Deep Dive Session 1

Destination Governance and Management: Building the Institution Before the Infrastructure

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The $50 Million Question



Presented by:

Vanessa Satur,
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Who is Conducting the Destination?

Destination Governance:
The Prerequisite of any Tourism Project



Presented By:

**Nicolas Pitet,
Senior Sustainable Tourism
Specialist, ADB**

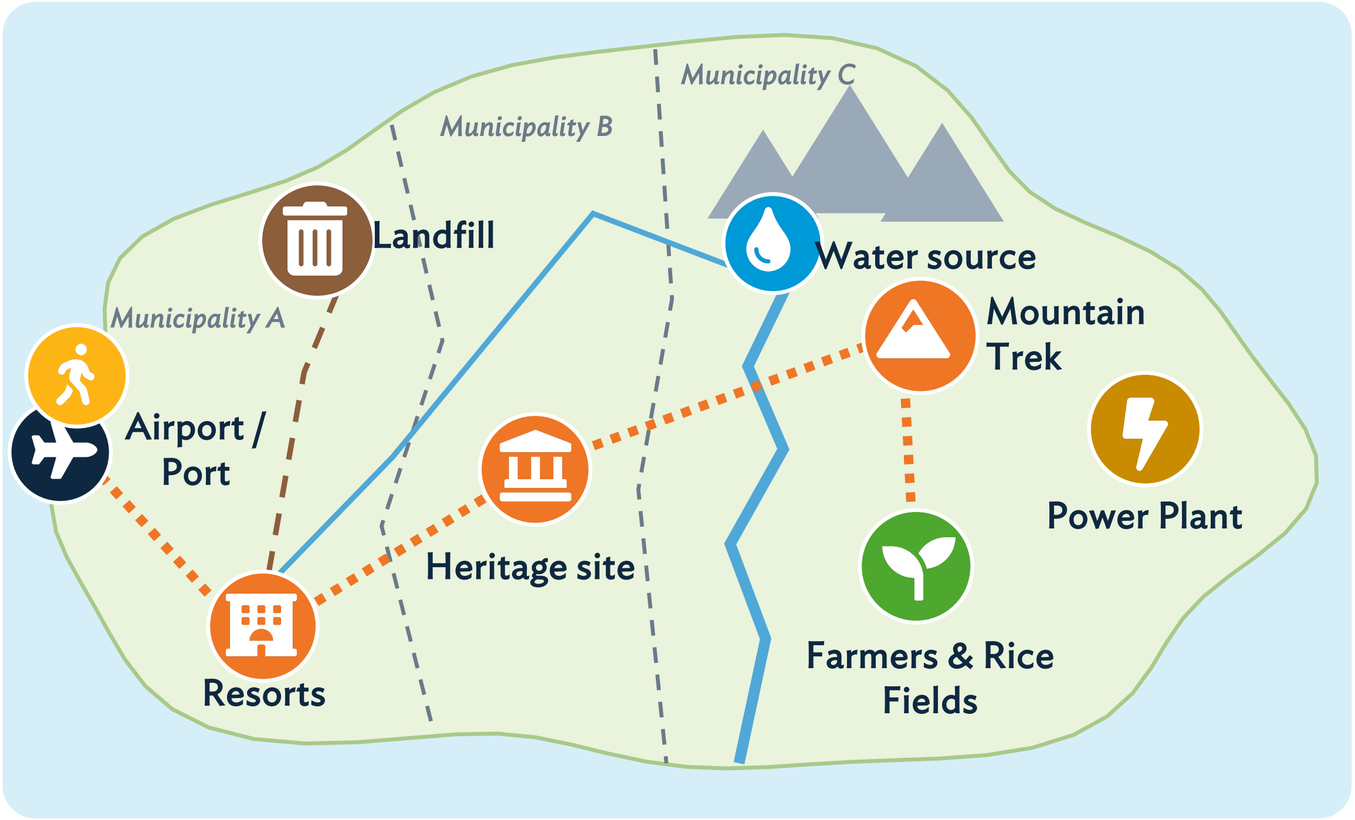
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So many instruments:
to play in harmony, you need a conductor.

What is a destination? Where demand meets supply

DEMAND the visitors

- Who comes
- Why they come
- How they book
- When, how long



SUPPLY the place

- Attractions
- Hotels and services
- Access and utilities
- Residents and nature

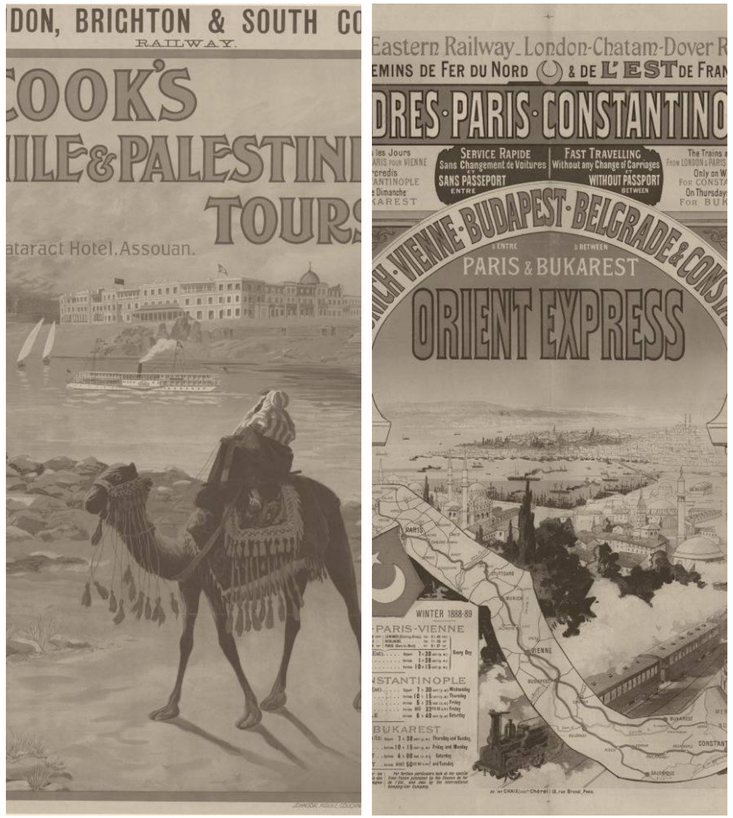
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“Wish you were here!”

