



Report

**SIDS GLOBAL BUSINESS NETWORK (SIDS-GBN)
PRIVATE SECTOR PARTNERSHIP FORUM 2018**

**“Strengthening private sector partnerships for
sustainable tourism development”**

21 - 22 May 2018

Maritim Resort and Spa, BalACLava, Mauritius

rTable of Contents:

	<i>Pages</i>
I. Introduction	2
II. Background	3
III. Summary	
A. Opening	3
B. Thematic Sessions	
Session 1: Tourism as a driver of SDGs	4
Session 2: Promoting Tourism through Cultural Heritage	6
Session 3: Improving Connectivity for Tourism	6
Session 4: Environmental Sustainability and Renewable Energy	7
Session 5: Financing for sustainable tourism development	9
IV. Closing	10
A. Partnerships announced	11
B. Key Messages	12
V. Annex	
Programme A1	13
Participants List A2	15

I. Introduction

1. The UN Office of the High Representative for Least Developed Countries, Landlocked Developing Countries, and Small Island Developing States (UN-OHRLLS), together with the Government of Mauritius convened the two-day 2018 SIDS Global Business Network (SIDS-GBN) Private Sector Partnership Forum, referred in this report as the “2018 Forum” from 21 to 22 May 2018, in Balaclava, Mauritius.
2. Some 60 participants attended the 2018 Forum which brought together Small Island Developing States (SIDS) governments, the UN system, business leaders from SIDS, financial institutions, academia, civil society and other stakeholders. The 2018 Forum was held under the overarching theme “*Strengthening private sector partnerships for sustainable tourism development*”. The event provided a platform for multi-stakeholder networking and for forging private sector partnerships that support the objectives of the SAMOA Pathway and the achievement of the SDGs in SIDS.
3. The Forum provided a platform to promote a multi-stakeholder network in forging private sector partnerships that support the objectives of the SAMOA Pathway and the achievement of the SDGs in SIDS. The objective of the Forum was to exchange best practices and lessons learned; strengthen efforts by all stakeholders; and to promote greater interest and investment into SIDS by the private sector and thereby increase the engagement and the role of the private sector in promoting sustainable development in SIDS.
4. A key objective of the event was also to launch new partnerships with and for SIDS which will further the implementation of the SAMOA Pathway and the achievement of the SDGs in SIDS. The forum included five thematic sessions comprised of a panel of experts followed by an interactive segment which allowed for exchange of experiences and best practices as well as discussion on potential partnerships among the business community and SIDS.
5. The 2018 Forum was aligned to provide substantive inputs to other global events in 2018 including the AIMS regional preparatory meeting for the SAMOA Pathway mid-term review as well as the inter-regional meeting for the above-mentioned review.
6. This is the third in a series of SIDS Private Sector Partnership Forums launched by UN-OHRLLS and its partners. The SIDS-Global Business Network (SIDS-GBN) was announced at the first Forum held in conjunction with the Third International Conference on Small Island Developing States, in Apia, Samoa and was co-organised by OHRLLS, the Government of Samoa and the Samoa Chamber of Commerce. This was followed-up by the Aruba P3a Conference, which focused on public-private partnerships which was co-organised with the Government of Aruba with support from the Kingdom of Netherlands and was held in Oranjestad, Aruba from 22 – 24 March 2016.

