1 Background

1.1 The partnership between AFD and Plan Bleu

The French Development Agency (AFD)\(^1\) and Plan Bleu\(^2\) have signed a partnership agreement intended to help the AFD better take into account sustainable development issues in its strategies and operations in the Mediterranean, and Plan Bleu to move towards the practical implementation of its analyses and recommendations, associated in particular with the Mediterranean Strategy for Sustainable Development (MSSD), by facilitating their appropriation through dialogue carried out by the AFD with its clients and partners and via the projects it funds.

As part of this, a workshop is planned for discussion, knowledge-sharing and strategic and operational planning on how tourism can contribute to sustainable and inclusive development in Southern and Eastern Mediterranean countries and territories.

1.2 The sustainability of tourism activities in the Mediterranean

Tourism is a key growth factor in the Mediterranean, which receives a third of all international tourists at around 350 million visits every year\(^3\). It also represents a significant source of environmental and social pressures and its value chain faces distribution issues which require a redefinition of the balance between maximising

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\(^1\) The AFD is a public body and specialised financial institution. Its role is to support the Sustainable Development Goals (SDGs), fund growth and take into account global public goods. It operates in over sixty countries in Africa, the Pacific, Asia, the Caribbean, the Indian Ocean, the Mediterranean and Latin America, and in French overseas departments and territories. The AFD funds projects in various infrastructure and economic development sectors, and in healthcare, education and the environment. It also acts as Secretariat for the French Global Environment Facility (FEM - Fonds Français pour l’Environnement Mondial), www.afd.fr.

\(^2\) Plan Bleu is one of six Mediterranean Action Plan regional activity centres under the aegis of UNEP (MAP/UNEP) that serve the 21 Mediterranean countries, which, along with the European Union, form the contracting parties of the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean, known as the “Barcelona Convention”, (https://www.barcelonaconvention.org). It acts as an observatory, contributing to the analysis of links between development and the environment, the development of prospective scenarios and the production of recommendations for sustainable development in the Mediterranean. In particular, Plan Bleu is responsible for drawing up and monitoring the Mediterranean Strategy for Sustainable Development (MSSD), a new version of which was adopted in February 2016, www.planbleu.org.

\(^3\) World Tourism Organization, 2013
economic revenues, preserving natural ecosystems and ensuring inclusive development that involves local players. Sustainable tourism models that take “full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities”\(^4\), are still little implemented compared to the one-size-fits-all approach of mass seaside resort tourism, which remains predominant despite its significant failings. These include high visitor numbers and seasonality leading to conflicts over use (water, energy, land) and increasing pollution; the volatility of visitor flows due to a lack of differentiation between destinations offering the standard “3S” package (sun, sea and sand); architectural, urban and environmental damage; negative impacts on biodiversity; job creation, but with some social costs (the feeling that local people are forced to leave some historic town and city centres, a rise in the cost of accommodation and services, a loss of identity reported in some areas, culture shocks), all built on an aggressive price competitiveness (promotion of low-cost packages) and a downward trend in profitability.

The various labels, certifications and standards promoted by the authorities, tourist institutions and tour operators provide ways of differentiating between offers on the basis of service quality, and also increasingly on the environmental performance of local tourist agencies and products. In the same way, diversification through the promotion of niche activities (eco-tourism, agricultural tourism, cultural and heritage tourism, humanitarian tourism, etc.), and the development of inland areas and protected areas\(^5\) for tourism shows that sustainability and territorial development are increasingly being taken into account. However, the design and implementation of an overall model need to be improved in particular at a territorial level rather than just the level of hotel facilities, in order to generate real collective engagement. The development of tourism is not something that can be achieved by decree. It requires, among other things, bringing together all sector stakeholders including private players, public authorities and civil society representatives in order to develop public policies that are consistent at a destination, regional, and more broadly, national level. One of the key issues will be to implement a regulatory and institutional framework for the transition towards sustainable tourism, while preserving what is currently in place and in particular the financial stability of hotel businesses and their subcontractors who have previously invested in seaside resort tourism and now depend on it. Earmarking public investment for conditionally upgrading establishments that are based on “3S” tourism and improving the quality and professionalism of companies in new sectors such as eco-tourism will be an essential tool for achieving this transition.