Tichnor Brothers postcard, 1930s–40s · Boston Public Library, public domain

From the few to the many



Cook's tours, c.1902; Orient Express, 1888 · posters, public domain

Paid holidays

1936: two weeks for every worker in France. Millions suddenly have time to travel.

Jets and packages

From the late 1950s: the trade fair, the travel agent, the charter flight, the hotel on the best beach.



Playa de Benidorm, c.1960 · Biblioteca FEGP, CC BY-SA 2.0

Tourism becomes an industry. **Supply looks unlimited; marketing is all you need.**

Paid holidays: French law of 20 June 1936 (congés payés).

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Why everyone wants it

~10%

of the world economy, with knock-on effects

Source: WTTC, 2024 data: US$10.9 tn

1 in 10

jobs worldwide: 357 million

Source: WTTC, 2024 data

US$2.2 tn

export earnings in 2025

Source: UN Tourism, 2025 estimate, incl. passenger transport

54%

of tourism workers are women

Source: UN Tourism, 2019

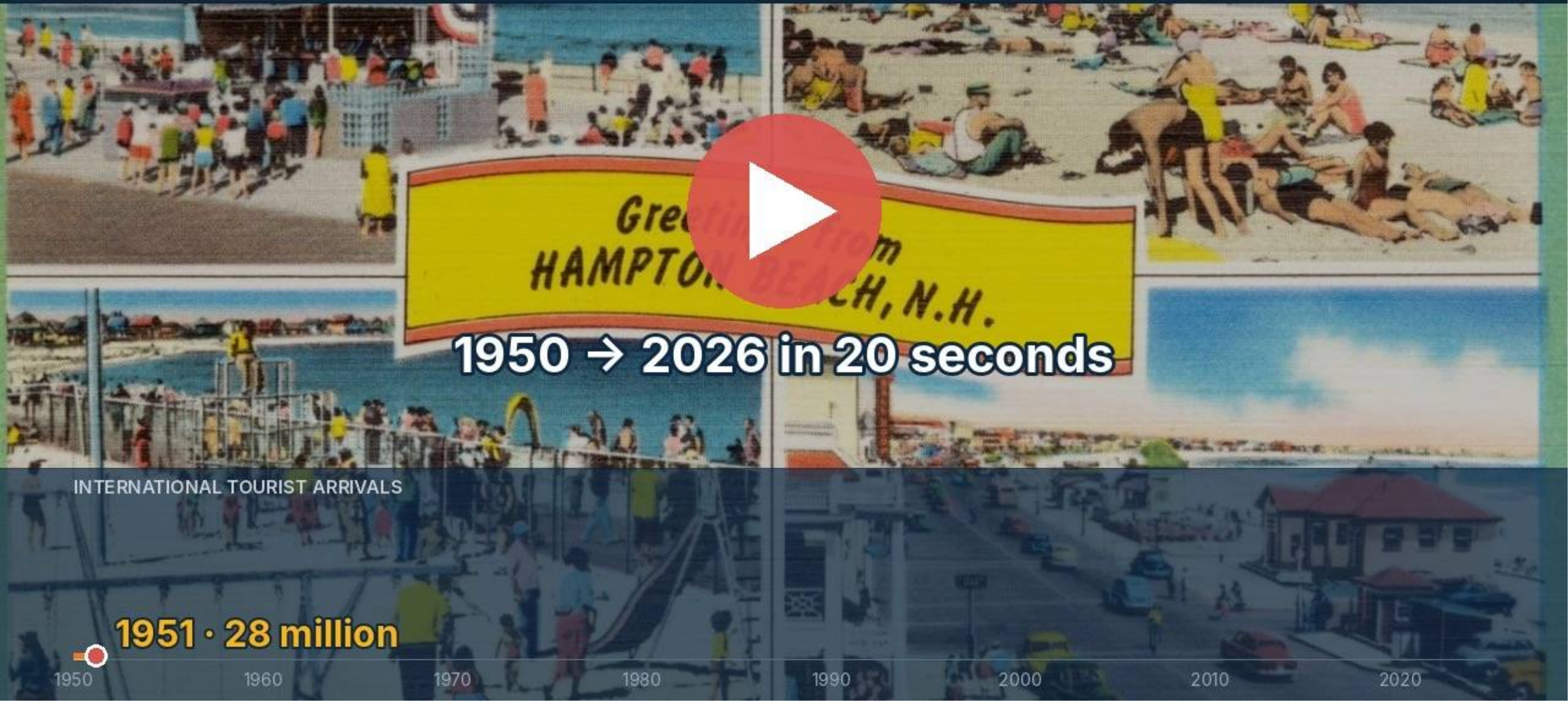
A first job for the young, a market for farmers and craftspeople.
That is why it is worth governing well.

