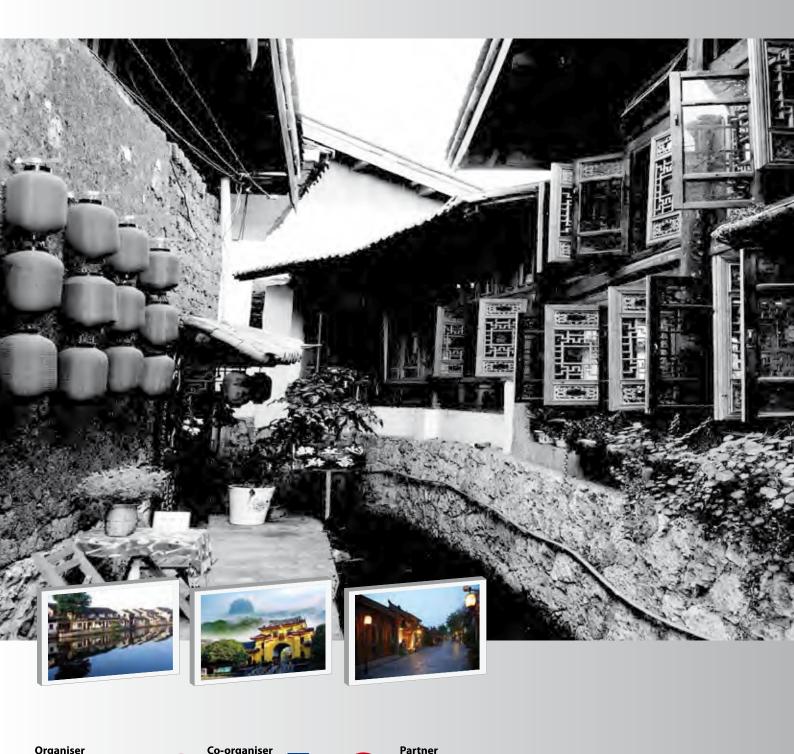


China Responsible Tourism Forum December 16, Beijing, China

# **Post-event Summary**













### FIRST PATA CHINA RESPONSIBLE TOURISM FORUM

### overview

With demand from would-be participants exceeding supply, it was clear from the outset that the first China Responsible Tourism Forum (CRTF) organised by the Pacific Asia Travel Association (PATA) in Beijing on December 16 would be of interest and relevance to China's travel and tourism industry.

The aim of this first forum, which coincided with the launch of the new PATA China Board, the PATA China Beijing Chapter and first PATA Student Chapter in China at Beijing International Studies University, was to stimulate debate between the tourism industry and government on the important issue of responsible tourism.

"Our long-term goal," Kate Chang, Regional Director of PATA's Greater China office, told delegates, "is to serve as a bridge for industry exchange between China and the rest of the world, to help protect the heritage and culture of ancient towns and villages in China through public-private sector cooperation, while at the same time carefully developing these towns and villages to boost tourism and generate economic growth and employment for local communities."

Ms Chang's words were reiterated by co-organiser Jens Thraenhart, Chair of the PATA Chapter and President, Dragon Trail China, who added that generating increased awareness of the importance of responsible tourism for China's heritage towns and villages is also critical, since this in turn can help to bring about social change.

This first CRTF, organised in co-operation with the Organising Committee of the China International Heritage Towns Exposition, and moderated by CCTV Business News anchor Deidre Wang-Morris, brought together more than 130 delegates from government and industry, as well as national and international experts in the field of sustainable, or responsible, tourism.

Responsible tourism thought leaders, such as Mr. Martin Craigs, PATA's new CEO, Mdm Wang Yan, Deputy Director-General of CNTA, Professor Zhang Guangrui of the Chinese Academy of Social Science, Dr Chen Xu of the China Tourism Academy, Professor Geoffrey Lipman of Greenearth.travel, Anna Pollock of DestiCorp, Peter Semone of the Lao National Institute for Tourism and Hospitality (LANITH), Mason Florence of the Mekong Tourism Coordinating Office, and UNESCO Beijing Office Director Beatrice Kaldun, all provided pertinent insights.

But the resounding success of this first forum was largely due to the inspiring case studies presented, highlighting innovative examples of best practice in China, and demonstrating that responsible tourism is already firmly on the agenda of small and medium-sized enterprises in the country.

