

# **Sustainable tourism development on Curacao - the implementation challenge**

V. Dinica

*Center for Clean Technology and Environmental Policy,  
University of Twente, Netherlands.*

## **Abstract**

In 1997, a comprehensive policy program for sustainable tourism was adopted by the Netherlands Antilles government. This paper is empirically-oriented and analyses the implementation of two measures of this policy on one of the five islands, Curaçao, for the period 1998-2005. It investigates the implementation initiatives by various stakeholders, and the factors that affected the attitudes of the actors expected to implement the measures. Environmental NGOs have been key drivers for the voluntary implementation initiatives, together with the federal environmental agency. But their success in stimulating environmentally-responsible operations by tourism companies was limited. The paper underpins several lessons for the design and implementation of sustainable tourism initiatives that are especially relevant for developing countries.

*Keywords: Curacao, policy implementation, sustainable tourism.*

## **1. Introduction**

Curaçao is an island of the federation of Netherlands Antilles (NL-Antilles), situated in the Caribbean Sea. It covers only 444 km<sup>2</sup>, with a population of approximately 130.000 inhabitants. Although part of the Kingdom of the Netherlands, Curaçao does not have a developed economy. But with a GDP per capita of around 12.400 US\$ and low inflation rate, it enjoys a better economic situation than many developing countries in the Caribbean and Latin America.

The tourism sector has developed on Curaçao since the 1960s. After an initial growth through both cruise and stay-over tourism, development stagnated during the 1980s. To reinvigorate it, the government adopted a revised package of

highly attractive fiscal incentives for foreign investors at the end of 1980s. An increase in tourism volumes followed. Since early 1990s, stay-over visitors counted between 200.000-220.000 tourists annually. Currently, tourism is the third income generation activity, after oil processing industry and shipping.

The main tourism products promoted have been beach tourism and marine sports, such as diving, snorkeling, yachting, windsurfing, kite surfing, and boating. Other tourism products planned are golf tourism, cultural heritage tourism and the expansion of mass cruise tourism (CTB, 2005: 34-38). To a limited extent, other forms of tourism are also emerging, driven mostly by private initiative and NGOs, such as ecotourism, community tourism and active tourism (biking, kayaking, horseback riding).

With the recovery of tourism in early 1990s, the expansion of tourism facilities and their socio-environmental impacts worried the environmental and local stakeholders who started to put pressure on politicians for a policy that combines tourism development with nature protection, and local development and welfare (Hoetjes, 2005). This awareness arose not only on Curacao but also on the other islands of NL-Antilles – Bonaire, Saba, St.-Eustatius, and St.-Maarten. In the same time there was some political interest in the adoption of such policy, to satisfy expectations from internationally significant stakeholders. In the last decades, numerous international organizations and funding mechanisms have been requiring governments in developing countries to have sustainable development policies, as lending or subsidy preconditions (Markandya et. al., 2003). In addition, some Dutch and foreign tourism companies operating in Curacao started to express their interest in contracting with local companies that implement and cooperate in sustainable tourism initiatives. The idea emerged to develop a policy instrument for sustainable tourism at federal level. A key actor in the elaboration of such instrument was the federal agency for environment and nature protection (MINA). This was established in 1995 under the authority of the federal ministry for public health and social development.

At the end of 1997, a policy document was adopted, called “Policy for Sustainable Tourism in the Netherlands Antilles” (further referred to as the ST Policy). The goal was to make tourism ecologically sustainable, with only very few marginal provisions on the social dimension of sustainable tourism. The ST policy is a comprehensive document proposing measures organized in ten chapters: spatial planning for tourism; sustainable transportation for tourism; sustainable cruising of the Caribbean; Environmental Impact Assessments for tourism facilities, including artificial beaches; the ‘green’ hotel; sustainable beach tourism and conservation of coastal areas; nature and tourism; biodiversity and consumption; natural souvenirs; communication for sustainable tourism.

