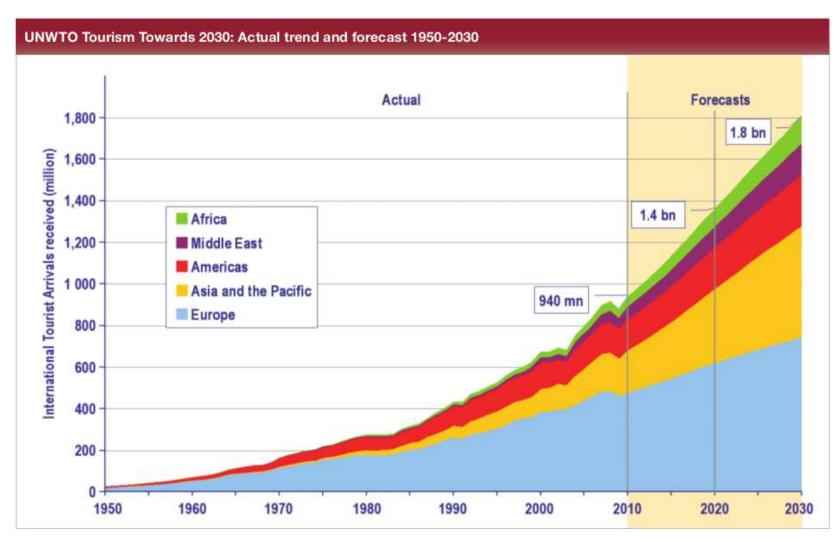


Island Tourism, Sustainable and Development: Toward Social Inclusion

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Funchal, Madeira, April 2017





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Asociación Española
de Expertos Científicos
en Turismo

Source: UNWTO, 2015. World Tourism Organization 2015 stats – small growth in Africa

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International tourist arrivals (ITA): 1133 million International tourism receipts (ITR): US\$ 1245 billion

UNWTO Tourism Highlights, 2015 Edition



Source: UNWTO, 2015.

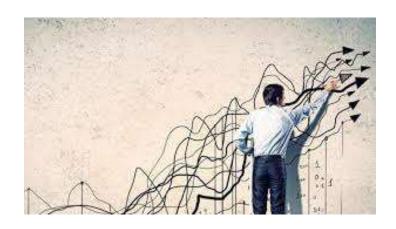


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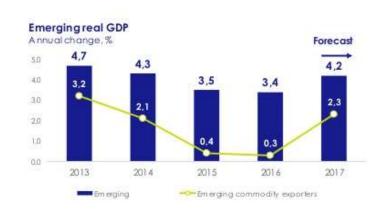


Travel to emerging economies outpaced advanced economies



...Mainly because of the improvement of some emerging economies





Emerging countries will represent 60% global growth in 2017

After two consecutives years of recession, **Brazil and Russia** will recover the growth path

Note: Brazil and Russia represent 40% of the emerging commodities export activity

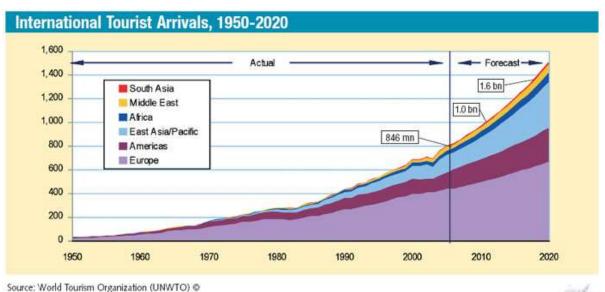
Source: Círculo de Empresarios based on the World Bank, 2017





Every day, tourism plays a larger role in our world



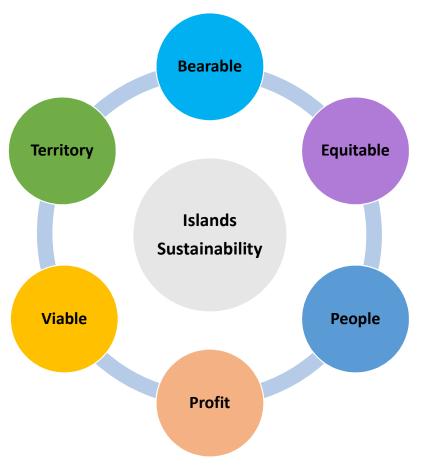


How to measure yield? Friend or foe of the environment? Resilience despite constant change?





And sustainable tourism becomes even more vital for our islands



Sustainability means the environmental, economic and socio-cultural aspects of tourism development. A suitable balance must be established between these three dimensions to guarantee tourism's long-term sustainability.