II. Background

7. The ‘special case’ for the development of SIDS was first recognised in the Chapter 17 on oceans and coasts in Agenda 21 in 1992 which also called for the first global conference on SIDS which was convened in 1994 in Barbados. The Barbados Programme of Action (BPOA) adopted in 1994, further complemented by The Mauritius Strategy of Implementation (MSI) of 2005 and MSI+5 Outcome document, and most recently the SAMOA Pathway adopted in 2014, recognized that although they are afflicted by economic difficulties and confronted by development imperatives similar to those of developing countries generally, small island developing States (SIDS) have their own peculiar vulnerabilities and characteristics.
8. The international community and SIDS recognize a role for the private sector in the implementation of the SIDS Programmes of Action which includes broad-based partnerships that ensure involvement and participation of all relevant stakeholders, including the private sector. Under its mandate on advocacy and mobilisation of resources, the OHRLLS has been working with a wide range of stakeholders to build partnerships towards the implementation of SAMOA pathway in SIDS, including the launch of the SIDS Global Business Network (SIDS-GBN) to strengthen the engagement of the private sector in the sustainable development in SIDS.
9. Recognizing the important role of the private sector in promoting sustainable tourism in SIDS, the 2018 Forum was held under the theme “Strengthening private sector partnerships for sustainable tourism development”. Tourism accounts for a significant proportion of the GDP of many SIDS, with tourism accounting for more than 50 per cent of exports in the case of the Maldives, the Seychelles and St. Lucia. Tourism is often one of the few activities for which their location, coupled with exceptional natural and cultural resources, is a strong competitive advantage for SIDS. Tourism has been key in the recent graduation of Samoa, Cabo Verde and the Maldives from the Least Developed Country (LDCs) status.
10. For SIDS, there is a strong connection between sustained tourism and the achievement of SDG 8 “to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”. The Forum also delved into Goal 8 target 8.9 to “by 2030 to devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products” and the role of the private sector in achieving this target.
11. Furthermore, tourism as the backbone of many SIDS economies have a critical role to play in the achievement of all other SDGs. The Forum reviewed the linkages between sustained tourism in SIDS with other cross-cutting sectors such as sustainable energy, connectivity, sustainable ocean, sustainable agriculture disaster risk reduction and finance --- the key thematic areas of the SIDS Global Business Network.

III. Summary

A. Opening

12. Mr. Raju Jadoo, Secretary-General of the Mauritius Chamber of Commerce and Industry (MCCI), Ms. Fekitamoeloa Katoa ‘Utoikamanu, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) and Hon. Minister Premdut Koonjoo, Minister of Ocean Economy, Marine Resources, Fisheries and Shipping made remarks at the opening of the 2018 Forum.
13. Speakers emphasized the role of tourism as a key economic driver and contributor to GDP in SIDS. It was recalled that the SAMOA Pathway specifically mentions sustainable tourism as well as its impact on culture, land use, water management, coastal zone management and the development of protected areas. It was highlighted that the strategy for moving forward with tourism should include: reinforcing connectivity to compensate for the remoteness of SIDS; building partnerships; leveraging local assets; and adopting a coordinated approach for a win-win situation. Strategies for mutually supportive tourism development and environmental management were provided, drawing on SIDS experiences of developing niche markets in eco-tourism, nature and cultural tourism. Speakers stressed the role of local community in the identification and management of natural protected areas and promotion of eco-tourism. It was stressed that the ocean plays an integral role for SIDS economies. The ocean’s immense potential in terms of opportunities for sustainable tourism with much of economic activity in SIDS concentrated near the coastlines were highlighted. Speakers noted the growing demand for “authentic” heritage experiences, and stressed SIDS’ rich cultural heritage as an asset, with the potential to generate significant revenue from arts and handicraft. Speakers noted the role of innovative approaches and technological advances to address challenges to sustainable tourism facing SIDS including in the area of environmental sustainability.
14. Speakers called for strengthening global partnership and collaboration toward the shared goal to achieve sustainable development aspirations of SIDS and recognized that the SIDS-Global Business Network (SIDS-GBN) provides an ideal platform for relevant stakeholders to interact and forge partnerships for sustainable development in SIDS. Speakers noted that important milestones have been achieved with the previous Forums, including the establishment of the SIDS-GBN online network to link the three SIDS regions. Speakers emphasized the opportunity and importance of the present Forum, for advancing sustainable tourism for SIDS and recognized the Network provides a useful platform for continuing engagement among stakeholders and to seek new opportunities to advance the tourism sector in SIDS.

