

مجلس البحث العلمي
نحو نظام ابتكار وطني فعال



RWTH AACHEN
GUtech
الجامعة الألمانية للتكنولوجيا في عمان
German University of Technology in Oman



Tourism & The Green Economy

An integrated approach to sustainable tourism development in the Sultanate of Oman

Tuesday 14, June 2016



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السياحة والاقتصاد الأخضر

نحو نهج متكامل للتنمية السياحية المستدامة في سلطنة عمان

الثلاثاء 14 يونيو 2016



التنمية المستدامة

التنمية المستدامة هي التنمية التي تلبى احتياجات الجيل الحاضر دون المساس بقدرة الأجيال القادمة على تلبية احتياجاتها

تقرير برنتلاند

1987



التزام سلطنة عمان بحماية البيئة



" وانطلاقاً من اهتمامنا الكبير بحماية البيئة الطبيعية ومع كل ما حققناه من خطوات مهمة في هذا المجال نالت بها عمان مكانة طيبة بين الدول المهتمة بحماية البيئة، فإنه يجب بذل المزيد من الجهد ومراعاة الاعتبارات الخاصة بحماية البيئة عند تخطيط وتنفيذ المشاريع الإنمائية، والمضي قدماً في تطوير الصلات القائمة مع المنظمات الإقليمية والدولية المعنية"

قابوس بن سعيد

18 نوفمبر 1985م



Our Commitment



“As result of our great concern for the protection of the natural environment, and our achievements in this respect, Oman has gained a respectable position among nations concerned with the environmental protection; yet we still have to exert more effort and consider the special conditions relevant to this issue, when we come to plan and implement development projects. We must proceed to develop contacts with regional and international organizations concerned “

Qaboos bin Said

November 18, 1985



Research Team

Partner Organizations

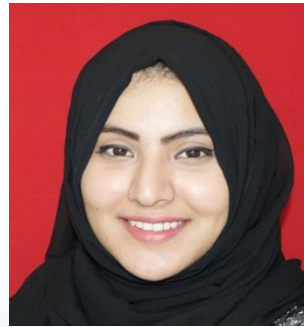


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Tourism Highlights (2015)

Oman

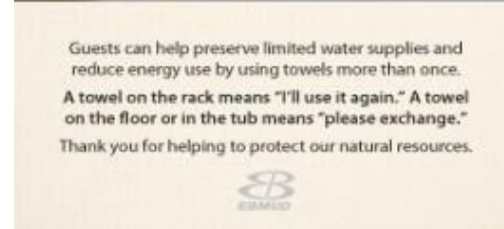
- Tourism arrivals = **2,6 million**
- Value added = **724,461 million O.R**
- Share in GDP = **2,2%**
- Employment = **11%**

International

- Tourism arrivals = **1,2 billion**
- Revenue = **\$ 1 232 billion**
- Share in GDP = **9%**
- Employment = **1/11 jobs**



Green Economy & Sustainability



Consumption Patterns

- 5% Tourism Contribution to GHG
 - 75% of which generated by tourist transport, 21% accommodation;
- 100 - 2000 liters of water per guest /per night compared to residential consumption of 241 liters per day;
- 1.16 million cubic meters of water per year to irrigate each golf courses in the region reaching (KPMG 2008);
- One Kg of solid waster per international tourist per day;
- 34% are willing to pay more for an environmentally friendly hotel; (CMI, 2011)



Rationale

This workshop represents the preliminary results of a scoping study for the structure of governance for sustainable development and sustainable tourism development in the public sector in the government and semi-government sector in the Sultanate of Oman.

This scoping study focused on areas of water, energy, waste management, entrepreneurship and employment.

In depth interviews with 17 main regulators, enablers and developers .



Research Questions

- What is the current scope of sustainable tourism development in Oman on the public sector level?
- What existing policies and regulations are in place to ensure the implementation of sustainable tourism practices across the sector and their level of compliance?
- What challenges are currently impeding the implementation of sustainable tourism?
- What incentives and enforcement measures are currently in place?