The different presentations and ensuing discussions also confirmed that China is at the forefront of grass-roots responsible tourism development. This is of course welcome news. Over the past two years, despite the global economic recession and financial crisis, tourism demand has exceeded all expectations - both in terms of China's inbound arrivals and receipts but also, and more importantly, in terms of local demand for domestic and outbound tourism. And this unprecedented growth is set to continue.

While the economic impact has so far been extremely positive, it risks jeopardising the sustainability of tourism development in the longer term, whether in China or other countries.

"It is clear that travel and tourism will have a major, and increasing, impact on the destinations people visit," Ms Wang Yan, Deputy Director General of the Department of Tourism Promotion and International Liaison, China National Tourism Administration (CNTA), told delegates at the CRTF. "All stakeholders, whether from the public or private sector, have a role to play. And we must all assume our social responsibility and take active measures to protect our environment and heritage."

The case studies presented covered projects designed and developed to reinvigorate abandoned or neglected villages, generate new jobs through tourism, and restore and preserve ancient heritage and customs. The different projects depend on the buy-in and engagement of many stakeholders - including local villagers, local governments, non-governmental organisations (NGOs), tourists and volunteers.

But greater efforts need to be made the destinations themselves to raise awareness of the need for responsible tourism, and to attract and engage responsible tourists - or 'conscious travellers', to use the term coined by one of the CRTF's keynote speakers, Anna Pollock of DestiCorp.

If destinations heed this key message, they will be well rewarded since conscious travellers generate higher yields, help promote and market destinations and companies through their patronage, favour responsible suppliers, encourage best practice and accelerate innovation, as well as helping to ensure that suppliers stay ahead of demand.

Over the course of the next few months, building on the positive results of this first Responsible Tourism Forum, PATA and the new PATA China Chapter will focus on improving communications and sharing best practice, taking advantage of the many new channels available, such as the internet and social media. PATA also plans to expand the number of student chapters in China, as well as developing programmes that benefit students as well as companies.

"The importance of supporting tomorrow's leaders in the travel and tourism industry in China by developing student chapters is critical, especially recognising the growth that China is experiencing," said Jens Thraenhart. "Developing mentorship and internship programmes will be part of our activities. And these, in turn, will build careers for students, and will grow the business of PATA Member organisations."

The 2nd China Responsible Tourism Forum, a collaborative venture between PATA, its members and partners, is scheduled for 2012. The event will introduce the Annual China Responsible Tourism Awards aimed at recognising innovative and experiential responsible tourism businesses in China.



**Martin Craigs** CEO, PATA

**Geoffrey Lipman** Director GreenEarth.trave

Anna Pollock CEO, DestiCorp UK & Founder, Consious Travel

of Tourism and Hospitality







Founder,

WildChina

Jens Thraenhart Chair. PATA China Chapter & President, **Dragon Trail** 

Mason Florence Executive Director, Mekong Tourism Coordinating Office (MTCO)

James Spear Partner, Schoolhouse at Mutianvu





Peter Semone **Chief Technical** Advisor, Lao National Institue

Zhang Guangrui Director, Tourism Research

Centre of CASS



Chen Xu Researcher, China Tourism Academy



Deirdre Wang Morris **Business News Archor** CCTV News



Antonio Ochoa Architect Director, **Red House China** 

**Beatrice Kaldun Programme Specialist** and Head of the Unit for Culture **UNESCO Beijing** 

Zhou Li Managing Director, China Wall Group

### **Opening Session: Setting the Scene**

Following a brief welcome from the China Responsible Tourism Forum's organisers – Kate Chang, Director of PATA's China office, and Jens Thraenhart, Chair of the PATA China Chapter and President, Dragon Trail China – the official Opening Address to the first CRTF was shared between a number of different speakers representing government, the NGO community and PATA. All stressed the critical importance of responsible tourism to ensuring protection and preservation of national heritage, culture and the environment.

#### Lan Jun, Executive Vice President and Secretary General of the China Council for the Promotion of Nationalities Trade, and Director of the Organising Committee of China International Heritage Towns Exposition

"China's history of many thousands of years has produced a glorious heritage, and it is very important for both Chinese and foreigners to appreciate this," Mr Lan told delegates.

2012 will see the staging of the first China International Heritage Towns Exposition, and Mr Lan said that he was therefore particularly pleased to collaborate with PATA in organising this first CRTF, which would help raise awareness of the need to protect China's heritage as demand for tourism in the country's ancient towns and villages grows.

