

## **European Union**

### **Annex I – Description of the Action**

SUSTOUR - Replicating EU tourism industry SCP best practices into a Bhutanese sustainable tourism model

**Budget line:** 21.02.02.00

**Reference:** EuropeAid/161614/ SWITCH-Asia and Central Asia II

**General information**

<b>Reference of the call for proposals</b>	Call reference: 161614 - SWITCH-Asia and Central Asia II - Promoting Sustainable Consumption and Production
<b>Number of Proposal</b>	137
<b>Title of the action:</b>	SUSTOUR - Replicating EU tourism industry SCP best practices into a Bhutanese sustainable tourism model.
<b>Name of the lead applicant</b>	Association of Bhutan Tour Operators (ABTO)
<b>Co-Applicant(s)</b>	Allianz Selbstständiger Reiseunternehmen; Hotel and Restaurant Association of Bhutan; Stichting European Centre for Eco and Agro Tourism – Nederland
<b>Location of the Action</b>	Bhutan
<b>Duration of the Action</b>	48 Months
<b>Nationality of the lead applicant</b>	Bhutanese

**List of acronyms and abbreviations:**

<b>AC</b>	Activity Cluster
<b>ABTA</b>	Association of British Travel Agents
<b>ABTO</b>	Association of Bhutanese Tour Operators
<b>ADB</b>	Asian Development Bank
<b>AFD</b>	French Development Agency
<b>ANVR</b>	Netherlands Association of Tour operators
<b>AEN</b>	Asian Ecotourism Network
<b>ASR</b>	German Association of small and medium Travel Agents and Tour operators
<b>CBT</b>	Community Based Tourism
<b>CFP</b>	Call for Proposal
<b>CN</b>	Concept Note
<b>CSR</b>	Corporate Social Responsibility
<b>DHS</b>	Department of Human Settlement
<b>ECEAT</b>	European Centre for Ecological and Agricultural Tourism
<b>ECTAA</b>	European umbrella association of national travel associations (32 countries represented)
<b>EMAS</b>	Eco Management and Auditing System
<b>ER</b>	Estimated Result
<b>EU</b>	European Union
<b>EU GAP II</b>	European Gender Action Plan II 2016 – 2020
<b>FB</b>	Final Beneficiaries
<b>FIT</b>	Free and Independent Traveller
<b>FYP</b>	Five Year Plan
<b>GAB</b>	Guide Association of Bhutan
<b>GSTC</b>	Global Sustainable Tourism Council
<b>GRI</b>	Global Reporting System
<b>HAB</b>	Handicrafts Association of Bhutan
<b>HRAB</b>	Hotel and Restaurant Association of Bhutan
<b>ICST</b>	International Conference on Sustainable Tourism
<b>ITB</b>	Internationale Tourismus-Börse (largest global travel fair in Berlin)
<b>ITC</b>	UN International Trade Centre
<b>TO</b>	Tour Operator (packing accommodations, activities, guides and transport). Can be inbound or outbound.
<b>LDC</b>	Least Developed Country
<b>MOTS</b>	Ministry of Tourism and Sports
<b>MoWHS</b>	Ministry of Works and Human Settlement
<b>MoU</b>	Memorandum of Understanding
<b>MSME</b>	Micro, Small, and Medium Enterprises
<b>MTCO</b>	Mekong Tourism Coordinating Office (MTCO)
<b>NGO</b>	Non-Governmental Organization
<b>OP</b>	Output
<b>PATA</b>	Pacific Asia Travel Association
<b>SCP</b>	Sustainable Consumption and Production
<b>SDG</b>	Sustainable Development Goals
<b>SEA</b>	South-East Asia
<b>SPO</b>	Specific Objective
<b>SRF</b>	Swedish Association of Tour operators
<b>SSCM</b>	Sustainable Supply Chain Management
<b>TCB</b>	Tourism Council of Bhutan
<b>PWD</b>	People with Disabilities
<b>TG</b>	Target groups
<b>TO</b>	Tour operator
<b>UNEP</b>	United Nations Environment Programme (UN Environment)
<b>UNWTO</b>	United Nations World Tourism Organization
<b>WTTC</b>	World Travel and Tourism Council

# 1 CONCEPT NOTE

## 1.1. Summary of the action

<b>Objectives</b>	<p><b>Overall objective:</b> is to boost the transformation of Bhutan towards a green economy by enhancing the sustainability and competitiveness of tourism as a key sector thus contribute to Vision 2030, Bhutan's long-term national planning strategy which has identified (sustainable) tourism as a key sector.</p> <p><b>Specific objective:</b> Bhutanese tourism is more sustainable having adopted and replicated proven SCP practices, developed greener products, integrated MSMEs, and has obtained competitive advantages within the global tourism market which is supported by enabling government policies.</p>
<b>Target group(s)</b>	<p>1. 750+ Bhutanese inbound <b>tour operators</b>, representing 50% of the EU – Bhutanese trade.</p> <p>2. 2.500+ MSME <b>key suppliers</b> (e.g. accommodations, guides, transport, activity providers) of 100+ committed tour operators.</p> <p>3. National Tourism associations.</p> <p>4. 5.000.000 tourists clients of participating TO's and FIT's.</p>
<b>Final beneficiaries</b>	<p>20.000 <b>employees</b> of Bhutanese Tour Operators, Hotels and Restaurants;</p> <p>9.500 employees of MSME's in the local tourism supply chains;</p> <p>25.000 men and women in local <b>communities</b> incl. ca. 3% PWDs; 500,000 <b>tourists</b> buying from certified / more sustainable tourism MSMEs,</p>
<b>Estimated results</b>	<p><b>R1.</b> Bhutan sustainability standards, training materials and tools supporting tour operators and their suppliers towards overall resource efficiency, reduced GHG emissions, poverty alleviation and CSR in the tourism value chains. Bhutan tourism associations provide member support services / standards to “green” their members (supply chain).</p> <p><b>R2.</b> 100+ tour operators (50% of the EU-Bhutan B2B trade). have obtained knowledge, have integrated SCP and comply to best practices (certified).</p> <p><b>R3.</b> Increased income and green practices of 1.000+ Bhutan suppliers (MSME's) through training, coaching and supply chain approaches; 30+ Hotels obtain a GSTC Accredited certification.</p> <p><b>R4.</b> Supply chain integration with tourism related sectors (local community relations, in pilot regions. More sustainable destinations.</p> <p><b>R5.</b> Green Financing scheme established and 15+ hotels obtain green financing.</p> <p><b>R6.</b> 100 EU outbound TO and 5 million consumers are aware and buy from “green”/ certified products; “green” destination image for Bhutan.</p> <p><b>R7.</b> Public support policies developed. Local ownership and sustainability obtained through integrated market incentives.</p>

	<p><b>R8.</b> Bhutan tourism associations have adapted and implemented SCP policies. Final Asian tourism SCP event. Results disseminated to 5 other Asian countries.</p>
<b>Main activities</b>	<p><b>A1.</b> Adapting the Travelife EMAS compatible CSR management / reporting and tourism sustainability scheme to Bhutan; innovative package carbon calculator; training and toolbox development; establish partnerships with Bhutan associations; company and local coaches trainings; marketing database with certified suppliers. Auditor trainings.</p> <p><b>A2</b> Sector wide implementation of CSR standards through training, coaching, and certification of tour operators generating market demand for SCP practices</p> <p><b>A3</b> Training and mentoring hotels/restaurants and other MSME suppliers using an integrated business-led approach responding to Tour Operator supply chain demands for SCP practices.</p> <p><b>A4</b> Waste management pilot in two regions (e.g. Thimphu and Paro)</p> <p><b>A5</b> Awareness raising on opportunities and challenges of green finance and capacity building for tourism MSMEs. Establish Green Finance scheme.</p> <p><b>A6.</b> Consumer market research; communication tools/message development; consumer awareness campaign and awards programme; active matchmaking within the inter-Asia and EU-Asia supply chain. Events at ITB Berlin travel fair.</p> <p><b>A7.</b> GSTC policy trainings and briefs; develop national multi stakeholder sustainability strategy. Contribution to government policies. Multi-stakeholder working group.</p> <p><b>A8.</b> Dissemination and knowledge transfer to wider Asian region. EU - Asia meetings and events. Organization of final project conference (GSTC, PATA, Switch Asia network facility, replication and sustainability strategy).</p>

## 1.2. Description of the action

### 1.2.1 Background to the preparation of the action

The Bhutanese government has identified **sustainability** in tourism as a priority within its Vision 2030, long-term national planning strategy. Sustainability awareness among MSME's within the travel sector however is still low. Sustainability standards exist but are hardly implemented in practice due to lack of market incentives. At the same time opportunities arise for **sustainable inclusive growth** thanks to the growing expectations from international B2B and B2C markets. To support Bhutanese MSME's to cater for these opportunities ABTO together with co-applicants HRAB, ECEAT and ASR with support of the GAB, PATA and GSTC have defined the SUSTOUR approach. Based on a participative project design the project partners are **combining their expertise** in sustainable tourism, the Bhutanese business landscape and the policy environment to overcome the identified

issues and support Bhutanese Tourism MSMEs nationwide in creating green supply-chains leading to inclusive sustainable development.

### 1.2.2. Objectives of the action

The **overall objective** is to boost the transformation of Bhutan towards a green economy by enhancing the sustainability and competitiveness of tourism as a key sector thus contribute to the Vision 2030, Bhutans long-term national planning strategy well as SDG goals 8 and 12 by promoting SCP through sustainable supply chain development in the Bhutanese tourism sector. The **specific objective** is to have proven SCP practices replicated and integrated into Bhutanese tourism supply chain as a business requirement leading to greener products and integration of local MSMEs and communities, which is supported by enabling government policies leading to a competitive advantage within the global tourism market.

### 1.2.3. Key stakeholder groups

Stakeholder	Attitudes towards the action/consultations held
ECEAT	ECEAT, manager of the Travelife for Tour operator sustainability scheme, implemented in 100+ countries, delivers 25 years of global leadership in tourism sustainability.
Tourism associations	ABTO (750 TO members), HRAB (250 hotel members) and GAB (500 members). These associations are highly motivated to support their members towards more sustainable practices, replicating (EU) best practices.
Authorities	Tourism Council of Bhutan, a Bhutanese government established institution, provides linkages with national policies and marketing channels. TCB is supportive towards the project and will be involved in its implementation.
Financial institutions	Financial institutions need knowledge on travel industry best practices and a third party guarantee on compliance with them (certification). The Bank of Bhutan is interested.
Tourism MSMEs	15 Bhutanese tour operators are already Travelife member and are in support of the action as it will help them to collectively “green” their supply chain & provides a competitive advantage.
Consumers	Consumer research and social media posts indicates consumers need reliable information, a wider choice of green products and expect companies to act responsible.

Partners have been working together for 4 years in various projects and initiatives. ABTO maintains a professional implementation office in Thimphu (each 10+ staff) and has previously successfully concluded a Switch Asia project. As part of the project planning ABTA and ECEAT had personal consultations with the HRAB, GSTC, AEN and UNEP leading to alignment with their objectives and plans. As Bhutan is a European destination and its sustainability is of strong concern, EU travel associations (e.g. ABTA, ANVR, ASR, SRF, ECTAA) and tour operators are highly supportive to the approach.

### 1.2.4 Outline of intervention logic and the type of activities proposed

The action’s intervention logic is based on a holistic business led approach using proven methodologies working closely with tourism MSMEs, consumers and host communities as well as policy stakeholders and enablers. **Outcome:** The Bhutanese tourism sector has implemented supply chain methodologies driving MSME’s towards adaptation and replication of SCP practices, greener products creating competitive advantages. Sustainable tourism is promoted in communities and consumer awareness on sustainable tourism in Bhutan is raised. The action timeframe is 48 months and includes the following related **output (OP) / Activity Clusters (AC)**: standard, training and tools development & commitment (1) for TO capacity building & commitment (2) towards supply chain

motivation and action (3), pilot region and cross sector integration (4) and consumer action (6). Green financing (5) and Policy dialogue and integration (6) provide a supporting environment. The lessons learned and models developed will be disseminated within Asia (7). Work with tourism MSME will be focused on the tourist low season.

**OP1. *Improved capacity of travel associations to provide CSR advisory services.***

*Assumption* MSMEs provide local input into the development process. **AC1.** A. Bhutan sustainability standard for TO's. B. Common suppliers specific standards and codes, e.g. transport, accommodation, activities and guides. C. Establish Bhutan specific CSR reporting and compliance requirements. D. EMAS compatible online CSR management / reporting system & toolbox. E. Training of 30+ advisors / auditors from Bhutan and other Asian countries F. Shared suppliers data-base with sustainability information (linked to global GSTC database). G. Customize travel package carbon calculator. H. 4+ online theme trainings (e.g. responsible ecotours, guides ethics, trekking, hotel energy management). Months 1-12. (Inception)

**OP2. *Tour operators have integrated ECP practices and are committed to “pull” their suppliers.***

*Assumption:* MSMEs invest resources (staff, time, and budget) for implementation & certification; **AC2.** A. Selecting tour operators for different engagement levels through “pyramid approach”. B. 4 2-day classroom trainings for 120+ tour operators. C. Coaching 100+ leading tour operators to comply with and report on CSR standards. D. Audit and certification of 100+ tour operators. Months 4-24.

**OP3. *Resource efficiency and poverty reduction in the Bhutan tourism supply chain.***

Green supply chains (MSME hotels restaurants, guides, vehicle and activity operators) meet sustainability requirements of TO's. *Assumption:* MSMEs are willing to comply to market demands. **AC3.** A. SCP MoU's with national hotel, guides, activity and community tourism associations. B. 20 1-day classroom trainings for total 500 suppliers (e.g. hotels, guides, transport companies). C. 75+ tour operators conduct a concerted suppliers' approach involving EU buyers. D. CSR assessment of 500+ suppliers (central shared database). E. Certification of 50+ suppliers Months 18-48.

**OP4. *Supply chain integration with destinations and related sectors (e.g. Switch Asia***

*priority sectors: energy efficiency and waste management).* *Assumption:* local partners identified in pilot regions. **AC4.** A. Hotel **energy efficiency** standard and training. B **Alternatives for plastic** strategy and implementation. C. Cluster approach with excursions and activities (e.g. community tours, ecotours). D. Pilot waste management project in 2 regions (e.g. Thimphu and Paro).

**OP5. *Green Financing scheme supporting 15+ MSMEs (e.g. hotels).***

*Assumption:* Finance institutions agree to introduce green finance instruments / MSME's apply for financing. **AC5.** A. Identify potential interests and obstacles of financial institutions. B. Sensitization campaigns /roundtables to promote agreements between stakeholders and financial institutions. C. Launch and promotion of credit lines.

**OP6. *Increased relative market share and demand for “green” products in the European***

*and East Asian markets.* *Assumption:* International travel agencies (EU, China) interested to promote sustainable tourism in Bhutan in their product portfolio. Tourism hotspots (Airlines, Airports, Hotels, etc.) willing to display promotional materials. **AC6.** A. Bhutan-EU market research. B. Consumer communication strategy. C. Consumer Code of conducts (e.g. ecotourism, wildlife, visiting communities, religious locations). D. Eco Messages in

promotions of 200+ Bhutan / EU / Indian tour operators and online travel agents (Agoda, Trip advisor, Air B&B). E. Support “sustainable” destination branding capacity Tourism Council of Bhutan . Green Product Directory. F. Innovative (social) media campaign reaching 1 million+ travellers. G. Matchmaking to increase “green” / CBT suppliers into the Bhutan-EU supply chain. H. EU-Bhutan (visibility) events at ITB Berlin and Delhi travel fair. Months 24-48.

**OP7. Policy dialogue and local ownership obtained.** *Assumption:* Regular active participation of stakeholders in meetings. **AC7.** A. Establish multi-stakeholder steering group and 4+ policy meetings B. Contributions to national tourism SCP strategy by PATA and GSTC. C. Policy briefs / case studies to regional forums (e.g. pro poor linkages, public procurement). D. GSTC training for destination managers. E. 4 Policy trainings by the GSTC of Bhutanese and regional governments. Months 12-36.

**OP8. Wider Asian region has replicated the SUSTOUR approach and results.** *Assumption:* Tourism associations from other Asian countries are interested to replicate the model. **AC8.** A. Establish MoU’s with 5+ Asian national travel associations, sharing of developed tools and instruments. B. Training events in 5+ countries C. Review ASEAN Ecotourism standards by with support of Asian Ecotourism Network. D. Asian conference in Bhutan in partnership with Switch Asia, GSTC & PATA. Months 24-48.

### 1.2.5. Relevant cross-cutting issues

The Bhutan sustainability standards will integrate the GSTC Accredited Travelife criteria which include **human rights**, gender equality, ethical business practices, children’s and indigenous peoples rights, biodiversity and environmental sustainability. ECEAT has established a partnership with The Code and Friends International both specifically focused on **children rights** in the travel sector. Training and capacity building will take place in child rights. Furthermore, the project will specifically focus on **women-owned MSME’s**. ECEAT is presently supporting 60 women owned MSME’s from Africa and Asia (including Bhutan) with sustainability certification and market access in the frame of the UN International Trade Centre’s She Trades program. In addition a strong focus will be provided in reducing **use of plastic** in the travel industry (e.g. roll out of “refill my bottle” and other innovative initiatives), the reduction of **food waste** and the promotion of local community supply chain linkages, specifically with traditional **local communities** within the Bhutan pilot regions.

## 1.3. Relevance of the action

### 1.3.1. Relevance to the objectives and specific priorities of the call.

#### **A. Relevance to the objectives and priorities of the Call for Proposals**

SUSTOUR is highly relevant to the **global objective** of this call with its aim to promote *inclusive sustainable growth*, to contribute to the *economic prosperity* and *poverty reduction* in Bhutan, the development of a *green economy* and the transition towards a low-carbon, resource-efficient and circular economy.

Under **Specific Objective 1**, supporting **Output 1**, the action will adopt *sustainable production and consumption practices* among *MSMEs* promoting *less polluting* and more *resource efficient* products, processes and services in the Bhutanese tourism sector.

**Output 2** is addressed by *replicating previously demonstrated SCP practices* throughout



the supply chain of tourism MSMEs in a business-led approach and increasing *access to green financing*. Under **Specific Objective 2**, the action will address the following outputs: **Output 2** by *building the capacity* of TCB to *promote SCP practices* in the tourism sector at national scale;

**Output 3** by *complementing and interacting with existing grant projects* the action supports the *overall effectiveness, sustainability and impact* of the program.

**Output 4**, by *increasing awareness on SCP* in the tourism sector, *distilling knowledge* from the project for *replication in the Asian region*;

**Output 5** by promoting the economic value of SCP in the tourism sector *interaction between MSMEs and finance institutions* is facilitated;

**Output 6** by *support existing regional fora* on tourism and SCP *enhancing policy dialogue* in Asia. The action will be in line with **priority 1** by addressing *sustainable supply chain management* and facilitating the *integration of MSMEs* into the tourism supply chain through *sustainability reporting, labelling and certification*.

**Priority 2** is addressed by supporting *sustainable consumption* and *consumer awareness* on SCP specifically for tourists and international tourism agencies in Bhutan.

## **B. Relevance to specific priorities / subthemes/ sectors/ areas of the call for proposals.**

The tourism sector is a SWITCH Asia Bhutan and **12YFP** priority. By transforming comprehensive supply chains a wide range of MSMEs in the tourism sector will be targeted covering several Bhutanese SCP priorities including energy efficiency and waste management. As a subtheme the action will promote child rights, gender awareness and waste management (e.g. plastics) among tourism MSMEs and local communities. As part of the awareness activities, **visibility** of the action will be reached among a wide audience of stakeholders, MSME's and consumers through e.g. social and mass media channels.

## **C. Expected results referred to in the guidelines for applicants addressed.**

SUSTOUR will address expected results under **Specific Objective 1** through the following OP/AC's. Up-scaling of TO certification (OP2) and their supply chains (OP3) by a business-led approach including enabling access to green finance (OP4). Results under **Specific Objective 2** will be supported through policy advocacy to promote SCP and interaction and complementation with existing programmes in the sector and building on existing capacities (OP7). The action will increase SCP awareness of tourists and international TO's based on certification criteria and communication tools (OP6); connect targeted MSMEs with finance institutions (OP5); and actively promote the positive impact of SCP in the tourism sector in regional fora on SCP and tourism (OP8).

### **1.3.2. Relevance to needs and constraints of target countries and/or relevant sectors.**

#### **A. Pre-Project situation**

Based on the Bhutan Tourism Monitor (TCB 2017), tourism contributes to 10 % GDP (€ 50 million) and 9,3 % of employment including a high proportion of youth and women (0.58 million jobs). It generates 8 % of direct investment (€ 72 million). With 260.000 visitors in 2018 tourism is growing fast (e.g. 21,5% between 2017 and 2018). Currently, Bhutan has over 500 accommodation facilities, and 625 full time operational tour operators. The growing tourism industry creates challenges in terms of carrying capacity and waste management. For Bhutan to remain its position as a pristine tourism destination SCP needs to be integrated into the industry. Since more than 10 years initial initiatives have been established by the industry, civil society and government to promote SPC among in tourism. These include the SNV Sustainable Tourism Project (2012) and the ABTO Switch Asia Carbon Neutral Packages project. Although valuable experiences have been gained and local capacity has been established SCP practices have not been mainstreamed.

