost, any certification or rating program needs to be sensitive, appropriate and realistically adapted to the special needs of the Caribbean region and its tourism industry. Fine tuning is required to take into account local community, environmental and public infrastructure realities. For example, mandatory use of low-pressure shower heads as a required standard is pretty inapplicable if the provided water pressure is simply insufficient to handle the task. GREEN GLOBE's concept of a separate annex to the certification application, exploring locally limiting conditions, is an excellent one which should be pursued. Hopefully, the BAH benchmarking initiative will provide additional guidance for establishing a regional or national performance rating system, similar in intent to CST's and tailored to the Caribbean.

Past emphasis by certification and rating programs has been placed on the ecological impacts of tourism activities, with little attention paid to implications regarding the quality of life and social heritage of the communities and countries directly affected. It is satisfying to note that certain certification programs (such as CST and GREEN GLOBE) take these matters into consideration. An hotel facility has discernible impacts upon both the surrounding community and the physical environment which should be fully accounted for in the certification or rating process.

Quite a few of the eco-labeling programs considered utilize a graded system of attainment. This is considered to be an excellent idea, providing the applicant with a threshold or benchmark which is achievable, but allowing sufficient flexibility for continuing improvement in environmental management practices and community interaction. CST's concept of rewarding "high flyers" with additional promotional opportunities is sound and should be further explored. However, it must be noted that an ideal certification or rating program should be aimed at bringing into the fold as many operations as possible initially, where at least a start toward best management practices can make the greatest positive impact upon society and the environment.

The cost barrier for certification must not be too exclusionary for small to medium-sized operators, which make up the bulk of the Caribbean tourism industry. While not fully tested in the field, GREEN GLOBE's potential costs for certification appear to be a little

steep, albeit justifiable at this stage of implementation. To be fair, quite a few of the programs against which it is compared are wholly or partly subsidized by governmental programs. A form of mutually agreed-upon subsidization by all parties (governments, regional organizations, international agencies and certification providers) for especially smaller operations may provide long-lasting benefits to both society and the environment in the Caribbean. CAST has already undertaken positive steps by providing preliminary auditing and in-house training services for its members. Any assistance like this considerably reduces the time and costs involved for the hotelier in preparing for certification. Ways to reduce the actual auditing costs should also be explored, such as a regional organization or government coordinating group certification for several hotels at one time.

While an ISO 14000 based certification program provides rigorous and internationally accepted standards, it is not necessarily a prerequisite -- unless, perhaps, special standards for the travel and tourism trade are issued in the future and which have universal appeal. All of the programs considered in this assessment would contribute much, to especially environmental degradation, within the Caribbean.

For the small hotelier, a good environmental management system is fine, but a major part of the bottom line is use of the eco-label for marketing and support purposes. In the eventuality that several certification and rating programs are introduced to the Caribbean, it is to be hoped that an hotel, having achieved a certain level of environmental commitment, is provided adequate coverage through reciprocity of the various programs. A clearing house and data base, managed by an appropriate regional organization, would do much to further the standing of deserving operations within the region.

Similarly, Green Key's use of various logos should be explored further, especially relating to outdoor activities, such as environmentally sensitive scuba diving and marina operations. Where possible, in the long-term, a "bundle" of environmentally conscious operations should be promoted through mutual agreements between the various certification and rating programs. Lastly, the concept of TUI's destination assessments should also be explored, both for informational as well as educational purposes for the prospective visitor.

The world travel demand is our oyster; we just have to design that oyster to best fit Caribbean needs.

This assessment was undertaken for Caribbean Action for Sustainable Tourism (CAST) by Dr. Christopher Howell, who is a Program Associate of Island Resources Foundation, and President of Strategic Planning Group (SPG), Inc. This publication is sponsored by the Caribbean Regional Unit/United Nations Environment Programme through a grant from USAID Jamaica for the establishment of a Caribbean Environmental Network