وزارة البيئة والتعاون المناخية
Ministry of Environment & Climate Affairs



Public Authority for
Crafts Industries



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German University of Technology in Oman

Sultanate of Oman
Supreme Council for Planning



عمان الرقمية
e.oman



مجلس تجارة وصناعة عمان
Oman Chamber of Commerce & Industry



جمعية البيئة
Environment Society of Oman

ريادة riyada

الهيئة العامة لتنمية المؤسسات
الصغيرة والمتوسطة



Ministry of Manpower



الهيئة العامة للكهرباء والمياه
Public Authority for Electricity & Water



مجلس تجارة وصناعة عمان
Oman Chamber of Commerce & Industry



جمعية البيئة
Environment Society of Oman

حيا للمياه
Haya water

Ministry of Regional Municipalities
and Water Resources



SULTANATE OF
oman
Ministry of Tourism

نمو معا
TOGETHER WE GROW



Capital Market Authority



Regulators



Enablers



Operators and developers



Sustainable Tourism - Sustainable Development Goals

Development Indicators ODG and the Global SDG

Oman's commitment to sustainable development is represented in the alignment of its Development Goals with the **17 Sustainable Development Goals**.



1 NO
POVERTY



2 ZERO
HUNGER



3 GOOD HEALTH
AND WELL-BEING



4 QUALITY
EDUCATION



5 GENDER
EQUALITY



6 CLEAN WATER
AND SANITATION



7 AFFORDABLE AND
CLEAN ENERGY



8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



10 REDUCED
INEQUALITIES



11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



14 LIFE BELOW
WATER



15 LIFE
ON LAND



16 PEACE AND JUSTICE
STRONG INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



THE GLOBAL GOALS
For Sustainable Development

Oman Development Goals



Omanization in
Private Sector



Growth Rate of the
GDP at Current Prices



Share of Tourism
Sector in GDP



The Share of Fish
Activities in the GDP



Omanization in the
Public Sector



Growth Rate of the
GDP at Fixed Prices

The Supreme Council of Planning MOT MECA

- The Supreme council provide the vision for development
- MECA was seen to be the custodian of sustainability with is comprehensive legal frame work. EIA and the environmental permits are crucial to sustainable tourism development.
- MOT development agreements, licensing, inspection and



Vision

To become, by 2040, a top of mind destination for vacations, discovery and meetings, attracting 5 million international tourists

Goals and objectives (2040)

Tourism GDP 5.9%	Employment 535,000	Social Responsibility Index 850/1000	Room nights (Mill.) 14	International tourist (Mill.) 5+
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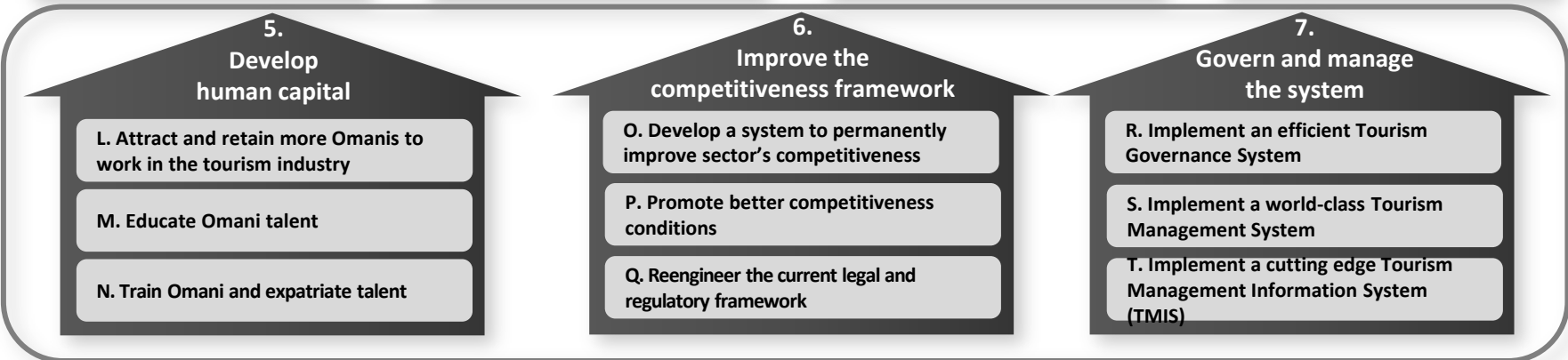
Value for stakeholders