#### Wu Dawei, Tourism Officer, ASEAN-China Centre

Established by the Chinese Government and the China office of the Association of South East Asian Nations (ASEAN) on November 18, 2011, the ASEAN-China Centre is committed to the promotion of trade, investment and tourism culture between ASEAN Member countries and China.

"Tourism is extremely important in generating economic growth and employment," Mr Wu said. "But it needs to be responsible to ensure the sustainability of tourism development in the future for the benefit of all stakeholders."

#### Ms Wang Yan, Deputy Director General, Department of Tourism Promotion & International Liaison, China National **Tourism Administration (CNTA)**

"This forum is very timely," Ms Wang said. "Tourism has been earmarked as a strategic pillar industry of the national economy, as well as a modern service industry."

Forecasts currently suggest that there will be 3 billion domestic trips in China by 2015, Ms Wang added, while outbound trip volume will exceed 88 million. Given this unprecedented growth in demand, it is clear that travel and tourism will have a major impact on the destinations Chinese visit.

"So we must all assume our social responsibility and take active measures to protect our environment and heritage."

#### Martin Craigs, PATA CEO

PATA's newly appointed CEO Martin Craigs noted that this was a really historic moment to start a very important dialogue - on how to grow tourism sustainably.

"When I first came to China 30 years ago, the number of airline passengers travelling to, from and within China by air was 3 million," Mr Craigs said. "This year, the total will be some 300 million. And, by 2029, Boeing and Airbus expect the figure to be close to 1 billion."

In some ways this level of growth is very motivating, said Mr Craigs. "But what about the impact of all this passenger traffic on tourism facilities? If we do not protect our environment and heritage, we will end up not having much to protect.

"This is why this forum is so important," he added, "and why PATA is committed to backing such key initiatives in our Member countries."

### Panel Session: The Mission of the CRTF

Panellists: Professor Zhang Guangrui, Director, Tourism Research Centre, Chinese Academy of Social Services; Chen Xu, Researcher, China Tourism Academy; Ms Kate Chang, PATA Regional Director, Greater China; and Jens Thraenhart, Chair, PATA China Chapter, and President, Dragon Trail

In line with PATA China's objectives in organising the CRTF, panellists agreed that the mission was to raise awareness of the need for responsible tourism, especially in China's ancient towns and villages. First, there is a real need to protect and preserve the unique heritage and cultures of these towns and villages but, by so doing, tourism can also be developed responsibly, enhancing and sustaining the destinations' attractiveness, and in turn generating economic growth and employment for the respective local communities.

This was clearly not a big issue when tourism in China first started, said Zhang Guangrui, but tourism's negative impacts have been increasing as a result of the rapid growth in demand, and the situation now needs to be closely monitored to minimise these impacts.

While the main focus in terms of tourism development until now has been on its economic contribution, noted Chen Xu, the next five years will see much greater emphasis on sustainability.

Indeed, a significant share of PATA's activities in China, and the role it has assumed over the past six years in response to Members' requests, is providing advice on how to develop tourism responsibly. This advice is all the more important when it concerns the fragile heritage and cultures of ancient towns and villages.

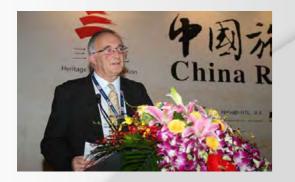
But what is the best way of motivating destinations, companies and individuals to develop tourism responsibly when it is sometimes very difficult for people to see how their businesses will benefit?

Cooperation between all stakeholders is essential, panellists agreed, and not least public-private sector partnership. The role of government – whether central, provincial or local government – should be to support private sector initiatives that provide tangible benefits for local communities, offering incentives to stimulate and facilitate investment, such as exemption from landuse charges and other taxes.



### Protection, Sustainability and Responsibility: Current Trends

Professor Geoffrey Lipman, Director GreenEarth.travel: China's Leadership Role in Green Growth and 'Travelism'



'Green growth' is all about preventing our grandchildren from freezing or frying by limiting temperature increases to 2 degrees Celsius, to quote Prof Lipman in his keynote presentation. It provides a framework to tackle the big global challenges of today (poverty, dysfunctional economics and climate change) and those on the horizon (population overload and consequent basic resource shortages). It means lower carbon lifestyles, mobility and communities, as well as new conservation approaches to maintain species balance, and inclusion to maintain human balance. It will gradually force change in every aspect of production, consumption and investment around the world.

Unlike green growth, 'travelism' is a new term, coined by Prof Lipman to denote an emerging 21st century phenomenon, and "one of the biggest industrial activities on the planet.