The sustainable development of tourism requires, in first instance, a vision. It needs to trace down what are the main threats, where do they come from, and what can be done about it. The ST policy offers such vision for the NL-Antilles. But to transform this in reality, some prerequisites have to be met. In policy implementation literature it has often been suggested that for all implementing actors, three key characteristics are crucial for implementation likelihood and

adequacy: motivation, information and resources (Bressers, 2004). Others highlighted the importance of other factors such as the roles various actors may play in implementation processes and their discretion to act (responsibilities, accountability), infrastructural conditions/constraints, and how the various actors in the working/business environment of implementing agents (such as banks, other contracting companies, clients) are expected to react to the changes ensuing implementation. Understanding implementation processes - why policies fail or succeed - is crucial for the transition to sustainable tourism. It helps underpin the factors responsible for implementation failure/inadequacy/limitation, formulate advice on how to overcome obstacles, and transfer lessons to destinations facing similar challenges in comparable contexts. Due to size limitations, this paper only discusses the implementation of two measures: environmentally-friendly operations in accommodation units (in Chapter 5, on the 'green' hotel); and nature-friendly operation and behavior by local tour operators, guides, attraction companies and tourists (in Chapter 6, on tourism and nature). Their selection is motivated by two reasons.

Firstly, on a cynical note, these are one of the few measures for which some implementation attempts were made. The ST policy proposes two types of measures: legal instruments at island level, where the competencies for tourism and many environmental aspects lie; and measures of a more practical nature, to be applied directly by the appropriate implementing actors. No legal instruments were adopted on Curacao, such as the requirement for Environmental Impact Assessments for new buildings, or the legal protection of nature areas. The reasons for this were investigated elsewhere (Dinica, 2006). But for several practical measures some implementation attempts were made.

Secondly, the two measures are crucial for the environmental sustainability of tourism resources, as they target causes of nature degradation rather than the effects. Accommodations have a wide range of negative impacts on the fragile island ecosystems: solid wastes are sent to landfills; the 'brown water' resulting from the production of drinking-water pollutes the marine environment; the construction of artificial beaches, continuously loosing sand to the ocean, contributes to coral death (Bakhuis, 2005). Besides, the sewage system still does not cover the entire island. Until the system is expanded, some hotels and restaurants still use septic tanks for wastewater disposal (Ras, 2005). For the connected water users, more advanced wastewater facilities are available only for limited incoming volumes. Leakages from wastewater facilities, landfills, and wastewaters from landscaping at hotels are suspected contribute to the worrying rates of coral-reef deterioration and death (Buurt, 2002). Energy consumption is another problem. The island is dependent on imported oil. The systems used in hotels are typically old, highly inefficient and are most often not switched off when guests are away (Gouvernor, 2005). Renewable energy is available in several forms on Curacao, of which the most attractive are: ocean thermal energy conversion, wind and solar energy (Guda, 2005; Brink, 2005).

Local tour operators, diving firms and attraction companies also have impacts on nature quality. Inexperienced divers and diving photographers often cause coral damage. Habitat and wildlife disturbance occurs when hikers and 'active

tourists' take tours outside the marked tracks, and when large numbers of visitors simultaneously enter nature areas. Taking advantage of the legislative vacuum, some local tour operators organize jeep and scooter tours in areas pointed as nature conservation areas in the Island Spatial Planning document. These cover 32 % of island surface, but there has been so far no regulations regarding the type and intensity of tourism in such areas (Jonker, 2005; Janga, 2005). Only the activities inside Cristoffel Park, covering 8 % of the island and managed by the NGO Carmabi, are to some extent kept in check. But because tour operators have to pay entrance fees there, such tours are mostly organized in un-managed nature areas (Bakhuis, 2005). In the next section, the implementation initiatives will be presented for the two measures selected. Section 3 analyses the main obstacles for implementation, and the factors positively contributing to implementation by the tourism companies that engaged in the voluntary initiatives. This section also presents some reflections on the context and prospects for improvements in the environmental performance of tourism companies.

## **2. The implementation of practical measures for sustainable tourism**

Policy design is important, but understanding why implementation happens, or not, and what factors influence actors' behavior and policy results is crucial for achieving ultimately a pattern of development in the tourism sector that responds to sustainability demands. During the period studied, there was no legislation developed for the greening of operations at established accommodations and for nature-friendly behaviour by local tour operators, attraction companies and tourists. However, some steps were taken by various actors to implement or initiate the voluntary application of such measures by tourism companies.