CUSTOMERS Value for customers An exceptional tourism experience	PARTNERS Value for collaborators Attractive business opportunities	COMMUNITY Value for investors Attractive investment environment and opportunities	COMMUNITY Value for society Better quality of life and sustainability
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Processes DRIVERS



Capacity development ENABLERS



Literature Review

International and National Context



Sustainable Development Process

- **Club of Rome, 1968**, concerned world citizens, report *Limits to Growth*
- **UN Brundtland report *Our Common Future*, 1987**
Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
- **UN Conference on Environment and Development in Rio de Janeiro in 1992** (Earth Summit). *Agenda 21, a global blueprint for sustainable development*
- **Agenda 21 for the Travel & Tourism Industry: Towards Environmentally Sustainable Development and Action Plan** (WTO, WTTC, Earth Council Alliance, 1996).
 Topics: waste, recycling, energy, water management, involvement of communities
- **Kyoto Agreement 1997**, reducing global CO² emissions: effect on Travel & Tourism



Definition of Sustainable Tourism

“Tourism which leads to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems”

(WTTC, WTO and Earth Council, 1996).



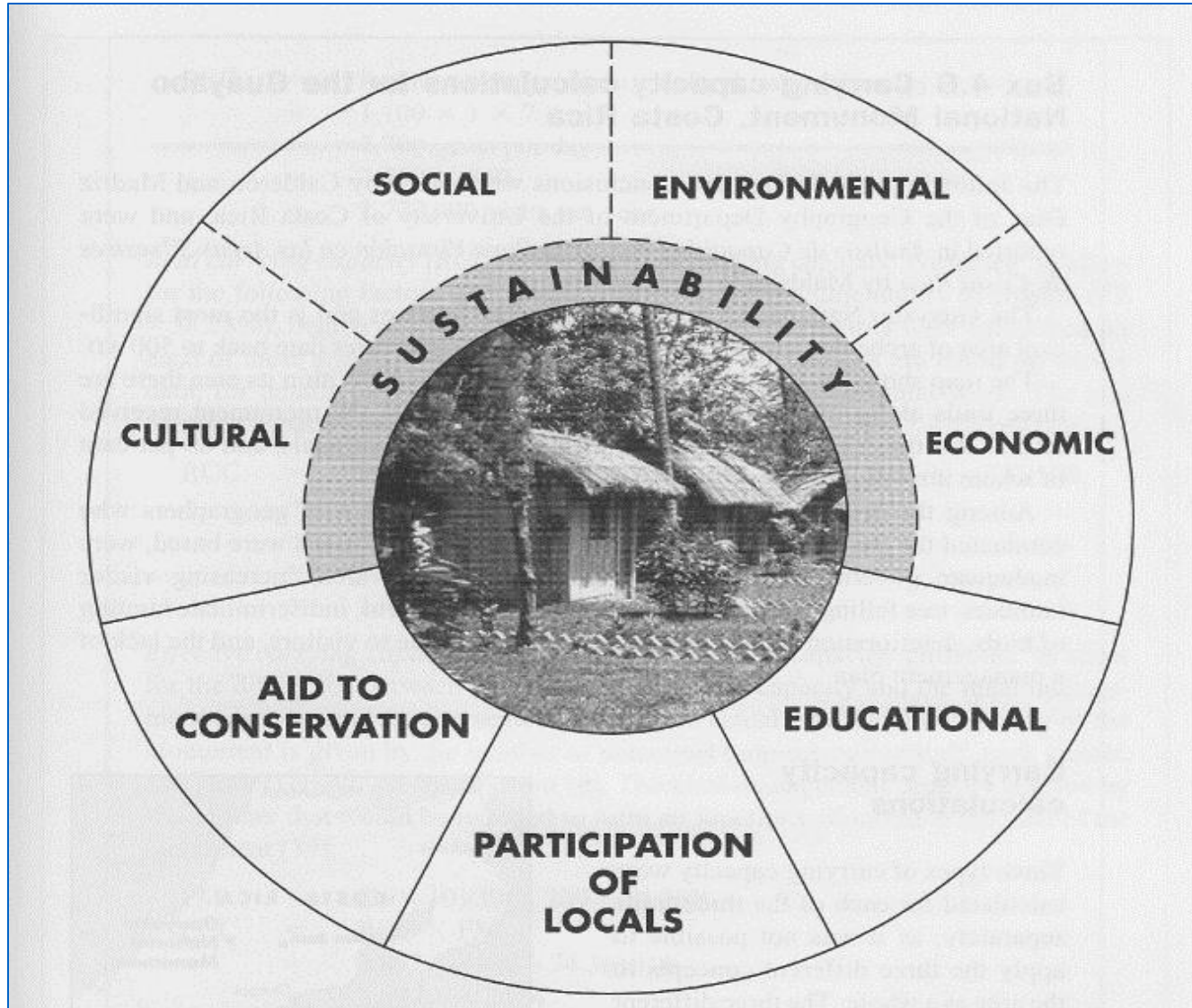
International Organisations for Sustainable Tourism