Sources: WTTC, Economic Impact Research 2025 (2024 data: US$10.9 trillion, 10% of the global economy, 357 million jobs, including indirect and induced effects); UN Tourism, World Tourism Barometer, January 2026 (2025 estimate: US$2.2 trillion total export revenues, including passenger transport); UN Tourism, Global Report on Women in Tourism, 2nd edition (2019).

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Arrivals: UN Tourism (formerly UNWTO), historical series and World Tourism Barometer

“Wish you were here!”





2026

“No more hotels”

Protest, Santa Cruz de Tenerife, 18 May 2024 · Soyneutral, CC BY-SA 4.0

× 60

international travelers

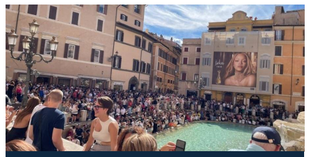
25 m (1950) → 1.52 bn (2025)

UN Tourism; 2025 estimate, World Tourism Barometer (Jan 2026)

We only counted visitors

But tourism's transformation and disruptive events changed the game.

1 Volume



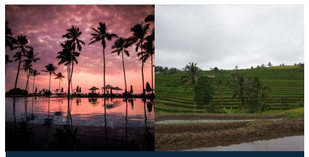
Crowds

30,000 a day at the Trevi Fountain



Waste

On beaches and in the sea



Water

For pools, or for rice fields?