The adoption of the 2030 Agenda for Sustainable Development by the United Nations Member States and the 17 associated Sustainable Development Goals (SDGs) that have been set provide international references. All the SDGs have implications with regard to sustainable tourism\(^6\), and three of them directly address this sector in the Mediterranean:

- Goal 8 “Promote inclusive and sustainable economic growth, employment and decent work for all” and in particular target 8.9 “By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products”;
- Goal 12 “Ensure sustainable consumption and production patterns” and target 12.b “Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products”;
- Goal 14 “Conserve and sustainably use the oceans, seas and marine resources”.

1.2.1 The Mediterranean Strategy for Sustainable Development and the work of Plan Bleu

The Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (the Barcelona Convention) and the Mediterranean Action Plan (MAP/UNEP) gave rise to a Mediterranean Strategy for Sustainable Development (MSSD)\(^7\), a policy document aimed at adapting international commitments to regional conditions, guiding national strategies for sustainable development and initiating a

\(^4\) Official definition from the United Nations
\(^5\) For example, see the European project, Mediterranean Experience of Ecotourism (MEDIT: http://www.medecotourism.org/)
\(^7\) The first MSSD covered the period 2005-2015 and the revised version has been approved for the period 2016-2025.
dynamic partnership between the 21 Mediterranean countries. Tourism was covered in MSSD 2005-2015 as one of seven priority fields of actions with clearly identified objectives:

- reduce the adverse territorial and environmental impacts of tourism, especially in existing coastal tourist areas;
- promote sustainable tourism, which in turn reinforces social cohesion and cultural and economic development, enhances Mediterranean diversity and specificities and strengthens synergies with other economic sectors, especially agriculture;
- increase the added value of tourism for local communities and stakeholders in developing countries;
- improve governance for sustainable tourism.

The new MSSD 2016-2025 covers tourism as a cross-cutting theme so that it can be better integrated into sustainable development policies, in line with the following six objectives:

- ensuring sustainable development in marine and coastal areas;
- promoting resource management, food production and food security through sustainable forms of rural development;
- planning and managing sustainable Mediterranean cities;
- addressing climate change as a priority issue for the Mediterranean;
- transition towards a green and blue economy;
- improving governance in support of sustainable development.

The following table presents a comparison of the way in which tourism is addressed in the two successive versions of the MSSD.

<table>
<thead>
<tr>
<th>Orientation/Action 2005-2015</th>
<th>Strategic direction/Action 2016-2025</th>
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<tbody>
<tr>
<td><strong>Tourism as a distinct field of action</strong></td>
<td><strong>Tourism as a cross-cutting theme</strong></td>
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<tr>
<td>1. Strengthen the implementation of the recommendations on tourism adopted in 1999 by the Contracting Parties, identify good practices and produce an in-depth assessment of the progress made by 2008.</td>
<td>Action 2.4.3 “Prepare action plans to support the development of rural tourism that will alleviate overcrowding in coastal cities and resorts, stimulate the utilization of locally produced products and generate local employment opportunities.”</td>
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<td>2. Promote within countries, on the basis of studies of carrying capacities, a more balanced distribution of tourists in terms of destinations and seasons.</td>
<td>Action 2.5.1 “Undertake actions to improve access of small-scale producers to markets, including tourism markets, through the use of innovative products and processes, cooperation schemes, market instruments, marketing plans and labelling schemes.”</td>
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<td>3. Draw up, as soon as possible, not later than 2010, a 10-year promotional framework programme for the Mediterranean together with the Ministries concerned, the private sector, sustainable tourism professionals and promoters, highlighting the assets of the Mediterranean cultural and environmental heritage, with a view to developing a “Mediterranean tourism quality label”.</td>
<td>Action 2.5.2 “Undertake initiatives to raise awareness on environmental, economic and social benefits of consuming local products, including in the tourism sector.”</td>
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<td>4. Develop “tourism pay-back” formulae so that tourists contribute to the preservation of the natural environment, cultural heritage and the sustainable development of destinations.</td>
<td>Action 3.1.2 “Ensure that legally-binding instruments for tourism development are put in place for those areas that suffer from tourism pressures, and related real-estate expansion and coastal deterioration.”</td>
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5. Explore the possibility of implementing taxation systems based on transport, especially sea and air transport to islands, as a means of contributing to the sustainable development of these regions.  