"It reflects the socio-economic impacts of the whole travel and tourism value chain," said Prof Lipman, "including both supply and demand – such as distribution, transport, accommodation, hospitality, ground services and communications. Its contribution to GDP is generally estimated at 5%, or 9% including its indirect and induced impacts. And its carbon footprint represents some 5% of total carbon emissions."

As China steps up its commitment to adjusting its socio-economic model to play a leading role in the long-term global 'green growth' shift, there are clear signs that travel & tourism – or 'travelism' – will be an increasingly important element, Prof Lipman said. "So organising a conference on responsible tourism in China is important because the world will be looking to China for a lot of its direction in the future.

"The economic mainstreaming of travelism has the advantage that its growth patterns and interrelationships with other national priorities will be more keenly monitored and reviewed as China's holistic green growth commitment strengthens," Prof Lipman noted. "This sector has the opportunity to be an integral part of this repositioning and equally a beacon of China's positive change. Embryonic green growth, travelism-related policies for planes, cars, hotels and travel service providers will widen and deepen from national through provincial and local levels. These will merge with measures for smart grids, clean cities and renewable energy across urban and rural landscapes."

Tourist hotels and resorts will become green growth beacons in themselves, Prof Lipman added. These are an important part of real-estate development in China, because they stimulate domestic and foreign investment, attracted by visitor spending cash flow. They are usually Greenfield developments and there are many international building and operational standards and certification programmes that will progressively merge with national or provincial models.

"We can look forward to increasing international collaboration in this area," Prof Lipman said, "where an outstanding example exists in regard to Hainan Island, specifically designated for tourism investment. A two-year joint programme of land-use planning by the Flemish Land Agency and management agencies within the Ministry of Land and Resources funded by the EU-China Biodiversity Programme provides a unique new framework for green growth travelism planning."

Synergies between China's geopolitical trade and tourism strategies can also be a revolutionary piece of the international green growth and travelism agenda, Prof Lipman noted, if dynamically growing outbound travel can be linked to China's emerging global business agenda.

"There is much talk about the nature of China's overseas investment as an increasing part of global economic rebalancing," he said. "But what has not been fully appreciated so far is that Chinese investment in resource industries in Africa, for example, will automatically be followed by flows of people. These tourism export flows for the host country can be captured for development purposes – an essential element of the green growth paradigm."

## Ms Anna Pollock, Director, Desticorp, and Founder, Conscious Travel: Crossing the Chasm – Attracting, Engaging and Supporting the Conscious Traveller

"We are at a pivotal point in human history," Ms Pollock told delegates at the CRTF, "when one way of being and doing in the world is declining and another is replacing it. In virtually every sector of human endeavour, we are 'rethinking' – questioning whether the assumptions that underpinned our normal ways of making sense of the world still work.

"Hence the title of my presentation," she said, "Crossing the Chasm. It's as though we are crossing from one side of a deep valley to another."

According to Ms Pollock, the tourism industry has reached important crossroads. We can continue down the path that has led to nearly a billion people crossing international borders every year, or we can create an alternative model for a more responsible – environmentally responsible, spiritually fulfilling and socially just – version of tourism.

Given the rules of the prevailing worldview, one needs an economic argument to justify preservation and protection of ancient villages and the cultures that created them. One needs to show that there is a market for these places – that people will come and visit them and spend money that benefits the local economy.

Yet not all tourists are equal, Ms Pollock stressed. Some will simply see these places as yet another piece of the backdrop – another item on a checklist to be ticked off, photographed and then forgotten. But others will want to get engaged, really explore, stay longer, spend more and ensure their visit leaves a positive benefit to the host community. These travellers will go home transformed in some way and will take home more than thousands of digital images that quickly disappear into the dark recesses of their computer's hard drive.

Which market is right for you? Ms Pollock asked. The traditional tourist or the conscious traveller?

Conscious travel, said Ms Pollock, will increase the positive net benefits to communities and, over time, create financial sustainability to all involved and affected. Conscious travellers – the majority of whom are female – are likely to be youthful, wired and highly educated, as well as being three times more likely than average to try new things, and three times more likely to reward or punish a brand based on corporate practice

Even in the recession, the majority of conscious travellers believe it important to make choices based on environmental and social benefits, and more than half, Ms Pollock maintains, are willing to pay more for sustainable brands.

If destinations are successful in attracting, engaging and supporting the conscious traveller, they will be rewarded. "Conscious travellers generate higher yields, help market destinations or companies through their patronage, favour responsible suppliers, encourage best practice and accelerate innovation, and help ensure you stay ahead of demand," Ms Pollock said.

