

Enhanced Climate Action in Tourism

Rationale

The year 2023 marked the midway point on the journey towards 2030, the target for achieving the Sustainable Development Goals. However, the triple planetary crisis has significantly hindered the world's capacity to deliver and, as a result, more needs to be done to achieve both the SDGs by 2030 and shared climate goals - as recalled in the SDGs Report 2024.1

Tourism is a major driver of economic growth and development, providing direct and indirect livelihoods for hundreds of millions of people. Prior to the pandemic, in 2019 tourism was the third-largest export-earning category worldwide (after fuels and chemicals) and contributed directly to 4% of world's GDP² (USD 3.3 trillion), roughly equivalent to the GDP of agriculture. For many developing countries, including Least Developed Countries (LDC) and Small Island Developing States (SIDS), tourism is a major source of employment, foreign currency and tax revenues. In SIDS tourism represented an estimated 38% of all exports in 2023³, reaching as much as 85% of the individual country exports in some cases.⁴

Given the cross-cutting nature of tourism, the sector has strong linkages and a multiplier effect on other sectors. This makes it a powerful engine of economic growth, poverty eradication, and inclusion, reducing inequalities both among and within countries. It creates jobs and opportunities, especially for disadvantaged groups such as youth and women, and supports community and rural development. Tourism is also a vehicle for cultural exchange, tolerance and peace building. Furthermore, tourism is highly linked to cultural and natural assets and therefore has the advantage that it can provide valuable income to sustain biodiversity and livelihoods even in remote areas while ensuring that it preserves and protects them.

After the immense impact of the COVID-19 pandemic on international tourism during the period 2020-2022, international tourist arrivals reached 88% of pre pandemic levels (2019) at the end of 2023 and a 97% recovery has been registered in the first quarter of 2024.⁵ The recovery of the sector reflects the resilience of tourism demand vis à vis external shocks and at the same time brings back the urgency to address the externalities of the sector including its contribution to greenhouse gas (GHG) emissions.

¹ https://unstats.un.org/sdgs/report/2024/

² Our World in Data, <u>Share of tourism in total GDP</u>

³ Share of 38 out of the 39 SIDS, excluding Singapore

 $^{^4\} https://www.unwto.org/sustainable-development/small-islands-developing-states$

⁵ https://www.e-unwto.org/doi/abs/10.18111/wtobarometereng.2024.22.1.2

The GHG emissions of the tourism sector have been estimated to represent 8% of global emissions (including direct, indirect and supply chain emissions)⁶ and forecasted to increase by at least 25% by 2030 in a business-as-usual scenario⁷. With tourist arrivals (both domestic and international) forecasted to continue growing in the years to come, accelerating the transformation of the sector to support the achievement of the Paris Agreement's goals is thus of utmost importance.

UN Tourism research⁸ outlines that tourism is recognized as a vulnerable sector to climate change in 53% of Parties' nationally determined contributions (NDCs). Out of these NDCs, 64% acknowledge the role of the tourism sector to support adaptation and 36% recognize its role to contribute to mitigation efforts. Nevertheless, there has been no specific focus on the tourism sector in the Action Agenda of the UN Climate Change Conference to date. To address this important gap, Azerbaijan, as the host country for COP29, is incorporating tourism into the discussion agenda through this flagship initiative aimed at expediting climate action within the tourism sector.

The inaugural inclusion of tourism within the thematic program for COP29 will serve as a foundation for establishing a partnership aimed at enhancing climate action in tourism.

Pathways for Climate Action in Tourism

a. Strengthening Tourism Climate Governance and Policies

The Glasgow Declaration on Climate Action in Tourism

Climate action occurs within the context of sustainable development and ecosystem restoration. Ensuring an integrated approach will support tourism stakeholders in building resilience to climate risks and enables a transition toward a low-carbon, regenerative and socially inclusive tourism model.