Action 3.3.3 “Create opportunities to strengthen local distinctive character both in planning and in project development in order to enhance local attractiveness, as a tool for economic development and enhancing competitive advantage.”

6. Adapt tourism more effectively to the constraints and opportunities offered by protected natural areas, especially with a view to preserving biodiversity and the natural and cultural heritage in regional parks, biosphere reserves and protected coastal areas.  

Action 3.3.5 “Develop or strengthen existing networks of historic cities in the Mediterranean, involving economic players, including the tourism sector and that representing traditional industries.”

7. Encourage countries to promote rehabilitation programmes in destinations where hotel facilities and tourism infrastructure are becoming obsolete, and where historical sites are poorly maintained.  

Action 4.4.1 “Mainstream climate change into national legislation and policies with a focus on measures concerning energy and transport and on delivering no/low regret adaptation measures across all vulnerable sectors and territories such as coastal and urban areas, water management, agriculture, health, and tourism.”

8. Improve coordination between countries and major operators to improve the harmonization of regulations and develop synergies at the regional level.  

Strategic direction 5.2 Review the definitions and measurement of development, progress and well-being. Fundamental changes in the way societies consume and produce are indispensable for achieving sustainable development. Therefore the Strategy is complemented by the Sustainable Consumption and Production Regional Action Plan for the Mediterranean, which is currently under preparation. The draft Action Plan highlights four priority areas of consumption and production, namely food, agriculture and fisheries; goods manufacturing; tourism; and, housing and construction.

9. Improve cooperation mechanisms between tourism and environmental authorities and strengthen the capacities of local authorities to manage the development of tourism and promote sustainable tourism.

The two approaches are complementary, with the first focused on transforming the tourism industry, while the second is based on action in sectors and geographical areas dependent on, or linked to, tourism in order to improve the contribution of tourism activities to sustainable development. Together, they take into account all the components and externalities of the tourism industry.

In its last programme of activities (2009-2012), Plan Bleu developed an action involving expert assessment and recommendations in line with these approaches by working on the issues linking tourism and territorial development, around the following questions:

- how can the impacts of air transport on the environment be reduced without weakening tourism? (focus on the carbon dependency of territories)
- how can wealth be created and preserved locally so that countries can develop in a sustainable manner? (focus on cruise and yachting activities which lead to significant economic outflow)
- how can seaside resort tourism, growth of residential areas and conservation of natural spaces all be reconciled? (based on the development of profiles of sustainability for eleven destinations that provide the foundations for a shared methodological tool for promoting sustainable tourism)
- is the certification of territories an appropriate solution for the sustainability of tourism in the Mediterranean? For this question, 21 indicators were developed and researched in order to monitor

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9 Torremolinos (Spain), Cabras and Castelardo (Italy), Rovinj (Croatia), Alanya (Turkey), Al Alamine, Mano Matrouh and Siwa Oasis (Egypt) Jerba (Tunisia), Tipasa (Algeria), the Tetouan coast (Morocco).  
progress in the sustainability of tourism in territories, and then evaluate the opportunity of a specific label or certificate in order to promote the approach to tourists\(^4\).

This programme is currently continuing in line with operational directions that correspond to the actions identified by both MSSD 2005-2015 and MSSD 2016-2025. The goal is to connect the various strategic frameworks, both old and new, in order to capitalise on what is already in place (define profiles of sustainability for destinations in order to develop support programmes and analyse sectoral developments, for example, for cruises and air transport) and ensure continuity by including both “products” (eco-tourism, cultural tourism, agricultural tourism, etc.) and “territories” components (nature parks, protected reserves, historic sites, urban centres, etc.).

1.2.2 Tourism and AFD operations

The community of international financial institutions and development stakeholders has been increasingly investing in the tourism sector using a variety of approaches (funding of private sector’s investments or planning projects, protected areas and ecotourism, renovation and urban heritage, credit lines for upgrading tourist establishments, etc.). Tourism is recognised as an important lever for the sustainable development of many Mediterranean countries as it represents between 3.5% (Algeria) and 8.1% (Morocco) of the GDP of Southern and Eastern Mediterranean countries and generates between 3% (Algeria) and 7.4% of direct employment\(^5\). Indeed, the General Assembly of the United Nations has proclaimed 2017 the International Year of Sustainable Tourism for Development\(^6\).