International Laws and Guidelines on Sustainable Tourism

- ***Guidelines on Biodiversity and Tourism Development*** (CBD, 2004) as a result of UNEP Convention on Biological Diversity (CBD, 1992): protection, conservation of resources and fair distribution of benefits
- ***Managing Tourism & Biodiversity. User's Manual on the CBD Guidelines on Biodiversity and Tourism Development*** (CBD, 2007). Stakeholders, EIA's and monitoring
- **UN Year of Ecotourism 2002.** UN Ecotourism summit. Tourism is a priority in sustainable development at World Summit on Sustainable Development 2002, Johannesburg
- ***Making Tourism more Sustainable. A Guide for Policy Makers*** (WTO, UNEP, 2005), 3 pillars
- ***Tourism and Biodiversity. Achieving Common Goals Towards Sustainability*** (UNWTO, 2010). Exploring i.e. the value of biodiversity and its ecosystem services for tourism sector

Integrating Sustainable Tourism (Fennell, 2008)



Sustainable Tourism Development Tools

- Indicators of Sustainable Tourism (UNWTO, 2004)
- Global Code of Ethics for Tourism, 10 Articles (UN, 2001)
- Tourism for Nature & Development, A good practice guide (SCBD, 2010)
- Compendium of Best Practices (UNDESA, 2014)
- Measuring Employment in the Tourism Industries – Guide with Best Practices (WTO, ILO, 2014)



Integrating Tourism in the Green Economy

“Tourism in the green economy aspires to be more energy efficient and more climate sound (for example by using renewable energy); consume less water; minimize waste; conserve biodiversity, cultural heritage and traditional values; support intercultural understanding and tolerance; generate local income and integrate local communities with a view to improving livelihoods and reducing poverty.

Making tourism businesses more sustainable benefits local communities, and raises awareness and support for the sustainable use of natural resources” *Tourism in the Green Economy* (UNEP, WTO, 2012).

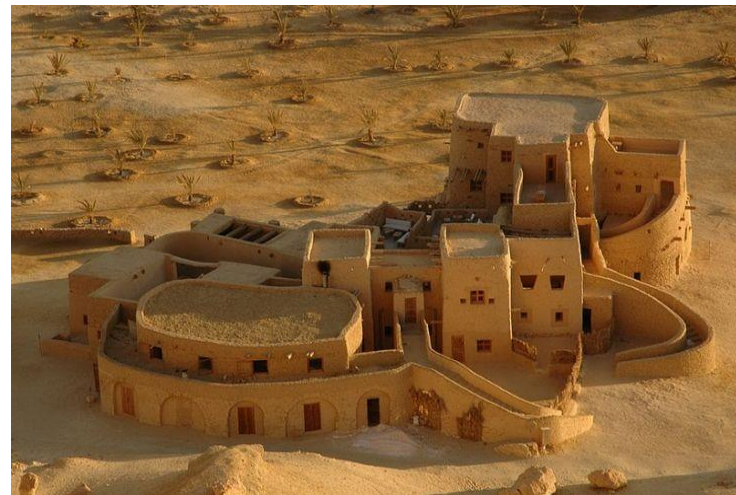




Misfah Old House, Oman



Adrère Amellal, Egypt



Sustainable policies, practices and indicators in Oman

- Oman participated in and ratified all agreements related to the environment (e.g. Rio and Rio+ conventions etc.) and development
- UNESCO Sultan Qaboos Prize for Environmental Preservation (1990)
- The National Biodiversity Strategy and Action Plan, 2001
- National Progress Reports, 2004, 2010, 2014 etc.
- The National Report on Sustainable Development RIO- Brazil, 2012
- Global Sustainable Development Goals integrated in Five-Year Plans