### **2.1. Initiatives for voluntary environmentally-friendly operations in accommodation units**

Two sets of voluntary initiatives can be distinguished in the period studied. Firstly, several accommodations companies have applied for acquiring an internationally recognized ecolabel. In all cases, the initiatives were taken independently by accommodation managers. There was no coordination among applicants, or by public authorities on the island. Several companies applied for Green Globe certification, but so far only one hotel received it and one was close to getting it, in 2005. Another hotel received the bronze-level certification of the Dutch Environmental Barometer ecolabel (Brink, 2005). It is unclear how many companies attempted to qualify for recognized ecolabels and how many are still seriously working towards it. Neither the island tourism authorities, nor the environmental authorities, nor the two tourism business associations active on the island consider it is their responsibility to keep an overview of such developments. Some interviewees assume there were at least six companies (Hoetjes, 2005; Giessen, 2005; Hepple, 2005). This is a low implementation rate,

having in view that there were 67 companies registered in the period studied.

Secondly, voluntary implementation took place in the framework of the Dutch -Antillean project 'Environmentally-Aware Tourism' ('Natuurlijk Antillen', further to be referred to as the NA project). The project emerged at the initiative of Dutch tourism stakeholders, and was strongly linked to the goal of the Dutch Association of Travel Companies (ANVR) to stimulate sustainable outgoing tourism. ANVR developed between 1999-2002, a voluntary Product-Oriented Environmental Management System (PMZ) for its around 200 tour operators and travel agencies. The aim was that by 2004 all its members must possess a certificate for PZM. One of the requirements was to make proof of contracting to some extent with environmentally-friendly accommodations and attractions / local operators at destinations. As many ANVR members have tourism products or sell holiday-packages in Curaçao, there was interest to start practically implementing PMZ by contracting with accommodations, diving schools, tour operators and attractions that have environmental certification there. But, for this, an environmental certification program was needed. The NA project emerged to respond to the demand of Dutch outgoing tourism companies for environmentally-friendly tourism products.

The NA project was conceived as a pilot project to run between 1999 and 2002. It was exclusively targeted at Dutch tourists, representing only a third of the market. All communication tools were designed in Dutch. Formally, the project's main objective was to make Dutch tourists' behaviour environmentally-friendly. The second objective was to raise environmental awareness among tourism companies and stimulate environmentally-responsible management. The certification of companies implementing environmentally-friendly practices was a means for achieving the project's second objective. The main implementing actors for the NA certification of - both accommodation and attraction/tour operation companies - were the federal environment agency MINA and local NGO Foundation Unique Curaçao (SUC). They developed a set of ten 'golden rules for environmentally-aware hotels'.

The extent of participation in this project was very low: only 6 out of the 67 accommodations registered in Curacao received certification. These were all hotels in process of, or just intending to, acquire Green Globe certification, which is basically more demanding than the NA 'golden rules' (Faber, 2005). These rules were written and remained available only in Dutch. All managers of hotels with NA certification are Dutch speakers. Having in view that at least 20 % of accommodation managers are foreigners with no knowledge of Dutch, the theoretical adoption potential was in any case lower than the total number of accommodations. Nevertheless, it is surprising that so few companies joined the project. The 'golden rules' are quite soft, as they take into account the limitations for the greening of operations due to poor/incomplete infrastructures for wastes and other relevant facilities: wastes' prevention and separation 'where possible'; use of water and energy saving measures 'as much as possible'; discharge wastewater only in the sewage system, treatment and re-use of wastewaters in applications that avoid discharge in the ocean. The other rules regarded tourist's environmental awareness raising, contracting with environmentally-friendly tour

operators, environmental training of personnel, offering local jobs and local-social integrative programs/products.

The adequacy of implementation by the certified hotels is basically unknown because there has been no control before certification. Due to personnel shortages at MINA and shortage of environmental expert volunteers at SUC, the selection of companies for certification was done by a student executing internship at SUC to write the graduation thesis for a Dutch tourism school (Hesdal, 2005). Accommodations were given certificates, NA-subsidized promotional material and tourist-information panels based exclusively on discussions with the accommodation management regarding the measures they “are busy with” and, based on trust and “appreciation of their concern/intention for environmentally-friendly operations” (Faber, 2005; Hesdal, 2005). The first control for companies’ compliance was being planned for 2005-2006, when implementers were trying to revive the concluded NA pilot project under the name “Sustainable Tourism in Curaçao”.

