ADB SUSTAINABLE TOURISM FORUM

Consultations on the ADB Sustainable Tourism Guidance Note



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Purpose of ADB's Sustainable Tourism Guidance Note

Scale Tourism Development Impact

Improve the Quality of ADB Tourism Projects

Improve Response to Client Demand



Ensure tourism development consistently delivers higher economic value, stronger local linkages, and improved environmental and social outcomes.



Leverage tourism for stronger regional cooperation and integration to strengthen cross-border movement of people and trade.



Integrate private sector development approaches into tourism project design and implementation.



Strengthen ADB's ability to support its developing member countries to build sustainable, resilient, and future-ready tourism systems.

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What are we addressing?

- Destinations are facing new challenges and vulnerabilities
- DMCs and tourism MSMEs are struggling to adapt
- ADB's needs to leverage its experience to deliver more and better investments and knowledge.

Coordinate our Tourism Knowledge and Investments

Take a more Integrated Tourism Approach to Deliver Impact

Strengthen Private Sector Development in our tourism projects.

Better respond to DMC client demand.

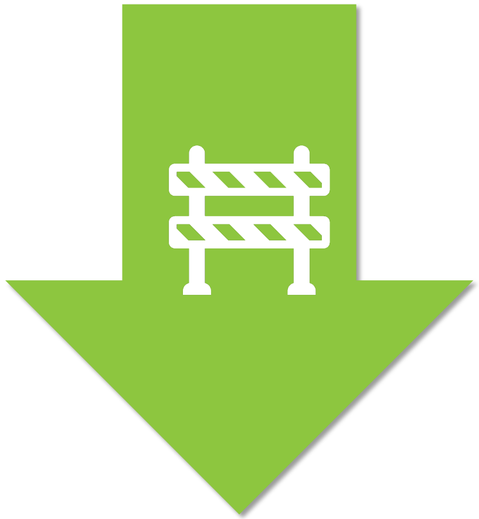
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Rationale for ADB Engagement in Sustainable Tourism



Benefits of Tourism

- Economic growth and diversification
- Jobs and livelihoods
- Regional cooperation and integration
- Community development and inclusion
- Local enterprise development
- Infrastructure and service improvements
- Conservation and cultural preservation and utilization



Risks of Tourism

- Environmental degradation
- Overdependence and vulnerability
- Unequal distribution of benefits
- Pressure on communities and infrastructure
- Cultural and social impacts



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ADB Principles of Sustainable Tourism Development

Governance

- Integrate tourism into wider development planning at regional, national and subnational levels
- Strengthen destination governance and coordination (public, private, communities)
- Strengthen RCI for tourism
- Use evidence to guide decisions
- Market demand-driven investments
- Build resilience and adapt to change

Benefit

- Balance economic, financial, environmental, and social outcomes
- Deliver inclusive benefits to local communities
- Ensure benefits are accessible across communities and population groups.
- Measure impacts and adapt management accordingly:
- Support economically and financially viable, long-term investment

Destinations

- Protect and develop natural capital and cultural heritage
- Align with community visions for tourism development
- Ensure growth is balanced with destination resources and resident satisfaction
- Manage tourism specific natural and cultural safeguard risks (e.g. invasive species)
- Use resources efficiently and reduce pollution
- Manage visitor pressure and destination capacity

Sources: UNEP & UNWTO (2005), Making Tourism More Sustainable: A Guide for Policy Makers; OECD (2024), OECD Tourism Trends and Policies 2024; OECD (2024), Creating Economic Prosperity through Inclusive and Sustainable Tourism; Global Sustainable Tourism Council, GSTC Destination Standard v2.0.

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ADB's Engagement in Sustainable Tourism

What we've done before

- Regional cooperation and integration
- Deep knowledge of and relationships with DMCs
- Convening power and knowledge across the region
- Experience implementing investments on the ground
- Spatial and territorial development lens
- Climate, resilience, and natural-capital expertise
- Inclusive local economic development

What we're doing new

- Outcome driven development
- Consistently address tourism as a multisectoral system
- Market-oriented approach to destination development based on identifying and addressing market failures
- Integrating private sector development into Sovereign operations
- Strengthen ability to mobilize private capital
- Sequence investments over the long term anchored in destination lifecycle approach

ADB assists DMCs to move beyond individual tourism projects toward integrated, market-oriented destination and regional development that uses public investment strategically to address binding constraints, strengthen competitiveness and resilience, and mobilize sustainable private investment.