Source: UN World Tourism Organization



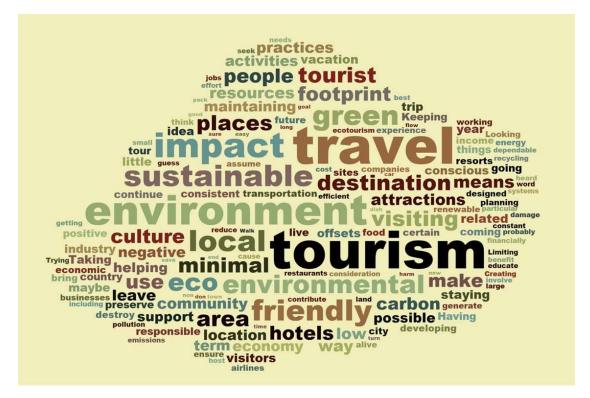




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But consumers aren't clear on what it is



Even our industry has trouble defining it





Niches:

- Eco,
- Agri,
- Culture,
- Adventure,
- Health-Medical,
 - MICE,
- Religious-Spiritual,

SUSTAINABLE TOURISM

Sustainable tourism is the way ahead for our islands!







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How Sustainable Tourism?

✓ Experiential

Sightseeing, Site-Doing, Give Back

✓ Demand for authenticity

Experiencing the real thing

✓ Going green

Take care of the environment, personal responsibility and choice

✓ Search for fulfillment

Transformative experiences with deeper meaning

✓ Social inclusiveness

Our people First!



Islands policies for social inclusion need to follow the principle of subsidiarity









Photo: World Press Photo Award, 2017. Francis Pérez.

Photo: National Geographic Blue Hope, 2017. Francis Pérez.



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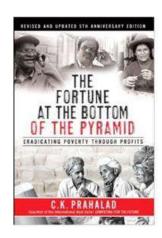


Social Inclusive Approach

The future of the world economy and the island economy?

Bottom of the Pyramid





1B > \$60/Day

TRADITIONAL CAPITALISM

1% Enclose & Loot the Commons
1B Rich, Purchase Power \$1T/Year +/50% Waste within processes
Zero regard for natural capital

1.5B \$10-50/Day

COMMUNITY CAPITALISM

Urban Mix of Formal & Informal

3B \$2-10/Day
4.5T/Year Purchasing Power

RURAL NON-CAPITALISM

System D / Halawa Informal, inefficient

1B < \$2/Day .5T/Year Purchasing Power **REAL WORLD**

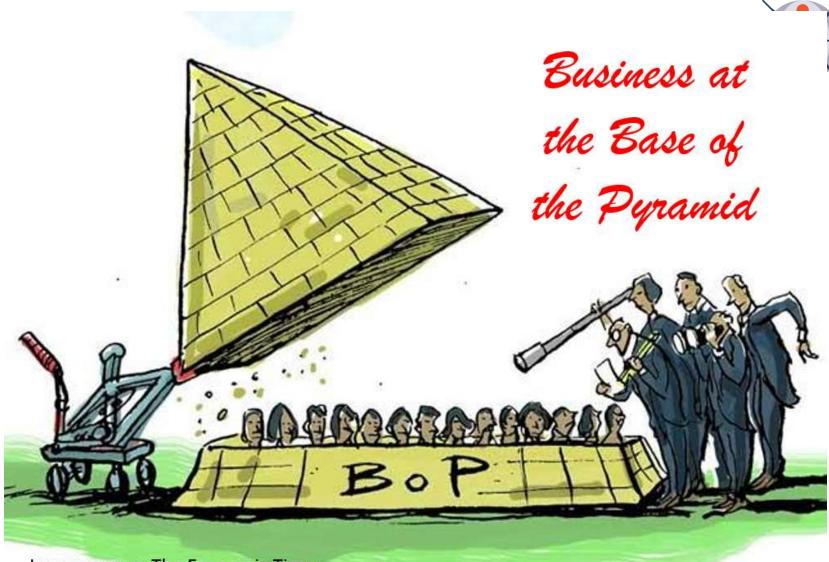
- Hand to Mouth

-- Barter, Theft

-- Subsistence



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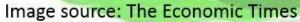