#### **B. Problem analysis**

In 2017 an ECEAT expert conducted a value chain analysis with support of TCB and the Dutch government CBI programme which identified that rapid growth in the tourism sector creates **sustainability challenges**, including: (i) absence of quality and sustainability standards; (ii) poorly planned facilities; (iii) climate change devastating consequences on Bhutanese natural resources; (iv) inadequate skilled human resources to manage the sector; (v) low government budget for tourism; (vi) opportunities for interaction with the private sector are scarce; (vii) limited understanding of tourism sector by the financial institutions; and finally, (viii) insufficient destination marketing / promotion. SCP could contribute to the mitigation of these challenges MSMEs who lack awareness, information, standards, implementation tools and (perceived) market interest. If left undressed and the sector undergoes, it would mean to lose one of the main values of the country. Therefore, to maintain its primacy, tourism in Bhutan requires new management systems that incorporate SCP. **Tour operators** play a key role in the **tourism** supply chain, they can influence the choices and behaviour of consumers (e.g. through “green” product offer, code of conducts) as well as their suppliers (e.g. by awareness raising, promotional benefits, contract conditions, certification).

#### *Destinations Tourism suppliers **Tour operators** Consumers / holiday makers Destinations*

To create market demand for already sustainable suppliers and to move existing suppliers towards sustainability a **market-led supply chain approach** is needed in which a critical number of tour operators jointly set (industry) standards and organise their collective market power based on common principles and suppliers criteria. To pilot the approach ECEAT and ABTO have started the role out of the ECEAT managed Travelife programme in 2014 and the first Bhutanese tour operators been trained, implemented the tools, and have been awarded the GSTC Accredited Travelife certification (Bhutan Swallow Trail, Windhorse, TLF Holidays, Reydoen). 15+ other TO's are already committed to join the programme and work collectively towards a more sustainable supply chains. These experiences indicated a clear need for **adaptation** to the Bhutanese conditions and suppliers types and showing a strong **replication interest** from other Bhutanese tour operators and their suppliers. The existing sustainability expectations of EU buyers and consumers will direct Bhutanese tour operators towards sustainability. The project will use an integrated **cluster approach** by which a critical part of the in- and outbound tour operators will collectively motivate suppliers towards sustainability. The project will also focus on the awareness raising and consumer choices of the growing Asian markets including India.

#### **C. Significant plans undertaken at national, regional and/or local level.**

The Comprehensive National Development Plan for Bhutan 2030 (CDNP 2030) identified tourism as a key sector Bhutan's 12<sup>th</sup> FYP (2019-2023) planning strategy has identified (sustainable) tourism as flag ship programme. SUSTOUR will support its objectives by focussing on the private sector and ensuring the integration and participation in the national strategy. At the first National Tourism Conference organised by TCB on 27th February 2019 sustainable tourism was identified as key issue and will be central in the future planned national conference. TCB has projected 466900 tourists arrival by 2023, which will create sustainability challenges the project will facilitate, including proper waste management.

On a global scale SUSTOUR will contribute to achieving SDGs 8 and 12.

#### **D. Continuation of previous actions**

The project will build upon SWITCH Asia project “**low carbon tourism packages**” (2012-15) with ABTO as lead partner. The guidelines on carbon, waste and waste water management developed and the awareness raised will be capitalized in a country wide assessment and certification approach. The **E-governance** Bhutan Information System (BHhutIS), Asia IT & C Programme project with ABTO as partner will support sustainable

data gathering and engagement of suppliers. The EU Green Public Procurement project for Bhutan (2014-17). The EU supported **CSR-MAP project** (2009-2010) in which TEATA, ECEAT, and the Thai Green Leaf foundation developed and sustainability standards for accommodations, community tourism and eco-activities; the ECEAT managed 2008 Asia Invest project **Communities in Business** creating standards and EU-Asia marketing linkages for Community Based Tourism networks in Mongolia, Indonesia, Cambodia. **SUSTOUR** will adapt and disseminate the Travelife training, management, reporting and certification scheme established through an **EU LIFE** project (2007) in partnership with UNEP and the British (ABTA) and Dutch (ANVR) travel associations. The **EU Eco-Innovation** INTOUR project (2011-2013) harmonized the Travelife tools to EMAS III and the EU Ecolabel and replicated the results among 12 EU national travel associations. Additional EU **Erasmus** projects disseminated Travelife to 6 additional EU countries and Turkey (2013-2016). To date 20 **European travel associations** promote the tools which have been adapted by 1.850 European TO's and more than 12.000 of their suppliers leading to proven environmental and social positive impact. The approach is leading, market tested and based on a financially sustainable business model (membership fees). In 2014, ECEAT signed a strategic partnership with **PATA** on the adaptation and transfer of the European tools and instruments within the Asian tourism sector. Initial activities have been supported by the Dutch government CBI programme in partnership with ABTO and TCB. The action will also build upon Thai AFD experiences in establishing a **green credit scheme** for hotels in partnership with the Kasikorn Bank for which ECEAT has been involved as tourism sustainability expert.

#### E. Fit with larger programme and synergies

As a grant project under the EU Switch Asia II programme the action will provide a best practice example fit for replication, which will support the efforts of the SCP Facility and the **Regional Policy Advocacy Component** to demonstrate government representatives across the Asia region how SCP can be integrated in the tourism sector while also by promoting inclusive economic growth e.g. through the PATA government committee and the GSTC partnerships with the Bhutanese and other Asian governments.

#### F. Complementarity with other existing initiatives, specifically from the European commission

ECEAT is lead partner in the **Central Asia Invest** project "*Strengthening community tourism Business Intermediary Organizations*" (2017-2019) with 4 Central Asian travel associations as formal partners. CSR trainings, implementation and reporting are part of the project objectives and will be synergized with the proposed SUSTOUR project. The project will also build up-on the **SWITCH Africa Green** "Green Tour Kenya" (2018-2021) project (ENV 2017-391/378) in which ECEAT is the lead partner. The project will work in partnership with ITC tourism project in Myanmar focusing on sustainable product development and introduction of the Travelife tools among TO's.

#### 1.3.3. Target groups / final beneficiaries, needs and constraints, and how addressed

Target Group	#	Description	Selection Criteria
<b>Bhutanese TO's</b>	60	Bhutanese Tour operators (ABTO members).	Two tier selection, front runners phase I.
<b>Supply Chain MSMEs</b>	500	Hotels (HRAB), Local suppliers and producers (e.g. tour guides, drivers, caterers, homestays, activity and transport providers, handicrafts).	Two tier selection; focus on covering SCP relevant sectors disadvantaged groups including women, young adults and ethnic minorities.
<b>Local Communities</b>	20	10 per target region (Western and Central Bhutan).	Community members involved in Tourism supply chain.
<b>Consumers</b>	150 K	International visitors.	TO's and FIT markets.

Target Group	Needs/ Requirements	Constraints/ Obstacles
<b>Bhutanese TO's</b>	Adaptation of global criteria to local context; training for CSR and environmental best practices; mentoring to achieve certification.	Lack of understanding of sustainability. Lack of tools. Language barrier. Lack of education; busy during peak of tourist season. Need hand holding.
<b>Supply Chain MSMEs</b>	Adaptation of criteria to local context; training for CSR and environmental best practices; mentoring to achieve certification. support with green product development (eco-friendly, less polluting, community-based) for tours and physical products.	Lack of sustainability understanding; Language and cultural barriers; lack of education/low capacity of local staff; busy during peak of tourist season. Lack of appropriate standards and tools. Need market incentives and hand holding..
<b>Local Communities in pilot regions</b>	Coordinated destination approach. Developing destination specific cluster approach linking to other sectors (food, waste management).	Language and cultural barriers; cooperation with local government. Uniting local activity providers on common minimum requirements.
<b>Consumers</b>	Information on sustainable behaviour, green products, environmental conservation and climate change compensation.	Barriers to penetrating the regional upcoming markets (e.g. China). Reaching through social media. Developing communication tools for different markets.

**Relevance to target group and beneficiaries:** The target groups are motivated by European and wider **market demands** to comply through joint sustainable supply chain methodologies towards minimum sustainability standards (agreed on sector level). Through a **multi-tiered selection approach** tour operators, hotels and their suppliers will be involved in SCP steps and stages. Front runners will be exposed positively to motivate the broader group. EU tour operators (buyers) motivate their inbound partners as part of their CSR policies. Key committed EU tour operators include TUI, Intrepid Travel, Thomas Cook and others requiring a more responsible tourism product. 500.000 EU and Asian consumers will be reached through the communication channels of tour operators, Hotels and mass media through (online) travel brochures, airline magazines (e.g. Drukair) and online travel agents (e.g. Trip Advisor, Agoda, Airbnb). **Participatory process:** Stakeholder consultation has been conducted during project conceptualization with all key stakeholders and will continue throughout the project lifecycle. A multi stakeholder project **steering group** will be established.

#### 1.3.4. Particular added-value elements

1. The project is based on an **existing partnership** and methodology which will ensure long term organisational and financial sustainability.
2. The proposed CSR standards go **beyond an environmental label** and provide specific attention to rights for local communities and minorities, gender equality, labour rights and the rights of handicapped people (e.g. accessibility within hotels offices).
3. With a focus on the ethnically diverse regions the project will provide specific attention to **ethnic minorities** and rights of indigenous people through development of suppliers and consumer code of conducts.
4. Tourism, as service industry, provides predominantly employment to **women**. The project will specifically focus on these aspects and will also prioritize women to benefit from project activities (e.g. training, capacity building).
5. Reduction of **food waste**, as a key 12YFP requirement, will be addressed in the standards and training tools (e.g. hotels, restaurants, packed lunches on tours).
6. The 2017 UN-WTO award winning CARMATOP carbon calculator will support **carbon management** in the supply chain addressing the specific requirements of TO's, suppliers

and consumers.

## 7. Linkages with parallel (EU supported) initiatives in Asia, Africa, Europe and Latin America.

### 2 The action

#### 2.1. Description of the action

##### 2.1.1. Description

**SUSTOUR** is highly relevant to the *global objective* of this call with its aim to promote *inclusive sustainable growth*, to contribute to the *economic prosperity* and *poverty reduction* in Bhutan, the development of a *green economy* and the transition towards a low-carbon, resource-efficient and circular economy.

Under **Specific Objective 1**, supporting **Output 1**, the action will adopt *sustainable production and consumption practices* among *MSMEs* promoting *less polluting* and more *resource efficient* products, processes and services in the Bhutanese tourism sector. **Output 2** is addressed by *replicating previously demonstrated SCP practices* throughout the supply chain of tourism MSMEs in a business-led approach and increasing *access to green financing*.

Under **Specific Objective 2**, the action will address the following outputs: **Output 2** by *building the capacity* of TCB to *promote SCP practices* in the tourism sector at national scale; **Output 3** by *complementing and interacting with existing grant and national projects* the action supports the *overall effectiveness, sustainability and impact* of the program. **Output 4**, by *increasing awareness on SCP* in the tourism sector, *distilling knowledge* from the project for *replication in the Asian region*; **Output 5** by promoting the economic value of SCP in the tourism sector *interaction between MSMEs and finance institutions* is facilitated; **Output 6** by *support existing regional fora* on tourism and *SCP enhancing policy dialogue* in Asia. The action will be in line with **priority 1** by addressing *sustainable supply chain management* and facilitating the *integration of MSMEs* into the tourism supply chain through *sustainability reporting, labelling and certification*. **Priority 2** is addressed by supporting *sustainable consumption* and *consumer awareness* on SCP specifically for tourists and international tourism agencies in Bhutan.

### Relevance to specific priorities / subthemes/ sectors/ areas of the call for proposals.

The tourism sector is a SWITCH Asia Bhutan and a Bhutan 12th Five Year Plan (2018-2023) priority including its **Tourism Flagship Programme** focusing on four new destinations, unique tourism products, and an improved enabling tourism policy environment under the motto “*Take Tourism To The Top*”. By transforming tourism supply chains a wide range of MSMEs in the tourism sector will be targeted covering several Bhutanese SCP priorities including energy efficiency and waste management. As a subtheme the action will promote child rights, gender awareness and waste management (e.g. plastics) among tourism MSMEs and local communities. As part of the **visibility** and awareness activities a wide audience of stakeholders, MSME’s and consumers will be reached through e.g. social and mass media channels.

### B. Target groups and final beneficiaries (needs and constraints)

Target Group	#	Description	Selection Criteria
<b>Bhutanese TOs</b>	60	Bhutanese Tour operators (ABTO members).	Two tier selection, front runners phase I.
<b>Supply Chain MSMEs</b>	500	Hotels (HRAB), Local suppliers and producers (e.g. tour guides, drivers, caterers, homestays, activity and transport providers, handicrafts).	Two tier selection; focus on covering SCP relevant sectors disadvantaged groups including women, young adults and ethnic minorities.
<b>Local Communities</b>	20	10 per target region (Western and Central Bhutan).	Community members involved in Tourism supply chain.
<b>Consumers</b>	500 K	International visitors.	TOs and FIT markets.

Target Group	Needs/ Requirements	Constraints/ Obstacles
<b>Bhutanese TOs</b>	Adaptation of global criteria to local context; training for CSR and environmental best practices; mentoring to achieve certification. Communicating SCP initiatives in marketing and promotion activities to appreciate	Lack of understanding of sustainability. Lack of tools. Lack of market understanding. Busy during peak of tourist season. Need hand holding. Lack of marketing strategy and communication skills.

	clients.	
<b>Supply Chain MSMEs</b>	Adaptation of criteria to local context; training for CSR best practices; mentoring to achieve certification; support with green product development (eco-friendly, less polluting, community-based) for tours and physical products.	Lack of sustainability understanding; Language and cultural barriers; lack of education/low capacity of local staff; busy during peak of tourist season. Lack of appropriate standards and tools. Need market incentives and hand holding.
<b>Local Communities in pilot regions</b>	Coordinated destination approach. Developing destination specific cluster approach linking to other sectors (food, waste management).	Language and cultural barriers; cooperation with local government. Uniting local activity providers on common minimum requirements. Difficulty differentiating local initiatives.
<b>Consumers</b>	Information on sustainable behaviour, green products, environmental conservation and climate change compensation.	Barriers to communicate sustainability in the upcoming regional markets (e.g. India, China). Reaching through social media. Developing communication tools for different markets.

### C. Key stakeholder groups

Stakeholder	Attitudes towards the action/consultations held
ECEAT	ECEAT, manager of the Travelife for Tour operator sustainability scheme, implemented in 100+ countries, delivers 25 years of global leadership in tourism sustainability.
Tourism associations	ABTO (750 TO members), HRAB (250 hotel members) and GAB (500 members). These associations are highly motivated to support their members towards more sustainable practices and to replicating (EU) best practices based on initial workshops in 2015 and 2019 conducted by ECEAT in Bhutan.
Authorities	Tourism Council of Bhutan (TCB), a Bhutanese government established institution, provides linkages with national policies and marketing channels. TCB is supportive towards the project and will be involved in its implementation and linkages with other government institutions. An ECEAT marketing expert (Bill Calderwood) has coached TCB between 2015 and 2018.
Financial institutions	Financial institutions need knowledge on travel industry best practices and a third party guarantee on compliance with them (certification). The Bank of Bhutan and the Bhutan Development Bank Limited are interested.
Tourism MSMEs	15 Bhutanese tour operators are already Travelife member and are in support of the action as it will help them to collectively “green” their supply chain & provides a competitive advantage.
Consumers	Consumer research and social media posts indicates consumers need reliable information, a wider choice of green products and expect companies to act responsibly. They expect a clean Bhutan and responsible travel product in compliance in with best practices.

Key partners ABTO and ECEAT have been working together for 4 years in various projects and initiatives. ABTO maintains a professional implementation office in Thimphu (12 staff) and has previously successfully concluded a **Switch Asia** project, “*Sustainable Tourism in Bhutan: An Integrated Approach to Production, Consumption and Livelihood Development (DCI-ASIE/2011/278-524)*”. As part of the project planning ABTO and ECEAT had personal consultations in Thimphu (June 2019) with TCB, HRAB, GSTC and UNEP leading to alignment with their objectives and plans. As Bhutan is a European destination and its sustainability is of strong concern, EU travel associations (e.g. ABTA, ANVR, ASR, SRF, ECTAA) and tour operators are highly supportive to the approach. They are represented in the project by the German ASR association.

### D. Relevance to target group and beneficiaries

The target groups are motivated by European and wider **market demands** to comply through joint sustainable supply chain methodologies towards minimum sustainability standards (agreed on sector level). Through a **multi-tiered selection approach** tour operators, hotels and their suppliers will be involved in SCP steps and stages. Front runners will be exposed positively to motivate the broader group. EU tour operators (buyers) motivate their inbound partners as part of their CSR policies. Key committed EU tour operators include TUI, Intrepid Travel, Thomas Cook and others requiring a more responsible tourism product. 500.000 EU and Asian consumers will be reached through the communication channels of tour operators, Hotels and mass media through (online) travel brochures, airline magazines (e.g. Drukair) and online travel agents (e.g. Trip Advisor,

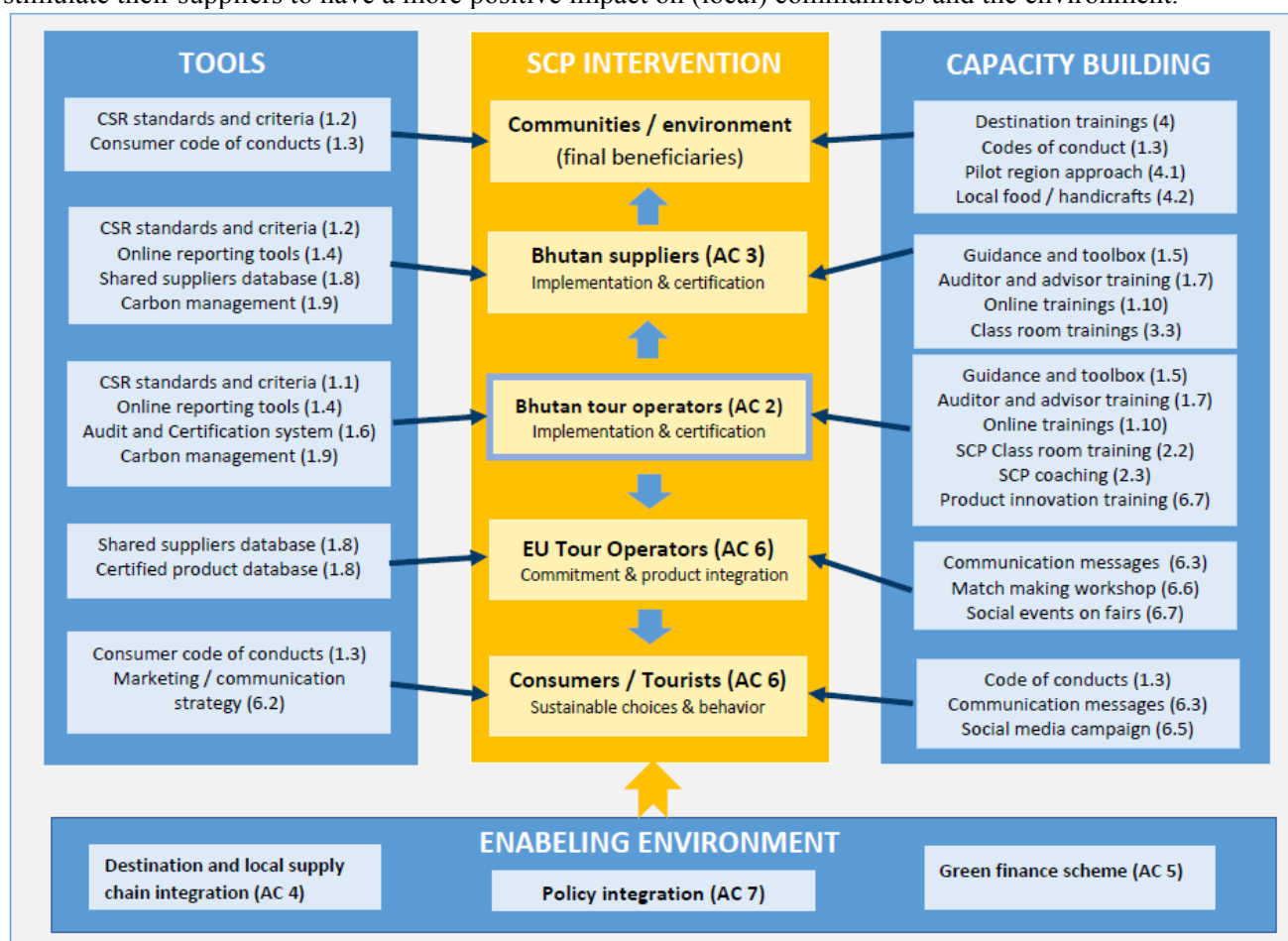


Agoda, Airbnb). **Participatory process:** Stakeholder consultation has been conducted during project conceptualization with all key stakeholders and will continue throughout the project lifecycle. A multi stakeholder project **steering group** will be established.

### E. Outcome, Activities, Responsibilities and Outputs (Intervention logic)

**Overall outcome** “The Bhutanese tourism sector has implemented supply chain methodologies driving MSME’s towards adaptation and replication of SCP practices, greener products creating competitive advantages. Sustainable tourism is promoted in communities and consumer awareness on sustainable tourism in Bhutan is raised”. As **overall assumption** for the success of the project it is expected that the government of Bhutan remains commitment to a sustainable development of tourism in Bhutan; that the socio/ economic/ political environment in Bhutan is conducive to the development of the tourist sector (i.e. legal environment, welcoming attitude of population) and that no major natural disaster or civil unrest occurs, drastically hindering pace or achievement of project results.

The below **diagram** provides a systematic overview of the action’s **intervention methodology**. It is based on a holistic business-led approach using proven supply chain methodologies working closely with tourism MSMEs, consumers and host communities as well as policy stakeholders and enablers. The project works at all levels of the value chain with the **Bhutanese tour operators** as the central actors. They will be the prime focus of capacity building and implementation. This is in line with the Bhutanese policy that all dollar-paying visitors have to be routed through local tour operators. The tools developed will make it attractive and affordable to step in while market incentives and benefits will be provided to them. The committed tour operators will further stimulate their suppliers to have a more positive impact on (local) communities and the environment.