Indeed, she added, the conscious traveller is the ideal customer since he/she is wired to share, wired to care, is looking for transformative experiences, wants to relate to local people and seek purpose and meaning in his/her travel experience.

But if destinations and companies wish to attract and really engage conscious travellers, communication is key – from the beginning to the end of a conscious traveller's journey. This means before they leave home, ie in the run-up to their departure, as well as during their visit, and also once they return home and start sharing memories with their friends and families.



### Protection, Sustainability and Responsibility: Sector Perspectives

Ms Mei Zhang, Founder, WildChina: The Tour Operator Perspective – Developing Tourism for Fragile Environments



The founder of one of the leading responsible tourism operators in China, Ms Mei Zhang is well placed to pass judgement on different examples of tourism development in her country, and the case studies she presented highlighted the positive and negative impacts.

YuBeng Village in Yunnan Province is a secluded Tibetan village at the foot of Meili Snow Mountain, and trekking around this region has long been popular as it offers a good combination of culture and scenery, while at the same time allowing visitors to feel in harmony with nature.

According to Ms Zhang, the Nature Conservancy got involved early on with profit-sharing strategies that improved local conditions in YuBeng. But, in 2009, local government handed over management to an outside, state-owned tourism company. Thousands of yuan were spent to employ locals to handle rubbish, but the villagers took the money and neglected their duties, not even bothering to clear the rubbish. Today, each of the 20 inns in the village has a boiler needing 500 kilograms of firewood a day, which represents an average daily burning of 10,000 kilos. Not surprisingly, over the last two years, this has resulted in significant damage to the local tree population.

Guizhou Province, in contrast, is "one of China's hidden treasures" – to quote Ms Zhang – a province of vibrant minority cultures, lush terraced rice fields, and rich forests. It is also one of China's most underdeveloped and remote regions – 2.55 million people living in absolute poverty, with an average annual income of less than US\$85. Education, health, water supply and waste treatment are the most pressing needs for many villages in Guizhou.

WildChina, which is committed to supporting and preserving local village culture, helps to repair local roads used for farming, as well as supporting villagers with local chores such as collecting wood and crops. In 2011, the operator led nine different tours to Guizhou, with volunteers among the tour participants, as well as guides, helping to build the local school and playgrounds, improving water irrigation systems, and assisting in donating books, building libraries, and assisting with other service projects.

"Social change can only be brought about by a reinforcing cycle," Ms Zhang told the forum delegates. "Most villages have neither the financial resources nor local manpower to regularly maintain, much less improve, the local infrastructure."

Ms Zhang identified three important steps to ensuring responsible tourism development on the part of destinations and other suppliers: "Influencing local government, partnering with responsible travel professionals, and devising sustainable profit-sharing strategies. These are all critical," she said.

#### Peter Semone, Chief Technical Advisor, Lao National Institute of Tourism and Hospitality (LANITH): Destination Human Resource Development and Service Excellence

In line with its overseas development aid and poverty alleviation agendas, the Luxembourg Government has been very actively involved in human resource development and service excellence in the Republic of Lao. The establishment of the Lao National Institute of Tourism and Hospitality (LANITH) is a US\$36 million Social Enterprise Project, with equal funding from the:

- Luxembourg Development Cooperation LAO/020
- Government of Lao's Ministry of Education, and
- Private sector hotel investors.

The basic premise for the launch of the project was that, in order for Lao PDR to become a competitive destination both regionally and internationally, it needs to follow the example of other destinations and have an equally credible, yet independent approach to education and training in the tourism sector.

The LANITH programme has helped improve the quality and scope of the country's existing education and industry training provision by creating an environment of continuous development in response to industry needs. While training is creating skills to better meet the flexible demands of the sector, educational programmes for selected locals in different parts of the world are helping to create thinking people better equipped to address the challenges facing the industry in Lao.

Among the project's main goals, improvements in service quality are key to improving Lao's destination competitiveness and sector profitability, as is raising awareness among young people about career opportunities in the sector.

### Jens Thraenhart, Chair, PATA China Chapter, and President, Dragon Trail: Leveraging Digital Marketing and Social Media for Responsible Tourism Development

One of PATA China's, and also the PATA China Chapter's, main goals in the longer term is to help improve awareness in China of the importance of responsible tourism. And this requires improved communication, Jens Thraenhart told delegates, which, in turn, means taking advantage of the many new channels available, such as the internet and social media.