IV. Thematic Sessions

Session 1: Tourism as a Driver of SDGs

15. Session One on tourism as a driver of SDGs emphasized that tourism itself must be a paradigm of sustainability and that tourism has the potential to directly contribute to the achievement of several SDGs in SIDS, most notably: SDG 1 (poverty eradication); SDG 8 (decent work and economic growth); SDG 12 (responsible consumption and production); SDG 14 (oceans) and SDG 17 (partnerships). Emphasis was placed on poverty eradication and community engagement and the need to strengthen the “trickle down” effect of tourism to promote equity. Private and public-sector partnerships must be strengthened to move towards sustainable tourism model which can accelerate the achievement of the SDGs in SIDS.
16. It was noted that global commitments over the last two decades such as the adoption of the Rio Declaration, Millennium Development Goals in 2000, and the Sustainable Development Goals and the Paris Agreement in 2015, has set a transformative agenda for sustainable development however a gap exist between policy frameworks and their implementations.
17. The session underscored that climate change pose major challenges to the tourism sector in SIDS which in turn has a negative effect on their progress towards attaining the SDGs. It was further noted that increase efforts and support from the international community is required for climate adaptation strategies in SIDS and to enable them to effectively harness the potential opportunities to promote the tourism sector. The urgent need to support climate actions and targets to reduce emissions must be intensified to progressively move toward a ‘no carbon’ era by 2050, to prevent global temperatures from increasing by no more than 1.5° C by 2050. It was underscored that the travel and tourism sector have both positive and negative social, economic and environmental impacts and the industry must do better to ensure growth is well managed and negative externalities are minimized.
18. The session highlighted the need to raise awareness, education and capacity building, monitor regional policy framework, to provide technical support to national tourism offices to establish strategic multi-stakeholder partnerships and resource mobilization to induce sustainable tourism growth that can support the SDGs in SIDS.
19. Panelists highlighted some of the challenges to sustainable tourism development in SIDS as follows: lack of baseline data and robust systems to measure sustainability; low level of awareness and appreciation of sustainable tourism; lack of technical expertise and incentives for private sector investment for sustainability initiatives; resource constraints for already struggling SME’s to implement best practices and sustainable measures and high energy costs and waste management.
20. The session included a presentation on the Strong Universal Network (SUNx) initiative, a project which aims to empower and resource a new generation through establishment of climate resilience centres and support to climate champions across different communities. By 2030, the SUNx project aims to build a network of 100,000 graduate climate champions

including in urban, rural and island settings to help communities adapt, build resilience and embrace a green growth vision to tourism development.

Session 2: Promoting Tourism Through Cultural Heritage

21. This Session focused on integrating tourism and culture in sustainable and inclusive growth strategies. With the global demand for cultural tourism increasing, discussion focused on how SIDS can successfully compete in new and growing markets focused on culture and heritage and harness the full potential tourism brings to involve traditional and local communities. Speakers emphasized the role of multi-stakeholder partnerships, including those with academic institutions, local universities to strengthen research informed decision-making and to formulate evidence-based policy.
22. Examples were shared from Mauritius, where the University of Mauritius created the International Center for Sustainable Tourism and Hospitality which helps to inform policy on sustainable tourism and destination competitiveness. The Centre also partnered with the Mauritius Tourism Promotion Authority in the Switch Africa Green Project funded by the European Union Project. Examples of partnership between the South Pacific Tourism Organisation (SPTO), UNITAR, UNESCO, New Zealand and the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA) were also shared of how the Pacific islands are working together with partners to preserve and promote culture and heritage. Several Pacific SIDS are also investing in development of traditional skills such as weaving to promote the empowerment of women and their participation in cultural heritage tourism experiences.
23. Food and culinary experiences are estimated to constitute 25 to 30 per cent of tourist expenditure. Typically, SIDS are net food importers and tourism food imports have a significant impact on overall food imports in the absence of sufficient quantities of locally sourced produce. The session included a presentation on CTA's project chef4dev, where hotels work with chefs and local farmers to introduce local cuisine in the menus offered to tourists. Opportunities exist for SIDS to promote linkages between agriculture, tourism and health where countries can focus on developing their unique culture and quality niche markets as part of sustainable tourism strategies. The challenges SIDS face in offering local food that is both of high quality and sourced locally was noted. Solutions should be sought through partnership with local communities and local food producers to expand the quantity and quality of produce available on the market.
24. Speakers underscored that cultural resilience in SIDS is multiplied by vulnerabilities such as climate change, sea-level rises and destruction from natural disasters. The sessions also highlighted UNESCO's partnership with small islands to support culture for sustainable development of SIDS.