The <u>Glasgow Declaration on Climate Action in Tourism</u> is UN Tourism's led flagship climate action initiative, coordinated with support of UNEP within the framework of the One Planet Sustainable Tourism Programme, aiming at triggering strong commitments and implementation of climate action. The Glasgow Declaration focuses on climate change mitigation, and it also recognizes the need to adapt to changing climatic conditions and the opportunities that integrated mitigation-adaptation approaches can deliver. Since November 2023, Glasgow Declaration is recognized <u>as an initiative supporting Global Climate Action and the Marrakech Process.</u>

The significant impact of climate change on the tourism sector, the contribution of the sector to the GHG emissions, as well its close connection with ecosystems that are vital for climate adaptation, necessitate more active participation of national governments (tourism administrations and organizations) in the Glasgow Declaration. This will lead to the adoption of Tourism Climate Action Plans addressing the proposed five strategic pathways: measure, decarbonize, regenerate, collaborate, and finance.

⁶ https://www.nature.com/articles/s41558-018-0141-x

 $^{^{7}\} https://www.unwto.org/sustainable-development/tourism-emissions-climate-change$

[§] https://www.oneplanetnetwork.org/programmes/sustainable-tourism/glasgow-declaration/policy-snapshot

As the host country and Presidency of COP29, Azerbaijan endeavors to advocate for and facilitate greater engagement of national tourism administrations in climate action within the tourism sector by endorsing the Glasgow Declaration.

Tourism in support of Nationally Determined Contributions

COP29 should be a turning point and the right moment to build a strong dialogue for better tourism governance in climate action – exploring inclusion of national tourism administrations' contributions, as applicable, to developing and achieving the NDCs.

The availability of renewable energy options in tourism destinations, as well as the access to technological improvements and finance represent major barriers for tourism to embrace climate action. At the same time, while the sector is uniquely positioned to support adaptation efforts, given its strong connection and dependency on healthy ecosystems, further guidance to activate stakeholders in the uptake of resource efficiency and nature-based solutions is needed.

The objective will be to ensure that tourism is acknowledged as part of the solution both in connection to adaptation as well as mitigation of greenhouse gas emissions, thereby responding the need for more ambitious and economy-wide NDCs, as called for in the outcome of the First Global Stocktake under the Paris Agreement.

The 2023 Synthesis Report,⁹ developed as part of the process of the First Global Stocktake, calls for a broader scope in response measures and emphasizes the significant role of sectors like tourism. The report advocates for supporting efforts towards transitioning to sustainable lifestyles, adopting sustainable consumption patterns, strengthening the circular economy, and promoting sustainable tourism. This underscores the transformative potential of tourism in driving climate action.

For this purpose, a launch of the COP29 Declaration on Enhanced Climate Action in Tourism in partnership with UN Tourism calling for climate action in the tourism sector to support the Parties' design, implementation and achievement of their NDCs is envisaged as part of the COP29 Enhanced Climate Action in Tourism Initiative. Promoting sustainable tourism practices, reducing GHG emissions related to tourism operations and value chain, supporting tourism destinations for adaptation and resilience, and engaging stakeholders in initiatives that contribute to the implementation of national climate policies would be of importance.

b. Building New Metrics and Shift in Business Models for Climate Action in Tourism

A path to ensure adequate and reliable measurement of tourism emissions

The implementation of harmonized GHG emissions measurement in tourism remains a significant challenge and represents a barrier for accelerated decarbonization. Currently, the collection of GHG emissions data in the tourism sector is limited. Furthermore, systematic, and standardized collection of information on the environmental sustainability of tourism at the country level is just getting underway and the current measurement and reporting tools for tourism businesses are fragmented and diverse, with a number of researchers and private sector associations having introduced initiatives to estimate data on tourism's impact on climate change. UN Tourism research provided a global overview of

⁹ United Nations Framework Convention on Climate Change (2023), Views on the elements for the consideration of outputscomponent of the first global stocktake – Synthesis report by the secretariat, UNFCCC, online available at:https://unfccc.int/sites/default/files/resource/SYR_Views%20on%20%20Elements%20for%20CoO.pdf [10-012024].