Traffic

Gridlock in a resort town

2 Exposed



Weather and hazards

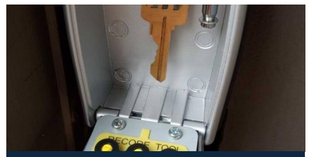
Le Signal, France: 200 m → <20 m

3 Digital



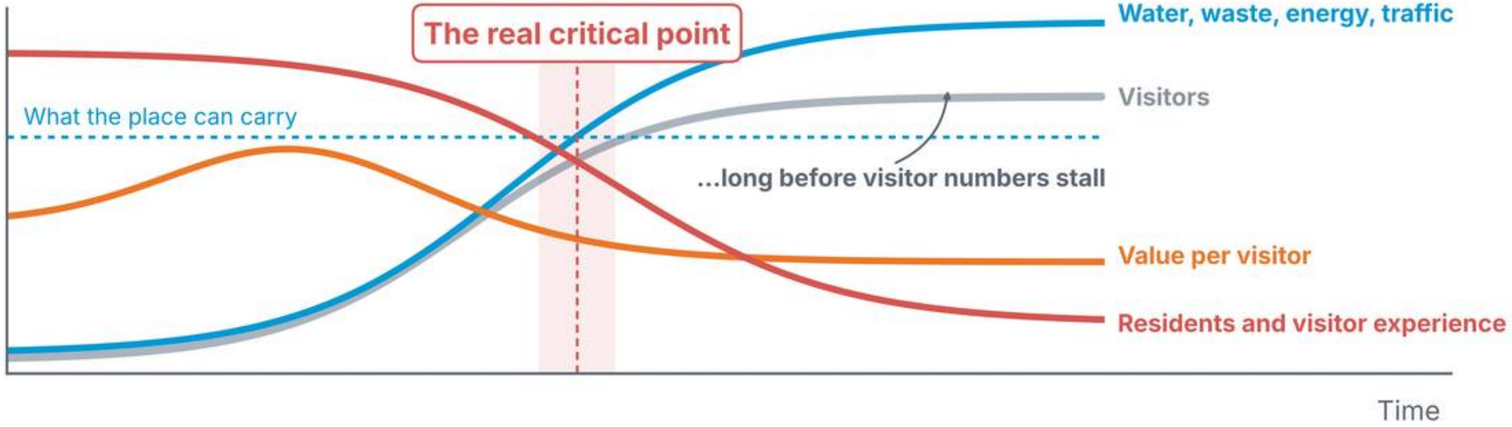
Booking alone

B2B → C2C



Short-term rentals

Venice: 175,000 → <50,000 residents



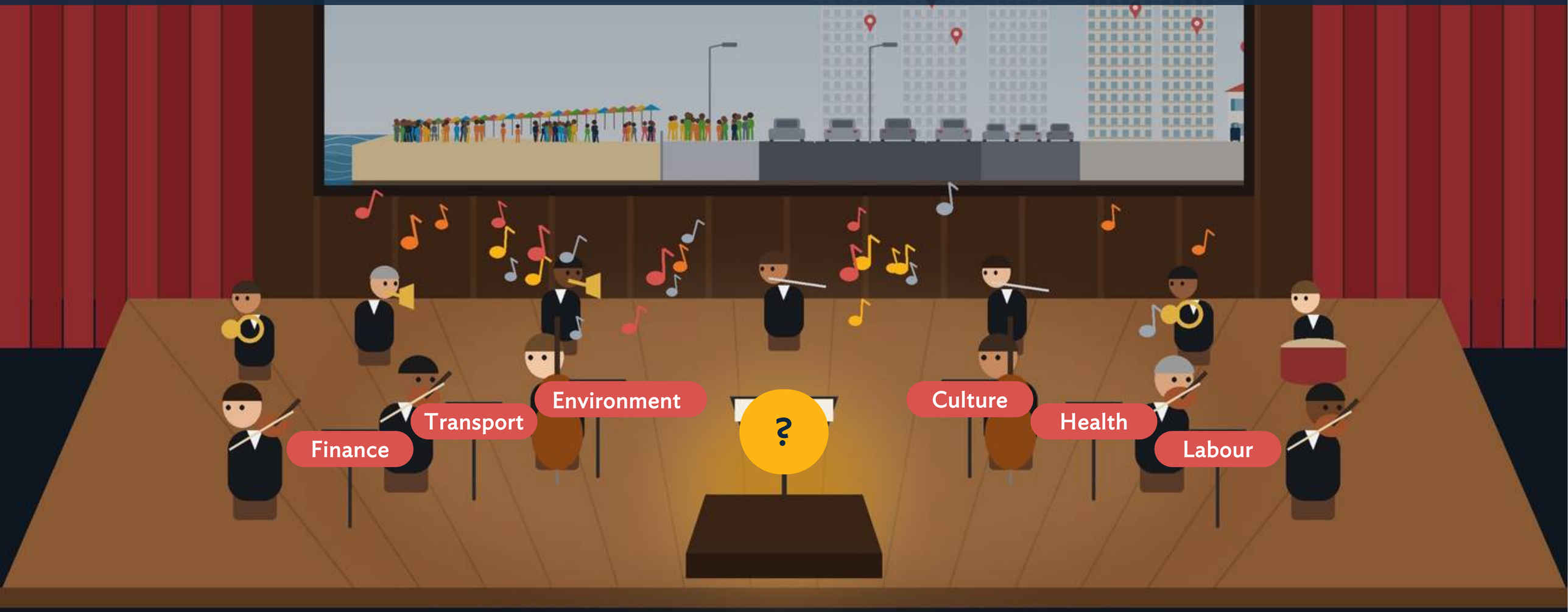
Capacity exceeded → **Residents' well-being and visitor experience fall** → **Value per visitor falls** → **Visitors stop coming** → **The destination declines**

Curves after R. Butler (1980), illustrative. Trevi: City of Rome (2025). Le Signal: Banque des Territoires (2023). Venice: Comune di Venezia. Photos: Trevi · M. Ahsmann, CC BY-SA 3.0; beach waste · Artem Beliaikin, CC BY 2.0; pool · Recal Media, CC0; rice terraces · Anggabuana, CC BY-SA 4.0; traffic · Dennis S. Hurd, CC0; Le Signal · jacme31, CC BY-SA 2.0; app · S. Viinamäki, CC BY-SA 4.0; lockbox · Brainy J, CC0.

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pillars of the World Economic Forum's Travel & Tourism Development Index are led by the tourism ministry. **Not a lack of players. A lack of coordination.**



You can't play in silos. So many instruments: to play in harmony, you need a conductor.

Poll answer. World Economic Forum, Travel & Tourism Development Index 2024. Lead ministries: our indicative mapping; varies by country.

Think differently: know your destination first

Not just numbers and economic growth. **Before any project, understand:**

1

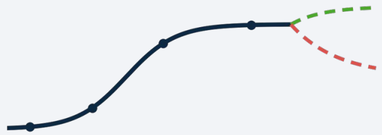
Its potential

What the market wants, and what the place offers

2

Its stage

New, developing, mature, stagnant, declining or renewing? Each stage needs its own strategy.



3

Its natural limits

Water, energy, waste

4

Its space and flows

Geography, resident and visitor flows, traffic

5

Its residents

How many visitors they accept near home, and still enjoy daily life

Tourism is a multi-sector ecosystem, **and it changes over time.**

Stages after R. Butler's tourism area life cycle (1980).

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Sit together, choose your growth



A shared vision
for the next 50 years, based on the potential and the limits

A chosen growth

- How many visitors a day?
- Which markets?
- What spending?
- How long do they stay?

Growth is no longer dictated by the market alone. **It is chosen together, within the limits.**

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THE MUSICIANS
keep their instruments, and their legal powers

THE SCORE a shared vision: government, business, communities



Transport
Water & waste
Culture
Environment
Finance
Health
Agriculture
Planning
Private sector
Communities
Labour
Security

THE CONDUCTOR
a professional DMO

A DMO NEEDS FOUR THINGS FIRST

1 Public, private, communities
around one table

2 A shared vision
the score they all play

3 A plan
the destination management plan

4 The skills
to coordinate, implement and monitor

What kind of organization can a DMO be?

Many legal forms are possible. **Choose the one that fits your vision and strategy.**

- Association
- Foundation
- Public body (EPIC)
- Local authority + tourism office
- Semi-public company (SEM)
- Public local company (SPL)
- Public-private partnership
- Statutory board

Whatever the form, the job is the same. Marketing is only a small part of it.

- Destination plan
- Data
- Coordination
- Quality, certification
- Investment
- Urban tourism design
- Marketing

French legal forms: EPIC, public industrial and commercial body; SEM, semi-public company (société d'économie mixte); SPL, public local company. Statutory board: e.g. Singapore Tourism Board.

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It’s not just a road: designing the experience





Sound
Waves and birds, not traffic

Sight
Open views, discovery, intrigue

Touch
Shade, sea breeze, timber and sand

Smell
Sea, gardens, the restaurant kitchens

Feeling
Safe, welcoming, residents proud

Good places are designed **for the people who visit, and for the people who stay.**

Illustration: the same coastal street, designed twice. Indicative, not to scale.