"Leveraging the wisdom of crowds can go way beyond marketing on social media channels such as Facebook or Sina Weibo," said Mr Thraenhart, whose company, Dragon Trail China, is an award-winning travel technology and digital marketing company. "Engaging people to become part of the responsible tourism development process, through research, product development and micro-financing, will create sustainable ambassadors to spread the word naturally."

In his presentation, Mr Thraenhart emphasised the 'power of the crowds' to help drive sustainable tourism success. Social media is an important marketing tool in China since an estimated 92% of the more than 500 million internet users in the country engage in social media, according to the China Internet Network Information Center (CNNIC).

While social media is not controlled, it also provides a means of leveraging the wisdom of crowds through different forms of social media, understanding what people are saying about a particular destination or company – a virtual focus group. Responsible tourism developers can also activate the crowds in their search for financing and investment through www.kiva.org.

As for influencing the crowds, communication is key – "It's all about building relevant content," Mr Thraenhart said, "such as getting locals to tell stories about their favourite restaurants, galleries, or any other local hidden treasure."



### Protection, Sustainability and Responsibility: Learning through Best Practice Case Studies

#### Ms Beatrice Kaldun, Programme Specialist for Culture, United Nations Educational, Scientific and Cultural Organization (UNESCO) Beijing Office: Tourism, Heritage and Human Development

The United Nations Educational, Scientific and Cultural Organization (UNESCO) has a number of different advocacy instruments in the wider field of tourism, notably the:

- World Heritage Convention
- UNESCO Creative and Cultural Industries Programme, and the
- Universal Declaration on Cultural Diversity

It is actively involved in different parts of the world in standard setting, capacity building, creating a platform for dialogue among all stakeholders, and in knowledge sharing and dissemination.

The UNESCO 'Good Tourism' project in China is a new programme developed by its Beijing office, aimed at establishing new measures/standards for measuring tourism's impacts, rather than the traditional arrivals, expenditure, contribution to GDP and employment.

These include: the sustainability of local heritage and cultural resources; life quality of the local community (education, healthcare, jobs); the empowerment of disadvantaged groups; preservation of the fragile ways of life in local cultures; local poverty reduction; and travellers' deeper understanding and appreciation of different cultures, expansion of personal horizons, skills and knowledge.

'Good tourism' recognises the role of tourism in development, assessing the social and cultural impacts of tourism, as well as improving destination management for heritage protection and human development, and influencing visitor behaviour. The six main steps of the planned programme are as follows:

- Situation analysis and development of data collection tool
- Community and destination study assessments
- Development of 'good tourism' definition framework and guidelines
- Testing of guidelines at heritage tourism sites
- Refinement of the definition, framework and guidelines, and
- Communication and awareness raising.

UNESCO's first 'good tourism' project is a private sector-led nature-based attraction on Hainan Island – Yanoda Cultural Tourism. Its goal is to encourage beneficial and supportive interaction among travellers, tourism policy-makers, entrepreneurs, tourism operators, managers, scenic spots and local communities in the county.

The implementation of the project will take around two years and will be supported by the Hainan Provincial Tourism Development Commission. In addition, the Yanoda Rain Forest Cultural Tourism Zone will become the first research site for the project, and it is providing funding and support for the project's implementation.



### Mason Florence, Executive Director, Mekong Tourism Coordinating Office (MTCO): Urban Tourism – the Other Side of Responsible Tourism

Southeast Asia and, in particular, the Greater Mekong Sub-region (GMS), is experiencing a boom in tourism thanks to a number of different factors, such as the increased purchasing power of Asian consumers, the approach of the ASEAN single market in 2015 and air transport deregulation.

Importantly, GMS countries are keen to embrace the concept of sustainability in tourism development. Indeed, the local industry, with the help of governments, international institutions and NGOs, is offering an increasing number of tourism products and activities favouring sustainable development. Most GMS cities, especially in Indochina and Myanmar, boast a unique blend of traditional local architecture and colonial heritage.

Sadly, many of the associated buildings have been destroyed over the past two decades due to rampant urbanisation, booming real-estate development and a rejection of the countries' colonial past. However, there is now increased awareness of the historical, cultural and social value of preserving old buildings, which can be successfully converted for modern tourism purposes.