The following activity plan has 9 interrelated **Activity Clusters (AC)**. **AC 1** supports the capacity of Bhutan travel associations to provide relevant and effective services. Bhutan specific standard, tools, trainings and local SCP support capacity is built in order to enable stakeholders to engaging with producers, retailers and consumers in a complementary way. **AC 2** implements CSR / SCP practices within a critical amount of Bhutan

tour operators and commits and capacitates them to work with their suppliers in a proven sustainable supply chain approach. **AC 3** works upstream the value chain (sustainable production). 200 suppliers of tour operators are trained and supported to implement and comply to relevant standards. **AC 4**, strengthens linkages with other sectors and follows a (pilot) destination approach. **AC 5**, establishes an enabling financial environment by creating a *Green Financing Scheme*. **AC 6** encourages the downstream (sustainable consumption) integration of proven sustainable suppliers and tour operators into the South Asia-EU value chain in close partnership with EU travel associations and tour operators. **AC 7** supports the development of a supportive policy environment and the integration the developed standards into Bhutan and South Asian policies. **AC 8** ensures that lessons learned and concepts developed are disseminated within other countries in South Asia. **AC 9** guarantees an effective implementation of the project and its post project sustainability.

## AC 1. Standards, training and tools development

More and more travel associations take an active approach, e.g. ABTA (UK), ANVR (The Netherlands) and ASR (Germany) already work closely with their members on SCP tools and instruments developed jointly by ECEAT and the EU travel associations. Based on this experience SUSTOUR will build capacity and tailor and develop specific tools in order for ABTO, HRAB and other Bhutan associations to better support their members. **Assumption and risks:** MSMEs share their experiences into the development process. Months 1-12.

### 1.1 Bhutan specific EMAS compatible CSR reporting and compliance requirements for tour operators

**A.** The international EMAS III compatible and Travelife tour operator standard will be tailored to the Bhutanese context. The more than **200 criteria** include environmental, social, cultural, human rights, biodiversity and Occupational Health & Safety (OH&S) aspects and involve all tour operators' management fields including office operations, suppliers, destination management and consumers. **B. Basic and advanced requirements** will be agreed upon. **C.** ECEAT will develop a proposal which will be adapted and agreed upon during a **multi-stakeholder** workshop. Update of the standards in the third project year.

Output	Responsibility
1.1.A. EMAS compatible Bhutan certification standard (200 criteria)	• ECEAT (lead)
1.1.B. Basic and advanced Bhutan CSR requirements (100 criteria)	• ABTO (workshop)
1.1.C. Two multi stakeholder standard workshops 2 x 20 participants	

### 1.2 Common suppliers CSR standards and codes for different sub sectors

**A.** Sustainability standards and criteria for different types of tour operator suppliers will be agreed upon including transport services, accommodations, excursions (mountain climbing, community visits) and guiding. ECEAT and ABTO / HRAB will prepare drafts which will be discussed and agreed upon in partnership with **sub-sectoral and local associations** during multi-stakeholder meetings. **B.** Minimum requirements and best practice (in line with the trainings, see 1.10) will be defined in compliance with the UN Global GSTC Criteria. Publishing of the standards in attractive PDFs and widely distributed among relevant suppliers.

Output	Responsibility
1.2.A. 5 sub-sectoral multi stakeholder meetings, each 15 participants.	• ECEAT (lead)
1.2.B. 5 sub-sectoral suppliers standards and codes.	• ABTO & HRAB

### 1.3 Consumer Code of conducts

**A.** To create awareness and support consumers in their choices, code of conducts / charters for specific activities (e.g. mountain trekking, visiting communities, ecotourism, religious places) will be developed in partnership with the TCB. **B.** They will be tested with clients of the tour operators and after approval **attractively designed and printed** in PDF and (laminated) hard copies. TOs can add their logo and tailored them to specific excursions. **C.** Active distribution, which is a requirement for certification, will take place at TCB website, upon arrival in Bhutan, at specific activities such as community visits or during the online visa application process during which visitors actually could under subscribe the general code.

Output	Responsibility
1.3.A. 5 sub sectoral consumer codes	• ECEAT (lead)
1.3.B. 1000 Laminated code of conducts	• TCB, ABTO (testing, distribution)
1.3.C. 5000 consumers receive code of conducts	



#### 1.4 EMAS compatible online CSR management / reporting system

**A.** The existing online Travelife planning and reporting platform will be improved including a Bhutan specific section; **sharing of reports** between Bhutan supply chain business partners; Bhutan auditing tools; and supplier management tools. Training will be provided to Bhutan project partners in platform use and relevant user manuals. **B.** A reporting section for **Hotels** will be added in order for TCB to manage its **green hotel scheme**. The tools and training materials (see 1.5 /1.10) will be added to support Bhutan Hotels in their sustainability implementation.

Output	Responsibility
1.4.A. Bhutan online reporting and suppliers management platform.	• ECEAT (lead)
1.4.B. TCB green hotel scheme online reporting, auditing and admin platform.	• HRAB & TCB

#### 1.5. Guidance and toolbox for tour operators and their suppliers.

**A.** To support TOs, Bhutan's guidance and implementation tools will be developed for each of the 200+ criteria, including: policy templates, checklists, communication formats, measurement tools, etc. It will also include 400+ **best sustainability practices** from already (certified) tour operators and suppliers. **B.** These policies and guidance will be presented in an **interactive** user friendly navigation format (graphics, pop-ups, subpages) and whenever relevant be translated into Dzongkha language.

Output	Responsibility
1.5.A. Guidance for 200 criteria (50 pages) and 40 tools	• ECEAT (lead)
1.5.B. Interactive online learning platform in Dzongkha	• ABTO

#### 1.6 Bhutan specific audit and certification system

**A.** Based on international requirements Bhutan specific **auditor and certification standards** will be developed and formally accredited, by Accreditation Services International ([www.asi-assurance.org](http://www.asi-assurance.org)), in order to comply with the UN **Global Sustainable Tourism Council** (GSTC) and ISEAL requirements. Part of these initial registration costs will be covered. **B.** The TCB Green Hotel standard and indicators will be aligned with the international by ABTA developed Travelife for Hotels standard and a **mutual recognition agreement** will be signed (in line with earlier agreements with Rainforest Alliance for Latin America and Ecotourism Kenya). **C.** A Bhutanese audit and certification structure will be established working in line with the GSTC ISO 17065 standard for audit and certification schemes.

Output	Responsibility
1.6.A. Accredited Bhutan specific audit and certification standards	• ECEAT (lead)
1.6.B. Mutual recognition agreement between ABTA and TCB	• HRAB, TCB & ABTO
1.6.C. Bhutan sustainable tourism audit and certification body	

#### 1.7 South Asian auditor and advisors training

An intensive 5-day advisor and auditor trainings will be conducted in Bhutan by GSTC accredited trainers. Tourism educational institutes, e.g. Royal Institute for Tourism and Hospitality (RITH), Institute for Professional Studies (IPS), Bhutan International School for Tourism and Hospitality (BISTH), Institute for Management Studies (IMS) and Bhutan Tourism and Hospitality Institute will be invited in order to disseminate knowledge into their curricula for future professionals. In addition to trainees from Bhutan also participants from Nepal, Sri Lanka, India and Bangladesh will be invited. The trainings will include auditing and coaching skills for tour operators, CBT's, hotels and other supplier types and will consider different standards (TCB Green Hotel standard, Travelife, EMAS III and ISO 14001).

Output	Responsibility
1.7.A. Two 5-day Auditor and Advisor trainings	• ECEAT (lead)
1.7.B. 30 qualified auditors / advisors, including 4 other SA countries	• ABTO (logistics)

#### 1.8 Shared suppliers data-base & global certified product database

**A.** Development of a Bhutanese online database enabling suppliers of TOs to complete and share their sustainability report with existing and potential business partners. Checklists will be **dynamically generated** based on the type of supplier including non-tourism value chain suppliers (petrol companies, car companies, vehicle repair companies, and printing companies) **B.** The awarded TOs and suppliers will be integrated into a **global data-base** to be developed in partnership the GSTC based on the partnership between ECEAT and the

GSTC making certified tourism products from Bhutan and other South Asian countries visible to market based EU and Indian TOs and **global distribution and booking platforms** (e.g. booking.com, Expedia, Trip advisor and Agoda). Currently the market lacks a global overview, see also AC 6.

Output	Responsibility
1.8.A. Suppliers database with dynamic checklists and business connection tool 1.8.B. Global certified products data-base linked with global distribution platforms	• ECEAT

### 1.9 Travel package carbon management and compensation tool

Carbon emissions are a key environmental impact of the travel sector, caused by intercontinental transport, local transport (e.g. transfer busses, domestic flights), accommodations (e.g. air conditioning and heating) and activities (e.g. motorboats). The Dutch travel association ANVR in partnership with the Centre for Transport and Environment of the NHTV University in Breda has developed the 2017 **UN-WTO innovation award** winning Carbon Management tool for Tour operators (CARMATOP) calculating the carbon impact of a **complete tourism package** (transport, accommodation, activities). It is connected with global hotel data-bases and IATA for detailed flight information. The GHG information is used by TOs and its clients to reduce carbon impact, promote sustainable product development, and support carbon off-set. **Activities. A. Tailoring** of the tool for Bhutan inbound TOs including calculation of **carbon impact** of key Bhutanese travel activities as benchmark and for Carbon off-set (e.g. mountain and trekking tours in various circumstances) and **technical integration** with national booking and TO management software. **B.** A 2-day **training course** will be provided by the CARMATOP team (NHTV) to Bhutanese auditors and TOs. **C.** Establish **Carbon off-set scheme** in partnership with a local NGO promoting national off-set (e.g. biodiversity protection, reforestation, sustainable energy).

Output	Responsibility
1.9.A. Customized Carbon management tool, integrated in booking platforms 1.9.B. 2-day carbon management training for 20 participants 1.9.C. Bhutan carbon compensation scheme	• ECEAT • ABTO

### 1.10 Online training development

**A.** The 80 page Travelife online **introduction training courses** “*Tour operators and sustainability*” and “*Sustainability management*” will be updated and tailored for the Bhutanese conditions. **B.** In addition, 4 new online **theme training courses** will be developed: mountain trekking; plastic free training; hotel energy management; visiting places of worship. They will be specifically tailored to the Bhutanese situation but will also be relevant at a global perspective. Each training course will contain 4 modules (4 pages each), an online exam and personal certificate, best practices, references and off-line version for training workshops (3.2).

Output	Responsibility
1.10.A Two customized online introduction training courses (2 x 40 pages) 1.10.B 4 advanced trainings (4 x 16 pages)	• ECEAT • ASR

## AC 2. Integration of SCP practices within Bhutan tour operators.

With the support of developed standards, tools and trained experts, ABTO will motivate and support its members towards SCP. Through a so called pyramid approach with three scaling-up cycles TOs will be guided to different performance levels (engaged → trained → committed → certified). MSMEs will obtain technical advisory services on SCP issues (e.g. resource efficiency, eco-innovation, product life cycles, eco-labelling, sustainability reporting, marketing and trade opportunities). As a result, Bhutanese TOs representing 50 % of EU-Bhutanese B2B and B2C trade have integrated SCP practices and are committed to “pull” their suppliers towards sustainability (see AC 3). **Assumption and risks:** MSMEs invest resources (staff, time, and budget) for implementation & certification. It is assumed that the commitment of TOs and ABTO, as market requirements get stronger, is fundamental and long-lasting. It relies on ABTO to exercise strong leadership and a sound business model. Months 4-24.

### 2.1 Engagement of ABTO tour operators

**A.** 100 ABTO members will be informed and sensitized towards SCP through 10 ABTO newsletters, meetings and conferences at 4 ABTO GAs and through tourism and trade media. First movers (5 ABTO members are already committed) will motivate the other members. **B.** ABTO TOs will also be engaged via their European business partners, which will inform, stimulate and require their local Bhutan (and wider SA) partners to work towards sustainability. They will be approached with the support of EU tour operator associations (ASR, ABTA, ANVR, etc.).

Output	Responsibility
3.1.A. ABTO membership outreach (10+ newsletters, meetings and conferences / 4 GA), 80 committed TOs	<ul style="list-style-type: none"> <li>• ABTO (lead)</li> <li>• ECEAT and ASR</li> </ul>
3.1.B. 30 EU tour operators committed to engage South Asian business partners.	

## 2.2 Classroom introduction trainings for engaged Bhutanese tour operators

An ABTA sustainability trainer will provide 2-day introduction trainings for 4x25 ABTO members. Subjects include: sustainability and business, office management, supply chain management (transport, accommodations, excursions), working with destinations and customer communication. The trainings will be provided in Thimphu and Paro in order to reach out to companies from **different parts of Bhutan**. Participants will obtain a personal internationally recognized “*certified sustainability manager*” certificate. They will be required to implement the agreed CSR standards (see 1.1) in their company.

Output	Responsibility
2.2.1. 100 tour operator sustainability managers trained and certified	<ul style="list-style-type: none"> <li>• ECEAT (Lead)</li> </ul>

## 2.3 Coaching ABTO tour operators on SCP implementation.

100 TOs will be supported to comply and (online) report on the agreed minimum CSR standards through: **A.** Personal distance guidance by ECEAT. **B.** In-house coaching by trained Bhutanese experts. **C.** 40 one day coaching classes by the trained coaches (see 1.7).

Output	Responsibility
2.3.A. 100 one-day inhouse coaching meetings	<ul style="list-style-type: none"> <li>• ECEAT &amp; ABTO</li> </ul>
2.3.B	
. 40 one-day group coaching sessions for each time 10 companies	
2.3.C 70 tour operators have implemented and reported on CSR	

## 2.4 Audit and certification of 75 tour operators.

**A.** Bhutan TOs will be **audited and certified** by the trained independent (third party) auditors (see 1.7). 50 will reach compliance with the Bhutan basic standard and 25 will be certified with the GSTC compatible international Travelife Certified standard. **B. Award ceremonies** will take place at conferences, fairs and at ABTO GAs to raise awareness among peers and to create visibility for the SUSTOUR project.

Output	Responsibility
2.4.A. 50 TOs basic level certification & 25 TOs GSTC approved certification	<ul style="list-style-type: none"> <li>• ECEAT &amp; ABTO</li> </ul>
2.4.B. 5 Award ceremonies at fairs and conferences	

## AC3. Integration of SCP practices within the tour operators supply chain

With the support of committed TOs and tourism associations suppliers (hotels, activity providers, transport companies) will be motivated and supported to implement SCP practices leading to community services which are stronger integrated in the tourism value chain, improve the position of women, protect biodiversity and reduced, recycle and properly dispose waste. **Assumption and risks:** MSMEs are willing to comply to market demands; national suppliers associations are willing to engage in coordinated efforts to increase sustainability in the tourism supply chain. Months 18-48.

## 3.1 MoU's on SCP with tourism associations and regional tourism development committees

MoU's and small sub-contract with (tourism) associations such as Guide Association of Bhutan (GAB) and the Handicraft Association of Bhutan (HAB), supporting them with **membership outreach and active participation** in the development of relevant suppliers' standards and training materials. Note that HRAB is

project partner and its engagement is secured. Local tourism development committees will be involved in the SUSTOUR project, in line with TCB's tourism flagship programme.

Output	Responsibility
3.1.A. MoU's and commitment of 5+ suppliers associations / committees	• ABTO & TCB

### 3.2 Concerted approach towards suppliers

**A.** 80 SCP committed ABTO tour operators will add their key suppliers into the **common database** (1.8). Suppliers will be linked to different TOs / business partners. **B.** Under co-ordination of ABTO the TOs will conduct a **joint approach** towards their suppliers through: (1) awareness raising; (2) distribution of relevant code of conducts / best practices; (3) self-assessment / code of conducts signing; (4) preferential policies for sustainable (certified) products and (5) adding common minimum CSR criteria in their contracts with suppliers. The committed associations (see 3.1) will support the communication towards suppliers. The 30 Committed EU outbound tour operators will be involved making sure common messages are distributed.

Output	Responsibility
3.2.A. Inventory and shared data-base with 200 key suppliers	• ABTO
3.2.B. 200 suppliers committed to SCP	• ECEAT

### 3.3 Classroom training courses for key suppliers (e.g. hotels, guides, drivers).

**A.** 200 committed key suppliers will be trained by Bhutan trainers (see 1.7) on for them relevant sustainability standards. Training courses will be held in all tourism regions of Bhutan and will include local committees. Suppliers will be supported to conduct a **self-evaluation** and make individual **improvement plans**. **B.** An ABTA hotel sustainability trainer will train 100 **Hotels** on the new Bhutan Green Hotel standard.

Output	Responsibility
3.3.A. 200 certified suppliers sustainability managers (2-day training)	• HRAB
3.3.B. 3 2-day trainings, 100 certified Hotel sustainability managers	• ABTO, TCB

### 3.4 CSR assessment of 200 ABTO tour operator key suppliers.

Assessment of suppliers on the basis of the under AC 1.2 developed **checklists**. Support with tools, instruments and by Bhutanese advisors / auditors toward compliance. The **assessment** will be shared with the TOs through a central data-base who will expect further improvements (as condition for business).

Output	Responsibility
3.4.A. 200 key suppliers assessment report and improvement plan	• ABTO & ECEAT

### 3.5 Certification of suppliers

**A.** 50 (e.g. Hotels) suppliers will be **audited and certified** on the basis of the highest international GSTC recognized sustainability standards. **B.** 100 excursion suppliers including drivers and guides will commit to a relevant code of conduct (see 1.2) through signing an online and public pledge. **Award ceremonies** will take place in the form of the different General Assemblies (e.g. HRAB, guide association, etc.) in order to stimulate peers to join as well. Media will be invited to further stimulate uptake.

Output	Responsibility
3.5.A. 50 Hotels Certified based on international GSTC compatible standard	• ECEAT
3.5.B. 100 Drivers and guides commit to code of conduct.	• HRAB

## AC 4. Supply chain integration with destinations and related sectors

A sustainable tourism sector is strongly dependent on behaviour and operations of actors in the destinations visited and the availability of sustainable solutions and supplies from related sectors such as transport, agri-food processing, energy, waste management and green trade in general. As part of this AC SUSTOUR will work in 3 pilot destinations in partnership with local tourism development committees to green the local suppliers and to foster sustainable destination management. **Assumption and risks:** local partners identified in pilot regions. Support authorities through partnership with TCB's flagship programme. Months 18-48

### 4.1. Value chain analysis of sectors and pilot regions.

**A.** At the early project stage a value chain analysis of the Bhutan tourism sector will be conducted (key tour operators, markets, supply chains and suppliers) to be linked with the market analysis (6.1). **B.** Value chain and

destination analysis of 3 selected pilot regions with focus on activities (excursions) including key commercial drivers and relations with other sectors, e.g. food, transport, energy and waste management.

Output	Responsibility
4.1.A. Value chain analysis of Bhutanese travel sector	• ECEAT
4.1.B. Value chain and destination analysis of 4 pilot regions	• TCB

#### 4.2. Pilot waste management project in destinations (e.g. Thimphu, Paro, Punakha).

Waste management is recognized as a major issue in Bhutan, especially in the Thimphu and Paro valleys. Operators and travelers can create awareness by operating with zero waste and specific designated trekking routes and cultural monuments should become zero waste sites to support the image of Bhutan as a sustainable destination. Punakha is becoming popular for tourism in Bhutan. For these destinations a zero waste plan will be developed as part of the development of these destinations. **A.** Assessment of problems and solutions, selection of pilot areas, strategy for improvement. Two stakeholder workshops (25 participants). **B.** Developing 2 waste reduction and management plans, and improvement and implementation strategies. **C.** Implementation in the two identified pilot areas (e.g. visitor management plan for Taktsang; zero waste trekking routes around and between Thimphu and Paro, zero waste management and implementation plans for Paro as examples for tourists destinations in central Bhutan). Awareness raising, legislation and financial incentives (e.g. tourism tax to be used for clean-up campaigns). Dissemination of the model to other regions. The waste management pilot projects will be closely coordinated with Ecotourism Flagship Programme, currently being developed by TCB.

Output	Responsibility
4.2.A. Problem assessment, 2 stakeholder workshops,	• ABTO
4.2.B. 2 waste reduction strategies and improvement plans	• HRAB and ECEAT
4.2.C. Self-financing waste management scheme piloted in 2 locations	

#### 4.3 Hotel energy efficiency standard and training.

**A.** Analysis of existing energy use and technologies in the Bhutan hotel sector. Benchmark of different hotels and identification of best practices. **B.** Assessment of international best practices (technical and legislative, e.g. energy efficient standard). **C.** Coaching and training of 25 Bhutan hotels (HRAB members) on energy efficiency and development of individual investment plans (e.g. linked with credit scheme). One day face-to-face trainings and coaching for hotels. **D.** Integration of energy best practices in the TCB Green Hotel standard, and possible implementation of legislative measurement (based on healthy return on investment).

Output	Responsibility
4.3.A. Report on existing state of the art of technology and improvements.	• ECEAT & HRAB
4.3.B. Report on international best practices, advise on Bhutan policies	
4.3.C. Coaching and training of 25 hotels.	
4.3.D. Implementation of best practices in legislation and voluntary standards	

#### 4.4. Cluster approaches with handicrafts, local food and activities (e.g. community tours, ecotours).

To set an example and to build upon the previous “*Sustainable Tourism in Bhutan*” Switch Asia project sustainable and carbon neutral travel packages will be developed in partnership with certified Bhutanese tour operators. Including certified accommodations, community based activities and will be promoted at the international market (AC6). **A.** Update the Bhutan methodology for sustainable / carbon neutral travel package **B.** 16 sustainable innovative travel packages. **C.** Assessment of local handicrafts production and its improved integration into the tourism supply chain and implementation of promotion strategy for Bhutan made handicrafts in partnership with the Handicraft Association of Bhutan (HAB), for example the Haa District government showed interest.