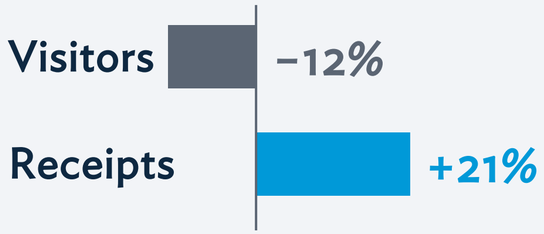
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Does it work? Three conductors, three scales

NATIONAL

Singapore

Singapore Tourism Board; first set up in 1964 as the Tourist Promotion Board



2019 → 2025: 19.1 m → 16.9 m visitors; S$27.1 bn → S$32.8 bn



Marketing: 1 of 7 groups

Fewer visitors, record receipts.

CITY

Dubrovnik, Croatia

City, port authority and cruise lines, working together since 2017

2 ships

a day at most, from 2019

1.2 million

visitors a year, for 42,000 residents (2018)

Then agreed with the industry: a memorandum with the cruise lines (CLIA, July 2019) on schedules and berths, and a “Respect the City” campaign.

ISLAND

Porquerolles, France

Town, metropolitan area, national park and ferry operators

6,000 visitors a day, at most



Cap set where visitor dissatisfaction doubles. Since 2021.

4,000 + 2,000 ferry passengers a day

The ferry operators signed up to the cap.

Different scales, one job: **value over volume, within the limits of the place.**

Sources: Singapore Tourism Board (2019 preliminary; 2025), STB organisation chart (Sep 2025); Dubrovnik: Maritime Executive (Oct 2018), Ship Technology and Future Cruise (2019), City of Dubrovnik presentation to GSTC (2023); Porquerolles: Ville d’Hyères, Métropole TPM, Parc national de Port-Cros (2021), via L’Écho touristique.

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Before you build, ask:
who is conducting?

Thank you!

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Designing Institutional Frameworks for Destination Management

A case study of Nepal



Authored by:

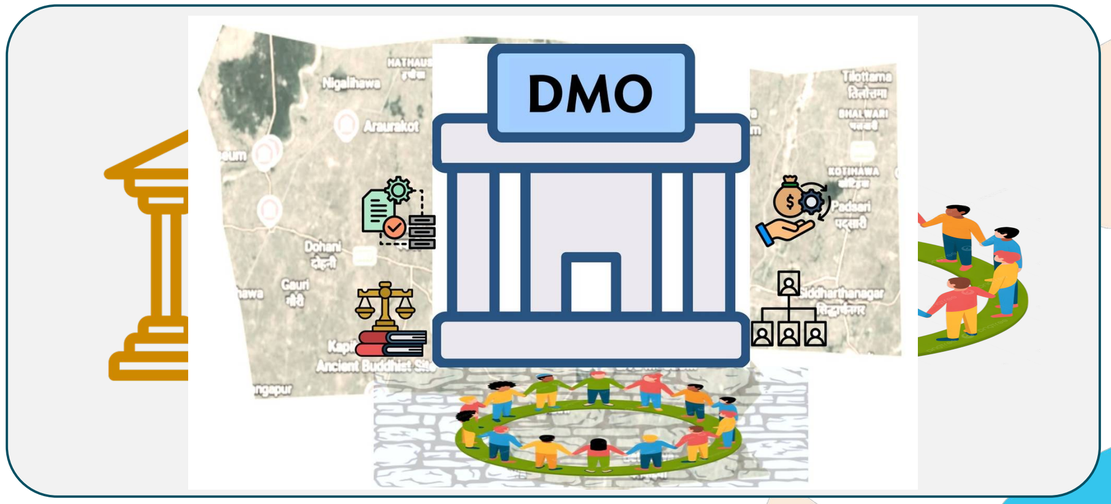
Shrinivas Kowligi

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Framing the Context

- National framework, not single destination
- DMO: Destination Management Organization
- Key terms
  - Destination: Value chain within a jurisdiction, not just a site
  - Management: Balancing stakeholders and resources toward goals
  - Organization: Legal entity with accountable governance
- Global good practice

- Community-based tourism organizations differ from DMOs
  - Livelihoods vs. destination-wide
  - Social cohesion vs. governance
  - Value chain segment vs. whole destination



Governance · Statute · Organization · Finance · Jurisdiction

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Framing the Context

Functional responsibilities in Destination Management

- Inclusive governance and conflict resolution
- Strategic planning
- Statutory planning and control
- Tourism infrastructure and amenities
- Revenue mobilization
- Asset monetization and inward investment
- Destination marketing and supply chain
- Deploying digital tools
- Tourism data management
- Service quality standards
- Community and human resource development
- Sustainability and climate resilience

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The context of Nepal

Governance in transition

- **Federalism since 2015:** 77 districts → 1 federal, 7 provincial, 753 municipal governments
- **Government leadership:** Newly elected; 2027 provincial and municipal elections
- **Fiscal federalism:** Devolution; PFMS capacity; revenue assignments; nearly two-thirds tied grants

Prevailing legal framework

- **Federalism laws:** Functions, powers, revenue assigned; local governments empowered
- **Tourism laws:** Concurrent with land; Tourism Act under revision; provincial laws partly implemented

Tourism sector in transition

- **Policy and regulation:** New policy; Tourism Act revision; provincial laws enacted
- **Demand:** Eco, slow, experiential; geographically concentrated
- **Source markets:** New Asian markets beyond US, Europe, Alpine

Prevailing DM entities

- **Protected area authorities:** Custodial focus; conservation areas balance well
- **Temple and site entities:** Cannot manage spillover impacts
- **District and village committees:** Patchy; mandates unimplemented
- **NTB provincial offices:** Filling an institutional vacuum

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Imperatives for design of Institutional Framework for DMOs