Session 3: Improving Connectivity for Tourism

25. Panelists shared national and regional experiences on promoting partnerships to address the challenges to connectivity, including the issue of lack of critical mass required for successful private sector ventures and provided case studies from the airline industry and cruise liners. It was stressed that there is a need for a more holistic understanding of the interrelated concepts of connectivity and sustainability. Sustainable tourism requires not only boosting human traffic, but also policies to create an enabling environment incorporating aspects of telecommunications infrastructure and digital connectivity.
26. One of the key takeaways from this session is that there is no “one-size-fits-all” approach in tackling the challenges of connectivity in SIDS. Speakers emphasized that different industries - aviation, cruise and cable/telecommunications – encounter specific issues which, are further accentuated in archipelagic SIDS. Speakers highlighted cruise liners can provide significant revenue for SIDS, and demand is increasing. Regional partnerships can be further strengthened to facilitate private investments in infrastructure and regional lines. The session also noted the challenges to inter-island connectivity and that in SIDS many of the outlying islands remain unconnected.
27. The session also focused on the global airline industry and their contribution to the world’s economy – in terms of revenues, number of passengers, direct and indirect revenues and jobs created by the airline industry. Presentation on Air Mauritius highlighted recent investments in new aircraft that are more energy efficient to reduce carbon footprint and shared examples of partnership with major airlines including Air France which has helped develop strong tourism market bases.

Session 4: Environmental Sustainability and Renewable Energy

28. This session explored the nexus between environmental sustainability and renewable energy for sustainable tourism in SIDS. Speakers underscored that the natural and cultural richness of SIDS upon which the tourism industry relies upon is under threat from increasing impacts of climate change, including from coastal damage, increased flooding, loss of coral reefs, mangrove destruction and storm surges and hurricanes. SIDS’ small economies face significant challenges to environmental sustainability due to limited financial and human capacity, lack of awareness among tourism operators to ensure environmental protection and preservation. The tourism industry is typically energy intensive, and renewable energy play an important role in moving onto a sustainable tourism path.
29. The private sector is playing an increasingly important role in addressing environmental sustainability, renewable energy, smart agriculture and sustainable tourism and their involvement must be further strengthened in advocacy for the achievement of the SDGs.