Output	Responsibility
4.4.A. Model for sustainable / carbon neutral packages	• ABTO (lead)
4.4.B. 16 sustainable and innovative travel packages	
4.4.C. Handicraft assessment and improvement strategy	• ECEAT

#### AC 5. Green Financing scheme supporting 20+ MSMEs (e.g. hotels).



Sustainability needs investments in new technologies. This is specifically relevant for hotels and transport companies. These investments often have a healthy return on investment and can therefore be subject to financial credits and support. As a result at least one financial institution will be capacitated to offer green finance for tourism MSMEs. **Assumptions and risks:** Finance institutions are willing to introduce green finance instruments / MSME's apply for financing. Structural policy constraints can be addressed. Months 18-48

### 5.1 Identify potential interests and obstacles of financial institutions.

**A.** Assessment of existing micro credit schemes, e.g. from Bhutan Development Bank Limited (BDBL) and CSI Development Bank. Discussions with selected finance institutes on possible green tourism credit scheme. **B.** Needs assessment with target groups (community tourism providers, Hotels). Development of standard business and investment plan. **C.** Assessment of best practices in developing countries / Europe via the networks of ECEAT and ASR. **D.** Report on potential improvement strategies.

Output	Responsibility
5.1.A. Assessment report existing credit schemes. 5.1.B. Needs assessment and model business case. 5.1.C. International best practice overview. 5.1.D. Improvement strategy (actors, role, timeline, etc.)	<ul style="list-style-type: none"> <li>• ABTO &amp; HRAB</li> <li>• External expert</li> </ul>

### 5.2 Establish green tourism finance scheme

**A.** Roundtable to establish agreements between stakeholders and financial institution(s). **B.** Establish national tourism sector Green Finance scheme with at least one finance institute. Special conditions / rates for sustainable investments (e.g. energy saving for hotels) and Community Based Initiatives.

Output	Responsibility
5.2.A. Round table (15 participants) and report 5.2.B. Tourism Green Finance Scheme established	<ul style="list-style-type: none"> <li>• HRAB</li> </ul>

### 5.3 Launch and promotion of credit lines.

**A.** Public launch of the Green Finance Scheme. **B.** Awareness raising on green finance opportunities, capacity building for tourism MSMEs and personal coaching in the application process. At least 25 MSME's have profited from the scheme within the project period.

Output	Responsibility
5.3.A. Public launch event (including media attention). 5.3.B. Targeted campaign to MSMEs, 25 MSME's benefit.	<ul style="list-style-type: none"> <li>• HRAB</li> </ul>

### 5.4 Support one eco-labelled model hotel and one community guesthouse.

Eco technologies are still in an infant stage in Bhutan. Technologies are not always readily assessable. **A.** In the frame of this activity one standard hotel and one community guest house will be supported with state of the art technical equipment with a healthy Return on Investment (water, energy, waste). It will be ensured that any technology will also be available for peers. The investments will be supported by the private sector. **B.** The hotel and guest house will be certified based on the to be developed TCB Green Hotel standard. **C.** 100 MSME's will visit the demonstration accommodations as part of a one day educational tour.

Output	Responsibility
5.5.A. Model green technology Hotel and Guesthouse. 5.5.B. Demonstration Certified hotel and guest house. 5.5.C. Demonstration visits by 100 MSME's	<ul style="list-style-type: none"> <li>• HRAB and TCB</li> </ul>

## AC 6. Integration of “green” services and products in the supply chain

This AC will lead to increased relative market share and demand for “green” products in the European and Asian markets. “Green” Bhutanese value chains as created under AC 3 and 4 will be actively promoted among the European and Asian business and consumer markets leading to a stronger demand and further incentives to work towards SCP. Special attention to India as a key source market (70%) for Bhutan and Nepal tour operators who cater for 50% of the Western markets. As a result around 1 million Bhutanese visitors have obtained a

positive image of Bhutan creating an example for other South Asian destinations. B2B buyers and B2C consumers are committed to uptake “green”/ certified products in the EU-Bhutanese / intra-Asia supply chain. TCB has a clear understanding of consumer expectations and is promoting Bhutan as a sustainable destination based on real best practice examples. **Assumption and risks:** International travel agencies are interested to promote Bhutan sustainable products in their product portfolio. Tourism hotspots (Airlines, Airports, Hotels, etc.) willing to display promotional materials. Months 24-48.

### 6.1 Bhutan EU and India market and destination analysis.

ECEAT will in partnership with TCB and ABTO conduct an extensive assessment of the existing tourism trade relations between Bhutan and the EU / India. It will include: **A.** 50 key **EU, Indian and Nepali outbound operators**, representing 50% of the B2B trade will be surveyed to assess their interest in sustainability; their general perception of Bhutan as a destination and their constraints and suggestions for improvements. **B.** From 30+ leading outbound (EU, Indian, Nepali) tour operators **commitment** will be obtained to “green” their Bhutanese supply chains by them expecting certified inbound partners/ suppliers and to create awareness among customers on sustainable choices and behavior in Bhutan. **C.** An analysis of the **existing clients** of Bhutan tour operators (survey, personal interviews, focus groups) on Bhutan and sustainable tourism. ECEAT which has strong experience in destination analysis and advise will support this effort and will liaison directly with TCB. It will deliver input for the **policy improvements** (AC 7).

Output	Responsibility
6.1.A. Report on European B2B market to Bhutan (50+ outbound TOs)	• ECEAT (lead)
6.1.B. 30 green procurement committed tour operators	• ABTO, TCB
6.1.C. Package market client analysis (report)	• External experts

### 6.2 Marketing and communication strategy.

Based on the market and destination analyses (6.1) a B2B and B2C marketing and communication strategy will be developed focusing on presenting Bhutan as a sustainable destination. Activities include: **A.** 2-day **strategy workshop** in Thimphu involving 20 key stakeholders. **B.** Marketing and communication **strategy and action plan** development based on a market research and workshop with the aim to attract more visitors and new target groups to Bhutan and to tackle key sustainability issues as perceived by the different target markets.

Output	Responsibility
6.2.A. Two day strategy workshop with 20+ participants.	• ABTO
6.2.B. Bhutan green destination marketing and communication strategy / plan.	• ECEAT & TCB

### 6.3 Eco Messages in promotions of 200+ Bhutan / EU / Indian tour operators.

**A.** Based on the marketing and communication strategy a communication **manual and toolbox** will be developed for Bhutanese and EU / Indian tour operators and online travel agents (Agoda, Trip advisor) in order to effectively communicate sustainability and the Bhutan USP's / products. It will include: market expectations, communication strategies, set of common messages and images (e.g. advertorials) for web site /brochure, after booking and during holiday. It should also prevent misleading environmental claims and green washing. **B.** A one day **training workshop** on sustainable communication will be provided by an expert of Travindy to TOs. **C.** 200+ Committed Bhutan / EU TO apply the (standard) **messages** in their customer communications.

Output	Responsibility
6.3.A. A sustainability communication manual and toolbox	• ECEAT (lead)
6.3.B. 1-day communication training (20 participants)	• ABTO & TCB
6.3.C. Eco Messages in promotions of 200 Bhutan / EU tour operators.	

### 6.4 Establish “sustainable” destination and product branding capacity within TCB and ABTO.

**A.** An expert of Travindy will provide a 2-day training in **sustainable destination communication** for the TCB, ABTO and relevant institutional stakeholders. **B.** At the website of TCB and ABTO a **searchable directory** of certified Bhutan sustainable suppliers and products will be published. This will provide incentives for Bhutan tour operators and suppliers and will support green procurement.

Output	Responsibility
6.4.A. 2-day sustainable destination branding workshop (15 participants)	• ABTO

6.4.B. Directory of 100 certified Bhutan tourism products and suppliers at TCB	• ECEAT
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### 6.5 Innovative (social) media campaign

Throughout the project active use will be made of regular and social media with the objective to: raise Bhutan public's awareness on the sustainable tourism; to engage Bhutan, EU, Indian and Nepali tour operators and their suppliers to participate in SUSTOUR; to mobilize tourists to travel in a responsible and sustainable way; and to **improve visibility** of sustainable tour operators and suppliers. **A.** Develop a **campaign subpage** (at ABTO and TCB web sites) to show the living user-generated stories, code of conduct for tourists, and list of responsible tour operators. **B.** Design and distribute objects (e.g. bookmark) to introduce the Bhutan "SUSTOUR" campaign. The **bookmark** invites for example tourist to join a photograph and storytelling competition. Social media campaign through partner TOs and via Facebook and Twitter accounts of the project partners (e.g. #SUSTOUR Bhutan) and through different search engine marketing tools.

Output	Responsibility
6.5.A. Web sites campaign subpages, bookmarks, strategy.	• ABTO, ECEAT, TCB
6.5.B. 150 social media messages. 500.000 travellers reached.	

### 6.6 Product development/ matchmaking to increase green suppliers into the Bhutan-EU supply chain.

**A.** Consumer driven sustainable **product design workshop** for 20 Bhutanese tour operators supporting them to green and innovate their product packages, by applying persona and design thinking tools, user journey approaches etc. Special focus will be on community tourism experiences. **B.** Certified Bhutanese tour operators will be presented on a dedicated online platform including their USP's and specific products and packages. **C.** Sustainable certified tour operators who have been awarded will be actively linked to European and India / Nepali **business partners** searching for sustainable local partners in Bhutan. Actively approach of 50+ European outbound tour operators (50 % the B2B market) to motivate them to select one of the certified Bhutanese inbound tour operators as a partner. **D.** EU tour operators who have already a partnership with a Bhutanese inbound tour operator will be supported to integrate more sustainable suppliers with specific attention to community based and women owned initiatives.

Output	Responsibility
6.6.A. Sustainable product design workshop	• ECEAT (lead) & ASR
6.6.B. Online platform with CSR Certified Bhutanese / South Asian products	
6.6.C. Market feedback report on B2B market, 50 new business relations.	
6.6.D. 50 EU-Bhutanese B2B supply chains have increased SCP performance	

### 6.7 EU-Bhutan B2B and visibility events at ITB Berlin travel fair.

**A.** At the 2022 and 2023 ITB fair (5.000 exhibitors, 120.000 visitors) B2B **match making events** will be conducted to link up Bhutan companies with their (potential) EU business partners. In total, 10 certified Bhutanese tour operators will be supported financially. **B.** At ITB 2023 a **social event** at the Bhutan national stand will be conducted to present the results of the SUSTOUR project to EU trade media.

Output	Responsibility
6.7.A. Match making 10 Bhutan & 20 EU tour operators (2022/23), 150 contacts	• ASR (lead) & ECEAT
6.7.B. Social event and PR at ITB 2023.	

## AC 7. Integration of SCP principles in Bhutan and South Asian Policy Guidelines

This AC will lead to public policy guidelines that support the integration of SCP into the Bhutan tourism value chain. Bhutanese associations will establish an active policy dialogue with relevant public institutions including the MCIT and the Agency of Environmental Protection and Forestry. Key policy guidelines bottlenecks and opportunities will be identified and are tackled on the basis of a widely accepted sustainable tourism strategy defining the roles and responsibility of different stakeholders. Specific attention will be provided to solve waste management, carbon emissions and constraints and challenges involving local communities in the tourism supply chain. Best practices are shared at Asian level. Close co-operation will take place with the SWITCH



Asia Policy Support Component (PSC) as managed by UNEP and the SCP Facility. **Assumption and risks:** Regular active participation of stakeholders in meetings. Months 12-36.

### 7.1 Establish multi-stakeholder steering group

To integration SCP principles into formal policies a **public-private dialogue** will be established through a multi-stakeholder working group under the responsibility of TCB. At least 4 common policy meetings.

Output	Responsibility
7.1.A . 4 policy guidelines working Group meetings, 12 participants	• ABTO & HRAB & TCB
7.1.B . 3 key policy guidelines constraints solved, updated tourism policy	• ECEAT (expert)

### 7.2 Policy guidelines assessment and national tourism Sustainable Consumption and Production strategy

**A.** ABTO and HRAB will develop a private sector **white paper** reflecting the policy constraints (including access to finance and gender constraints) and opportunities emerged from the SUSTOUR project and its stakeholders.

**B.** Within the frame the Ministry of Tourism and the Ministry of Environment in co-ordination with TCB a national **multi stakeholder strategy** will be developed with support of GSTC and PATA experts in order to promote a sustainable Bhutanese tourism sector. It will be formally accepted and published by (e.g by TCB).

Output	Responsibility
7.2.A. Policy guidelines assessment white paper	• ABTO, HRAB, TCB
7.2.B. Formal national policy strategy and publication	

### 7.3. Sustainable Destination Management training, study tour, assessment and certification

**A.** In partnership with the GSTC and Green Destinations (greendestinations.info) 2 x 20 national and local government and community members will obtain a 3-day **training on sustainable destination management**.

**B. Study tour** of 7 policy makers to European Green Destinations conference and interaction with sustainable word heritage destinations in Europe, e.g. in Slovenia (greendestinations.info). **C.** A Green Destination **assessment and coaching** will be conducted by a Bhutan-EU expert team at a country level and regional destinations such as Thimphu, Paro and Punakha. Local policy makers will be supported to improve their policies guidelines and regulations in the frame of planning, waste management and energy use. **D.** At least one Bhutan destination will be **certified** on the basis of the GSTC Accredited Green Destination Certification leading to global visibility for Bhutan. Award ceremony at ITB Berlin.

Output	Responsibility
7.3.A. 3 day Green Destination training for 2 x 20 policy stakeholder	• ECEAT & TCB
7.3.B. EU study tour of 7 policy makers	
7.3.C. 4 Green destination assessments and action plans	
7.3.D. One GSTC accredited certified destinations, award at ITB Berlin.	

### 7.4. Policy briefs and case studies to regional forums

public and private stakeholders will actively **disseminate Bhutan best practices** (e.g. pro poor linkages, waste management, Community Based Tourism, public procurement) to regional policy organizations and platforms such as the PATA Government working group and policy forums in the frame of SAARC and SASEC. The project partners will work closely with relevant agencies such as UNEP and the SWITCH Asia SCP Facility.

Output	Responsibility
7.4.A. Dissemination of Bhutan policy best practices at 5+ events, of which 3 outside Bhutan.	• ABTO • ECEAT

## AC 8. Knowledge transfer, replication and exploitation

SUSTOUR actively aims to **replicate and scaling-up** the successful project practices to the wider South Asian region. Cross-border exchange of experiences and trainings are part of different work packages (AC 1.7, auditor training and AC 6 Market connection). Through the international networks of ECEAT and the project partners, lessons learned and standard and (training) tools developed will be disseminated to 3 other South Asian

countries. Travel associations from Nepal (TAAN, NATA, HAN) and Sri Lanka (SLAITO) are already committed and have signed MoU's with Travelife in 2013 and 2015. **Assumption and risks:** Tourism associations from other Asian countries are interested to replicate the model. Months 24-48.

### 8.1 Establish and implement partnerships with 5+ South Asian travel associations.

**A.** As part of the project **partnership agreements** will be signed with national TO associations in 4 other SA countries. They will be supported to develop their own **national standard** and tools. As part of the MoU member companies of the partner associations will be invited to participate in the **online training and reporting** process. **B.** EU outbound TO (see 2.1B) will motivate their SA inbound partners to move towards sustainability and reach CSR certification. **C.** Four 2-day **sustainability training courses** (4 x 30 TO) will be provided by an ABTA sustainability trainer in 4 South Asian countries (Nepal, Bangladesh, India, Sri Lanka).

Output	Responsibility
8.1.A. MoU's with 4+ national South Asian travel associations.	• ECEAT (lead)
8.1.B. 15 South Asian companies will become CSR certified.	
8.1.C. SCP trainings in 3 South Asian countries, total 180 participants	

### 8.2 South Asian network conference on sustainability and tourism

**A.** In the final project year (2023) a **South Asian conference** will be organised in Thimphu in partnership with PATA, UNEP, the GSTC and the SWITCH Asia SCP Facility. 10 invitees from 5 **South Asian Countries** representing tourism associations and policy makers. Also other relevant **SWITCH Asia projects** will be invited. The conference will disseminate the outputs of the project and engage a dialogue on regional cooperation on sustainable tourism development in Bhutan and the wider SA region. **B.** A **policy declaration** will be agreed upon providing suggestions for policy improvement boosting a regional sustainability tourism sector. A policy representation including EU, UNEP and the GSTC will be linked with national and possibly international media attention. 10 South Asian participants and 5 global participants will be financially supported.

Output	Responsibility
8.2.A. Replication conference with 50 participants from Bhutan and 15 international participants	• ABTO • HRAB, ECEAT
8.2.B. South Asian SCP tourism policy declaration	

### 8.3. Promote multiplier effects and replication

**A.** Development of a **dissemination plan** at the kick-off of the project. **B.** **SUSTOUR project pages** will be added to the web sites of ABTO, ECEAT / Travelife, ASR, ABTO, HRAB and TCB **C.** Project experiences published in **20 magazines** on tourism or sustainability. **D.** Participation in Switch Asia **networking** events.

Output	Responsibility
8.3.A. Dissemination plan	• ABTO (lead) • HRAB, ECEAT
8.3.B. SUSTOUR project pages at 4 partners web sites	
8.3.C. 20 publications in Bhutanese and international media	
8.3.D. Partners participating in 4Switch Asia networking events	

### 8.4. Development and implementation of an exploitation strategy.

The developed methodologies and tools will be integrated into a long term exploitation and business strategy. Ownership and future responsibilities will be further defined and a long term partnership will be created. The existing cooperation between ECEAT, HRAB and ABTO will be further extended to other stakeholders in order to create an **effective future network** and maintain the project results.

Output	Responsibility
8.4.A. Exploitation strategy and business plan	• ECEAT & ABTO

## 9. Project Management, Monitoring and Reporting

This AC supports an effective project management leading to the foreseen impact, outcome and output of the SUSTOUR project. **Assumption and risks:** partners are able to work together effectively and willing to share

knowledge and experiences. All partners are strongly experienced in international projects and have experience in co-operating with each other. Months 01-48

### 9.1. Kick-off and partner meetings

**A.** A two day kick-off meeting with key partners leading to a detailed **implementation plan** with tasks, timelines and responsibilities. Co-ordination will take place with other (SWITCH Asia) projects. **B.** During the project **8 partner / management team meetings** will take place, combined as much as possible with other events.

Output	Responsibility
9.1.A. Kick-off meeting and specification of the full work plan	• ABTO (lead)
9.1.C. 8 partner meetings and related implementation plans	• HRAB, ECEAT

### 9.2. Monitoring impact, outcome, output

At the inception phase and at a yearly basis, project **baseline indicators** at outcome, output and impact level will be updated (based on original data in the logical framework) in order to measure progress. Mitigation measurements or opportunities will be taken as required.

Output	Responsibility
9.2.A. Indicator baseline report	• ABTO (lead)

### 9.3. Project monitoring and reporting

Preparation of the progress, interim and final **narrative and financial reports** to the European Commission. Continuous monitoring of working and financial plans, supervision of work packages.

Output	Responsibility
9.3.A. Progress, Interim, and Final Reports to the European Commission	• ABTO (lead), ECEAT

### 9.4. External end-of-project evaluation

**A.** While monitoring of achievements compared to the originally foreseen plan will be done on a permanent basis under the guidance of ABTA, at the end of the project, an **independent evaluator** will be engaged to review outputs at outcome, output and impact level and analyse the efficiency and effectiveness of the project. In addition to project partners the evaluator will consult external stakeholders, beneficiaries and final target groups. **B.** A statutory registered **financial auditing** in line with EU requirements.

Output	Responsibility
9.4.A. External evaluation report. 9.4.B. External financial audit report	• ABTO (lead)

## E. Main studies

An **environmental baseline survey** was carried out in the frame of the *ABTO low carbon project, 2012-2015* covering a total of 710 tourism entities (Tour Operators, Hotels, Eco-lodges, Campsites, Restaurants, Guides, Handicrafts/Artisans, and Tourism Suppliers/Shops in areas such as General Environmental Management, Carbon Analysis, Energy Analysis, Water Use, Wastewater and Solid Waste Analysis. The project will build upon these indicators and will reduce the present impact. In December 2018, a **Green Destination Audit** for Bhutan was conducted. Although Green Destinations awarded Bhutan with an award, the report also emphasized the concern of the rapid growth of tourism in the country and the need for sustainable destination management of the main tourism attractions. The **2019 UNWTO and UNEP 'Baseline Report on the Integration of SCP Patterns into Tourism Policies'** assessed Bhutan as one the 2 case studies in Asia as of its membership of the Committee on Tourism and Sustainability (CST). The report explores tourism policies in relation to biodiversity conservation, energy use efficiency, waste reduction, water use efficiency and GHG emissions. The SUSTOUR project will build upon its conclusions and advise. Dr. John Hummel former **SNV tourism advisor** and the author of the 2010 study *'Tourism and Payment for Environmental Services: on the outlook for a stronger business case to develop rural tourism in Bhutan'* and green hotel advisor to TCB was engaged by ECEAT in the design of the SUSTOUR project. Finally the recent **Tourism Flagship Programme** was developed by TCB as an overall guiding tourism development programme, focusing on a green, sustainable and inclusive destination based on a detailed assessment of present challenges. TCB expects in total **423.000 tourists in 2023** up from 274097 in 2018 leading to an increased impact on resources and the need to have appropriate management systems in place.

## 2.1.2. Implementation approach

### A. Methods of implementation and their rational

The proposed project will draw on best practices and lessons learnt by all partners whereby the following complementing methodologies will be used:

#### Capacity-/institutional building

Through train-the-trainer sessions and coaching ABTO, HRAB and other sub-sector tourism associations and independent service providers will be capacitated to facilitate training and coaching to their members / MSME's based on their needs and demands. The training modules and in-house coaching will be developed after a training needs assessment, thus ensuring that the capacity building activities are tailored to the needs and capacities of the beneficiaries. The (blended) training approach that will be used will be a combination of workshops, classroom training, exchange visits and on the job training and coaching. A strong emphasis will be put on "learning by doing" and participatory methodologies throughout the project implementation. Different participatory training techniques will be used such as plenary audience participation; brainstorming; snowballing, group work; case studies; and role plays.