STATUTORY PROVISIONS

- Subnational DMOs for nationally significant destinations
- Stronger provincial tourism laws
- Integrate or cooperative site entities
- LGUs endorse PTA statutory plans

ENTITY STRUCTURE, GOVERNANCE

- Not-for-profit, designated by law
- Open membership; one member, one vote
- Independent, provincial oversight
- Elected board, rotating leadership
- Built-in conflict resolution

FUNCTIONAL MANDATE & SPATIAL JURISDICTION

- Defined LGU-cluster jurisdiction and plans
- Collective action and coordination
- Defined tourism functions
- Government (mainly PTA) handles regulation, large capex
- PTA leads statutory planning and regulation

FINANCIAL CAPACITY & OPERATIONAL SUSTAINABILITY

- Capex convergence via spatial plans
- Own revenue from fees, assets, grants
- Land as a key funding source
- Annual business plans

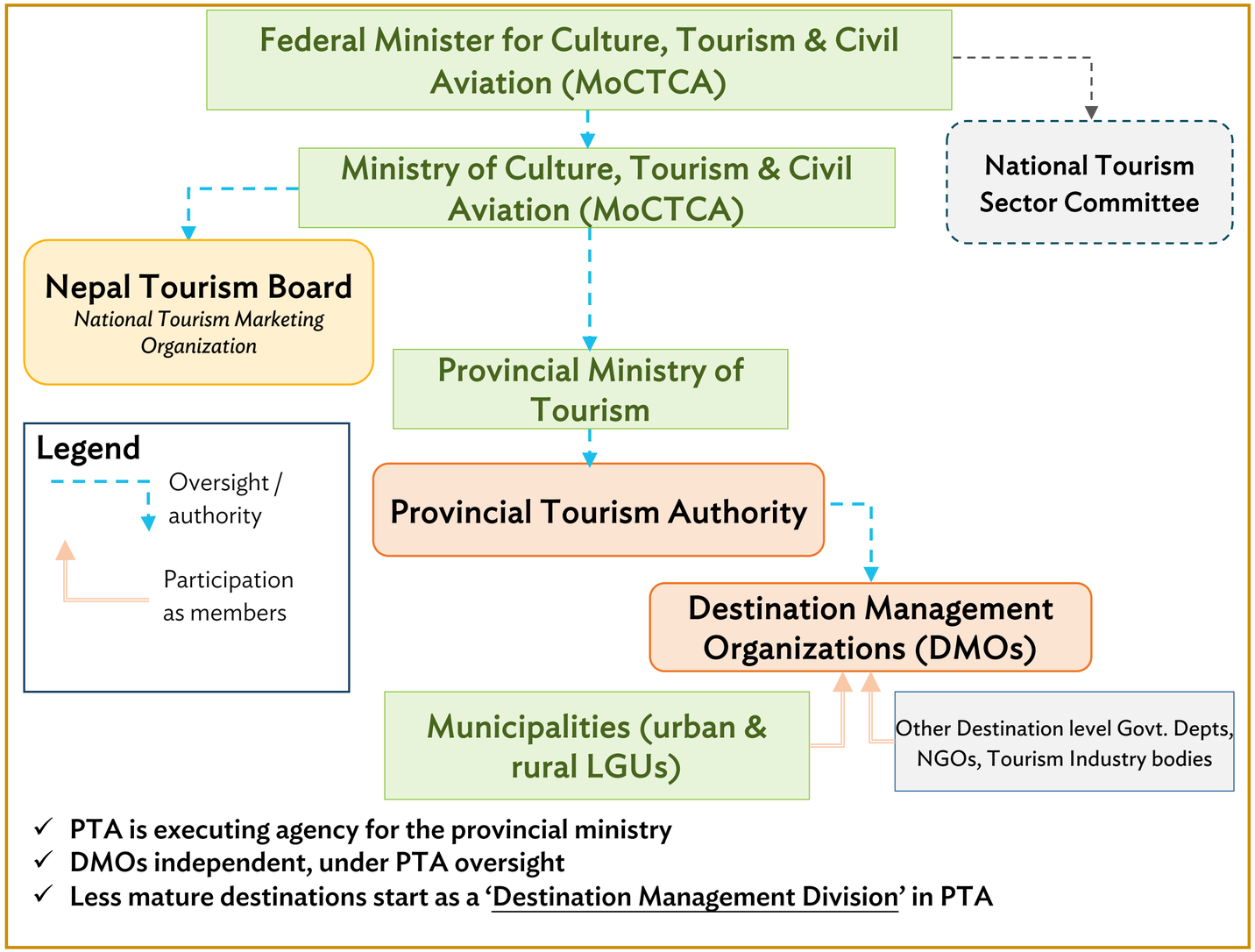
GLOBAL BENCHMARKS

National Frameworks: Mandates matched to capacity; flexible DMO structure; uniform framework; efficient capital