30. SIDS have made great strides in the switch to renewable energy. Several SIDS have taken initiatives to build resilience through policy, national strategic plans and programmes designed to promote an integrated approach to environmental management and at the same time, enhance economic benefits of tourism. Some have embarked on national energy strategies, focused on: energy diversification; energy efficiency and energy infrastructure modernization among others. Some 36 SIDS are involved in the SIDS Lighthouse initiative to develop roadmaps which support island transitions from fossil-based to resilient energy systems within a framework that seeks to provide policy/technical advice, capacity building and access to affordable finance.
31. Seychelles Ministry of Tourism developed the Seychelles Sustainable Development Strategy (SSDS) 2012-2020, which addresses sustainability across all sectors and is a result of consultations with various stakeholders and groups, including community groups.
32. Speakers shared examples of important partnerships that have flourished between hotels and civil society to address environment protection and biodiversity conservation. Some have also developed sustainable tourism labels to encourage hotel enterprises to integrate sustainability practices into their business operations, including in their waste management practice; energy sector and cleaning and maintenance services.
33. Governments are increasingly exploiting the potential of the abundance of natural energy sources in SIDS to transition to renewable and energy-efficient technologies and low carbon development. There is a growing role for the private sector to develop new technology and solutions that are feasible for the energy market in small island economies. One such technology is the Solarsea system, that utilizes solar power to generate electricity using floating solar panels positioned in the lagoon sea. Currently the system is installed in resorts in the Maldives but is replicable to other small islands. Another technology entailed desalination operations through a renewable energy powered process to address water scarcity in SIDS.
34. The upfront investment for renewable energy and energy-efficient is often a challenge several SIDS face and private sector can reduce these barriers through collaboration and financing models to find optimal solutions depending on the need of SIDS. Furthermore, development partners have scaled up support to SIDS to transition to a green economy including under the framework of the SDGs and the Paris Agreement. The EU has been partnering Indian Ocean Commission (IOC) in the region in Comoros, Madagascar, Mauritius, Reunion and Seychelles including a € 14.5 million project called ISLANDS that featured disaster risk profiles for each of the members of the IOC as well as private sector involvement in the development of financial instruments and innovative mechanisms for protection against natural disaster and protection of the coastal regions.
35. The importance of sustainable growth in the tourism sector, and its impact on oceans is noteworthy. There is growing economic activity linked to the ocean and tourism industry, and there is need to develop partnership and network comprised of oceans/coasts and islands

business community informed and engaged on sustainable development, science and stewardship.

Session 5: Financing for Sustainable Tourism Development

36. The session underscored micro, small and medium-size enterprises (SMEs) played a significant role in the generation of jobs and employment in SIDS and access to finance is key to the creation, growth and productivity of SMEs. Participants shared experiences from their respective countries in strengthening micro businesses and SMEs. Mauritius has had success with the creation of a social register to enable targeted interventions to empower vulnerable groups out of poverty. It was further discussed that similar interventions could be extended to target tourism SMEs to improve the operational environment for small businesses as well as to strengthen economic inclusion, including that of women and to promote their participation in SMEs in the tourism sector.
37. Micro and SMEs and family operated businesses are the backbone of handicraft products, catering and several personalized services that cater for the tourism sector. Panelists shared concrete examples of micro financing projects including those targeted at promoting financial inclusion of women underscoring the need to support community-based finance initiatives. Several SIDS, local/national banks have introduced microfinance facilities, although gaps exist in terms of coverage. It was further noted that international financial institutions have an important role in bridging access gaps and to further strengthen financial mechanisms for tourism SMEs in SIDS.
38. Ireland shared their experience of financial incentives including number of tax relief schemes to promote SMEs as part of overall strategy to reduce economic vulnerability to external economic shocks. Ireland further shared their experience and lessons learnt from partnership development and investment in the tourism sector which has the potential to be replicated in SIDS. The country shared their success in forging commercial partnerships including with tour operators, airline industry and media outlets that have resulted in effective targeting and branding to successfully increase visitor numbers.
39. The discussions also focused on investment and financing for sustainable development that catalyse and support the transition to a green, low-emissions and climate-resilient tourism economy. The Global Environmental Fund (GEF) provided examples of projects they support in small islands to increase resilience through adaptation in the tourism sector including in the Maldives, Montenegro and in Mozambique. It is important to create an enabling environment for community-oriented, private sector investment in environmentally and socially sustainable tourism.

40. It was highlighted that high leakages for imports, workers and profit remittances contribute negatively to economic sustainability of the tourism sector in SIDS. Investment and financing are essential to deliver inclusive tourism growth, develop local supplier linkages and access to global markets. It was emphasized that policy framework can also enhance the value creation of foreign direct investments, for example, by increasing linkages with local firms and domestic suppliers (across a range of sectors from agriculture to fisheries) stipulating the use of local inputs and supporting local firms to be able to reach international standards and expand market outreach.