Measurement practices by leading actors in the tourism sector.¹⁰ The overview highlighted the challenges but also the need of the sector to advance its climate action based on evidence. The United Nations adoption in March 2024 of the Statistical Framework Measuring the Sustainability of Tourism (SF-MST) marks an important turning point, presenting an international consensus with the main definitions and tables for countries to measure environmental, social and economic aspects of tourism's sustainability in a harmonized way. The chapter on environmental sustainability includes energy use and GHG emissions as two of key elements. Presently, UN Tourism is extending the benefits of harmonized data to the private sector by developing a unified ESG Framework for Tourism Businesses that is aligned with SF-MST. This Harmonized ESG Framework for Tourism Businesses aims to help tourism business report their sustainability efforts more consistently and credibly, thereby improving comparability, scalability and impact. Furthermore, the implementation of measurement tools can constitute an effective way to support the private sector in their measurement while providing important data from private sector stakeholders engaging with them.

Azerbaijan aims to foster global cooperation and coherence among key tourism stakeholders, ensuring effective synergy in measurement methodologies. The goal is to enhance cross-fertilization, harmonization, and the credibility of data on tourism's links to climate change through strengthened international collaboration.

Circular Economy and the One Planet Sustainable Tourism Programme

The integration of circular economy principles and practices is a fundamental strategy to accelerate the green transformation of tourism operations taking into account ecological limits, the value of nature and, the necessary shift towards Net Zero emissions.

UN Tourism, in collaboration with UNEP, leads important action frameworks aiming to accelerate circularity in the tourism sector within the framework of the <u>One Planet Sustainable Tourism Programme</u>. The One Planet Sustainable Tourism Programme aims to advance SDG 12 on sustainable consumption and production, along with related SDGs such as SDG 13 on climate action, SDG 14 on the protection of marine ecosystems, and SDG 15 on preserving terrestrial ecosystems.

The tourism sector can integrate circular economy principles to drive sustainable consumption and production across all levels of operations. The uptake of solutions from the One Planet Sustainable Tourism Programme, such as the Global Tourism Plastics Initiative and the Global Roadmap for Food Waste Reduction in Tourism, can lead to changes beyond the tourism value chain. For instance, reducing the consumption of unnecessary and problematic plastic packaging and items can lead to better marine health in coastal tourism destinations and support informal sectors. Additionally, addressing food waste can help the sector promote more sustainable lifestyles and sustainable food systems.

In support of the COP28 UAE Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action, the Tourism Food for Good Initiative is expected to be launched at COP29. The initiative aims to transition towards sustainable food systems in tourism and promotes a system where food production and consumption occur in a sustainable loop, creating a connection between tourism and sustainable and regenerative

¹⁰ https://www.e-unwto.org/doi/10.18111/9789284423927

agriculture, minimizing waste, reducing GHG emissions, and maximizing resource efficiency and the benefits for the local communities.

c. Bridging the Knowledge gap and Unlocking Financing

The transition of tourism to low carbon operations needs to be urgently accelerated, reaching to Net Zero by the latest 2050. The fundamental transformation of the existing tourism policies and business models needs both innovation and finance.

The aspiration to achieve ambitious climate goals during the 2030-2050 period demands a new global finance governance, relying on the interest of tourism stakeholders to take part in carbon markets, and including blue carbon in due course.

Amplifying finance for impact will be critical. International financial institutions, governments, private companies, philanthropic entities, individuals, and an invigorated multilateral system are pivotal to foster widespread acceleration and implementation of countries' NDCs.