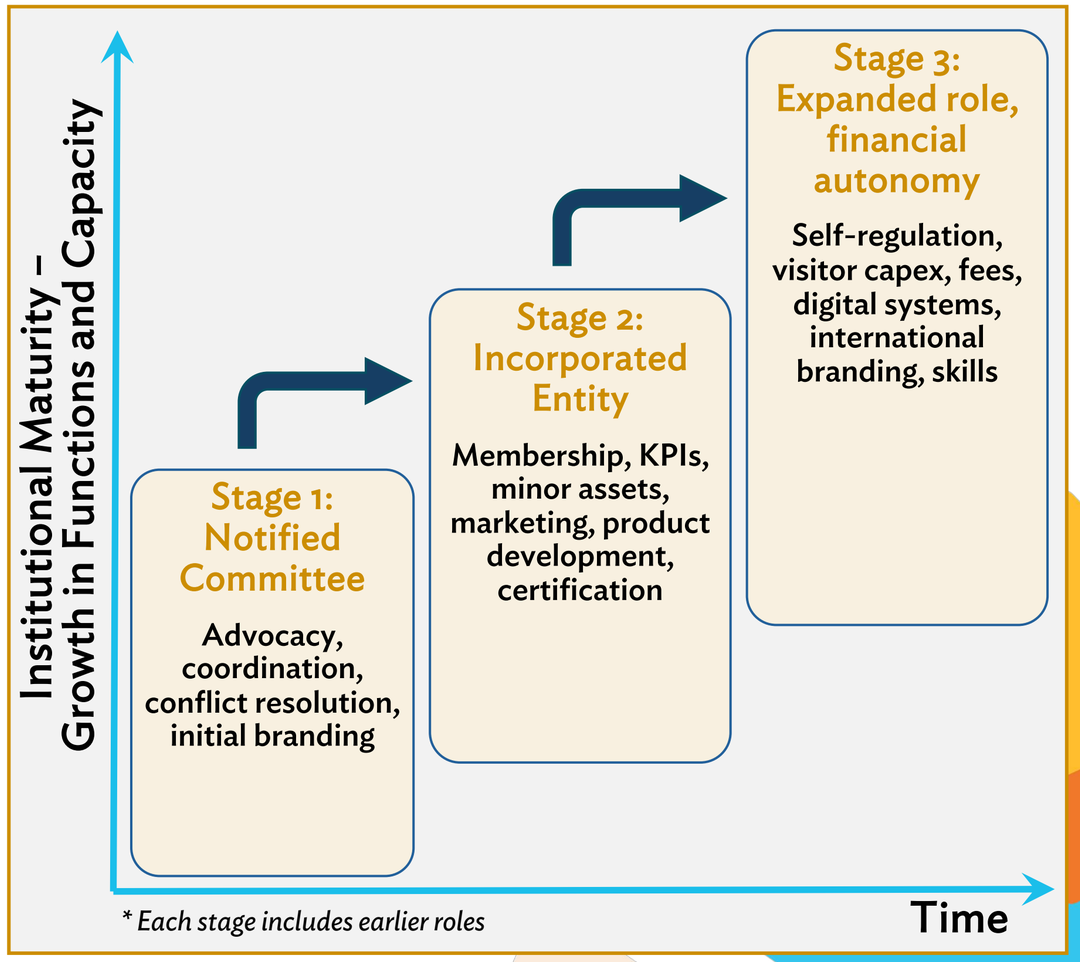
Standalone Models: Sustainable not-for-profit PPPs; land monetization; local leadership; local livelihoods

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Proposed Institutional Framework for DMOs in Nepal



- ✓ PTA is executing agency for the provincial ministry
- ✓ DMOs independent, under PTA oversight
- ✓ Less mature destinations start as a '<u>Destination Management Division</u>' in PTA



Graduation pathways

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Key Lessons Learned

Status: Ratified by the Government of Nepal; pilots planned in one or two destinations

Takeaways, risks and challenges

- Analyze governance and political economy; legal reform delays are a risk
- Strengthen, not undermine, existing governance; align mayors and LGUs
- Plan comprehensively; DMO as convergence platform
- Land use regulation is critical; consensus is a risk
- Budget convergence is hard; own-source revenue risks PTA and DMO sustainability
- Balanced board representation
- Objective criteria for prioritizing destinations

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Tourism Tools: Using Standards to Drive Destination Governance



Presented by:

Randy Durband
CEO, Global Sustainable Tourism Council

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Standards guide the tourism sector toward sustainability

Global standards set a common language for sustainability in travel and tourism.

They guide destinations, policymakers, and project teams to take a whole-of-society approach to tourism management and governance.