## **2.2. Initiatives for voluntary environmentally-friendly behavior by local tour operators and attraction companies**

For this second measure, there are also two sets of voluntary initiatives that can be distinguished. Firstly, the NA project included also the certification of tour operators, diving firms and other attractions. The implementation of voluntary certification for this target group resulted in some higher but still limited participation. Only 6 tour operators out of the 16 licensed during the period studied were certified. As for the diving firms all 20 members of Curaçao Diving Operators’ Association (CDOA) were certified. In the group of ‘attractions’, 11 companies received certificates, which are also major attractions on the island.

For these target groups, the ‘golden rules’ were formulated based on companies’ responses to a questionnaire sent by implementers MINA and NGO-SUC regarding the measures they viewed as environmentally-respectful. For each of the three target groups, separate ‘golden rules’ were formulated. As in the case of accommodation units, certification was based on trust, following discussions with companies that announced which practices they implement. Compliance control was planned for 2005-2006. Diving firms were certified automatically based on their membership to CDOA, which claims it screens and controls diving tourists for respecting environmentally-protective practices (Faber, 2005). Therefore, the adequacy of implementation yet is unknown.

Secondly, some initiatives were taken by environmental NGOs to train local people and guides at incumbent tour operators on how tours can be planned and conducted so as to avoid nature damage. Several initiatives were implemented under the coordination of the NGO Carmabi. This is the only NGO receiving subsidies from governmental authorities and is willing to contribute to the (co)financing of others NGO’s projects as well (Giessen, 2005). But there were also initiatives taken independently by other NGOs. Carmabi, who manages the Cristoffel Park under a letter of agreement with the government, organized several courses for nature tourist guides of the Cristoffel Park, training them in

park's ecology. This was later extended in cooperation with the NGO-SUC for other guides that are not employed by Carmabi. Participants also receive a certificate that is recognized by the tourism board (CTB). There are plans to further expand the course so as in the future only certified nature guides will be allowed to conduct tours in nature area. These courses were financed with part of the governmental subsidy Carmabi receives for education (Bakhuis, 2005).

SUC was further active in the bottom-up implementation of this measure by writing booklets about hiking and biking trails that people can use on their own (Giessen, 2005). With the help of volunteers, trails are also set-up so that people do not make erratic trails themselves, causing habitat loss fragmentation. SUC also has management agreements for various nature areas where tourist attractions are located or can be developed. The aim is to manage them sustainably for ecotourism. The NGO Amigu di Terra (AT) also initiated a project to train local young people as nature tourist guides for an intended ecotourism project area in Caracas Bai. But the project was stopped because the government gave the land in concession to a private developer not interested in ecotourism (Abbad, 2005; Narain, 2005).

### **3. Factors influencing implementation, impacts, and prospects for improvements in environmental performances**

The main drivers for the implementation of the measures were: the demand from the upper levels of the tourism value chain, through the need of Dutch outgoing tourism companies to contract with environmentally-certified companies at destinations; the positive motivation of NGOs taking initiatives and mobilizing the appropriate actors; and the interest the federal environmental agency MINA in sustainable tourism on Curacao.

There were several factors that positively affected the motivation of accommodation companies to join the NA project. The synergy created with their application process for a recognized foreign ecolabel was an important reason. All NA-certified companies were already in process for the Green Globe or Dutch Milieu Barometer ecolabels (Hoetjes, 2005; Giessen, 2005; Brink, 2005). They were interested in being marketed by outgoing Dutch tour operators and travel agencies, who also wanted to make visible their implementation of PMZ measures. Especially the prospect of being taken up in the brochures of the largest Dutch tour operators TUI under the 'green thumb' sign was very attractive, which happened for few years (Hesdal, 2002). Underlying these considerations was the awareness that there are economic benefits for certain measures, such as water and energy saving. But there was also a (necessary) belief in a growing market of environment-caring tourists especially in Europe and Netherlands. All accommodations with NA certification had at the time of the NA project: numerous tourists coming from Netherlands, and a management with intrinsic environmental motivations (Faber, 2005; Griffith, 2005). These latter factors positively motivated companies to engage in the application process

for international ecolabels even before the NA project emerged.