Hoi An is one such example. Since it was designated a UNESCO World Heritage site in 1999, the city's main source of economic growth and employment for its 90,000 inhabitants has switched from agriculture, fishing and trade to tourism. Hoi An's built heritage reflects the cultural influences of traders, such as the Japanese and Chinese, who worked and settled there in the past. It also has fine examples of French colonial heritage. Hoi An has identified over 1,350 relics of heritage importance in the town, including shophouses, bridges and pagodas.

Between 1997 and 2007, 168 government-owned heritage buildings were restored at a total cost of over US\$5 million. In 2007, Hoi An attracted 1.03 million tourists, of whom 609,000 (a 59% share) from abroad, and tourism generated 65% of all municipal revenues in 2007.

Since 1995, visitors to Hoi An have had to pay an entrance fee which covers entry to five types of sites in Hoi An: museums, assembly halls, old houses, cultural performances and temples, plus the Japanese Bridge. The fee is fixed at US\$4.50 for foreign visitors. Some 75% of total takings are reinvested in cultural heritage conservation activities, while the remaining 25% are allocated to the Tourist Guide Office and to owners of heritage buildings.

Luang Prabang is one of Lao's most popular destinations and it is unique in many respects. Located on a peninsula at the confluence of the Khan and Mekong Rivers, it was formerly the capital of the kingdom of Lane Xang, and it has retained its Buddhist heritage with glittering temples, traditional teak houses and French colonial-era residences. There is a strong community life, including traditional daily alms- giving ceremonies to monks. Most of Luang Prabang's heritage is located within a 1.4-hectare conservation zone on the peninsula. After it was made a World Heritage site in 1999, the following five years saw more than US\$9 million invested in conservation and infrastructure improvement projects.

Over the last two decades, Luang Prabang's economy has prospered and grown twice as fast as the rest of the country thanks to rapid growth in tourist arrivals. In 2010, Luang Prabang recorded 210,783 foreign visitors, down 11% over its record in 2009. Tourism growth is expected to resume with the opening, in 2013, of a new airport capable of handling wide-body aircraft, as well as a high-speed rail link with China in 2014.

These two examples confirm that responsible urban tourism helps regenerate cities and preserve old buildings, directly benefiting local communities, as well as helping cities to retain their individuality and authenticity. And Asia's increasingly sophisticated urban lifestyle will create demand for more innovative tourism products in the future.

### Ms Zhou Li, Managing Director, China Wall Group: China Resources Hope Town Village Hotel Development – the Sustainable Model

Hope Town Beigou Village is a typical example of a village in China that has fallen into disrepair. Average annual income per inhabitant is low and the absence of any Class A tourism attractions, places of interest, or industries in the vicinity means there is no business base, making it especially difficult for young people to make a decent living in the village. So most of them have to work in Beijing.

As a result, and thanks to China Resources, a hotel development is underway to help keep residents in the village. The sustainable hotel model is based on the 'scattered hotel' concept. The model retains the integrity of traditional village landscapes and historical details, connecting with the original residents, which gives guests the sense of being in a community. What makes it different is that the residents' village houses are being converted into hotel guestrooms, meeting rooms and restaurants, with the villagers becoming shareholders in the hotel owning company, which enables them to secure a new source of income once they move out of their houses.

Environmental sustainability: With regard to hotel development and construction, repurposing existing buildings costs less, and has a much smaller carbon footprint than a new hotel does. The village lifestyle is retained, with a renewed focus on the application of environmental technologies, with easy access to potable water (and less use of bottled water), and energy savings thanks to food storage in original cellars.

Social sustainability: New job opportunities for local residents are created through hospitality service skills training programmes. Hotel guests can participate in hotel community projects which help local villagers develop small businesses by providing 'know-how'. Micro-financing is available from China Resources' Town and Village Bank to fund villagers' small business activities, such as producing organic foods, woollen clothing, etc. Hotel guests can also engage fully with the village by attending wellness courses designed for the VillageAcademy.

#### James Spear, Partner, Schoolhouse at Mutianyu: Schoolhouse at Mutianyu, Beijing – Engaging the Local Community

#### The Schoolhouse at Mutianyu project was launched in 2006 with a dual mission:

profitability as well as social development. Over the course of the last five years, the project has grown significantly and now comprises three food and beverage (F&B) outlets, two lodging establishments, a glass-blowing enterprise, and agricultural products – in tandem with a vacation home/timeshare business. Total investment in the project to date is approaching US\$15 million and turnover has increased by 90% this year over 2010.

The whole concept of the Schoolhouse proposition is the strategy of small-scale business developments tied together by common management systems and shared resources. It takes account of the fact that large-scale development tends to disrupt communities with the benefits generally not trickling down to the local community.