#### Transfer of knowledge and experiences

As CSR within the travel sector is relatively new within Bhutan and wider South Asia it is essential for the South Asian stakeholders to understand the role of different actors: government, tour operators, accommodation providers, tourism business associations, etc. Conflicts often arise due to lack of understanding of the specific roles and consequently improperly designed institutions or regulations. As a major project methodology EU project partner ECEAT will provide professional input based on similar successful European experiences and approaches but also building upon the unique Bhutanese visitor management approach.

#### Training and capacity building

Training and education are essential elements in the development of a sustainable tourism sector. The project partners will facilitate awareness and training events to enhance the capacity of the South Asian travel associations to improve their support packages and service quality in order for their members to meet international CSR standards. The existing ECEAT training materials for MSME's will be adapted for the Bhutanese / South Asian conditions in co-operation with the Bhutanese partners and new thematic (e.g. mountain climbing, cultural tourism) and target group oriented (drivers, guides) trainings will be developed. To support effective implementation also detailed guidance and company policies will be developed such as CSR contract conditions, procurement policies, waste management policies.

#### Networking and peer to peer exchange - Co-operation with (EU) tourism associations

ECEAT is a leading global actor in sustainable tourism for more than 25 years. Originally started as a network of national rural tourism business associations ([eceat.org](http://eceat.org)) with more than 1.500 tourism SME's as members ([www.greenholidayguide.info](http://www.greenholidayguide.info)) it understands the challenges and opportunities for businesses as well as their associations. Thanks to its active partnership and long lasting personal contacts with national EU tour operator associations in the frame of its Travelife initiative and different EU supported projects it is able to link up South Asian associations with their EU counterparts in terms of sustainability knowledge exchange, institution building and market access.

#### Travelife training, management and certification tools

The project will capitalize and build further upon the Travelife sustainability scheme ([www.travelife.info](http://www.travelife.info)) a membership based not for profit initiative managed by ECEAT and the ABTA UK travel association to support a transition towards a sustainable travel industry. It offers training for different type of companies, management tools, standards, self-assessment and third party audits based on international requirements. The Travelife criteria include environmental, biodiversity, social and cultural related principals and criteria, including all relevant ILO and Human rights principals. The project will also refer to general quality (e.g. health and safety and security) and handling standards of the European Tour operators and related EU legislation.

#### Sustainability Management System (SMS) approach

The Travelife approach is based upon the in 2002 established Tour operators Initiative for Sustainable Tourism Development (TOI) *Sustainability Management System (SMS)* methodology of which UNEP (Paris) was

hosting the secretariat. Key of the approach is to distinguish tour operators responsibilities on the basis of the management fields of a tour operator: general sustainability management, internal (office) environmental and labor relations, supply chain management (working with suppliers), working with destinations and customers (influencing their choices and protecting their rights). The approach was aligned with the EU Eco Management and Audit System (EMAS) and applied into a practical implementation support scheme with 200+ best practices in the frame of the EU Eco-innovation INTOUR project (2010-2013).

### Tourism standard and certification methodology

The project will follow the certification methodology and standards as defined by the UN supported Global Sustainable Tourism Council (GSTC, [gstccouncil.org](http://gstccouncil.org)), which are ISO 17065 compliance. Travelife is **GSTC Accredited** since 2017, which requires a third party assessment of the standards and procedures and internal organisation by Accreditation Services International (ASI). GSTC experts will be involved in policy advise and training for destinations. The project will also work in partnership with Green Destinations the GSTC Accredited global leading training and certification system for destinations ([greendestinations.info](http://greendestinations.info)). Bhutan and TCB maintain already a formal partnership with GD after Bhutan was selected awarded as a winner Top 100 Green Destination award 2018.

### Sustainable supply chain approach

The project will implement the sustainable supply chain approach as developed by UNEP's TOI. The methodology recognizes two key strategies "Product development" and "Working with (existing) suppliers". Existing suppliers of ABTO tour operators will be motivated towards sustainable actions by different steps: information and awareness raising, training and capacity building, self-assessment, contract conditions and certification. Tour operators are expected to prioritize key suppliers (e.g. with high business relevance) and suppliers with a high sustainability risk (e.g. mountain, visiting ethnic communities). In a concerted approach SUSTOUR will engage all actors in the Bhutanese tourism value chain: EU / Asian outbound tour operators, Bhutanese inbound tour operators, local suppliers, communities and final clients. SUSTOUR will coordinate and facilitate European tour operators and their associations (ABTA-UK, ANVR-NL, ASR-DE and ECTAA-EU).

**SUSTOUR supply chain and cluster based intervention strategy**

MSME involvement	Tour Operators		Suppliers (hotels, excursions, drivers, guides)	
	Tools	Indicator	Tools	Indicator
<b>1. Informed</b>	Tour operator online training package and examination. Best practice examples.	120 certified Environmental coordinators.	Training and benchmark tools. Training seminars.	Information package 800 suppliers.
<b>2. Committed</b>	Minimum requirements set by ABTO. Based on best practice standards.	Management system applied and online report. 100 Travel companies.	Minimum requirements set by the tour operators. Based on best practice standards.	500 suppliers registered in a common database. Hotels personally approached (letter, verbal).
<b>3. Basic level Certification</b>	Travelife EMAS III compatible management system implemented. Certification based	70 compliance to Travelife basic  Minimum performance level.	Online self assessment tool with 100 indicators Audit by second party	=200 suppliers have their CSR performance shared  suppliers data-base.





<b>5. Advance Certification</b>	Third party verification (Travelife and GSTC).	25 Tour operators certified.	Consultation/ third party audit	50 Certified suppliers.
<b>6. Replication</b>	National manager for tools.	Additional TO on board.	National manager for tools.	Addition suppliers join.

### Main means and supplies

Assets of the project partner, including office equipment, will be used in the proposed action. Transport will be hired as required and no vehicles or other equipment will be purchased in the frame of the project. The activities will use and enhance existing online tools which have been developed in the frame of previous (EU) projects.

### B. How the action is intended to build on the results of previous actions

Thanks to building upon existing structures and partnerships success and sustainability of the project results is expected. Instruments, tools and technical support systems developed in previous projects will be adapted to the South Asia context and further developed and disseminated through existing national global partnerships.

The project directly capitalize on two previous **Switch Asia** projects; **1.** The Green Hotel Guidelines for Bhutan' project established criteria for green hotels. The SUSTOUR project will build upon the outcomes and implement the standards into a to be developed professional internationally recognized scheme. It is believed that it did not materialize in 2014-2016 as the scheme was a stand-alone scheme not linked to an international branding and support system. **2.** The ABTO led *Sustainable Tourism in Bhutan: An Integrated Approach to Production, Consumption and Livelihood Development* project has created general awareness among tour operators, hotels and guides on the general principles of sustainability. 6 Carbon neutral travel packages have been developed. The project lacked a market oriented approach and institutional and technical embedding in a globally recognized system such as Travelife and the GSTC.

At the international level SUSTOUR build upon the **Travelife sustainability programme** which is recognized by the global travel sector as the leading sustainability program for the industry ([www.travelife.org](http://www.travelife.org)). It was established with support of the EU in the frame of the EU LIFE TOURLINK project (2004-2007) and disseminated among 20 EU countries within the INTOUR Eco-innovation project (2010-2013), both of which ECEAT was the lead partner. Today Travelife for Tour operators is managed by ECEAT while Travelife for Hotels is managed by the UK travel association ABTA. The programme is financially independent in Europe and wishes now to expand to the South Asian region.

With support of the **Dutch government** CBI Export coaching programme a partnership with ABTO was signed in 2015 after which an initial sustainability training took place. The activity was part of a wider support programme by CBI including building the business capacities of 25 Bhutanese tour operators and institutional support towards TCB by a senior ECEAT expert (Bill Calderwood, former CEO of the Australian Tourism Board). The hands-on and practical approach of CBI has created a strong base among MSME's as well as the government for the success of the proposed SUSTOUR project.

### C. Potential synergies with other initiatives, in particular from the EU

The Travelife standard has fully integrated the EMAS III requirements and its tourism sector supplement (which ECEAT helped to develop in the frame of the Eco-Innovation INTOUR project). The standards are also in compliance with key initiatives supported by the EU, including the OECD Guidelines for multinational companies, the UN Guiding Principles on Business and Human Rights and the international ILO standards for labor relations and human rights. The project will support EU outbound tour operators to comply with these guidelines. The project will work in close partnership with the **TCB Tourism Flagship programme** which sets a strategy for Bhutan tourism development for the next 5 years and works time wise in parallel with the SUSTOUR project. The project will also align with activities in the frame of South Asia Subregional Economic Cooperation (SASEC) specifically the marketing of SASEC countries which was defined as a flagship initiative in the SASEC Vision document (April 2017).

### D. Partners roles and responsibilities

**ABTO** has 12 employees, who look after the administration and function of the Association and is managed by the board. The Executive Director acts as a communication channel between the Secretariat and the management body or board. ABTO, with almost 20 years of experience implementing projects in Bhutan in close cooperation with other associations and TCB. ABTO's track record includes the successful implementation of the "*Sustainable Tourism in Bhutan*" previous Switch Asia project. As a lead partner ABTO will be responsible for: overall project management and donor reporting; conclude partner implementation agreements (general partnership agreements have already been signed at the CN phase); co-ordination of the Project Steering Committee; EUD contact and liaison; conduct overall financial management; reporting to the European Commission.

**ECEAT** is a dedicated NGO focused on sustainable tourism development since 1993. ECEAT not only implements innovative projects but takes jointly with its long-term partners responsibility for exploitation of its results. ECEAT will support the overall project implementation. The specific strength of ECEAT is its extensive 25 year experience in (EU) **project management** and sustainable and rural tourism combined with on the job experience of working in the travel industry. ECEAT will be responsible for building the capacities of ABTO, HRAB and the other travel associations, through different trainings and on the job coaching. ECEAT will also make sure that the project implementation is consistent and will make sure that the new methodologies introduced during the trainings are followed up. ECEAT has been active in Asia since 2002 and has coordinated 4 Central Asia Invest projects with travel association partners in Central Asia.

ECEAT's role will also be to provide **technical expertise** on tourism and sustainability and build the capacity of the project team to implement the program as well as support promotion and dissemination of the project within the EU and South Asian tourism sectors. ECEAT follows a business oriented approach working on standards, capacity building, training, market access and CSR. It has an in-depth knowledge of the European and global travel market and sustainable tourism standards. ECEAT's responsibilities include development of training and tools; mentoring and coaching tourism MSMEs; to improve SCP practices and certification; destination branding and market access activities. ECEAT will undertake 12+ project missions to Bhutan to provide technical support and coaching in project implementation

**HRAB**, as the local co-applicant, will be responsible for engaging and working with the Bhutan Hotels and Restaurants. It will conduct training and coaching to its members, implement quality and sustainability standards and contribute to policy initiatives. It will support TCB in the development and introduction of a hotel certification scheme. HRAB has about 5 staff members and is financially and institutionally stable. **ASR** will share its experiences on successfully working with its members on sustainability and support the marketing and outreach activities in the German market and the events at ITB Berlin in 2022 and 2023.

A project **Steering Committee (SC)** will include the ABTO directors and the directors of ECEAT and HRAB, and will decide on strategic matters including the planning of activities, the contents of trainings / workshops, the specific CSR standard and criteria, etc. The SC will have at least 8 physical meetings (combined with international missions in order to avoid extra travel costs) and bi-monthly skype / telephone meetings. Reports will be made of these meetings. TCB and other stakeholders will be invited to the meetings as required.

**Reducing ecological footprint:** meetings will be combined as much as possible, for example during events where participants are also able to act as speaker. In addition, telephone / skype conferences will be organised as to avoid unnecessary travel. Carbon off-set will take place for all air transport. The use of paper will be minimised through electronic dissemination of minutes and reports.

## **E. Key staff Roles & Responsibilities**

All staff is based in Thimphu with the exception of ECEAT staff which is based in The Netherlands and Nepal and will visit Bhutan on a regular basis and will be based in the ABTO office whenever required. Below engagements are indicated in full time months (m). The input is spread over the duration of the project.

### **ABTO:**

**Project Director** (50%, 24 m): SC member, overall project management, implementation and reporting; oversees the project lifecycle (conceptualization, planning, execution and close-out). Strategic management of AC 4,5,7, 8 and 9.

**Project Manager** (100%, 48 m): project schedule and budget; government and key stakeholders liaison; planning, scheduling, implementation, reporting, supervising the project officers. SC member; ABTO staff management, coordinating logistics for familiarization trips for international travel agents and media; other logistical and administrative support as deemed necessary.

**Trainer/ researcher** (50%, 24 m): tour operating workshops and training sessions; membership coaching; implementation in key technical areas: mentoring and coaching tourism SMEs; supporting tourism communities. Green finance development.

**Communication specialist** (50%, 24 m): supporting with the outreach and engagement with supplier MSMEs; design and implementation of communications and visibility strategy; marketing and promotional materials; (social) media campaign.

**Project Finance** (75%, 36 m): financial management and reporting, accounting and procurement of goods and services; monitoring and controlling; support monitoring and evaluation; performance indicators; ToR's national experts.

**HRAB: Project manager** (50, 24 m); SC member, staff management.

**Project coordinator** (100%, 48 m): workshops and training sessions; outreach and engagement with supplier MSMEs; coaching (CBT) suppliers; support policy; credit scheme.

**Eco Certification expert** (25%, 12 m): green hotel scheme development / implementation; training, tools and guidance development,

**ECEAT: Project manager** (6 m): SC member; strategic management (AC 1,2,3,6) innovation and innovation. Management of ECEAT team. Project presentation and representation at forums.

**Project Coordinator** (50%, 24 m): SCP capacity building of all project staff; Overseeing the coaching programme; standards and criteria, guidance and toolbox, reporting requirements.

**Marketing and communication officer** (25%, 12 m): market research; matchmaking with EU travel agents; fair participation; international communications and social media campaign.

**IT Officer** (14 m): responsible for maintaining and updating the Travelife website; managing website access and accounts; development of the online shared supplier database; developing any other website developments / tools deemed necessary.

**ASR: Project manager** (3 m): SC member; Management of ASR team. Project presentation and representation at forums. Share experiences of EU travel associations.

**Market access and communication expert** (6 m): market research; matchmaking with German travel agents; fair participation; support social media campaign.

#### **F. The role and participation in the action of the various actors and stakeholders (co-applicants, target groups, local authorities, etc.)**

Central focus of the project are the Bhutan inbound tour operators (exporters / retailers) (ABTA members). They will be activated to promoted sustainable production (upstream / suppliers) and sustainable consumption (downstream / consumers). They are supported through the national EU travel associations and their in SCP leading members who will be engaged through project partner ECEAT. Public institutions will be engaged in order to enable a supportive policy environment for MSME's for the implementation of SCP practices. Final beneficiaries will be the local communities in the tourism destinations who will obtain increased employment opportunities and a cleaner more intact environment. Project partners will liaison closely with **TCB** and involve them in all activities but specifically related to destination management, policies, destination branding and marketing. **TCB** acts as well as the destination marketing organization as well as the formal authority for tourism development and policies. It be closely involved in the selection of the pilot destinations and the liaison with the local authorities. Lessons learned will be channeled back to TCB for policy improvements.

#### **G. Planned Monitoring Arrangements and subsequent follow-up**



ABTO is responsible for the internal monitoring and evaluation of the project. The proposed action has a number of effects and indicators, defined in the logical framework. The partners will monitor the indicators and add qualitative analysis on the results. In addition there will be the indicators which are defined as the “outputs” of the project. Monitoring of achievements compared to the originally foreseen plan will be done on a permanent basis and a monitoring expert will be engaged at the beginning of the project to establish the methodology.

## **H. Procedures for follow-up and internal/external evaluation**

At the end of the project an independent evaluator will be appointed in order to evaluate the project based on the defined indicators of success. The evaluator will consult with all project partners, stakeholders and final beneficiaries during a 10 day field mission to Bhutan.

### **I. The attitudes of all stakeholders towards the action in general and the activities in particular**

The proposed project complies with the objectives of the Bhutan government to promote sustainable tourism and community involvement, while at the same time diversify the tourism product offer in order to attract new target groups. TCB was involved in the project design and it is thus expected that its attitude towards the action in general and the activities in particular will be very supportive. Likewise, private tourism service providers have been involved in the project design and early adaptors have already started to implement the in the project proposed SCP methodologies, expected to bring them additional profit. The project is based on an existing partnership and co-operation between ABTO and ECEAT. ECEAT director Naut Kusters and ECEAT expert Bill Calderwood have been in Bhutan 6 times between 2015 and 2018 in the frame of Dutch government CBI project to support the capacity of the Bhutan travel industry and are respected by the Bhutan stakeholders.

### **J. Visibility of the action and the EU funding**

The visibility requirements will be applied to the action, in accordance with the European Commission communication and visibility guidelines. In country visibility will aim at ensuring beneficiaries and target groups’ awareness of the EU’s supportive role. In the EU, communications will aim at fostering the general public understanding of the EU and their partners’ role in supporting private sector, notably CSR, and the EU support for sustainable development in Asia. Some of the key visibility and communication activities, all featuring EU, logo/recognition, related to this action are presented below:

- Training for MSME associations and their members (attention in membership emails and magazines).
- National round tables and CSR standard meetings.
- Presentation at Bhutan CSR events at international tourism fairs in Berlin and London
- Through 20 EU travel associations newsletters (e.g. ANVR-NL, DRV-DE, ABTA-UK, CETO France).
- Through the communication channels of 50+ EU key tour operators.
- At the web sites of the participating project partners and through active social media campaign.
- 10 Press releases in the frame of the project (e.g. at award events).
- Final project conference in Bhutan with 120 Bhutanese, South Asian and EU stakeholders.
- Publications in 25 magazines
- Through social media campaign reaching 500.000+ consumers

During project implementation all visibility actions will be registered as to provide a clear insight regarding the visibility impact.

## 2.1.3. Indicative action plan for implementing the action

Year 1													
	Half-year 1						Half-year 2						
Activity	1	2	3	4	5	6	7	8	9	10	11	12	Implementing body
<b>AC.1. Standards, training and tools development</b>													
1.1. Bhutan specific EMAS compatible CSR reporting and compliance requirements for tour operators		P	P	E	E								ABTO, ECEAT
1.2. Common suppliers CSR standards and codes for different sub sectors						P	P	P	P	E	E	E	ABTO, HRAB, ECEAT
1.3. Consumer Code of conducts								P	P	P	P	E	HRAB, ABTO, ECEAT
1.4. EMAS compatible online CSR management / reporting system				P	P	P	E	E	E				ECEAT, HRAB, TCB (hotels)
1.5. Guidance and toolbox for tour operators and their suppliers.				P	P	P	P	E	P	E	E	E	ABTO, ECEAT
1.6. Bhutan specific audit and certification system									P	P	P	E	ECEAT, HRAB, TCB, ABTO
1.7. South Asian auditor and advisors training										P	P	E	ECEAT, ABTO
1.8. Shared suppliers data-base & global certified product database										P	P	P	ECEAT
1.9. Travel package carbon management and compensation tool												P	ECEAT, ABTO
1.10. Online training development								P	P	P	E	E	ECEAT, ASR
<b>AC. 2. Integration of SCP practices within Bhutan tour operators</b>													
2.1. Engagement of ABTO tour operators			P	E	E	E							ABTO, ASR
2.2. Classroom introduction trainings for engaged Bhutan tour operators					P	P	P	P	P	E	E		ECEAT, ABTO
2.3. Coaching ABTO tour operators on SCP implementation.								P	P	P	E	P	ECEAT, ABTO
2.4. Audit and certification of 75+ tour operators												E	ECEAT, ABTO
<b>AC. 3. Integration of SCP practices within the tour</b>													

<b>operators supply chain.</b>													
<b>3.1.</b> MoU's on SCP with tourism associations and regional tourism development committees							P	E	E	E	E	E	ABTO, TCB (external)
<b>3.2.</b> Concerted approach towards suppliers											P	P	ABTO, ECEAT
<b>3.3.</b> Classroom trainings for suppliers (e.g. hotels, guides, drivers).											P	P	HRAB, ABTO
<b>3.4.</b> CSR assessment of 200+ ABTO tour operators key suppliers.													ABTO, ECEAT
<b>3.5.</b> Certification of suppliers													ECEAT, TCB
<b>AC. 4. Supply chain integration with destinations and related sectors</b>													
<b>4.1.</b> Value chain analysis of sectors and pilot regions.		P	P	E	E	E	E	E					ECEAT, TCB
<b>4.2.</b> Pilot waste management project in 2 regions (e.g. Thimphu and Paro).											P	P	ABTO, ECEAT, HRAB
<b>4.3.</b> Hotel energy efficiency standard and training.										P	P	P	HRAB, ECEAT,
<b>4.4.</b> Cluster approach with excursions and activities (e.g. community tours, ecotours).													ECEAT, ABTO
<b>AC. 5. Green Financing scheme supporting 20+ MSMEs (e.g. hotels).</b>													
<b>5.1.</b> Identify potential interests and obstacles of financial institutions.							P	E	E	E	E		HRAB, External expert
<b>5.2.</b> Establish green tourism finance scheme.												P	HRAB, ABTO
<b>5.3.</b> Launch and promotion of credit lines.													HRAB, ABTO
<b>5.4.</b> Support one eco-labelled model hotel and one community guesthouse.									P	P	P	P	HRAB, ABTO
<b>AC. 6. Integration of “green” services and products in the supply chain</b>													
<b>6.1.</b> Bhutan-EU market and destination analysis.			P	P	P	E	E	E	E	E			ECEAT, TCB, External experts
<b>6.2.</b> Marketing and communication strategy.													ECEAT, ABTO, TCB
<b>6.3.</b> Eco Messages in promotions of 200+ Bhutan / EU / Indian tour operators.													ABTO, ECEAT, TCB