Closing Remarks

41. Ms. Fekitamoeloa Katoa ‘Utoikamanu, Under-Secretary General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLS) expressed thanks to the Government and people of Mauritius for the hospitality extended during the SIDS Global Business Network Forum. She congratulated participants on the outcome of the meeting. USG ‘Utoikamanu acknowledged that the meeting served to strengthen efforts toward scaling-up of successful partnerships through sharing information, best practices and networking, thereby strengthening the contribution of the Forum to support the implementation of the SAMOA Pathway and achievement of the SDGs in SIDS.

42. The meeting concluded with announcements of new partnerships and pledges in support of sustainable development in SIDS. USG ‘Utoikamanu indicated that this year’s outcome report results in a set of proposals outlining the key issues, discussions and conclusions of the Forum and that recommendations will serve as an input to the preparatory process of the mid-term review of the SAMOA Pathway, focusing on opportunities for strengthening partnership approaches among public and private sectors, and local communities for sustainable tourism development, as an important economic driver for SIDS. She pledged the continued support of the UN system to the SIDS-GBN and throughout the MTR process.

Partnerships announced at the 2018 SIDS-GBN Forum

- ❖ Announcement of partnership between Swimsol and Lux Resorts on Thread Lightly by Lux, to reduce diesel consumption in Maldives.
- ❖ Partnership between SPTO and Elemental Water Makers to work together with the private sector of South Pacific SIDS to address issues of water scarcity using green technology. I understand that SPTO has invited Elemental Waters to present to their Council of Minister Meeting in October this year, and these are exactly the type of networking we want to achieve from our Forums.

- ❖ CTA and SIDS-GBN will collaborate with key national, regional and international partners to promote food tourism across SIDS. This will entail collaboration towards stronger policy commitment to local sourcing, support to the private sector through innovative partnerships with the local industries and access to new markets in the tourism sector.
- ❖ Partnership between Vanilla Islands organization and the International Coalition of Tourism Partners, and that Vanilla Islands will dedicate one staff to strengthen information technology and dissemination of information of the SDGs and a dedicated site on their website for spreading this message.
- ❖ OHRLLS with the World Ocean Council to engage the private sector to really build the business network with the Ocean community, a very important area for all SIDS.

Key Messages:

- There is a strong business case for investing in sustainability. A recurrent theme which emerged from all the discussions is that the private sector has a key role to play in the implementation of the SAMOA Pathway. This was a running theme throughout the five substantive sessions — from the role of tourism in the implementation of the SDGs, promotion of culture and heritage, connectivity, renewable energy and of course financing for sustainable development.
- The need to create an enabling environment for investment in research and development. And this is where for SIDS, being small, may have its advantages as small islands have provided ideal testing grounds for new technology, including technologies for climate adaptation and mitigation. To attract substantive investment in research and technology that can eventually turn into viable project, there must be a “public push”, through public policies that attract new technologies, increase openness to public-private sector partnerships.
- Strengthening public-private partnerships as a vehicle for attracting private investment to SIDS. The Forum highlighted that public private partnerships can be a vital tool to minimize the perceived commercial and technical risks associated with small economies, particularly in areas such as infrastructure development, including air, sea and digital connectivity.
- SIDS are a diverse group — and there is no one-size fits all approach. Partnership models must be based on the national priorities of individual countries, and based on principals of a shared vision, common objectives and mutual understanding.

- The need for strengthening cross-sectorial partnerships. In the case of sustainable tourism, it was emphasized that tourism has great potential to alleviate poverty, reduce inequality and raise living standards through increased community engagement. The need to bring the value added to the local communities by strengthening linkages with local producers and service providers, with local communities was further noted. It was also noted that greater engagement of local communities, does not apply only to tourism but across other sectors of the economy.