Sustainability Indicators

An integrated approach



1. WATER

Interviewees

- Ministry of Regional Municipalities & Water Resources (MRMWR)
- Public Authority for Electricity and Water (PAEW)

Legal Framework

- Water Wealth Protection Law (29/2000)
- Law of Public Authority for Electricity and Water (58/2009)
- The Law for the Regulation and Privatization of the Electricity and Related Water Sector (78/2004)

Incentives

- Government subsidies for farms that use modern irrigation systems and greenhouses

Penalties

- Penalties on digging wells without approval
- Penalties on waste brine disposal

Internal Sustainability

- In PAEW = Health, Safety and Environment (HSE) Department
- IN MRMWR = Water Development Department and the Public Awareness Department

External Sustainability

- MRMWR: school curriculum, Arab Water Day, World Water Day, Friday Prayer Speeches to talk about water and have demonstrations on effective water use.
- PAEW: sustainability included in vision statement “to ensure high quality sustainable and reliable potable water and power services are accessible to all people in the Sultanate of Oman” and have water reduction campaigns

Additional Info.

- Water Subsidy accounts to 60% of PAEW's total costs (PAEW Annual Report, 2014)
- In 2014 the gross average subsidy per customer is around 406-410 OMR
- MRMWR together with University of Dresden are working on a study to determine how much water each crop in Oman needs to minimize over watering the plants.
- A pilot study was conducted to assess whether the ablution water could be used for flushing - Resulted in saving 35% of water usage
- MRMWR developing *Falaj* Al Khatmain in Birkat Al Mouz as a tourist attraction to educate the people about *Aflaj* systems.



2. ENERGY

Interviewees

- Public Authority for Electricity and Water (PAEW)
- Authority for Electricity Regulation (AER)

Legal Framework

- Law of Public Authority for Electricity and Water (58/2009)
- The Law for the Regulation and Privatization of the Electricity and Related Water Sector (78/2004)
- Al Nama Sustainability Report

Incentives

- Energy Efficiency Certification
- PAEW is working with key authorities to implement cost reflective tariffs for large industrial consumers.

Internal Sustainability

- In AER= Energy Efficiency Team
- In PAEW= Health, Safety and Environment (HSE) Department