<b>6.4.</b> Establish “sustainable” destination and product branding capacity within TCB and ABTO				P					P		P		ABTO, ECEAT, TCB
<b>6.5.</b> Innovative (social) media campaign													ECEAT, TCB
<b>6.6.</b> Product development and matchmaking to increase “green & fair” suppliers into the Bhutan-EU supply chain.													ECEAT, ASR
<b>6.7.</b> B2B visibility events at ITB Berlin travel fair.													ASR, ECEAT
<b>AC. 7. Integration of SCP principles in Bhutan and South Asian Policy Guidelines</b>													
<b>7.1.</b> Establish multi-stakeholder steering group			P	P	P	E					E		ABTO, TCB, HRAB
<b>7.2.</b> Policy guidelines assessment and national tourism Sustainable Consumption and Production strategy						P					P	P	ABTO, ECEAT, HRAB, TCB
<b>7.3.</b> Sustainable Destination Management training, study tour, assessment and certification						P					P		ECEAT, TCB
<b>7.4.</b> Policy briefs and case studies to regional forums											P		ABTO, ECEAT
<b>AC 8. Knowledge transfer, replication and exploitation</b>													
<b>8.1.</b> Establish and implement partnerships with 5+ South Asian travel associations.										P		P	ECEAT
<b>8.2.</b> South Asia network conference on sustainability and tourism													ABTO, HRAB, ECEAT
<b>8.3.</b> Promote multiplier effects and replication													ABTO, ECEAT, HRAB
<b>8.4.</b> Development and implementation of an exploitation strategy.													ECEAT, ABTO
<b>AC. 9. Project management, monitoring and reporting</b>													
<b>9.1.</b> Kick-off and partner meetings	P	P	E							E			ABTO, HRAB, ECEAT
<b>9.2.</b> Monitoring impact, outcome, output	P	E	E									E	ABTO
<b>9.3.</b> Project monitoring and reporting				P	P	P					E	E	ABTO, ECEAT, HRAB
<b>9.4.</b> External end-of-project evaluation													ABTO

Half Years 3-8							
Activity	3	4	5	6	7	8	Implementing body
<b>AC.1. Standards, training and tools development</b>							
1.1. Bhutan specific EMAS compatible CSR reporting and compliance requirements for tour operators			E				ABTO, ECEAT
1.2. Common suppliers CSR standards and codes for different sub sectors	E	E					ABTO, HRAB, ECEAT
1.3. Consumer Code of conducts	P	E					HRAB, ABTO, ECEAT
1.4. EMAS compatible online CSR management / reporting system	E	E	E				ECEAT, HRAB, TCB (hotels)
1.5. Guidance and toolbox for tour operators and their suppliers.	E						ABTO, ECEAT
1.6. Bhutan specific audit and certification system	P	P	E				ECEAT, HRAB, TCB, ABTO
1.7. South Asian auditor and advisors training	E						ECEAT, ABTO
1.8. Shared suppliers data-base & global certified product database	P	E	E				ECEAT
1.9. Travel package carbon management and compensation tool	P	P	E	E	E	E	ECEAT, ABTO
1.10. Online training development	P	P	P		P		ECEAT, ASR
<b>AC. 2. Integration of SCP practices within Bhutan tour operators</b>							
2.1. Engagement of ABTO tour operators	E	E					ABTO, ECEAT, ASR
2.2. Classroom introduction trainings for engaged Bhutan tour operators		E					ECEAT, ABTO
2.3. Coaching ABTO tour operators on SCP implementation.		E	E				ECEAT, ABTO
2.4. Audit and certification of 75 tour operators	E	E	E				ECEAT, ABTO
<b>AC. 3. Integration of SCP practices within the tour operators supply chain.</b>							
3.1. MoU's on SCP with tourism associations and regional tourism development committees	E	E	E	E	E		ABTO, TCB
3.2. Concerted approach towards suppliers	E	E	E	E			ABTO, ECEAT
3.3. Classroom trainings for suppliers (e.g. hotels, guides, drivers).		E	E				HRAB, ABTO
3.4. CSR assessment of 200 suppliers.		P	E	E	E		ABTO, ECEAT
3.5. Certification of suppliers		E	E	E	E		ECEAT, HRAB

<b>AC. 4. Supply chain integration with destinations and related sectors</b>							
<b>4.1.</b> Value chain analysis of sectors and pilot regions.							ECEAT, TCB
<b>4.2.</b> Pilot waste management project in 2 regions (e.g. Thimphu and Paro).	E	E	E	E	E	E	ABTO, ECEAT, HRAB
<b>4.3</b> Local food production and handicrafts integrated in tourism value chain.	P	P	P	E	E	E	ECEAT, HRAB
<b>4.4.</b> Cluster approach with excursions and activities (e.g. community tours, ecotours).			E	E			ABTO, ECEAT
<b>AC. 5. Green Financing scheme supporting 20+ MSMEs (e.g. hotels).</b>							
<b>5.1.</b> Identify potential interests and constraints for access to finance							HRAB, External experts
<b>5.2.</b> Establish green tourism finance scheme	E						HRAB
<b>5.3.</b> Launch and promotion of credit lines.		E	E	E	E	E	HRAB
<b>5.4.</b> Support one eco-labelled model hotel and one community guesthouse.	P		E	E			HRAB
<b>AC. 6. Integration of “green” services and products in the supply chain</b>							
<b>6.1.</b> Bhutan-EU market and destination analysis.	E	E	E				ECEAT, TCB, External experts
<b>6.2.</b> Marketing and communication strategy.		P	E				ABTO, ECEAT, TCB
<b>6.3.</b> Eco Messages in promotions of 200+ Bhutan / EU / India tour operators.		P	P	E	E	E	ECEAT, ABTO, TCB
<b>6.4.</b> Establish “sustainable” destination and product branding capacity within TCB and ABTO		P	P	E	E	E	ABTO, ECEAT
<b>6.5.</b> Innovative (social) media campaign		P	E	E	E	E	ABTO, ECEAT, TCB
<b>6.6.</b> Product development and matchmaking to increase “green & fair” suppliers into the Bhutan-EU supply chain.		P	E		E		ECEAT, ASR
<b>6.7.</b> EU-Bhutan B2B visibility events at ITB Berlin travel fair.		P	E		E		ASR, ECEAT
<b>AC. 7. Integration of SCP principles in Bhutan and South Asian Policy Guideliens</b>							
<b>7.1.</b> Establish multi-stakeholder working group		E		E		E	ABTO, HRAB, TCB, ECEAT
<b>7.2.</b> Policy Guidelines assessment and national tourism Sustainable Consumption and Production strategy		P	E	E			ABTO, HRAB, TCB
<b>7.3.</b> Sustainable Destination Management training, study tour, assessment and		P	E				ECEAT, TCB

certification							
7.4. Policy briefs and case studies to regional forums	E		E		E		ABTO, ECEAT
<b>AC 8. Knowledge transfer, replication and exploitation</b>							
8.1. Establish and implement partnerships with 5+ South Asian travel associations.		P	E	E	E	E	ECEAT,
8.2. South Asia network conference on sustainability and tourism					P	E	ABTO, HRAB, ECEAT
8.3. Promote multiplier effects and replication		E		E		E	ABTO, HRAB, ECEAT
8.4. Development and implementation of an exploitation strategy.		P			P	E	ECEAT, ABTO
<b>AC. 9. Project management, monitoring and reporting</b>							
9.1. Kick-off and partner meetings	E	E	E	E	E	E	ABTO, HRAB, ECEAT
9.2. Monitoring impact, outcome, output		E		E		E	ABTO
9.3. Project monitoring and reporting		E		E		E	ABTO, ECEAT, HRAB
9.4. External end-of-project evaluation		P			P	E	ABTO

## 2.1.4. Sustainability of the action

### A. Expected impact of the action

SUSTOUR takes a systemic approach. It strengthens sector associations to improve their services towards its member base (MSMEs) which allows crowding in and replication of good practices within and across the tourism sector. The impact of this action could be explained through a chain of cascade effects, from the **macro** (associations, institutions), through the **meso** (MSMEs), to the **micro** (e.g. local communities, environmental indicators) level. Within the **log-frame**, specific environmental, social and economic impact indicators have been defined and objectives have been set at different levels including specific (short-term) environmental and social benefits.

At the **technical level**, the action is expected to have a considerable impact on these three levels. At the macro level, technical skills and tools (e.g. quality, sustainability and accreditation standards, trainings, coaching capacity) will enable ABTO as well as other sectoral associations to provide better and more sustainable services and innovative SCP products. This will generate a positive cascade effect towards the meso and the micro level, composed of the national associations' members and their suppliers, including 30+ tour operators and 800+ local suppliers and service providers within the tourism association's memberships and their supply chain.

At the **economic level**, the action has the potential to have a considerable impact notably at the *meso* and *micro* level as MSME's improved sustainability skills are expected to increased business opportunities, and compliance will provide them with an (international) competitive advantage (more clients and turn-over). More-over, the project will support the image of Bhutan as a sustainable destination attracting more, higher-spending visitors to the country.

The **social impact** of the action can be described twofold. On the one side, by promoting pro-poor tourism and community-based initiatives, the action will generate opportunities for development of rural populations in those areas with high tourist potential. At this level, mainstreaming of "environmental sensitivity" will have a positive (i.e. "do no harm") impact on the use and conservation of natural resources as well as cultural heritage and practices. On the other side, as tourism is a highly attractive sector for youth and women, the action will increase employment opportunities to them. It is expected that through supply chain training and awareness raising more than 1.000 women and youth will benefit.

At the **policy level**, the main objective of the project is to raise awareness of government agencies (e.g. TCB) over the need for investing in the improvement of regulations on SCP and MSMEs; as well as the need to improve the regulatory framework of the tourism sectors, and related policies that could facilitate its sustainable development. Filing of propositions, as a result of PPP dialogue, is expected to be achieved, although this could materialize beyond the project period. Direct impact, within the project's lifetime is expected on the regulatory framework that currently hinder sustainability / CSR development. The CSR standards will also directly support the implementation of existing government policies and regulations as legal compliance is the basis for any certification. Through guidance and code of conducts, MSMEs will be capacitated and made aware of existing policies and regulations. Best practices (above legal requirements) will inspire policy makers on what is practically and economically feasible (and could thus be included in future regulations).

### B. Risk analysis and contingency plan

Physical	Risk & Anticipation / mitigation measures	Probability
Physical	<b>Major natural disaster/catastrophe</b> → The impact of this risk is potentially high as it could result in major destruction of infrastructure, thus reducing the attractiveness of tourism in the area. In case of major disaster, should a revision of the implementation plan be needed, to be discussed with all stakeholders and the donor.	Low
	<b>Increased in tourism affects use/conservation of natural resources</b> → Environmental concerns will be mainstreamed and uphold in all	Low



	project activities so as to reduce the occurrence of this risk.	
<b>Political</b>	<b>Deterioration of security situation</b> → might hinder access or put staff at risk and result in implementation delays, re-localization, temporary/permanent suspension of activities. ECEAT constantly monitors security situation and follow standard security procedures.	<i>Medium</i>
<b>Economic</b>	<b>Price inflation</b> → Depending on the situation, ABTO will strive to adapt to changes and find applicable, viable and procedure-compliant solutions. ABTO will promptly inform the donor with suggestions on how to limit the impact on the project's expected results should an impasse be reached/faced.	<i>Low</i>
<b>Social</b>	<b>Low interest in taking part in proposed activities</b> → Involvement of, and consultations with, key stakeholders in identification of priority needs and activities, informing directly the development of the intervention should have limited the occurrence of this situation.	<i>Low</i>
	<b>Tensions between stakeholders due to divergence in opinions/practices</b> → Bilateral and multi stakeholder consultations at the beginning of the project as well as continuous mobilization and facilitation from project's partners.	<i>Medium</i>

### Risk and contingency plan per activity

#	Action	Risk	Mitigation
1.	Standard, training and tools development.	Economic crises and strong competition leading to degrading of standards.	Awareness and training activities to convince members regarding the importance of sustainability standards for market access. Make compliance with minimum standards obligatory for membership.
2.	Integration of SCP practices within Bhutan	Lack of interest from local MSME's and entrepreneurs.	Providing (financial benefits), linking with the market from the onset, showing successful models in other countries / regions.
3.	Integration of SCP practices within the tour operators supply chain.	Lack of incentives for companies to comply with improved sustainability standards.	Create awareness on the relevance of sustainability for international markets. Introduce obligatory membership standards. Include sustainability standards as legal requirements (to create level playing field). Create group of front-runners.
4.	Destination and supply chain approach.	Lack of interest from regions. Political unrest.	Search for alternative regions. Establishing a trustful and multi-stakeholder relationship with regions.
5.	Establishment of credit scheme.	Lack of interest from financial institutions, financial crises.	Identifying alternative financing opportunities, e.g. not for profit financial service providers.
6.	Integration of "green" services and products in the supply chain.	Economic or political crisis leading to avoidance of Bhutan as a destination.	Innovate products. Look for new regional and domestic markets.
7.	Integration of SCP principles in Bhutan and South Asian Policies.	Lack of political interest or other priorities due to political or economic crises.	Working on tourism sector self-commitments. Lobby governments.
8.	Knowledge transfer and replication	Political constrains for regional co-operation	Transferring to other South Asian countries which do show interest.
9.	Project management,	Lack of qualified staff	Providing higher wages. On the job training.

	monitoring and reporting.		Increasing mutual co-operation between different associations working with external service providers.
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### C. Sustainable strategy after completion.

The SUSTOUR project is based upon a formal long-term partnership established on SCP between ECEAT and ABTO indicating a solid mutual commitment and common interest.

**Financial sustainability** - ABTO is an established organization founded in 2000. The institutional and financial sustainability of ABTO is built on solid organizational charter, business plans and membership and service fees and continues beyond the project. Over the years, the membership base has increased from 64 (2000) to over 780 TOs with an average registration of around 40 new members annually. The organization as such does not depend on external funding. This action contributes to a sector transformation and builds SCP capacities within ABTO and HRAB for enhanced service offers to its member base (MSMEs). ECEAT is building on its Europe proven sustainable business model which can be scaled up to the Bhutanese context. Several **cost recovery mechanisms** will be embedded from the time of its creation, including membership fees and facilitation fees for training coordination will allow to achieve financial sustainability after projects end. In case ABTO is not have the capacity to deliver the services it could be maintained through a pool of trained and qualified freelance experts which will directly support the companies. ECEAT / Travelife will deliver at any time back-up through its online tools. Trainings will be offered on a demand basis, using a network of professional regional service providers identified within the project. Note that Travelife, as managed by ECEAT and ABTA, as a not for profit organisations, maintain very modest fees for membership and certification. For example the fee for basic level certification for Travelife for Tour operators is 200 Euro per year for companies with less than 25 staff members, while the third party onsite audit certification starts from 400 euro's per year for small companies. ABTO and HRAB members have accepted these fees as feasible. These fees are shared with local implementation partners (e.g. ABTO) in order to build local capacity and ownership. ECEAT works already in 25 destinations with a local partner in a subsidy free environment after being supported in the initial start-up phase.

**Institutional sustainability** - SUSTOUR is based on MoU's signed between ECEAT and ABTO to advance SCP in the Bhutan travel sector based on successful models implemented in the EU and other Asian countries. ABTO and HRAB are established organizations (20 years) whose existence will not be jeopardized by the end of the project. They were closely involved in the development of the project activities and strategy. Through this action they will increase their capacities to provide member services with the support of existing and to be developed online tools. The training, support and management tools will be integrated into the global Travelife organization which serves as back-up in case of limited local capacity. In all cases local MSME's will remain access to the training, tools and certification.

**Policy sustainability** - Enhancing of policy influencing capacities of sector associations empowers its voice for advocating and lobbying efforts in the sector and will continue beyond the project duration. The establishment of an SCP policy working group during the projects lifetime will maintain the momentum post project as it will be integrated into existing structures of TCB. If well kept, these pre-established linkages will foster the involvement in sectoral policy efforts in the medium and longer term. The anticipated policy changes obtained, strengthen the tourism sector and its actors beyond the project period.

**Environmental sustainability** - Tourism, if not well managed, could have a serious impact on the environment. In order to avoid negative impacts environmental sustainability standards will be implemented under the proposed project. The Travelife certified standard has, in addition to social criteria, over 60 criteria and best practices related to environmental sustainability (energy consumption, water consumption, waste management, interactions with wildlife) therefore Travelife recognized and/or certified tourism SMEs status will have reduced negative environmental impacts. The trainings on sustainable tourism will also make the tourism stakeholders more aware of the potential negative effects of tourism and the way to mitigate them. Codes of conduct developed with tourists will reduce the negative effects that tourism has on the environment (e.g. littering). Finally, the CARMATOP tool

adapted to the Bhutanese context will enable local tourism SMEs to compensate carbon offset and sell carbon-neutral tour packages in Bhutan.

#### **D. Dissemination, replication and extension of the action outcomes**

Possibilities for replication of the action outcomes will be enhanced by capacity building of local CSR experts. They will be identified at the start of the project and trained, engaged (against a fee) and coached during the 4 year project period. They will obtain a formal international CSR advisor / auditor status and they will be engaged for services by Travelife and ABTO post project. To increase outreach, and foster sharing of best practices and lessons learnt, tools and training material developed in the framework of the action will be disseminated to a wider stakeholder audience, through partners' extensive networks and membership base. The South Asian conference at the end of the project will also have the potential for positive multiplier effects as standards, methodologies and tools developed will be presented, and agreements will be signed with partners in other South Asian countries. Through the networks of ECEAT / Travelife and its European partners trainings and tools will be integrated to the Travelife online platform and disseminated at a global level. SUSTOUR is not a standalone action but is part of an existing and global movement to enhance sustainability in the travel sector. Dissemination will happen through Travelife, GSTC, PATA, UNEP, CATA and other institutions and will be kicked-off from the initial start of the project.

#	Partner	Network	Dissemination activities planned
1.	ABTO	750 members in Bhutan, active player in the South Asian region.	Presentations are regional forums, newsletters among its members, national TV, media and online channels.
2.	ECEAT	Contacts with 1000 EU tour operators EU media. Global network with 200 tourism sustainability professionals.	Newsletters with project updates and results during and after the project. Presentations at conferences.
3.	HRAB	200 members, leading hotels.	Through member newsletters and professional hotel media. Facebook and HRAB web site.
4.	Travelife	Partnerships with 40 national associations. 1000 paying members. 15.000 contacts. 100 countries.	Trainings, tools and IT systems will be used at a global level. Project updates in quarterly newsletters. Travelife Facebook page and web site.
5.	GSTC	500 global members, leading in sustainable tourism. Connections with UN bodies and national governments.	At yearly GSTC Global and Asia conferences. Via its email newsletters and through its personal contacts with national governments.
6.	PATA	1000 members from 40 countries. 25 national PATA chapters. 20 Asian governments are member, works close with ASEAN. Has many media partners.	Project updates in its monthly newsletters. Presentations at the PATA travel fairs, general assemblies, emerging destinations conference and adventure travel fairs. Publications in Asian travel trade media (Global Travel Media, TTG Asia Media)

### **3. Logical Framework**

	Results chain	Indicator	Baseline (2019)	Target	Current value*	Source and mean of verification	Assumptions
<b>Impact (Overall objective)</b>	To contribute to sustainable and inclusive tourism development in Bhutan with improved regional spread of the tourism activities and its value and to create income and employment generation. SDG 8, 9,11,13, 14 and 15	Reduced Carbon emission	80.000 ton GHG	At least 68.000 ton GHG		Base line GHG emission per hotel is 800 ton carbon per year	Based on 100 hotels saving 15 % GHG.
		Saved Energy	42 million Kwh	At least 37,5 million Kwh		17 kWh per room night saving 12% to 15 kwh per room night. 250 hotels x 25 rooms x 250 nights = 6.2 million nights.	Based on 100 hotels saving 12 % energy. Baseline to be done during start of the project.
		Reduced Waste	450 ton	At least 382 ton		500 kilo per tour operator per year. 4000 kilo per hotel per year. (500 x 100) + (4.000 x 100) = 450 ton (baseline)	Based on 100 tour operators and 100 hotels saving 15 % on waste.
		Tour operators conducted responsible tours	10% of tour operators conduct responsible tours.	At least 50% of tour operators conduct responsible tours.		Only limited number of TO's are complying with code of conducts at present moment.	Check with 100 tour operator members of ABTO
		Hotels and tour operators created Green Jobs	To be undertaken.	At least 200 new jobs of which 50% are earmarked for women.		More than 50 % of the jobs are for women. Baseline will be conducted.	100 tour operators and 100 hotels
		Hotels and tour operators invested on SCP related matters	0	2 million euro		Investment in clean technology by hotels and tour operators (including cars)	Tourism as a sector is thriving, no major political unrest will emerge.
		Women participated in SCP related training	0	At least 40% of the participants in trainings are women.		Participants lists of trainings provided	Tour operators and suppliers appoint women for sustainability related work.
<b>Outcome(s) (Specific objective(s))</b>	1. To adapt SCP practises and inclusive green growth with improved institutional capacity, policy guidelines, services and fair distribution of sustainable tourism	Number of certified Tour operators	2 % of ABTO members implemented SCP practices (representing 4 % of the market).	20 Bhutanese tour operators (50%) have implemented SCP-practices and are formally CSR (Travelife) certified.  100 staff members have		ABTO and other tourism associations' records, implementation of Sustainability standards and tools. Online information based on sustainability reporting system and awarded companies. Details on female ownership/management. Knowledge, Attitude and	Tourism services providers committed to work towards the implementation of eco and social responsible practices. Ongoing and growing market demand for sustainable products. Training materials have been developed and are understandable for the target groups. Commitment of the (women owned/managed) Bhutan tour operators to incorporate SCP practices.

