Fair Trade in Tourism Principles and Criteria (Tourism as Fair Trade, Kalisch, 2001)

https://www.tourismconcern.org.uk/about/who-we-are/ethical-fair-trade-tourism-principles/

Tourism Concern has sought over twenty years to make fair trade in tourism a reality. This difficult work has included researching ways to improve the bargaining position of small businesses in destinations and increase their access to markets; raising awareness among consumers; and working with the Fair Trade movement to influence international trade policy.

The guidelines and principles set out below were developed by our International Fair Trade in Tourism Network.

Defining Fair Trade in Tourism

Fair Trade in Tourism is a key aspect of sustainable tourism. It aims to maximise the benefits from tourism for local destination stakeholders through mutually beneficial and equitable partnerships between national and international tourism stakeholders in the destination. It also supports the right of indigenous host communities, whether involved in tourism or not, to participate as equal stakeholders and beneficiaries in the tourism development process.

Fair Trade in Tourism prioritises those groups and sections of a community in host destinations which:

- Have not previously had a voice in the decision-making process on tourism
- Are economically and socially at a disadvantage or discriminated against, particularly through existing or planned tourism developments
- Are involved in emerging tourism-linked initiatives
- Are ready to engage with the national/international market but need the necessary technical and organisational support to be successful
- Are employed in tourism in the formal and/or informal sector

Fair Trade in Tourism can be described as:

- an integrated development process in the destination within the framework of a public/private and civil society partnership
- a corporate ethical code of conduct and/or trade partnership agreement
- a fair trade product, monitored and certified

Fair Trade in Tourism incorporates five areas where change is necessary in order to achieve greater equality for destination communities:

- International Trade Agreements
- Tourism Industry (Transnational Corporations and Independent Investors)
- Destination Community Stakeholders
- Consumer Behaviour
- Destination Government Policies
Due to the diversity of local destination circumstances and the complexity of the tourism system, there is no one single model of implementation. However, a general framework can be provided to guide adaptation at local level and within different industrial sectors.

**Main criteria of fair trade in tourism**

1) **Fair Trade partnerships between tourism and hospitality investors and local communities**

- Equitable consultation and negotiation taking into account the interests of local community stakeholders, including tourism enterprises, and indigenous residents not involved in tourism.
- Transparent and accountable business operations through environmental and social audits.
- Employment of local residents (including indigenous people) to provide opportunities for developing their human potential.
- Training and development at local community level for managerial positions, if appropriate as part of a public, private and civil society partnership.
- Investors aware of and adhering to relevant regulations, whether derived from local, national, or international regulation, including regulation that would apply in the tourists’ countries of origin, e.g. on Health and Safety and environmental controls.
- Anti-corrupt practices

2) **Fair share of benefits for local stakeholders**

- Reduction of leakage – increase of linkages:
- A fair price, negotiated in partnership with local suppliers.
- Fair competition between foreign and domestic investors to enhance opportunities for domestic investment and competitiveness.
- Fair distribution of tourism revenues to ensure that the return from the use of public assets for tourism, be they natural resources or basic infrastructure, benefits and enhances public social and environmental resources in the destination, e.g. tourism infrastructure should also automatically benefit local people.
- Use of local products and materials where appropriate and ecologically sustainable.
- Compliance by foreign investors with destinations’ tax regulations. Present transfer pricing policies of transnational corporations should be reviewed to ensure adequate liability.
- Open and transparent information and education as part of the marketing process to the consumer as to
  1. the way in which the tourist activity benefits local people
  2. the way in which tourists/travellers can assist in respecting the socio-cultural, economic and environmental priorities of the destination community
- Respect for Cultural Assets:
  1. Intellectual Property and Human Rights should be observed in the marketing and representation of the destination image.
2. Adaptation of local and indigenous culture for tourism purposes should only happen on the basis of consultation and control by the local communities involved.

3. Public land and access rights, sacred sites and traditional community livelihoods should be recognised and protected from tourism development.

3. **Fair Trade between tourists and local people**

- Informed and responsible tourists foster a mutually beneficial exchange with local people, respecting their culture
- Tourists pay a fair market price
- Local people charge a fair market price

4. **Fair and sustainable use of natural resources**

- Investment and research in environmental protection
- Implementation of measures which enhance the local environment
- Consultation of the local community
- Adherence to relevant national and international conventions, such as the Convention on Biological Diversity and regulations, including regulation that would apply in the tourists’ countries of origin.

5. **Fair wages and working conditions**

- Wages and working conditions reflect relevant international labour standards eg. national minimum wages, freedom of association, health and safety, no child and slave labour, no discrimination, within the context of UN Declarations on Human Rights.