The AFD’s sector-based strategies (energy and climate, biodiversity, water and sanitation, urban development, training and employment) cover the main issues associated with sustainable tourism: use of renewable energies and promotion of energy efficiency in hotel infrastructure and transport; protection, restoration and promotion of natural ecosystems while sharing the costs and benefits between economic stakeholders; optimisation of water consumption, removal of pollution and waste management, use of treated wastewater; renovation/promotion of urban heritage; support for the territorial development strategies of local stakeholders; investment in human capital and matching skills with the needs of the labour market for the creation of good quality jobs. These strategic directions work towards the goal of sustainable tourism, a means for protecting cultural and natural heritage, creating shared wealth and local employment and contributing to territorial development and the inclusion of local people.

The diversity of AFD and Proparco\(^3\) funding and support tools (equity investments, guarantees, direct loans, credit lines, budget support, subsidies, technical assistance, capacity building) provides a spectrum of services that covers a broad range of activities for all tourism project stakeholders from the private sector or administrations and public bodies, as demonstrated by the following examples:

- funding of hotels and refurbishment programmes via special credit lines to commercial banks, linked with labelling and certification programmes (Tunisia, Turkey);

- urban renovation of an area of major historical and architectural interest, including the promotion of heritage, diversification of the tourist offer and improvement of the living environment (Saint-Louis in Senegal);

- renovation and promotion of natural and historic heritage (Angkor in Cambodia, Luang Prabang in Laos)\(^6\).

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\(^4\) Two MSSD indicators (the proportion of non-seaside beds in the total number of holiday beds and international tourism receipts) were used and supplemented by 19 other indicators specifically developed by Plan Bleu, in particular changes in the number of visitors to cultural sites, seasonal tourism employment as a percentage of total employment in the tourism sector, increase in number of students in the tourism branch, share of tourism companies in a destination that have environmental certification, breakdown of international tourist arrivals by mode of transport, etc.

\(^5\) 2014 statistics from the World Tourism Organisation.


\(^3\) Proparco is the AFD subsidiary responsible for private sector funding.

\(^6\) Key players’ views, Cultural heritage and development http://www.afd.fr/webda/shared/PUBLICATIONS/THEMATICQUES/pamilles-d-actions/07/pam-activites-acteurs.pdf
tourist infrastructure and tourism development in national parks (Meru National Park in Kenya and Quirimbas National Park in Mozambique) and protected areas (Bamboung in Senegal), with a particular focus on financial mechanisms for conservation and the inclusion of local people.

The AFD is now specifically considering adopting an operating framework for Mediterranean tourism which could capitalise on these experiences by organising the contribution of tourism to the overall objectives of its regional strategy (promote sustainable growth that creates jobs, manage natural capital, increase the attractiveness of territories, etc.) with a view to producing a broader offer of operations. At this stage, the key themes identified are as follows:

- the first focus involves upgrading and (re)qualifying what is in place, both in terms of the quality of the offer and the social and environmental responsibility of tourism companies, in particular with regard to water, energy and waste management, and the number of visits to sensitive areas and sites. Inclusive approaches (e.g. priority use of local providers) could also be promoted. This focus should improve the contribution of seaside resort tourism to sustainable development, limit conflicts over use (land, water, energy) where necessary, facilitate the proper management of resources (e.g. through the reuse of treated wastewater) and pollution reduction, and encourage technological improvements and capacity-building for operators;

- the second focus is on the diversification of tourism, in terms of both geography (promotion of inland areas and their hosting capacity) and activity, by supporting the development of cultural tourism, heritage tourism, environmental tourism, sports tourism, social tourism, etc. This approach involves, among other things, structuring a territorial offer by mobilising local players, with the support of decentralised technical and institutional North-South partnerships between territorial authorities, cultural institutions, conservation bodies, professional networks, etc. in which public-private partnerships (PPP) play an essential role, e.g. for the management of heritage property or protected areas. This should encourage progress towards inclusive development that promotes social cohesion, a goal pursued by a number of initiatives and labels around the Mediterranean;\(^5\);

- the third focus aims to impact tourism sector policies in Mediterranean countries, a key aspect for unlocking the potential contribution of tourism to sustainable development. This involves promoting measures and reforms to the institutional and regulatory framework (territorial planning, decentralisation, management of sites and environments, classification and labelling of local agencies and services, certification and supervision of professions in the tourism sector, legal framework of PPPs), pricing and taxation (tapping into tourism revenues to recover water and waste management costs, user fees for access to cultural, heritage and environmental goods), investments (transport infrastructure, site development), training, implementation of partnerships and mobilisation of private and non-profit stakeholders, etc. It should also include action on other sectors linked with tourism, such as transport, the craft industry and agriculture, for example, through Protected Geographical Indications (PGI).