	values among well promoted touristic hotspots and tourism players in Bhutan. SDG 5, 12 and 17			undertaken trainings and are qualified (training certificate)  30% of certified tour operators are female owned/managed.		Practice survey, followed the training on CSR and sustainable tourism, passed the exam and have implemented (e.g. code of conducts). List of Bhutan tour operators. Details on female ownership/management. Key performance indicators over the years incl. turnover and employment rates (male/female).	
		Number of suppliers trained, integrated SCP practices and are certified.  Percentage of women businesses.	No trained, engaged and certified suppliers	200 Bhutan tourism suppliers have implemented SCP practices.  50 certified suppliers (40% female owned/managed).		Online list of Bhutan tourism suppliers who joined trainings and implemented and reported on sustainability. Details on female ownership/management. List of eco-certified businesses.	Commitment of the (women owned/managed) Bhutan tourism services suppliers to incorporate SCP practices.
		a) Number of visitors;  b) Uptake of green products;	a) Total number of international guests travelling to Bhutan: 200000.  b) Green products are not available.	a) Increase in the number of international visitors travelling to Bhutan by 25% (= absolute: 250000).  b) 10% of International visitors make more use of certified tourism products and services  Committed visitors have led to a 10% growth of "green"/		Government's tourism statistics from different source countries, messages on social media, media articles in international newspapers. Descriptions in travel brochures, Interviews with visitors on key locations.	The socio/economic /political environment in Bhutan/South Asia is conducive to the development of the tourist sector (i.e. no civic unrest or ongoing major (inter)national crises).

		c) Image of Bhutan as a green/sustainable destination.	c) Bhutan not viewed as a green/sustainable destination	<p>certified products in the EU-South Asia/ intra-South Asia tourism trade.</p> <p>c) 10% of international holiday makers are aware of Bhutan as a sustainable destination</p> <p>1 million international visitors have been reached in order to propel a “green” destination image for Bhutan.</p> <p>10 % higher levels of satisfaction among international guests improving the image of the country as a travel destination.</p>			
		Number of key public tourism policy guidelines constraints identified and removed.	None	<p>At least three key public tourism policy guidelines constraints identified and removed at the end of the project.</p> <p>10 best practices identified and shared with associations</p>		Policy guidelines documents, notes on common policy guidelines meetings, number of best practices identified and shared with other countries and entrepreneurs. Gender impact analysis of policy guidelines constraints tackled.	Sufficient interest from public and private sector to engage in coordinated efforts to create an enabling environment for sustainable tourism-economic development in Bhutan/South Asia with a special focus on improved female entrepreneurship.

				and MSME's from 4 other South Asian countries.			
	2. To promote SCP practices with improved business relations, replicated best practices and raised consumers' awareness on sustainable tourism development in Bhutan. SDG 17	New B2B business relations established.	none	150 new, long-term/sustainable business relations established between SCP-committed EU and Bhutan tour operating businesses as well as intra-South Asia business  At least 40% businesses are women owned/managed businesses.		B2B: overview of business intentions/contracts incl. details of women ownership/management.	International business and consumer interest in green holidays and certified products. No (inter)national crises affecting tourism.
		Percentage of women owned / managed business who benefited.					
		Number of South Asian countries where models and instruments have been replicated.	None	At least 3 other South Asia countries introduce SCP among 50 tourism businesses of which 40 % are female owned/managed).  Supply chain models and instruments replicated in 3 other South Asian countries of which 40% of the South Asian businesses supported are female owned/man		Copies of signed MoUs, overview of 50 CSR-certified members incl. details on female ownership/management. Tourism associations' records, implementation of sustainability standards and tools. Reassessment based on sustainability reporting system. Details on female ownership/management based on ECEAT/Travelife and HRAB databases/membership records.	Tourism services providers in other South Asian countries committed to work towards the implementation of eco and social responsible practices. Tourism associations in other South Asian countries committed to promote the sustainability standards and tools. Sufficient interest from South Asian associations to adapt and implement SCP-policies. Sufficient interest among South Asian (non-Bhutan) tourism services suppliers to incorporate CSR.



				aged.			
<b>Output 1</b>	SCP standards and tools developed. SDG 12, 13 and 17	Number of Eco Management and Assessment System (EMAS) compatible Bhutan Certification standard and criteria	None	At least 1 standard incl. 200 criteria and 10 CSR themes		Sources/methods: 1 proposal by ECEAT and notes/outcomes 2 standard workshops, <i>Who:</i> ECEAT and ABTO, <i>Frequency:</i> 1 ECEAT proposal 1st project year, notes/output after the 2 workshops planned.	Willingness of private and public sector to work towards and agree upon the common minimum and additional requirements for the Bhutan tourism sector. Common understanding.
		Number of basic CSR requirements	None	At least 100 requirements		<i>Sources/methods:</i> 1 proposal by ECEAT and notes/outcomes 2 standard workshops, <i>Who:</i> ECEAT and ABTO, <i>Frequency:</i> ECEAT proposal 1st project year, notes/outcomes after the 2 workshops planned.	Willingness of private and public sector to work towards and agree upon common minimum requirements for the Bhutan tourism sector. Common understanding.
		Multi stakeholder standard workshops organized	None	2 workshops with 2X20 participants of which 40% are women and 2 reports produced.		<i>Sources/methods:</i> workshop notes and 2 report incl. participant list, <i>Who:</i> ECEAT and ABTO, <i>Frequency:</i> notes and report after standard workshop	Interest in and active participation and input from all partners during standard workshops. Willingness of private and public sector to work towards and agree upon all standards (minimum and advanced/best practice).
		Number of multi-stakeholder meetings that have taken place, reports and participant lists	None	5 sub-sectoral multi-stakeholder meetings with 15 participants of which 25% are women, held.		<i>Sources/methods:</i> 5 final drafts by ECEAT, HRAB, ABTO 1st project year, <i>Who:</i> all partners, <i>Frequency:</i> final drafts during 1st year of project.	Interest in and active participation and input from all partners during standard workshops. Willingness of private and public sector to work towards and agree upon all standards (minimum and advanced/best practice).
		Availability of sub-sectoral suppliers standards and codes.	1 homestay standard	5 standards and codes, transport, guides, trekking, ecotourism, etc.		<i>Sources/methods:</i> 5 meetings to discuss and agree, 5 meeting reports incl. participant list, <i>Who:</i> ECEAT, HRAB, ABTO, <i>Frequency:</i> 5 meetings and 5 reports after meetings	Interest in and active participation and input from all partners during standard workshops. Willingness of private and public sector to work towards and agree upon all standards (minimum and advanced/best practice).

	Availability of sub-sectoral consumer codes	None	5 consumer codes produced and available		Sources/methods: draft codes, results of testing, final versions codes of conducts, Who: ECEAT and HRAB (drafts), testing and final versions: ECEAT; HRAB, ABTO, Frequencies: drafts during 1st project year, testing, 5 final versions, dissemination/distribution 100'000.	Bhutan tour operators willingness to actively promote and distribute the code of conducts among their clients.
	Availability of laminated code of conducts	None	500 laminated copies of code of conducts produced and available		<i>Sources/methods:</i> draft codes, results of testing, final versions codes of conducts, <i>Who:</i> ECEAT (drafts), testing and final versions: clients of Bhutan tour operators, ECEAT; HRAB, ABTO, <i>Frequency:</i> drafts during 1st project year, testing, final versions 500.	Bhutan tour operators clients willingness to actively involved in the test.
	Number of consumers who received code of conducts		5000 consumers received codes of conduct		<i>Sources/methods:</i> final versions codes of conducts (hard copies/laminated) distributed to tour operators <i>Who:</i> final versions sent by ABTO partners to TO members and TO members actively distributing among clients, <i>Frequency:</i> 5000 ongoing distribution and reprinting /updating.	Active distribution of the codes of conduct to customers and customers being receptive to the codes of conduct received.
	Availability of Bhutan customized CSR planning and reporting platform and availability of online Tourism Council of Bhutan Green Scheme	None	1 online planning and reporting platform, 200 criteria.  1 online system, all HRAB hotels are		<i>Sources/methods:</i> Bhutan online planning and reporting platform/management system online including: 200 criteria and corresponding 1-guidance report/2 handbooks/specifi	Agreement of private and public sector on minimum and best practice standards resulting in easy development of the planning/reporting/management system including the different tools, the agreed criteria and supporting guidance

				included. ABTO is working with the system. Audits are recorded.		c audit and certification procedures, 40 implementation tools. 1 ASI accreditation certificate, <i>Who:</i> ECEAT/HRAB/T <i>CB Frequency:</i> activities to be carried out during first project year.	reports and handbooks for the different target groups. Sufficient technical/IT/web-programming support for development of the online platform including all tools/materials.
		Availability of Guidance for each of the 200 criteria and  Availability of online learning platform	None	1 guidance report for 200 criteria, 50 pages and 40 tools available online.  1 online guidance toolbox system		Sources/methods: Bhutan online planning and reporting platform/management system online including: 200 criteria and corresponding 1-guidance report/2 handbooks/specific audit and certification procedures, 40 implementation tools. 1 ASI accreditation certificate, <i>Who:</i> ECEAT, ABTO <i>Frequency:</i> activities to be carried out during first project year.	Input from Bhutan stakeholders
		Availability of handbooks including procedures	None	1 handbook for tour operators, 1 handbook for city hotels available			
		Number of GSTC accredited procedures	None	1 Accreditation of all HRAB audit procedures by ASR and in line with GSTC		Formal agreement and Accreditation by ASB	Able to comply to the ISO 17065 standard
		Availability of mutual recognition agreement between ABTA's and HRAB	None	1 mutual recognition agreement between ABTA's and HRAB signed.		Signed agreement	Technical and commercial agreement possible
		Agreement with Bhutan partner on certification on the basis of GSTC	None	1 formal agreement between Travelife and a local		Signed agreement, web site with reference to partnership	Ability to find proper partner

		standards, web site with information on partnership		Bhutan partner; promotion of the agreement on web site.			
		Number of trainings delivered	0	2 audit and advisor trainings, with at least 20 participants, of which 40% are women.		<i>Sources/methods:</i> attendance lists, individual training certificates, Who: trainer, ABTO, ECEAT <i>Frequency:</i> collection after trainings.	Sufficient interest in-county to become a sustainability advisor/auditor.
		Certificates of compliance, exam passed	1	30 auditors and advisors qualified/trained		<i>Sources/methods:</i> attendance lists, individual training certificates, Who: trainer ABTO, ECEAT <i>Frequency:</i> collection after trainings.	Persons with basic qualification can be indentified
		Availability of suppliers database and certified products linked to global distribution platforms	None	1 shared database incl. 5 checklists and one business connection tool. 1 database including 1.000 certified products and linked with 10 global distribution platforms		<i>Sources/methods:</i> 1 dbase including checklists, business connection tool and profiles of global certified products online. Overview of linkages/cooperation with global distribution platforms. <i>Who:</i> ECEAT, <i>Frequency:</i> dbase to be delivered 1st project year - establishment of linkages/cooperation with global distribution platforms: ongoing until dbase launch.	Sufficient interest among and active participation of suppliers of tour operators to introduce and share their sustainability information with existing and potential business partners by making use of the dbase. Sufficient interest of global /regional distribution platforms to benefit from the dbase developed.
		1 carbon management tool available (CARMATOP), adjusted to Bhutan and linked to Travelife online reporting tool.  Carbon Management training delivered.	None	1 carbon management tool customized to Bhutan integrated in Travelife reporting tool.		<i>Sources/methods:</i> 1 carbon calculator tool adjusted to Bhutan situation embedded into the online reporting/planning platform, number of Bhutan entrepreneurs making use of the tool. <i>Who:</i> ECEAT and ABTO in	Sufficient interest in-county in carbon management and reduction, attend the training and making active use of the tool after embedment in the online system to calculate emissions, inform the clients and motivate them to compensate individual emissions.

		Availability of carbon impact calculator		1 training, 20 participants  1 carbon impact calculator tool		cooperation with ANVR/Carmatop organisation. <i>Frequency:</i> embedment once the tool has been customized and once the online reporting/planning platform has been launched.	
		Availability of 4 new online trainings	2, but not customized to Bhutan.	At least 2 online trainings adapted to Bhutan, (80+ pages)  At least 4 additional online trainings, (64 web pages)		Sources/methods: 2 trainings online (80+ pages) Who: ECEAT in cooperation with ABTA and UK Travel Foundation, <i>Frequency:</i> activities to be delivered during 1st project year.	Sufficient interest in (advanced) CSR training and willingness from South Asian side to deliver input to adjust/tailor-made CSR materials to the South Asian situation. Cooperation of ABTA and UK Travel Foundation for developing training content.
<b>Output 2</b>	Integrated SCP practices in tour operation business. SDG 12	Number of ABTO members informed and sensitized, newsletters, publications, presentations.	None	40 ABTO members informed and sensitized towards sustainability and SCP commitment through 10+ newsletter, meetings and conference / 4 general assemblies) 80 committed TO's		Sources/methods: overview of 40 ABTO members informed and sensitized, 10 ABTO newsletter articles and minutes and distribution list; information/sensitization within the framework of 4 ABTO general assembly's, participation lists and agendas, Who: ABTO (lead), ECEAT and ASR, <i>Frequency:</i> 10 times newsletter, meetings and 4 assemblies during project period	ABTO members being receptive to SCP and willingness to work with the methods and tools developed. High number of ABTO members reading the newsletter articles, attending the GAs.
		Number of EU tour operators committed	None	30 cooperation and support intentions signed		Sources/methods: list of names 30 EU TOs and their South Asian business partners, 30 partnership intentions signed, Who: ABTO in cooperation with ECEAT <i>Frequency:</i> 30 committed EU TOs during project period.	Willingness and active participation of EU TOs to inform and sensitize their South Asian partners; communicate, remind, brief on results. Interest of the South Asian business partners to work on CSR.
		Number of	None	100		Sources/methods:	Interest and active

		sustainability managers trained and certified		managers trained and certified of which 40% are women		attendance lists, individual training certificates, Who: trainer, ECEAT, ABTO Frequency: collection after training.	participation of tour operator staff members to become a sustainability manager/coordinator.
		Number of in-house coaching meetings	None	100 in-house coaching meetings		Sources/methods: Meeting summaries based on standard format, Who: Bhutan advisors, Frequency: meeting summary provided after coaching meeting.	Tour operators receptive to in-house coaching meetings.
		Number of group coaching sessions.	None	40 one-day sessions, 10 companies		<i>Sources/methods:</i> 10 attendance lists including participant details, <i>Who:</i> the trained Bhutan advisors, <i>Frequency:</i> 40 lists.	Interest of entrepreneurs to attend the group coaching sessions.
		Number of tour operators having implemented CSR standards and reported on CSR	2	70+ tour operators implemented CSR standards and reported on CSR		<i>Sources/methods:</i> list of the 100 ABTO tour operator members, <i>Who:</i> ABTO and ECEAT, <i>Frequency:</i> 1 ABTO-list at the end of the project.	Interest of ABTO tour operator members to implement CSR standard.
		Number of tour operators with basic level certification and GSTC approved certification.	2	50+ tour operators (basic level) and 25+ tour operators (GSTC)		Sources/methods: list of the 50 ABTO tour operator members (basic level) and 25 tour operators' members (GSTC approved certification). Online at <a href="http://www.travelife.info">www.travelife.info</a> Who: ABTO and ECEAT. Frequency: ABTO list at the end of the project	ABTO tour operators are willing to comply and are able to devote time to engage their staff and suppliers
<b>Output 3</b>	Integrated SCP practices within tourism suppliers. SDG 9, 12, 17	Number of MoUs	None	5 MoUs signed		Sources/methods: 5 MoUs signed with national suppliers associations in Bhutan, Who: ABTO, TCB Frequency: 5 MoUs and 5 subcontracts.	Interest of Bhutan national suppliers associations to sign the MoUs to reach out to their members and participate in the development of suppliers standards and training materials
		Availability of	None	1 inventory		<i>Sources/methods:</i>	Willingness/active

		inventory/database. Number of suppliers committed		and 1 database incl. 200 key suppliers, 30 EU outbound tour operators involved.  200 suppliers SCP committed/included into database		1 inventory and 1 database including details of 200 key suppliers of the ABTO tour operator members, format for online inclusion, overview of 30+ EU outbound TOs involved + additional details on what has been done, <i>Who</i> : ECEAT & ABTO <i>Frequency</i> : 1 inventory/dbase incl. 200 key suppliers at the end of the project.	participation of ABTO tour operator members and their key suppliers as well as the willingness and active participation of the EU outbound tour operators.
		Number of suppliers certified sustainability managers.  Number of hotel certified sustainability managers	None  None	8 trainings, 200 suppliers certified of which 40% are women.  100 hotel managers certified of which 40% are women.		<i>Sources/methods</i> : attendance lists, individual training certificates, <i>Who</i> : HRAB, ABTO, trainer, <i>Frequency</i> : collection after training.	Sufficient interest within Bhutan's tourism sector to follow CSR trainings and to become a sustainability manager.
		Number of key suppliers assessed and improvement plan	None	200 key suppliers assessed of which 40% are women, 200 reports/action on/improvement plans		<i>Sources/methods</i> : list of 200 visited key suppliers, 200 reports/action plans, 200 suppliers with details included in the database (see activity 4.2.1), <i>Who</i> : ABTO & ECEAT, trained advisors/auditors under supervision of ECEAT <i>Frequency</i> : 200 reports/action plans at the end of the project.	Cooperation of key suppliers to let themselves being assessed on-site by trained advisors / auditors.
		Number of Bhutan hotels and Community Based Tourism suppliers with certification	None	50 hotels and Community Based Tourism suppliers (Certified)		<i>Sources/methods</i> : list 50 certificates (awards during award ceremonies), overview of award ceremony events, publication at <a href="http://www.travelife.inf">www.travelife.inf</a>	Interest and cooperation of hotels and CBT Guesthouses to implement CSR best practices and work towards Travelife certification status.



						o Who: HRAB/ECEAT, city hotels in cooperation with Travelife scheme, Frequency: 50 hotel certificates at the end of the project.	
		Number of Excursion suppliers certified / committed to code of conduct	10	100 Drivers and guides committed		<i>Sources/methods:</i> list 100 certified suppliers (awards during award ceremonies), overview of award ceremony events, publication at <a href="http://www.travelife.info">www.travelife.info</a> o <i>Who:</i> CBT's in cooperation with Green Label scheme, <i>Frequency:</i> 30 CBT certificates at the end of the project.	Interest and cooperation of ecolodges to implement CSR best practices and work towards Ecorating Certified status.
<b>Output 4</b>	Integrated SCP practices within popular destinations and tourism related sectors. SDG 11, 12, 13, 17	SCP practices integrated within popular destinations and tourism related sectors.	None	SCP practices integrated and detailed analysis in the form of a report prepared accepted by all stakeholders		<i>Sources/methods:</i> ToR, mission report, final report on value chain analysis, report was used in the frame of the project <i>Who:</i> TCB in cooperation with ECEAT <i>Frequency:</i> draft report and final report in year one of the project.	Able to find proper expert team. Stakeholders are willing to share their data.
		Number of public and private stakeholders who joined the workshops.	None	2 workshops with 25 public and private stakeholders are conducted for defining problem analysis/common approach on sustainable destination management. Of these participants 25% are women.		<i>Sources/methods:</i> attendance lists, report on workshops. Follow-up actions and programme. <i>Who:</i> HRAB, ABTO, ECEAT <i>Frequency:</i> collection after training. Two times.	Stakeholders are committed to solve the problem and work jointly towards a solution.

				Destination Management Board is established			
		Self-financing waste management scheme present.	None	1 self-financing waste management scheme is developed, agreed and implemented by the Destination management board in two locations		Sources/methods: description of waste management scheme, signed by stakeholders and implemented, leading to less waste management. Who: HRAB, ABTO, ECEAT, Frequency: final report during 2nd year of project.	Stakeholders are committed to solve the problem and work jointly towards a solution. Local government takes responsibility or is willing to support private sector initiative.
		Coaching report in online system; reports of meetings feedback from hotels	None	25+ hotels coached and trained.		Who: ECEAT, HRAB	
		Best practices are implemented in legislation and standards.	None	At least 2 best practices are implemented in legislation and standards.		Who: ECEAT, HRAB	
		A realistic model is presented, and accepted by stakeholders	None	At least 1 model is developed and replicated by 5+ other stakeholders		Sources/methods: online calculator; specific Bhutan calculations verified by third parties. Who: ECEAT and ABTO Frequency: at the end of year two.	Basic data on Carbon emissions in Bhutan can be obtained.
		Packages are developed and promoted by tour operators	None	16 packages are developed and promoted by tour operators.		Sources/methods: data of tour operators, publications on their web site Who: ECEAT and ABTO, Frequency: at the end of year two.	At least 16 ABTO members are interested to develop carbon neutral packages. EU market is interested in it.
		Report with a focus on green financing in tourism sector is developed	No assessment with a focus on green financing in tourism sector	1 report with focus on green financing schemes produced		Sources/methods: 1 assessment report in 1st project year, Who: HRAB and external expert, Frequency: final report during 1st year of project.	Financial institutions are willing to provide information

<b>Output 5</b>	Supported green financial schemes. SDG 8, 12, 13	Needs assessment with a focus on green financing in tourism sector and business model case available	Assessment report on financial market; 'No assessment with a focus on green financing in tourism sector	1 needs assessment and model business case is developed		Sources/methods: 1 need assessment report in 1st project year and model business case, Who: HRAB and external expert, Frequency: final report during 1st year of project.	Financial institutions are able and willing to accommodate needs.
		Overview report with a focus on green financing in tourism sector is available	None	1 international best practice overview report presented and accepted by all stakeholders.		Who: HRAB and external expert,	
		Strategy available with details regarding actors, role, timeline, etc.	None	Strategy is developed and widely accepted.		Sources/methods: 1 strategy report in 1st project Who: HRAB and external expert, Frequency: final report during 1st year of project.	Financial institutions are able and willing to accommodate needs.
		Round table conducted with minutes, signature lists and photos.	None	1 roundtable with at least 15 participants and one report prepared.  Estimated 25% of the participants are women.		Sources/methods: 1 report with recommendations in 2nd project year, Who: HRAB, Frequency: final report during 2nd year of project.	
		Finance scheme supported by stakeholders with detailed specifications.	None	1 tourism green finance scheme is developed and promoted to financial institutions		Sources/methods: minutes of the meetings with financial institutions, Who: HRAB and partners, Frequency: during 2nd year of project.	
		Policy event launch conducted with photo's, signature list, media publications.	None	Public launch event with media attention.		Sources/methods: description of business cases, Who: HRAB, Frequency: during 2nd year of project.	