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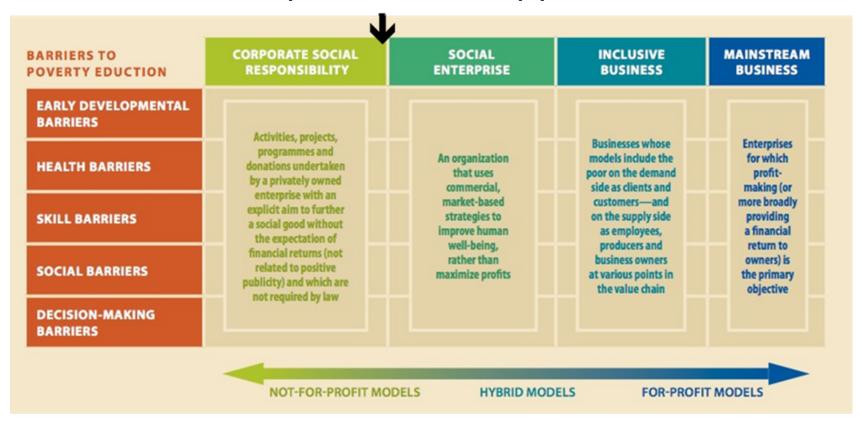
http://economictimes.indiatimes.com/slideshows/corporate-industry/10-business-jargons-that-caught-fancy-of-corporate-world/bottom-of-the-pyramid/slideshow/39623273.cms



Eduardo I



Social Enterprise & CSR Approaches



Source: UNDP (2014) The role of the private sector in inclusive development. Barriers and opportunities at the base of piramid



Capturing Public Sector opportunities:

Is possible in the islands?

DEFINING PUBLIC SECTOR INSTITUTIONS



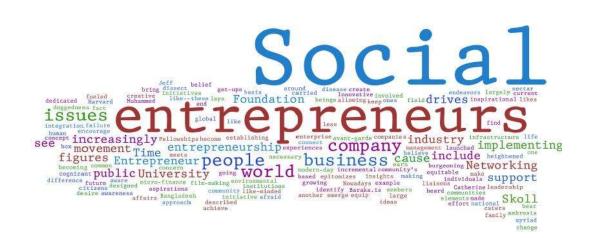
Bilateral donors:
Public sector
agencies that provide
development assistance on
behalf of a single donor country
usually in the form of loans and
grants.

Multilateral donors:
Public sector
agencies that accept
contributions from multiple
donor countries and provide
development assistance usually
in the form of loans and grants.

Development Finance
Institutions:
Financial institutions
that provide alternative
financing solutions to
developing countries backed
by states with developed
economies.







Recommendations:
Accessing Public
Sector Resources:

- 1. Understand how they work
- 2. Is it right for your tourism business?
- 3. Align with broader development goals
- 4. Leverage connections
- 5. Expect longer decisioin making cycles

Public Sector Institutions Scorecard





While rankings are ultimately subjective they are based on the following engagement indicators:



Number and variety of engagement channels;

Total private sector support;

Dedicated non-financial social enterprise support;

Dedicated financial social enterprise support;

Geographic reach;

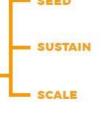
Focus on SMEs;

Focus on social and environmental impact;

Support to different business development stages

Ability to shape enabling environment; and

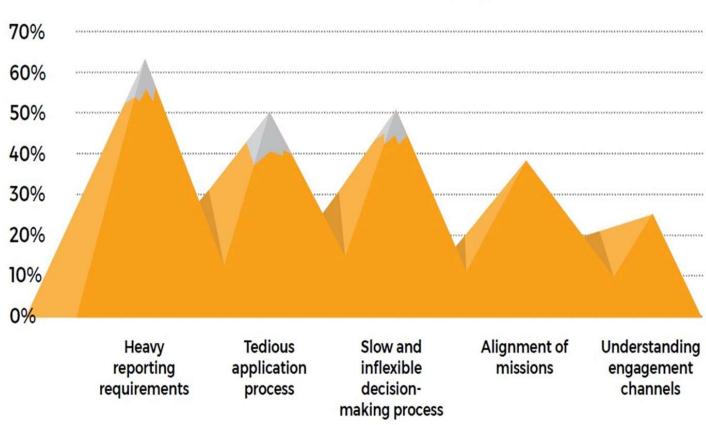
Investment in multi-donor challenge funds.



Top 5 Challenges for Social Enterprises Seeking Public Sector Funding









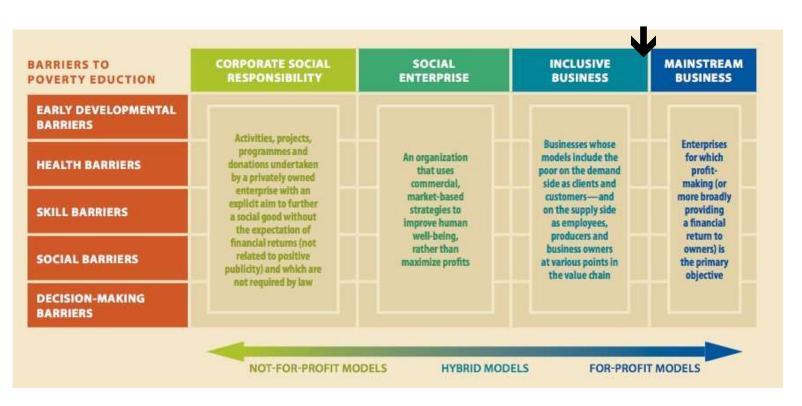






Mainstream engagement in inclusive business approaches





The inclusive tourism business model for the islands, goes beyond an exclusive focus on people in poverty as a group of consumers to focus on building skills so that they can generate products and services that the market demands.