The Schoolhouse model, on the other hand, engages the local community, uses environmentally friendly construction methods – as well as existing footprints and local materials – adopts the best, affordable technology, serves local foods made from scratch, and operates sustainably.

In terms of engaging the local community, the Schoolhouse project in Mutianyu has leased under-utilised buildings, prefers to employ local people whenever possible, supports local businesses – such as builders, suppliers and service providers – shares the growing pie, and interfaces with government. "So it's a win-win situation for all stakeholders," said James Spear.

#### Antonio Ochoa, CEO, Red House China: Jing Residence, Pingyao, Shanxi

The Jing Residence in Pingyao, Shanxi Province, is one of the very few residences in China that has been preserved in its original form. So its conversion into an 18-room hotel by Red House China has particular significance.

The company, which specialises in such conversions, was eager to retain as much as possible of the internal structure of this silk merchant's house while, at the same time, transforming it into a comfortable hotel. "The ancient Chinese did not have a real concept of comfort," said Antonio Ochoa.

At the front of the building, facing the street, was the silk merchant's shop with the main residence behind the front façade, facing the courtyard. The original beauty of the building's wooden structure was maintained, while the rough interior grey brick finish was replaced by a more elegant grey stone, thereby preserving the original spirit and colour. Inside the building, the traditional brick or stone floors were replaced by bamboo flooring to keep the rooms warm in winter and cool in summer. The main goal throughout the renovation and upgrading – which was successfully achieved – was to preserve as much of the original building as possible in order to retain its authenticity and enhance the building's appeal.

### **Concluding Panel Session: The Way Forward**

Moderator: Professor Geoffrey Lipman, Director GreenEarth.travel Panellists: Mason Florence, Mekong Tourism (representing the Media); Antonio Ochoa, Red House China (Developer); Anna Pollock, DestiCorp (Conscious Traveller); Peter Semone, LANITH (Development Organisation); James Spear, Schoolhouse at Mutianyu (Operator); Mei Zhang, WildChina (Tour Operator/Travel Agent)



What is the most important thing that could happen over the next 12 months for China to advance the responsible tourism agenda? Prof Lipman, moderator of the Closing Session asked the panel of experts.

It is quite clear that change is already bubbling up from the grass roots, as well as being an increasing focus of the government's national policy. So the essential ingredients are in place. But to accelerate the process, the different stakeholders now need to connect, panellists agreed, and PATA's role going forward should be to support and enable this process.

Connectivity is particularly important between the educators and the industry. The former need to listen more to their customers – not just their students, but also different industry players – to ensure that they turn out the right kind of employees. And the industry should communicate better to academia what their human resource requirements are. The industry needs a wide range of skilled people – not only the brightest thinkers for management, but also people who have undergone vocational training, who are able to empathise with tourists and grasp the entrepreneurial opportunities available to them.

As for the industry, service excellence needs to be part of the DNA of every organisation in travel and tourism, said Mei Zhang – to motivate staff and satisfy clients. But, in the short term, the industry also needs top-down support from government – in terms of both policy and support for individual initiatives.

This is also the view of the operators, for whom the biggest challenge would seem to be how to influence public policy. What is needed is an environment that encourages and facilitates investment. And in China this is really all about land – especially the commoditisation of land, which helps to reduce barriers.

Most of the projects presented at this first CRTF were small-scale projects. Panellists generally agreed that large-scale development tends to disrupt communities and the benefits do not generally trickle down to the local communities.

Yet responsible tourism is not just about small-scale versus large-scale development, said Prof Lipman. It is about changing people's habits, changing the way people think, and stimulating social change – whether among destinations and suppliers or tourists themselves. To achieve this goal, it is vital to ensure the buy-in and engagement of all stakeholders through different forms of public, private and public-private partnership.

## **Closing Remarks**

### Martin Craigs, PATA CEO

The case studies presented were clearly the tip of the iceberg. What we now need is a commitment to work together to raise awareness of the critical issue of responsible tourism, said Martin Craigs, and to encourage experiences to be shared, enabling responsible tourism to develop and flourish.

PATA can help drive the agenda and be a critical change agent, he added. We can build on the work of the pioneers and encourage the next generation of PATA Members to be committed to, and engaged in, responsible tourism.

"We are committed to building on the success of this first Responsible Tourism Forum, and to ensuring that next year' event will be even more effective. But we need the same commitment from all of you," he told delegates. "You are all part of the solution."





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