



Holidays with a future: Fair Trade in Tourism

Basle, 28/10/2010, akte/ The first Fair Trade Travel pilot packages are available on the Swiss market – a global premiere and a breakthrough for both the evolving Fair Trade Travel and the many tourists who have for a long time been looking for fair, environmentally and socially responsible travel packages.

Opportunities Not Used by the Tourism Industry

In a representative survey in Germany in 2007 already, 37 percent of the long-haul tourists interviewed said they would book fair trade holiday packages if trustworthy products were available through travel agents. In Switzerland, we can expect an even higher interest. Switzerland is the champion in the consumption of fair trade products. Of all nations, the Swiss spend by far the largest amount per capita on fairly traded products. In leisure and tourism, too, there seems to be a clear trend towards responsible consumption in Switzerland. While there is no reliable market research in Switzerland yet, careful estimates derived from academic findings and insider information from within the tourism industry suggest that 14 to 18 percent of the Swiss tourists could already book Fair Trade Travel packages. In long-haul tourism, this would mean a market potential of 67 to 86 million Swiss Francs.

This is a considerable potential – especially in view of the current boom in fair trade. Even during the recent crisis, fair trade recorded double-digit annual growth rates. The tour operators, however, have not been able to make use of this potential. It is high time for Mr and Mrs Swiss to be able to actually book their first Fair Trade Travel packages – which take them to South Africa.

South Africa as a Pioneer

This does not come as a surprise. In South Africa, the initiative "Fair Trade in Tourism South Africa" (FTTSA) has – since 2003, in a unique pioneer venture – been certifying tourism service providers according to fair trade criteria. FTTSA has certified around 70 products such as accommodation, excursions, sports and cultural events.

With their expert knowledge, FTTSA facilitated the pioneer process of expanding fair trade in tourism beyond service suppliers in the destination to the complex services sector, including transport providers in South Africa as well as travel agents in Switzerland. The first Fair Trade Travel packages assure customers in Switzerland that not only the already FTTSA certified hotels and excursions in South Africa, but also the tour operators in South Africa and Switzerland and – step by step – the transport providers in South Africa adhere to fair trade standards and will be audited accordingly. This applies to both the companies and their business relations: Tour operators have committed themselves to managing their companies in a responsible manner. Furthermore, they have committed to pay their business partners fair prices, covering the costs of production in South Africa, living wages for the staff as well as environmental protection measures. Suppliers in South Africa will be paid upon arrival of the guests, and not weeks or even months later, as they used to. And a fair trade premium of five percent



will be added to the price paid to local service providers – a surcharge which is to be used for community development in the destinations and which will be administered by an independent local body specifically set up for this purpose.

In tourism, these are very new and so far unknown measures to achieve a broader, fairer distribution of the income generated by tourism. However, it is the simple application of procedures which have for a long time been used successfully in fair trade in coffee, bananas and many other products. At the international level, these products are labelled as "fairtrade" products by Fairtrade Labelling Organizations International (FLO). The procedures are now simply applied to the tourism sector for the first time.

Solid Preparation

Simply? For a long time, both fair trade experts and tourism professionals have flinched from developing Fair Trade Travel packages in the complex service sector. That these first packages have been made possible is a result of long, far-seeing preparatory work. In as early as the 1990s, tourism organisations such as Tourism Concern in London or *arbeitskreis tourismus & entwicklung* (akte – Working Group on Tourism and Development) in Basle and their partners in the South and North have done the first appraisals and research on fair trade in tourism.

Between 2006 and 2009, FLO, the umbrella association of international fairtrade labelling organisations, convened a top-class advisory group of fairtrade and tourism organisations from South Africa, the Gambia, the UK, France, Germany and Switzerland, including *arbeitskreis tourismus & entwicklung* (akte – Working Group on Tourism and Development), in order to examine the feasibility of an international fair trade label in tourism and to outline possibilities for its introduction.

Based on these findings, fair trade in Tourism South Africa (FTTSA) together with EED Tourism Watch in Bonn and *arbeitskreis tourismus & entwicklung*, Basle, started the pilot project in 2009, in order to involve Swiss and German tour operators in fair trade in tourism for the first time. The pilot project was supported by the Swiss State Secretariat for Economic Affairs (SECO) as part of economic cooperation. The first Fair Trade Travel packages on the Swiss market are the result of many years of fruitful cooperation between industry, government agencies, and civil society organisations. The first pilot packages are also under preparation in Germany and there is a clear interest in Belgium, Holland, Austria and the UK.

Not a Niche, but a Pioneer in Fair, Responsible Tourism

With its clear standards of supporting disadvantaged producers and staff along the whole supply chain and of paying a fair price and a fairtrade premium for social development in the destination, Fair Trade Travel introduces a promising new framework for fair and sustainable development in tourism, too. Along the lines of fair trade in products, Fair Trade Travel is aimed at improving the living conditions of disadvantaged small entrepreneurs and employees in tourism, at securing their livelihoods and at enabling them to live in dignity. For the first time, with the new certified Fair Trade Travel packages, this can be guaranteed to the tourists, too.

Fair Trade Travel is not just a new, "fair" market niche. It points the way for the tourism sector to work in a fairer, socially responsible manner. Fair trade offers the opportunity to realise forms of tourism which are economically, ecologically and socially sustainable. This kind of tourism meets the expectations of both the tourists who want to spend attractive, recreative holidays, and local people in the destination who want to generate new income and have their livelihoods, their cultural diversity and their dignity respected.

More on Fair Trade Travel at www.fairunterwegs.org in the section "Themen"/"FairerHandel".