Being marketed by outgoing Dutch tour operators was also important for local tour operators, attractions and diving firms. However, regarding their larger participation it is important to note two things. Firstly, the implementation of environmentally-friendly practices requires to large extent knowledge, behavioral and logistic changes rather than material investment costs as in the case of accommodations. Secondly, these firms' activities are developed in nature and are much more dependent on nature quality, which can be expected to make them more sensitive to environment-friendly practices.

However, what has been the impact of these initiatives so far, having in view the objectives of the NA project and the problems signaled in the introduction? Looking overall at the impact of the NA project, there was a low participation by accommodations (less than 10 % of target group) and moderate participation by the other tourism companies targeted. It can hardly be argued that the efforts for achieving the second objective of the NA project, mentioned above, were successful. The certification component of the program did not manage to motivate more accommodation companies to consider environmental-friendly measures beyond those already engaged in acquiring a foreign ecolabel process when NA was introduced. As for the second target group, although participation was larger, none of the local tour operators offering jeep and scooter tours in nature conservation areas was certified. Neither was the largest tour operator on the island with 80 % of the market share (Pietersz, 2005). Hence, the NA project has had so far very limited success in bringing environmental and nature issues on the tourism sector's agenda. The business impact on adopters was below expectations. Companies are disappointed that NA certificates did not bring them additional clients (Hesdal, 2002). After the pilot ended in 2002, the interest of ANVR and Dutch outgoing tourism companies subsided substantially. Sustainable tourism on Curacao ceased to be a priority, and the financial support for the activities of MINA and SUC thinned-out (Giessen, 2005).

No assessment can be made regarding the contribution of NA project to the improvement of the island's environmental quality, since the adequacy of implementation is unknown. Some companies stated that they recycled wastewaters for landscaping and made efforts to reduce wastes and fossil-based energy consumption. Some also contributed to a limited glass recycling scheme for landscaping applied on the island by the local waste company (Ras, 2005). But both the NA-project and the ST policy design restricted themselves to placing environmental performance requirements on companies. No cooperation and joint investment was envisaged between companies and public actors to address the problem of poor infrastructures on the island. Structural problems such as the absence of waste treatment systems, insufficient coverage of wastewaters' treatment, and polluting production technologies for drinking water and energy, were mentioned by accommodations as obstacles in their attempts to acquire international ecolabels.

Additional factors negatively influencing the adoption of international ecolabels were the high expensiveness and bureaucratic implementation by small- and medium-size companies, which dominate in Curacao. But many

stakeholders also mentioned an exogenous factor as crucial for the non-implementation decisions: the highly polluting activities of the aging oil refinery, which is governmental property. In spite of some measures taken, the concentration of sulphur pollutants is four times higher than anywhere in the world (Abbad, 2005). Both locals and tourists suffer from air pollution. Shipping activities also generate substantial pollution. Oil spills have been affecting both local swimmers and diving tourists (Antillean Dagblad, June 2005). The contract with the oil supplier from Venezuela ends in 2019 and the government argues that the penalty costs of breaking the contract are too high. This suggests that all types of economic actors at destination need to be targeted by sustainable development instruments. Attempting to make just one sector sustainable, while allowing the rest to pollute, is unlikely to generate meaningful improvements.

Lack of interest by and incentives from public authorities were also pointed as problems by accommodation companies. According to all interviewed hotel managers and tourism association representatives, island authorities do not try to stimulate 'green operations' in any way. The main concern of the tourism corporation CTB is the economic revival of the island (Hepple, 2005). Environmental and nature competences are highly fragmented in the island administration, being shared by four ministries: environmental, spatial planning, nature, and public works departments. No island authority views the tourism sector as a target group for whose environmental and nature impacts they are chiefly responsible. The island legislative framework is far from clear about who has competences for the design and implementation of which sustainable tourism measures, while the 1997 ST policy also failed to appoint such actors.