2 Workshop objectives

The workshop aims to lay the foundations for a sector operating framework on how tourism can contribute to sustainable and inclusive development in Southern and Eastern Mediterranean countries that would direct the actions of the AFD and Plan Bleu. Work will focus on operational objectives, covering:

- sharing of best practice for projects and territories; this concerns both results (economic, environmental and social results) and methods and processes (project structuring, financial mechanisms, legal framework, governance), and application sectors or activity types (hospitality industry, energy efficiency, natural sites, diversification of the tourist offer, etc.);

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\(^5\) In particular the EDILE (Economic Development through Inclusive and Local Empowerment) initiative led by the ANIMA network to encourage the local impact of investments; see [http://www.edileinitiative.org/](http://www.edileinitiative.org/)
• development of a vision for the role of tourism in the sustainable development of Mediterranean countries in its various dimensions;
• operationalisation of this vision by identifying obstacles to unlocking tourism’s potential contribution to sustainable development;
• drafting of relevant and realistic recommendations for sector policies in a form that could be applied to all or the vast majority of Mediterranean countries, including identification of the stakeholders in question and their responsibilities;
• discussion of the operating tools required: funding types, PPP, studies and research, training, partnerships, etc.;
• possible proposals for networking and ongoing discussion, knowledge sharing and capacity building.

3 Participants

Forty to sixty participants are expected, including partners and counterparts from Southern and Eastern Mediterranean countries, AFD and FFEM16, project managers, tour operators, public policymakers, leaders of non-profit organisations and institutions, scientists and specialists and Plan Bleu institutional partners.

4 Dates and location

The Workshop is planned for 23 and 24 May 2016 at the Centre for Mediterranean Integration17 at Villa Valmer, provided by the City of Marseille.

5 Working languages

Simultaneous translation into English and French will be provided.

6 Schedule

The workshop will include oral presentations, a panel and thematic working groups which will be coordinated by facilitators.

The following table presents the summary schedule for the workshop.

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16 The French Global Environment Facility (FFEM) is a public fund designed to encourage the protection of the global environment in developing countries by contributing to the funding of development projects with a significant and sustainable impact on one or more major global environmental issues: biodiversity, climate change, international waters, land degradation including desertification and deforestation, persistent organic pollutants and the protection of the ozone layer. http://www.ffem.fr/

17 The CMI is a multi-partner platform where development agencies, governments, local authorities and civil society from Mediterranean countries have come together to exchange knowledge, discuss public policies, and identify solutions to the development issues facing the region. It is managed by the World Bank, France is a member of the CMI and AFD is a partner: http://www.cmimarseille.org/
Arrival in Marseille, Sunday 22 May

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<tr>
<th>Monday 23 May</th>
<th>Tuesday 24 May</th>
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<tr>
<td>8:30am: Welcome</td>
<td>9:00am: Review of the previous day and presentation of the day’s schedule</td>
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<td>9:00am: Workshop opening</td>
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<tr>
<td>9:45am: Introductory presentation – Inventory and prospects for Mediterranean tourism</td>
<td>9:30am: Session 2: Working groups</td>
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<tr>
<td>Questions and discussion</td>
<td>Operational recommendations for how tourism can contribute to sustainable and inclusive development</td>
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<td>10:30am: coffee</td>
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<tr>
<td>11:00am: Panel – What is the vision for tourism’s contribution to the sustainable development of Mediterranean countries?</td>
<td>11:00am: Feedback and sharing of results from the working groups</td>
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<tr>
<td>Questions and discussion</td>
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<td>12:15pm: Organisation of working groups</td>
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<tr>
<th>Lunch</th>
<th>12:30pm-2:00pm</th>
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