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Six Areas for Sustainable Tourism to Maximize Development Outcomes

1. Strengthen tourism policy, governance, and institutions through national and RCI platforms
2. Grow value from tourism markets, private sector, and investments. Promotion of regional trade, investment, and financial cooperation.
3. Enhance tourism skills, employment, and inclusion. Support regional labor mobility and skills sharing.
4. Plan and manage sustainable and resilient tourism destinations for community benefit
5. Build resilient and productive tourism-enabling infrastructure and assets. Support cross border and regional connectivity.
6. Build and protect natural capital, cultural heritage, and regional public goods

Cross-Cutting Themes: Inclusion, Resilience, Climate, and Digital

Stronger Governance, Increased Investment and More Regional Cooperation

Increased quality jobs, sustainable revenue, and inclusion

Resilient destinations, productive assets, and protected environments that benefit residents and tourists

*Based on a detailed Theory of Change

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ADB's Approach to Sustainable Tourism Design

1. Understand the Development Objectives
2. Determine how Tourism Can Contribute to Development
   - Consider markets aligned with outcomes. Different markets create value, demand, jobs or investment.
3. Identify Market Failures and Constraints for Tourism Growth or Sustainability
   - Identify market failures at destination, national and regional levels.
4. Design Interventions to Address these Failures and Plan for the Long Term
5. Catalyze Private Sector Development and Investment
   - Every revenue-generating asset has an O&M and asset-management decision before detailed design
6. Sequence Investments

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Operational Guidance

1. UPSTREAM

- **Strengthen engagement** with DMCs, Country and Sector Director and regional cooperation platforms in tourism discussions and demand mapping.
- **Regional Cooperation and Integration** including investment Identification, regional project identification and design, coordination beyond tourism, TAs for project preparation and pipeline monitoring.
- **Knowledge, Capacity Building and Analysis**:
  - Coordinated tourism knowledge agenda linked to DMC demand and operational needs with a focus on private sector development
  - Strengthened tourism capacity building for ADB staff and DMCs
  - Conduct tourism diagnostics as part of Country Partnership Strategy development, where relevant
  - Coordinated technical assistance through enhanced Trust Fund resources and consolidated TAs
- **Operational linkages**:
  - Tourism representation in country programming missions
  - Strengthened engagement with PSMG and preparation for PBLs
  - Setting and monitoring pipeline development targets for delivered through regional cooperation platforms
  - Reporting on TA support for tourism pipeline development

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Operational Guidance

2. MIDSTREAM

- Introduction of Classification framework
- Technical support for project identification, scoping, and design
- Identify opportunities to crowd in private investment
- Integrating destination and regional investment planning as part of preparation and implementation
- Integrating institutional strengthening consistently into project design
- Identify opportunities for transaction advisory to convert private sector opportunities into bankable transactions
- Integrate Natural Capital and Innovative financing mechanisms
- Design activities to support digital transformation for tourism
- Stronger development of SDPs, PBLs, and RBLs

3. DOWNSTREAM

- Project implementation support to address ongoing challenges, shifting sector contexts, and troubleshooting
- Strengthening linkages with OMDP and PSOD to identify how project investments can catalyze PCE
- Assessing portfolio to:
  - Identify scalable or replicable approaches to inform new project design
  - Consolidate lesson learned
  - Track and measure project impacts and success

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Sustainable Tourism Guidance Note Results

Expected outcomes by 2032

- **Grow the Sustainable Tourism Portfolio**
  - Larger tourism portfolio contributing to the 30% RCI target
  - Tourism tag/classification and consolidated tracking of the tourism portfolio
  - Standard tourism diagnostic used in CPSs
- **Enhance the Quality of ADB's Sustainable Tourism Projects**
  - Tourism projects consistently consider private sector development challenges
  - Tourism activities in projects are designed to address the most pressing sector development challenges
  - Every tourism project informed by a proportionate tourism sector diagnostic
- **Improve ADB's ability to respond to client demand**
  - Increased staff knowledge of and capacity in sustainable tourism development
  - Staff have access to reliable tourism data and statistics
  - Coordinated tourism TA portfolio with stronger linkages to operations

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Make the guidance usable with tools

PRACTICAL APPENDICES

- Tourism Sector Assessment & Demand Assessment Methodology
- Theory of Change, Indicators & Sample DMFs
- RCI Tourism Working Group Operational Pipeline Building Approach
- PBL Guidance and Inventory of Policy Action Examples
- Good Practice Sustainable Tourism Project Designs and Examples
- Sources of Tourism Data and Statistics
- Managing Risks in Sustainable Tourism Projects

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Feedback

- Do our six focus areas align with your needs? Is there anything missing?
- Is our proposed approach right to respond to DMC demand and need?
- What are your knowledge needs?
  How can we most effectively meet them?
- Are these the right tools?
  What other tools could be useful?



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Thank you!

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