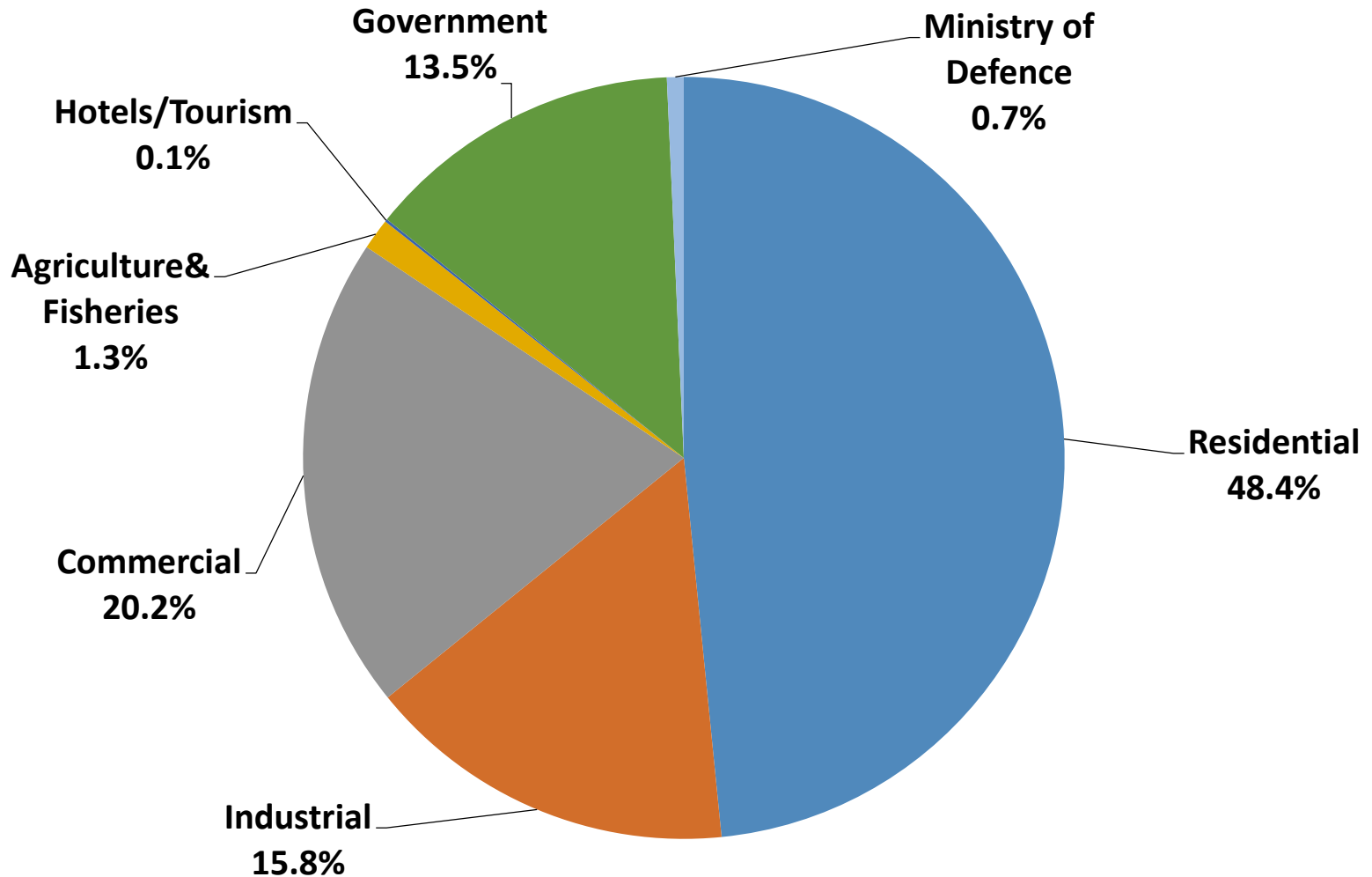
External Sustainability

- AER initiated an Energy Efficiency Awareness Campaign

Additional Info.

- PAEW in the process of working on a National Energy Strategy up to 2035
- PAEW and AER are focusing on developing renewable energy. Some pilot projects include roof top housing where solar panels are placed on the roof to power the house.
- Currently the tourism sector is paying the same tariff as residential (0-3000 Kwh, 10Bz) where the commercial sector is paying more (0-3000 Kwh, 20bz) (AER Annual Report,2014)

Main Interconnected System Electricity Supply



Source: AER(2014)

3. WASTE MANAGEMENT:

Interviewees

- Haya
- Beah

Incentives

- Subsidized cost from Haya for grey water treatment. Grey water is 220bz per cubic meter and potable water is 440bz per cubic meter.
- Have surplus water for tourism projects.