Source: UNDP (2014) The role of the private sector in inclusive development. Barriers and opportunities at the base of piramid



- 1) Poverty in developing islands is largely a structural problem rather than an individual problem.
- 2) The lack of proper infrastructure, information, training and skills, a conducive regulatory environment, and widespread access to financial services constrains market activity
- 3) In addition, in the Canary Islands, as an example, there is a problem of serious unemployment with about 30% of the unemployed population and 60% of youth unemployment. And of the 30% of unemployment, 18% is without training.

With these three elements, the islands should be considered as a destination that seeks mutual benefit through inclusive business in tourism

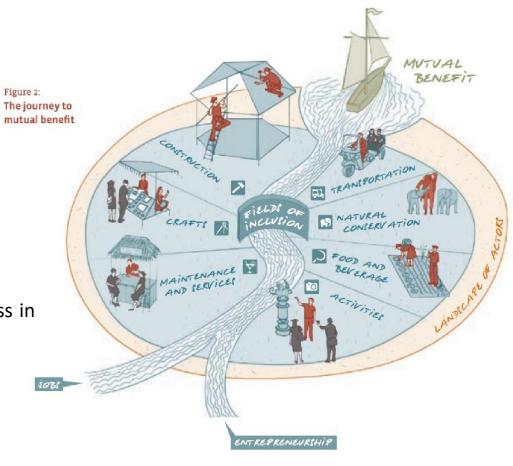
Where are the opportunities in the islands?



Pathways to social inclusion: employment & entrepreneurship in tourism-related fields

- Maintenance and services
- 2. Activities
- 3. Crafts
- 4. Food, beverage & lodging
- 5. Transportation and connectivity
- 6. Nature conservation
- 7. Balance Construction

Source: Destination Mutual Benefit . Guide to Inclusive Business in Tourism adapt for the islands



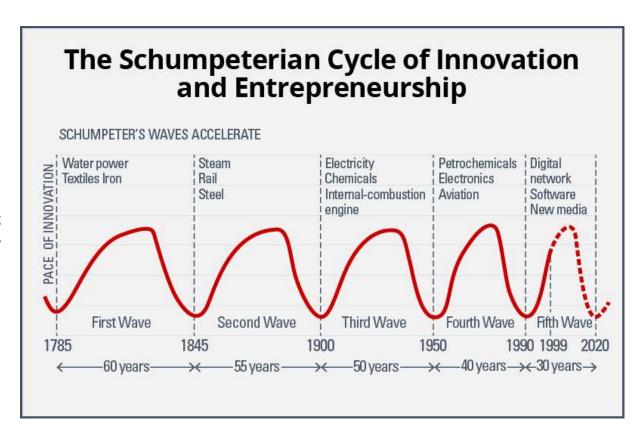
Innovation



Disruption or R&D

"Innovation":

- ✓ Comes from the entrepreneurs, or "wild spirits"
- ✓ Innovation is a critical dimension of economic change and social transformation (Schumpeter 1883 1950)









.....Collaborative Economy for what?

....technology is changing our lifes!!!



What's Mine is Yours

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Collaborative Consumption





Atlantic Tourism Lab (LAT): Centre for the Excellence in tourism



"LAT": Centre for the Excellence in tourism is designed between the Adeje Municipality and Arona Municipality join University of La Laguna, to discover, test, and scale breakthrought tourism related innovations to improve the quality of the tourism experience and achieve the Global Goals for Sustainable Development from Canary Islands to the world.







Cooperation for Development

- 1. Align with sustainable development concepts and practices and public sector priorities into the islands
- Develop social inclusive approaches to business, entrepreneurship and Corporate Social Responsability (CSR) which benefit create enterprises and Jobs in the islands
- 3. Gain and maintain competitiveness by **encouraging a culture of innovation in the islands**
- 4. Preserve and conserve cultural and natural resources
- 5. Improve island residents' quality of life
- Expand Small-Medium Tourism Enterprises (SMTE) and create jobs
- 7. Assure that visitors and residents equitably share a healthy, safe and secure places to live and visit.





Conclusion

Think **Globally**

Act Locally

Behave Responsibly





MUITO OBRIGADO



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