Based on this empirical study the following key lessons emerged. The policy document promoting sustainable tourism should be made available in widely spoken language(s), as the tourism business is largely international. This is especially needed in developing countries where foreign investors are an important presence. To be implementable, the policy should not only trace performance requirements on companies but specify which public authorities should take responsibility for which infrastructural or institutional preconditions for implementation by target group. This is again highly important for developing countries where infrastructural constraints are larger. The policy also needs to clearly appoint public authorities and other stakeholders responsible for the implementation or detailed design of the various initiatives.

Financial resources, fiscal incentives and other needed resources should be provided for and appropriately coordinated. Public authorities should be more supportive of all NGOs aiming to contribute to policy goals. This can happen both in the form of financial contributions to projects benefiting sustainable tourism, and by means of support in the distribution of informational material guiding tourists towards environmentally friendly behavior in newly developed and well conserved nature areas. This could increase the scope and range of positive impacts on nature management of the numerous initiatives of NGOs. Above all, island authority should be genuinely motivated for the sustainable development of the island, in general, and of the tourism sector in particular. All economic sectors and companies threatening sustainable development on the

island should be addressed. This motivation can be proved, in the first instance, by an adequate legal framework for the environmental and social-local protection and benefit from tourism development.

## References

- Abeelen, C.J. (1996) *Tourism in Curaçao – a policy network analysis of chances and threats for the development of sustainable tourism on Curaçao*. Wageningen Agricultural University, April 1996 (in Dutch).
- Bressers, H. (2004) “Implementing sustainable development: How to know what works, where, when and how Chapter in *Governance for Sustainable Development: The Challenge of Adapting Form to Function*, William M. Lafferty (Editor), Edward Elgar publishing: Cheltenham, 2004.
- Buurt, G. van (2002) Coral decline, causes and effects: local variables, regional issues. Available at <http://www.reefcare.org>.
- Curaçao Tourism Bureau (CTB), (2005) *Update Curacao Tourism Development Plan 2005-2009*. April 2005, Willemstad, at <http://www.ctb.an>.
- Dinica, V. (2006), “Sustainable tourism on Curacao - public policy and implementation initiatives”, publication in the series CSTM Studies, ISSN 1381-6357, CSTM-SR nr. 252, University of Twente, The Netherlands.
- Hesdal, S. (2002) “On the way to a perfect chain – Antilean Project for Environmentally Friendly Tourism on the Netherlands Antilles”. Study for the Foundation Unique Curaçao (SUC), June 2002.
- Markandya, A., T. Taylor, S. Pedroso, (2003) “Tourism and Sustainable Development: Lessons from Recent World Bank Experience”, presented at the *International Conference on Tourism and Sustainable Economic Development*, Sardinia, Italy, 19-20 September 2003.

## Appendix – List of interviewed stakeholders, May 2005

James Hepple, Director Curacao Tourism Board; Paul Hoetjes, Federal Department for Environment and Nature (MINA); Armand Griffith, Curacao Apartments and Small Hotels Association; Don Werdekker, Curacao Hospitality and Tourism Association; Walter Bakhuis, Leon Pors, Caribbean Marine Biological Institute (Carmabi); Will Vogels, Lions Dive hotel; Emlyn Pietersz, Taber Tours; Theo van der Giessen, Grietje Faber and Sabine Hesdal, NGO Stichting Uniek Curaçao; Gilbert Gouverneur, Ecofys consultancy; Tim van Brink, consultancy Ecovision; Tico Ras, Department of Environment and Natural Resource; Miriam Jonker, and Lionel Janga, Department of Spatial Planning; Margo Guda, Fondacion Pa Energia; Dito Abbad, and Lloyd Narain, Amidu di Terra Curacao; Kalli de Meyer, Dutch Caribbean Nature Alliance; Nirmala Panday, Breezers Hotel; Harry Jhingoeri, Holiday Beach Hotel; Geraldine Lai, Howard Johnson Plaza Hotel; Sulaika Gosepa, Otrabanda Hotel; Louis Lopez Ramirez, All West Apartments.