Internal Sustainability

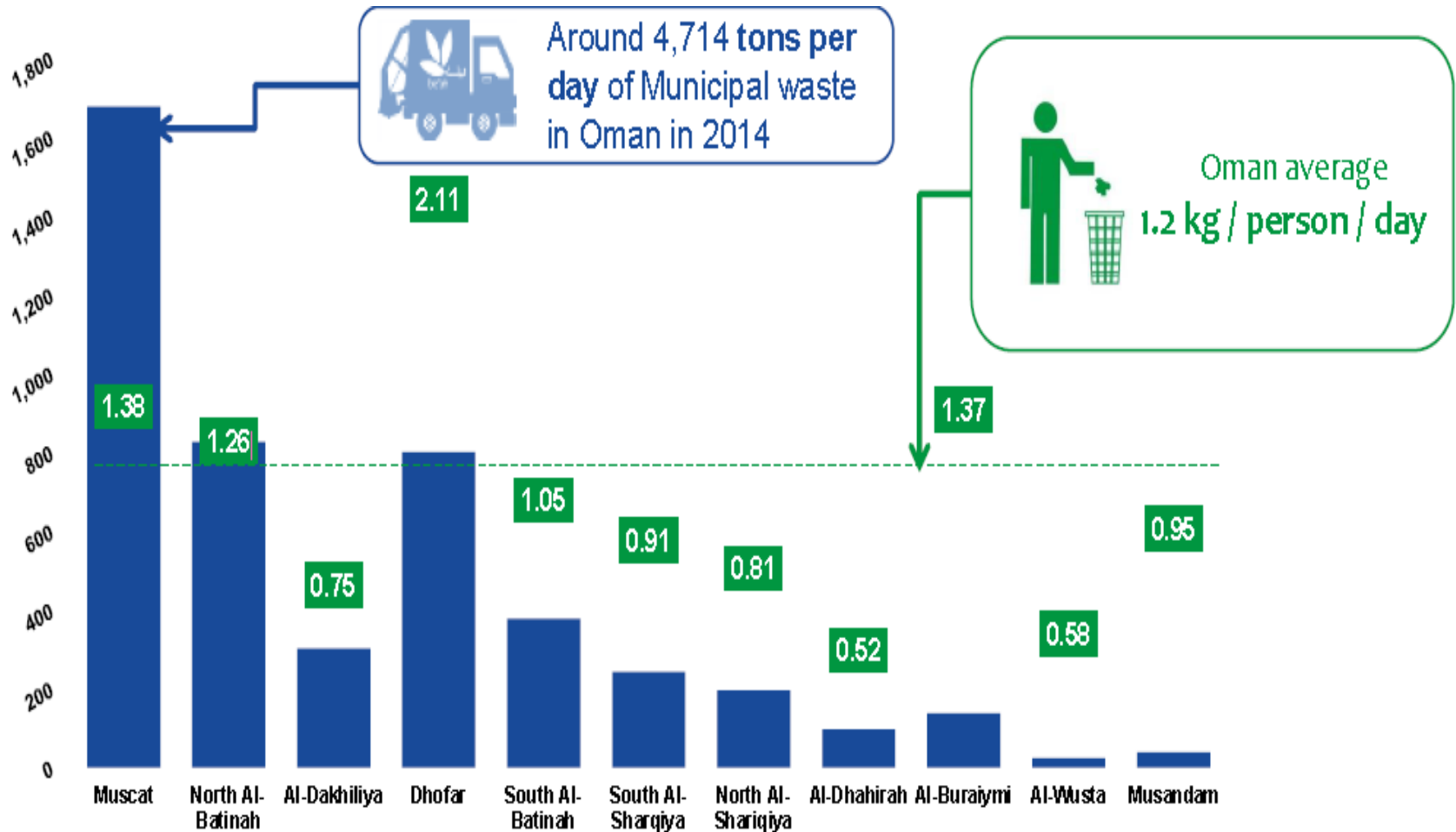
- In Haya= Quality, Health and Safety (QHS) Department
- In Beah= Environmental and Sustainable Development Departments
- Beah has on job training and workshop for its staff

External Sustainability

- Haya: workshops with community to educate on waste water management need
- Beah: Center of Excellence

Additional Info.

- Haya requires certain sectors to have pre-treatment units to treat waste water prior to collection.
- Haya together with Ministry of Agriculture selected five farms that they want to test the Grade A water on.
- As a CSR initiative Haya has developed the Al Ansab Wetlands which is a natural wildlife attraction
- Beah by 2020 plans to recycle 60% of the waste and 80% by 2030
- Beah aims to recycle the waste to generate energy for desalination plants



**Waste Generation (Tons per day),
 Source: Beah (2014)**

4. SMEs:

Interviewees

- Riyadh
- Oman Development Bank

Legal Framework

- Royal Decree (36/2013) The establishment of Public Authority for SME Development (Riyada)
- Oman Vision 2040

Incentives

- Entrepreneurship Award
- Riyadh's Entrepreneur Card.
- Riyadh provides funding of up to 250,000 OMR
- ODB provides funding of 100,000-250,000 OMR for SMEs
- ODB provides micro funds of up to 5,000 with no interest

Internal Sustainability

- In Riyadh= The Green Desk.
- Riyadh has numerous training programs and workshops for its staff both in and outside of Oman.
- In ODB there is no specific department for sustainable development, however the Credit Officer usually suggests sustainability

External Sustainability

- Riyadh has an awareness campaign with higher education institutes on how to start up and run SMEs
- Business Diagnostic Center is a joint initiative between Riyadh, Ministry of Commerce and Oman Development Bank
- Hosting exhibitions on entrepreneurship and innovation

Additional Info.