Tourism strategy and policy for climate change (including GHG measurement) can only succeed if the necessary resources and partnerships, as well as the enabling regulatory framework, are in place to implement them. Tourism policy therefore needs to be accompanied by adequate budget lines and resourcing (e.g., responsible staff).

UN Tourism, in collaboration with its partners, is developing a new framework for climate action. This initiative aims to create an ecosystem and financial structure dedicated to catalyzing and accelerating positive change in both the Blue and Green Economy sectors. The goal is to unlock capacity and finance for impactful climate action. This will require mobilizing stakeholders to work together to catalyze climate finance for tourism transformation with the UN system, international finance institutions, and bilateral partners.

Azerbaijan stands prepared to offer a platform during COP29 for facilitating discussions on enhancing climate action within the tourism sector.

Tourism at COP29 in Baku

a. Objective - a Policy Shift

The strategic importance of integrating the environmental dimension in tourism policies and practices for sustainability, competitiveness and resilience needs to be addressed. This requires development of pioneering approaches, application of action frameworks, and adopting innovative business models and partnerships. Additionally, innovative financing methods are crucial. All these efforts contribute to balancing tourism activities with the natural world and creating sustainable development, economic growth and job creation opportunities in tourism destinations.

The inclusion of "Enhanced Climate Action in Tourism" as a COP29 Presidency Initiative aims to engage national tourism administrations in climate action and establish a legacy for future COPs. The COP29 Declaration on Enhanced Climate Action in Tourism as part of the initiative will promote integrated mitigation and adaptation approaches, aligned with the Glasgow Declaration for Tourism Climate Action pathways and in support of new more ambitious, economy wide NDCs that properly reflect tourism.

b. Strategic initiatives

- Positioning climate action in tourism as a component of sectoral (indirect) climate policy in support of more ambitious and economy wide NDCs as outlined in the COP29 Declaration.
- Advancing climate action policies in tourism through the enhanced positioning of Glasgow Declaration on Climate Action in Tourism as the key policy framework and commitment, driving the integration of mitigation and adaptation elements in tourism policies, in line with the <u>Policy Guidance for National Tourism Administrations to Support Climate Action</u>.
- Upscaling efforts in countries to implement the Statistical Framework for Measuring the Sustainability of Tourism with its internationally agreed metrics for measuring GHG emissions for the tourism sector.
- Positioning the sustainable management of food as a key climate action strategy for the tourism sector, building on the UAE Declaration.
- Facilitating efforts to unlock finance for tourism climate action, including innovative approaches and blended finance.

c. Outcome

The inclusion of tourism in the thematic program for the first time in a UN Climate Change Conference context—with the organization of high-level tourism meetings, conducting intergovernmental negotiations, and as a result, obtaining consensus on the continuous discussion of tourism in the Conference platform— will be a major legacy of COP29 in Baku.

Additionally, under the Presidency of Azerbaijan, the positioning of a key role of national tourism administrations in climate change policy will shape important decisions in support of the outcomes of COP28, leading to significant results in the medium and long term:

- Launch of COP29 Declaration on Enhanced Climate Action in Tourism.
- Strengthening the Glasgow Declaration on Climate Action as a voluntary commitment to accelerate climate action in tourism by including new signatories, particularly national tourism administrations, and focusing on integrated mitigation and adaptation approaches.
- Positioning and acknowledging the UN Statistical Framework for Measuring Sustainability in Tourism (MST) as a tool to measure climate impacts (GHG and energy) of the tourism sector.
- Launching the Tourism Food for Good Initiative to support sustainable food systems in tourism destinations.
- Establishment of a special coordination mechanism to ensure the continued engagement of tourism within the framework of UN Climate Change Conferences.
- Unveiling a special coordination mechanism as the main vehicle to ensure the inclusion of the tourism sector in the climate agenda as part of the legacy of COP29.
 It is proposed that the special coordination mechanism will be led by UN Tourism, in collaboration with UN Climate Change secretariat and UNEP, and supported by partner UN agencies.