The Case of the Strategic Environmental Assessment of the Tourism Sector in Honduras

Juan David Quintero
The World Bank

Background

- The government of Honduras in the process of developing and implementing the First National Tourism Plan which aims to make the country the Number One tourist destination in Central America by 2021.
  - The strategy includes:
    - National Eco-Tourism Development Strategy
    - North Coast Tourism Development Strategy
    - Tourism to become No.1 industry in country as share of GDP.
Objectives of the SEA

- **Overall Objective**
  - Provide the Government of Honduras with the necessary framework and instruments to ensure the long-term environmental and social sustainability of its tourism development strategy.

- **Specific Objectives**
  - Enable a systematic assessment of critical issues at a more macro/broader level.
  - Recommend actions and strategic alternatives

SEA Process

- **Phase 1: Identification**
  - Dialogue with Ministers of Tourism, Environment and Presidency
  - Screening exercise
  - Stakeholder consultation (issues and linkages exercise)

- **Phase 2: Preparation**
  - Meeting with Inter-Ministerial Tourism Committee (Presidency, Environment, Transport, Social Investment, Health, Education, etc.)
  - Definition of project scope and methodology;
  - Desk review, field assessments
  - Writing papers

- **Phase 3: Implementation**
  - Workshop on preliminary results
  - Revision of Findings
  - Final seminar to present results and conclusions
  - Dissemination
SEA Methodology

- Conceptual Framework: Sustainable Governance Systems
- Core Analysis:
  - Strategic Options Model
  - Linkages
  - Externalities
  - Scenario Development
  - Issue-Specific Assessments
  - Sustainability Analysis
- Issue Specific Assessments
- Feedback and Integration

Strategic Options for Tourism Development

<table>
<thead>
<tr>
<th>Nature And Culture</th>
<th>High Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Upscale Nature and Cultural</td>
<td></td>
</tr>
<tr>
<td>3. Authentic Eco and Archeological</td>
<td></td>
</tr>
<tr>
<td>Low Budget</td>
<td></td>
</tr>
<tr>
<td>2. Upscale Sand and Beach</td>
<td></td>
</tr>
<tr>
<td>4. Mass Sand and Beach</td>
<td></td>
</tr>
</tbody>
</table>

Sand and Beach
Identification of Linkages: The Planning Model

Tourists & Tourism

Drivers of Tourism
- Environment (Beach, Coral Reef, Biodiversity)
- Cultural Patrimony and Heritage
- Facilities (Hotels, Restaurants, Tours)

Tourism Growth
- Current
- Regional Average
- Accelerated

Transportation
- Roads
- Public Transport
- Ports / Airports

Utilities
- Electricity
- Water
- Telecom

Accommodation
- Hotels
- Restaurants
- Other Facilities

People
- Employment
- Poverty Reduction
- Education
- Health

Waste
- Construction
- Municipal
- Sewage
- Landfill

Water
- Drinking
- Wastewater
- Industry
- Agriculture

Landscape
- Forests
- Agriculture
- Class

Biodiversity
- Marine
- Terrestrial
- Endangered / indigenous species

Cultural Heritage
- Archeological
- Indigenous peoples
- Colonial

Impacts on the Social and Natural Environment

Scenario Development

Scenario 1: Moderate Growth

Number of Tourists

Year
2004 2009 2014 2024

Key Issues Related to Tourism Development in Honduras

Assessments

- **Strategy Analysis Paper:**
  - Framework for Sustainable Tourism Development in the North Coast, Bay Islands, and Copán Valley.
  - Sustainability Analysis Matrix

- **Environmental Issue Papers:**

- **Socio-Economic Issues Papers:**
  - Human Resources Issue Paper: Improvement of Training and Educational Capacity for the Sustainable Development of the Honduran Tourism Sector