- Total SMEs in 2013 were 132,735 out of which 10,020 are tourism related which accounts to 7.5% (NCSI,2013)
- Riyadh and ODB aligns their grants to Oman's economic development vision and Market needs.
- Both ODB and Riyadh encourage and recommend the SMEs to be sustainable

5. LOCAL EMPLOYMENT:

Interviewees

- Ministry of Manpower
- Public Authority for Craft Industries

Legal Framework

- Omanization
- Labour Law (35/2003)

Incentives

- Green Card issued by MOMP to those who have achieved their Omanization level
- PACI offers training free of charge in handicraft making and provides the necessary material
- PACI selling handicraft products in Omani Handicraft Houses established throughout Oman.
- Upon completion of training program PACI certifies the handicraft maker.

Internal Sustainability

- Both PACI and MOMP have no departments dedicated for sustainable development.
- PACI Have a training department that is responsible for in house training

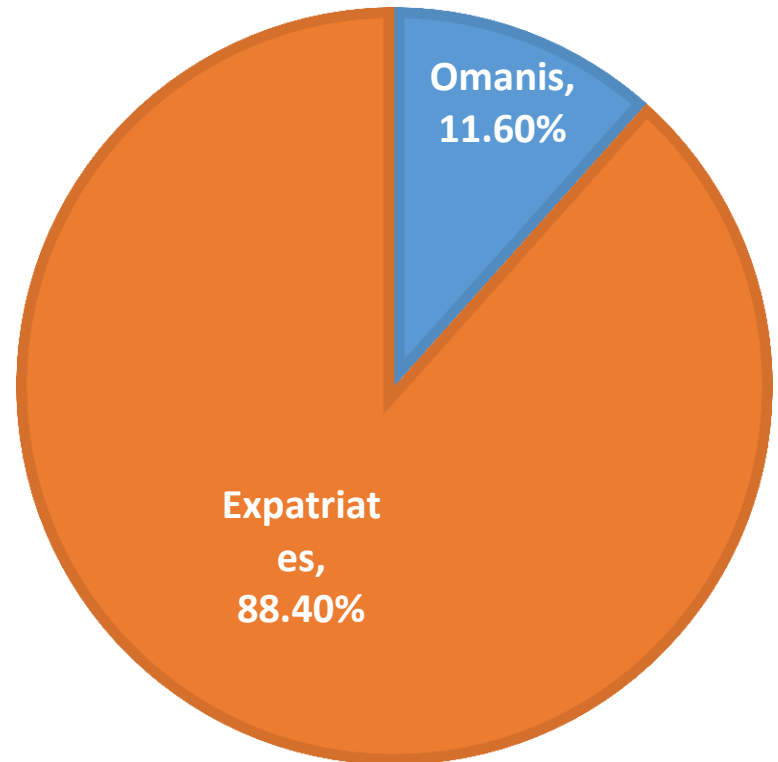
External Sustainability

- Training centers for provision of training in various handicrafts making throughout the country
- Creating awareness and training in revival of dying crafts
- Encourage the youth to be self-employed rather than job seekers
- Importance of handicraft making is placed in school curriculum

Additional Info.

- PACI indicated that approx. 100 people who undertook the handicraft training have established and are running their own business.
- PACI cooperates with Raffad to provide funds for those who wish to start up their own business in handicraft making.
- PACI is facing an issue with handicraft makers leaving their profession after completion of training to find a more permanent job.
- MOMP is facing problems with the locals' unwillingness to work in tourism due to: the nature of the job, acceptance of locals to work in tourism and the salaries.

OMANIZATION OF TOURISM SECTOR, 2015



Source: MOMP,2015

Concluding Remarks

- Clarity of the terminology CSR, Sustainability and the green economy, PPP
- High linkage nature of tourism leads to difficulty in coordination - Sustainability is everyone's business.
- Finance
- There is a scope for further regulations and monitoring and incentives.



Concluding Remarks

- Reversed incentives and the absence of a business case – a green economy approach.
- Organizational structure
- The Bottom up approach
- Certification and recognition



Sustainability is a mind set!