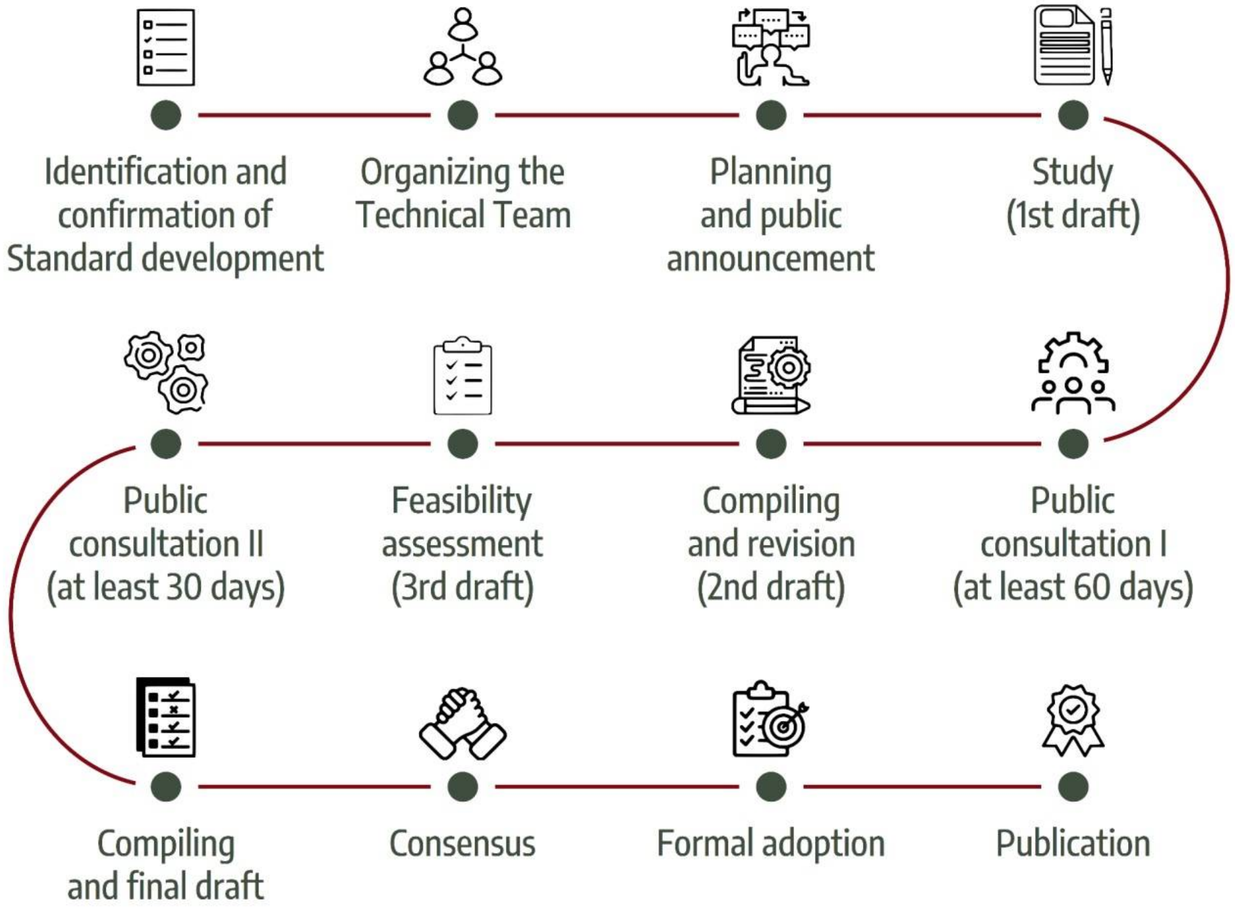


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Standards are developed with global expert input

Destination Standards:

- Are consensus-based documents developed according to international standard-setting principles (e.g., ISEAL)
- Draw from international guidelines, best practices, and experiences in sustainable tourism
- Reflect extensive consultations in developing and developed countries, including from underrepresented groups
- Apply across diverse destination types and contexts
- Include practical, relevant indicators to support implementation and monitoring
- Receive regular and transparent review and revision



Transparent standard development process

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Destination Standards place governance at the foundation of destination management responsibility

How is governance built into Destination Standards?

- The destination should have an effective organization, department, group, or committee responsible for a coordinated approach to sustainable tourism, with involvement by the private sector, public sector, and civil society.
- This group should have defined responsibilities, oversight, and implementation capability for the management of socio-economic, cultural, and environmental issues.
- The group should be adequately funded, work with a range of bodies in delivering destination management, have access to sufficient staffing (including personnel with experience in sustainability), and follow principles of sustainability and transparency in its operations and transactions.

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Use Destination Standards to assess if you have proper governance frameworks in place

- Is there an organization responsible for destination management?
- Does it have the mandate and legal standing to exist?

Models can vary – government agency, registered NGO, committee, private sector organization, etc.

- Is it funded for the long term?

Sources can vary – public budget, tourist taxes, business contributions/taxes, etc.

- Does it work with a range of bodies and agencies?
- What mechanisms are in place to ensure interagency coordination, public consultations, and private engagement?

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Use Destination Standards to assess if you have a management strategy and vision in place

Is your destination following a long-term plan? Use Destination Standards to evaluate:

- Is there an established multiyear destination management strategy and action plan? Is it being implemented?
- Was the strategy developed with stakeholder engagement and based on sustainability principles?
- Does the strategy identify and assess the destination's tourism assets?
- Does it consider socio-economic, cultural, and environmental risks and issues?
- Does it relate to and influence wider sustainable development policy and action?

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Use Destination Standards to assess the sustainability and validity of your tourism projects

Do your operations support sustainable destination development? Use standards to assess:

- Does your project support climate risk assessment and adaptation and mitigation strategies?
- Does your project support a wider policy and system for protecting cultural heritage?
- Does your project support decent work, career opportunities and training to communities, including women?
- Does your project support biodiversity conservation?
- Does your project support the destination's visitor management strategy to address seasonality and visitor flows?
- Does your project have targets to reduce solid waste, emissions, energy consumption, water use?

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Use Destination Standards to turn your identified gaps and opportunities into an action plan

Once you've assessed your destination or project against the standards:

- Consult with key stakeholders to identify priorities for destination management
- Develop and agree on an action plan, with a lead organization to implement
- Implement project or initiatives
- Monitor performance through ongoing assessments against standards
- Share and report back to stakeholders for transparency and accountability

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Learn more about using standards for destination, project, and private sector development



Learning Tracks

- **Blue Track:** Turning Tourism Potential into Projects
- **Orange Track:** Enabling Private Sector-Led Tourism Growth
- **Green Track:** Tourism Development
- **Yellow Track:** Sustainable Standards

Yellow Track

Sustainable Tourism Standards

1. Introduction to Sustainable Tourism Standards
2. Applying Standards to Sustainable Tourism Programs and Policies
3. Promoting Sustainability in Private Sector through Hotel and TO Standards
4. Promoting Sustainable Destination Management through Standards



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You're Preparing a Project Concept Note.



Presented by:

**Vanessa Satur,
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