	MSME'S are profiting from the credit scheme.	None	25+ MSME's (e.g. Hotels) have signed up and are profiting from the credit scheme.		Sources/methods: minutes of the meetings with financial institutions, Who: HRAB and partners, Frequency: during 2nd and 3rd year of project.	
	One hotel and one guesthouse selected and equipped/prepared.	None	One hotel and one guesthouse serves as model.		Sources/methods: agreements with owners, investment plan implemented, resources saved based on benchmark Who: HRAB Frequency: during 2nd and year of project.	
	Demonstration site visited and media releases disseminated.	None	100 hotel and guesthouse owners have visited the demonstration site and joined a one day workshop. Media release disseminated.		Sources/methods: participation lists, workshop programme, media releases and coverage, photo's, actual duplication of best practices. Who: HRAB Frequency: during 2nd and year of project.	
	Availability of B2B EU study on Bhutan travel market.  Number of committed tour operators in implementing green procurement principles towards Bhutan suppliers.  Availability of market client analysis	None	1 study (50 outbound TO's).  30 committed tour operators promoting SCP among their Bhutan business partners.  1 report on market client analysis available.		Sources/methods: desk research/interview with EU outbound TOs and consumers, questionnaire/survey for EU outbound TOs/consumers, analysis of EU packages to CA, analysis of CA tourism statistics and reports, Who: ECEAT, TCB and external experts. Frequency: Detailed report incl. annexes. Updated in the frame of the project.	Cooperation of EU outbound tour operators and consumers to participate in interviews, questionnaires.
	Number of strategy workshops.	None	1 workshop, 20+		Sources/methods: attendance lists, individual	Sufficient interest of Bhutan public and private sector to

		Availability of Bhutan sustainable destination marketing and communication strategy including action plan		participants of which 40% are women.  1 detailed marketing and communication strategy report including 5 year action plan		workshop certificates, agenda, report on workshop, Who: ABTO, TCB, ECEAT Frequency: 1 two-day workshop organised with collection participant list and workshop report after the event. <i>Sources/methods:</i> 1 detailed report including action plan (input from all partners during strategy workshop), <i>Who:</i> ABTO, TCB, ECEAT <i>Frequency:</i> 1 marketing and communication strategy outlined into detail (report) and corresponding 5-year action plan.	participate in the strategy workshop and deliver quality inputs for the country's sustainable destination marketing and communication strategy and action plan. Action plan implementation commitment of all parties involved.
<b>Output 6</b>	Integrated green services and products in supply chain. SDG 12	Availability of sustainability communication manual and toolbox	None	1 manual and toolbox including 40 messages available.		<i>Sources/methods:</i> 1 manual and 1 tool box including 40 messages, <i>Who:</i> ECEAT (lead), <i>Frequency:</i> one manual and one tool box based on marketing and communication strategy (see previous activity).	Interest among Bhutan and EU tour operators to actively make use of the communication manual and toolbox to further promote Bhutan as a sustainable travel destination.
		Number of trainings delivered	None	1 workshop, 20 participants trained of which 40% are women.		<i>Sources/methods:</i> attendance lists, individual training certificates, <i>Who:</i> ABTO, TCB and trainer, <i>Frequency:</i> collection after training.	Sufficient interest among Bhutan tourism industry representatives to join the training workshops.
		Number of tour operator with eco messages	None	200 tour operators have added eco-messages referring to the GREENTOUR project or its		<i>Sources/methods:</i> web site analysis <i>Who:</i> TCB <i>Frequency:</i> yearly update from year 2 of the project.	Willingness to ABTO members to add Eco messages on their web site. They will perceive the benefits.

				deliverables creating awareness in the market.			
	Number of trainings delivered	0		1 workshop of 2 days, 15 participants trained of which 40% are women		Sources/methods: attendance lists, individual training certificates, Who: professor in sustainable tourism communication, Frequency: collection after training.	Sufficient interest among Bhutan tourism industry representatives to join the training workshops.
	Availability of directory on partners website	0		1 online directory incl. 100 products and suppliers presented		Sources/methods: 1 online directory embedded in partner websites launched, format for online inclusion, Who: ECEAT in cooperation with ABTO, Frequency: 1 online directory incl. 100 certified products and suppliers at the end of the project.	Sufficient number of and interest in online inclusion among certified Bhutan tourism services providers.
	Website with campaign message available.	None		Campaign website present at websites of project partners and at national official destination promotion website.		Sources/methods: overview report including 150 social media messages published, additional promotion through search engine optimization techniques and audience reached/coverage (explanations to be delivered in overview report), Who: ECEAT, ABTO, TCB Frequency: 150 messages published during project period reaching 500.000 travelers.	High impact of SEO techniques used and interest of audience to read the messages published.
	Number of social media messages produced			150 messages on social media. 500000 travelers reached and informed			
	Workshop organized, list of participants and signature list.	None		20 tour operators joined the sustainable design workshop		Sources/methods: review of tour operators catalogues and web sites Who: ECEAT, ASR	Tour operators are interested towards innovation of their products and there are sufficient sustainable suppliers available in the

				of which 40% are women.		Frequency: 6 months after the workshop and at the end of the project	market.
	Availability of directory on partners website	None	1 online directory including 100 products presented on the partners website.			<i>Sources/methods:</i> 1 online directory embedded in partner websites launched, format for online inclusion, <i>Who:</i> ECEAT in cooperation with TEATA, <i>Frequency:</i> 1 online directory incl. 100 certified products at the end of the project.	Sufficient number of and interest in online inclusion among certified Thailand tourism services providers.
	Availability market feedback report	None	Market feedback report presented and 50 new business relations established			<i>Sources/methods:</i> business contact reports, overview of new business contacts <i>Who:</i> ECEAT, ASR <i>Frequency:</i> Regular ongoing activity.	EU tour operators remain interested in South Asia, willing to provide feedback.
	Number of EU-Bhutan B2B supply chains have increased CSR performance	None	50 supply chains have increased CSR performance			<i>Sources/methods:</i> business contact reports, overview of new business contacts <i>Who:</i> ECEAT, ASR <i>Frequency:</i> Regular ongoing activity.	EU tour operators remain interested in South Asia, willing to provide feedback.
	Number of Bhutan TOs benefiting from export coaching + participating in fairs.  Number of Bhutan and EU tour operators participating in the social event.	None	Match making event with 10 Bhutan and 20 EU tour operators at ITB 2021 and ITB 2022. 150 business contacts established.  10 Bhutan tour operators, 50 EU tour operators and media join the event, 50 business			<i>Sources/methods:</i> list of 10+ exporters present at regional fairs, 120 business contact reports collected, reports on events, <i>Who:</i> ECEAT, ASR, <i>Frequency:</i> collection of all data/reporting after each event.	Interest of and active participation of exporters (ABTO members) in regional and European fairs (ITB / WTM). EU tour operators remain interested in the Bhutan / South Asia as a destination.
	Number of policy	None	4 policy guidelines			<i>Sources/methods:</i> minutes of 4	Active involvement of project partners as well



		guidelines working group meeting		meetings, 12 participants each		common policy guidelines meetings, 1 analysis incl. gender impact analysis, final external evaluation including briefing on removed constraints, <i>Who:</i> HRAB, ABTO, TCB, ECEAT <i>Frequency:</i> 4 meetings, 1 analysis, 1 gender impact analysis, 1 external evaluation report after project end.	as other stakeholders to meet and identify/come up with solutions for removing policy guidelines constraint and create a more enabling environment with special attention also to the gender aspect.
		Adapted policies guidelines, news articles, act of parliament	None	3 key policy guidelines constraints solved		<i>Sources/methods:</i> policies guidelines, news articles, legislation <i>Who:</i> HRAB, ABTO, TCB, ECEAT <i>Frequency:</i> yearly review as part of the interim report	
<b>Output 7</b>	Integrated SCP principles in Bhutan and South Asian Policy guidelines. SDG 11, 17.	Availability of policy guidelines assessment white paper	None	1 white paper produced		<i>Sources/methods:</i> policy guidelines constraints and opportunities emerged from the GREENTOUR project and its stakeholders, <i>Who:</i> ABTO, HRAB, TCB, <i>Frequency:</i> 1 policy assessment	MSME's are willing to express their constraints, they are practically to be solved. Openness from government to consider constraints.
		Availability of policy guidelines and publication	None	4 stakeholder meetings held, 1 policy guideline produced.		<i>Sources/methods:</i> minutes of stakeholder meetings and 1 national policy guidelines strategy, <i>Who:</i> ABTO, HRAB, TCB <i>Frequency:</i> 4 stakeholder meetings and 1 policy guidelines strategy document.	Active involvement of Bhutan partners as well as the Ministry of Tourism (MICT) and the Ministry of Environment to work towards the formulation of a national strategy.
		Meetings, Assessment and Study tour conducted	None	Three-day destination trainings for 2 x 20 policy stakeholders.		<i>Sources/methods:</i> PPP of training events, participants list, photos, press releases. <i>Who:</i> TCB with support	Active interest from national and regional authorities. Willingness to share experiences and to learn in order to improve effectiveness of policies.

				4 assessments conducted. One study tour conducted by 5 policy makers		of ECEAT, Frequency: 2 training events. Sources/methods: Assessment report and action plan, online available and in PDF. Photo's and meeting lists of online assessments. Who: TCB with support of ECEAT, Frequency: 4 online assessments. Sources/methods: study tour report, programme, meeting lists, photo's, EU and Bhutan media attention. Who: TCB with support of ECEAT, Frequency: 4 online assessments.	
	Award certification undertaken	None	One Bhutan destination obtains a GSTC Accredited certification		Sources/methods: audit report, award certificate, photo's, EU and Bhutan media attention. Who: ECEAT, Frequency: yearly review of status.	Committed destination can be found and enabling policies accepted	
	Bhutanese best practices shared in national and international forums.	None	5 events (2 national and 3 international), overview Bhutan policy best practices.		Sources/methods: 5 events and 5 dissemination lists, 3 outside Bhutan, Power Point presentation. Who: ABTO (lead), ECEAT, Frequency: 5 events/lists.	Bhutan public and private stakeholders will actively disseminate Bhutan best practices (e.g. pro poor linkages, public procurement) to regional policy organizations and platforms such as the South Asia Tourism Association (SATA). The project partners will work closely with relevant international agencies such as UNEP and Switch Asia SCP facility.	
	Number of MoUs signed	None	4 MoUs signed		Sources/methods: 4 MoUs finalized and signed, Who: ECEAT and South Asian travel associations.	Sufficient interest in signing partnership agreements in South Asia destinations including: Kazakhstan, Uzbekistan and Tajikistan.	

						Frequency: 4 MoUs at year 2 of the project.	
		Number of South Asian (outside Bhutan) businesses CSR Certified	None	15 certified companies (outside Bhutan)		Sources/methods: 15 South Asian company certificates (outside Bhutan), Who: ECEAT Frequency: 15 certificates collected at end of the project.	Sufficient interest of South Asian tourism services suppliers (outside Bhutan) to implement CSR best practices and finally become CSR-certified.
<b>Output 8</b>	Transferred SCP knowledge, replication and exploitation. SDG 17	Number of trainings and participants in South Asian countries	None	2-day trainings in 3 South Asian countries, 180 participants		<i>Sources/methods:</i> training venue/programme /agenda/PPP, attendance lists. <i>Who:</i> ECEAT and CA travel associations, <i>Frequency:</i> collection after training	Sufficient interest from tour operators to participate in the training.
		Conferences organised	None	1 conference (50 Bhutan participants , 15 international participants )		Sources/methods: conference venue/programme /agenda, attendance lists, Who: conference organizer, HRAB, ABTO, ECEAT Frequency: collection after conference.	Sufficient interest (inter)nationally in conference participation. No (inter)national state of crisis/people not willing to travel and attend the conference.
		Availability of South Asian policy declaration	None	1 policy declaration made available		Sources/methods: 1 policy declaration document, Who: ABTO, HRAB, ECEAT Frequency: 1 document to be finalised during the conference.	Active involvement of conference public and private sector participants to deliver suggestions for policy improvement boosting sustainability in the tourism sector in the region.
		Availability of dissemination plan	None	1 dissemination plan prepared		<i>Sources/methods:</i> 1 dissemination plan within 6 months of the project start <i>Who:</i> ABTO, HRAB, ECEAT <i>Frequency:</i> 1 plan, updated every year.	All partners input and commitment to actively disseminate project information, outcomes/results.
		Number of online pages at partner websites	None	SUSTOUR project pages at 4 websites visible		<i>Sources/methods:</i> partner websites and links to the subpages on SUSTOUR project, <i>Who:</i> ABTO, HRAB, ECEAT,	Partners active participation to publish online information about the SUSTOUR Project on project partners' websites.

						<i>Frequency:</i> 4 websites including subpages during project period.	
	Number of publications in media	None	20 publications			<i>Sources/methods:</i> list of web links and scanned copies of publications, <i>Who:</i> ABTO, HRAB, ECEAT, <i>Frequency:</i> 20 articles during project period.	Interest of press and media to publish on on the project and its activities/outputs.
	Number of networking events	None	Joined 4 networking events			<i>Sources/methods:</i> participants lists, report, photos <i>Who:</i> ABTO, HRAB, ECEAT <i>Frequency:</i> 4 times during project.	Relevant networking events are conducted by Switch Asia or third parties (e.g. GSTC regional or global events)
	Availability of exploitation strategy and business plan	None	1 long term exploitation and business strategy prepared			<i>Sources/methods:</i> exploitation strategy and business plan, <i>Who:</i> ECEAT and ABTO <i>Frequency:</i> Monitoring plans during project period.	Cooperation between ECEAT, HRAB and ABTO and further extended to other stakeholders.
	Availability of full implementation plan and number of meetings	None	1 kick of meeting report / implementation plan. 6 partner meetings			<i>Sources/methods:</i> minutes meeting and implementation plan. <i>Who:</i> ABTO, HRAB, ECEAT <i>Frequency:</i> 1 file with minutes and (updated) monitoring plans during project period. <i>Sources/methods:</i> minutes meetings and implementation plans, <i>Who:</i> ABTO, HRAB, ECEAT, <i>Frequency:</i> 6 files with minutes and 6 (updated) monitoring plans during project period	Partners active participation in meetings and delivering quality inputs for the inception report and implementation plans.

4

## 4.1 Declarations by the lead applicant

The lead applicant, represented by the undersigned, being the authorised signatory of the applicant, in the context of the present call for proposals, representing any co-applicant(s), affiliated entity(ies) in the proposed action, hereby declares that:

- i. the lead applicant has the sources of financing specified in Section 2 of the guidelines for applicants;
- ii. the lead applicant has sufficient financial capacity to carry out the proposed action or work programme;
- iii. the lead applicant certifies the legal status of the lead applicant, of the co-applicant(s) and of the affiliated entity(ies) as reported in part 3, 4, and 5 of this application;
- iv. the lead applicant, the co-applicant(s) and the affiliated entity(ies) have the professional competences and qualifications specified in Section 2 of the guidelines for applicants;
- v. the lead applicant undertakes to comply with the obligations foreseen in the affiliated entity(ies)'s statement of the grant application form and with the principles of good partnership practice;
- vi. the lead applicant is directly responsible for the preparation, management and implementation of the action with the co-applicant(s) and affiliated entity(ies), if any, and is not acting as an intermediary;
- vii. if the requested amount is above EUR 60.000 the lead applicant, the co-applicant(s) and the affiliated entity(ies) are not in any of the situations excluding them from participating in contracts which are listed in Section 2.6.10.1. of the practical guide (available from the following internet address: <http://ec.europa.eu/europeaid/prag/document.do>). Furthermore, it is recognised and accepted that if the lead applicant, co-applicant(s) and affiliated entity(ies) (if any) participate in spite of being in any of these situations, they may be excluded from other procedures in accordance with the Financial Regulation in force;
- viii. the lead applicant and each co-applicant and affiliated entity (if any) is in a position to deliver immediately, upon request, the supporting documents stipulated under Section 2.4 of the guidelines for applicants.
- ix. **the lead applicant and each co-applicant and affiliated entity (if any) are eligible in accordance with the criteria set out under Sections 2.1.1 and 2.1.2 of the guidelines for applicants;**
- x. if recommended to be awarded a grant, the lead applicant, the co-applicant(s) and the affiliated entity(ies) accept the contractual conditions as laid down in the standard grant contract annexed to the guidelines for applicants (Annex G) (or the Contribution Agreement, where applicable);

These are the sources and amounts of Union funding received or applied for the action or part of the action or for its functioning during the same financial year as well as any other funding received or applied for the same action

- List the source and amount and indicate status (i.e. applied for or awarded)

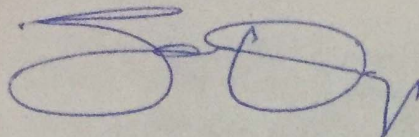
The lead applicant is fully aware of the obligation to inform without delay the contracting authority to which this application is submitted if the same application for funding made to other European Commission departments or European Union institutions has been approved by them after the submission of this grant application.

We acknowledge that if we participate in spite of being in any of the situations listed in Section 2.6.10.1 of the practical guide or if the declarations or information provided prove to be false we may be subject to rejection from this procedure and to administrative sanctions in the form of exclusion and financial penalties up to 10 % of the total estimated value of the grant being awarded and that this information may be published on the Commission website in accordance with the Financial Regulation in force. We

are aware that, for the purposes of safeguarding the EU's financial interests, our personal data may be transferred to internal audit services, to the early detection and exclusion system, to the European Court of Auditors, to the Financial Irregularities Panel or to the European Anti-Fraud Office.

Signed on behalf of the lead applicant

Name: Sonam Dorji  
Position: Executive Director  
Signature:



EXECUTIVE DIRECTOR  
ASSOCIATION OF BHUTANESE TOUR OPERATORS



Date and place: 19-07-2019. Thimphu: Bhutan.

## 4.2 Mandate for the co-applicants

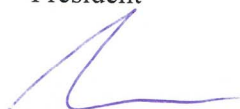
### Mandate 1

#### Mandate for co-applicant

The co-applicant authorises the lead applicant **Association of Bhutanese Tour Operators** to submit on its behalf the SUSTOUR Bhutan application form and to sign on its behalf the standard grant contract (Annex G of the guidelines for applicants) with the European Commission (contracting authority), as well as, to be represented by the lead applicant in all matters concerning this grant contract.

I have read and approved the contents of the proposal submitted to the contracting authority. I undertake to comply with the principles of good partnership practice.

Name: Jochen Szech  
Organisation: asr-Bundesverband e.V.  
Position: President  
Signature:



**asr**  
Allianz Selbständiger  
Reiseunternehmen -  
Bundesverband e.V.

Friedrichstraße 119  
10117 Berlin  
Tel.: 030 - 24 78 19 0  
Fax: 030 - 24 78 19 20  
www.asr-berlin.de

Date and place: 14.07.2019. Berlin

### Mandate 2

#### Mandate for co-applicant



The co-applicant authorises the lead applicant Association of Bhutanese Tour Operators to submit on its behalf the SUSTOUR Bhutan application form and to sign on its behalf the standard grant contract (Annex G of the guidelines for applicants) with the European Commission (contracting authority), as well as, to be represented by the lead applicant in all matters concerning this grant contract.

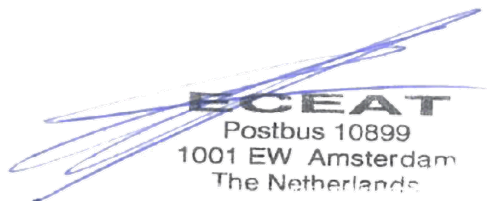
I have read and approved the contents of the proposal submitted to the contracting authority. I undertake to comply with the principles of good partnership practice.

Name: Naut Kusters

Organisation: European Centre for Eco and Agro Tourism

Position: Director

Signature:



**ECEAT**  
Postbus 10899  
1001 EW Amsterdam  
The Netherlands

Date and place: 17.07.2019. Amsterdam

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### Mandate 3

#### Mandate for co-applicant

The co-applicant authorises the lead applicant **Association of Bhutanese Tour Operators** to submit on its behalf the SUSTOUR Bhutan application form and to sign on its behalf the standard grant contract (Annex G of the guidelines for applicants) with the European Commission (contracting authority), as well as, to be represented by the lead applicant in all matters concerning this grant contract.

I have read and approved the contents of the proposal submitted to the contracting authority. I undertake to comply with the principles of good partnership practice.


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Name: Sangeeta Rana

Organisation: Hotel and Restaurant Association of Bhutan (HRAB)

Position: Executive Director

Signature:





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Date and place: 17.07.2019. Thimphu