- **Political/Legal Issue Papers:**
  - Analysis of the Tourism and Environmental Policy, Legal, and Institutional Frameworks and Environmental Management Capacity.
  - Environmental and Social Best Practice Guidelines for Sustainable Tourism Development in Honduras.
Main Findings (1)

- If well managed, tourism could well be a catalyst for growth
- Two main concerns:
  - Potential failure to distribute benefits from tourism to Honduran society in general and local communities in particular
  - Level of expectations in the sector are not aligned with environmental measures and capacity, and investments in environmental infrastructure
- Environmental risks: degradation of resource base, loss of biodiversity, overexploitation of natural resources, impacts on local communities and vulnerable groups

Main Findings (2)

- Current environmental capacity cannot manage anticipated growth in tourism. Capacity building is needed at all levels of government.
- Local community participation is key for success, specially of vulnerable Garifuna groups.
- Lack of key policies (solid waste) and perverse incentives in others (wastewater discharge) will exacerbate pollution problems in high tourism growth areas
- Project-specific EIA system will not capture more relevant regional/cumulative impacts
- Current education curricula/plans will not meet the demand for qualified professionals/technical staff in the sector
- Private sector has no incentives for improving environmental performance. Lack of guidelines for this.
Micro-enterprises and Maximization of Social Benefits

- **Objective:**
  - Identify economic benefits for micro-enterprises and promote local community participation in tourism benefits

- **Methodology:**
  - Workshop with stakeholders to promote micro-enterprises in the tourism sector
  - Analyze opportunities and challenges
  - Carry out an analysis of policies and legal framework
  - Links to other government agencies and programs and the private sector
  - Formulate strategies for the creation of micro-enterprises for the tourism sector in Copan Valley, the Northern Coast, and the Bay islands – local and national level

Potential for exacerbating problems
Yet, many opportunities for local communities

Results

Key Recommendations

- Establishment of a Regional Solid Waste Management Policy and a National Recycling Policy.
- Reform the National Wastewater Law to allow for least cost solutions including Ocean Outfalls Alternative a
- Institutionalization of a National Program for the Support of Micro and Small Enterprises and Strengthening of Communities and Municipalities.
- Design and Implementation of a National Program for Capacity-Building and Strengthening Educational Quality in Tourism Sector.
- Revision and strengthening of Environmental Management Capacity at National and Sub-national Levels.
- Adapt Environmental Impact Assessment Legislation to include the assessment of cumulative impacts at the regional level.
- Dissemination of the Environmental and Social Best Practice Guidelines and promotion/incentives for its adoption by the private sector.
Environmental Guidelines

Wide dissemination throughout Honduras and Latin America

Guías Ambientales y Sociales Para el Turismo Sostenible en la Costa Norte y Islas de la Bahía de Honduras

Results: Specific Government Actions

- Proposal for reform of the Wastewater Discharge Law
- Creation of the Bahía de Tela Special Regime Area (with the participation of local municipalities and vulnerable Garifuna groups)
- Institutional Strengthening of Tourism Ministry, Municipal Tourism Units, and National Institute of Anthropology and History
- Promotion of the Best Practice Guidelines for the sector
- Internalization of SEA by high-level government officials and incorporation of findings into the process of development of the three tourism plans.
**Benefits of SEA approach**

- Methodology is easily applicable even in case of institutional weakness and lack of experience with the tool
- Allowed for a more focused analysis and discussion of priority issues in the sector
- Priority issues were analyzed by individual high level consultants
- Issue-specific recommendations can be delivered before SEA is completed
- A more focused stakeholder participation around discussion papers of priority issues
- The SEA process in itself strengthened environmental management capacity in the sector
- "Short" papers and reports easily disseminated and assured reaching high level decision makers

**But**

- Low cost, but requires time for buy-in and understanding the SEA methodology
- Requires additional effort of coordination and report integration
- Enthusiasm/commitment need to be renewed often
- Maintaining the focus away from project-specific issues is difficult
- Slow pace of SEA is often overrun by events, investments, and decisions