Calling to Account
Image and Ethics in Corporate Accountability in Tourism
Calling to Account – Image and Ethics in Corporate Accountability in Tourism
April 2011

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Front Cover: A home in village Chandranagar, where villagers who have been displaced from the core area of the Panna Tiger Reserve (Madhya Pradesh) and who have not yet received any form of compensation are now living in temporary shelters. They have been barred from visiting their ancestral temples to offer prayers. However, on paying Rs. 1030, a tourist vehicle is allowed entry where tourists then enjoy the beauty of the legacy of the adivasis.

The combination of the 2 images depicts the stark contrast in the luxury that awaits tourists and a life bordering on abject poverty that adivasis and forest dwellers in the vicinity of tourist destinations lead.
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<th>Acronym</th>
<th>Description</th>
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<tr>
<td>AGFCA</td>
<td>All Goa Fishermen’s Cooperative Association</td>
</tr>
<tr>
<td>BoD</td>
<td>Biological oxygen Demand</td>
</tr>
<tr>
<td>CAGR</td>
<td>Compounded Annual Growth Rate</td>
</tr>
<tr>
<td>CAMPA</td>
<td>Compensatory Afforestation Fund Management and Planning Authority</td>
</tr>
<tr>
<td>CBE</td>
<td>Community-based Enterprise</td>
</tr>
<tr>
<td>CBODS</td>
<td>Cutbona Boat Owners Development Society</td>
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<tr>
<td>CBT</td>
<td>Community-based Tourism</td>
</tr>
<tr>
<td>CCA/CC</td>
<td>Conservation Corporation Africa</td>
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<tr>
<td>CCP</td>
<td>Corporation of the City of Panjim</td>
</tr>
<tr>
<td>CESD</td>
<td>Center on Ecotourism and Sustainable Development (now CREST)</td>
</tr>
<tr>
<td>CFC</td>
<td>Chlorofluorocarbon</td>
</tr>
<tr>
<td>CHOOGM</td>
<td>Commonwealth Heads of Government Meeting</td>
</tr>
<tr>
<td>CREST</td>
<td>Center for Responsible Travel</td>
</tr>
<tr>
<td>CRZ</td>
<td>Coastal Regulation Zone</td>
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<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
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<td>CSS</td>
<td>Central Sponsoring Scheme</td>
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<tr>
<td>CST</td>
<td>Certification for Sustainable Tourism, Costa Rica</td>
</tr>
<tr>
<td>CZM</td>
<td>Coastal Zone Management</td>
</tr>
<tr>
<td>ECB</td>
<td>External Commercial Borrowing</td>
</tr>
<tr>
<td>EDCs</td>
<td>Eco-Development Committees</td>
</tr>
<tr>
<td>ESAs</td>
<td>Eco Sensitive Areas</td>
</tr>
<tr>
<td>FCA</td>
<td>Forest (Conservation) Act, 1980</td>
</tr>
<tr>
<td>FHRAI</td>
<td>Federation of Hotels and Restaurants Association of India</td>
</tr>
<tr>
<td>FLO</td>
<td>Fairtrade Labelling Organisation</td>
</tr>
<tr>
<td>FOSAM</td>
<td>Federation of Small and Medium Hotels</td>
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<tr>
<td>FRA</td>
<td>The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006</td>
</tr>
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<td>FTCs</td>
<td>Fixed Term Contracts</td>
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<tr>
<td>FTTSAS</td>
<td>Fair Trade in Tourism South Africa</td>
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<tr>
<td>GCZMA</td>
<td>Goa Coastal Zone Management Authority</td>
</tr>
<tr>
<td>GM</td>
<td>General Manager</td>
</tr>
<tr>
<td>GRI</td>
<td>Global Reporting Initiative’s</td>
</tr>
<tr>
<td>GSPPCB</td>
<td>Goa State Pollution Control Board</td>
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<tr>
<td>GSTC</td>
<td>Global Sustainable Tourism Criteria</td>
</tr>
<tr>
<td>GSTC Partnership</td>
<td>Partnership for Global Sustainable Tourism Criteria</td>
</tr>
<tr>
<td>GTBS</td>
<td>Green Tourism Business Scheme</td>
</tr>
<tr>
<td>HDPB</td>
<td>Hospitality Development and Promotion Board</td>
</tr>
<tr>
<td>HLGS</td>
<td>High-Level Group on Services Sector</td>
</tr>
<tr>
<td>HRACC</td>
<td>Hotel and Restaurant Approval &amp; Classification Committee</td>
</tr>
<tr>
<td>HSD</td>
<td>High Speed Diesel</td>
</tr>
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<td>HTL</td>
<td>High Tide Line</td>
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<tr>
<td>ICRT</td>
<td>International Centre for Responsible Tourism</td>
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<tr>
<td>IHCL</td>
<td>Indian Hotels Company Ltd</td>
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<tr>
<td>ILO</td>
<td>International Labour Organisation</td>
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<tr>
<td>ISO</td>
<td>International Organisation for Standardisation</td>
</tr>
<tr>
<td>ITRI</td>
<td>Indigenous Tourism Rights International</td>
</tr>
<tr>
<td>IUCN</td>
<td>International Union for Conservation of Nature</td>
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<td>JV</td>
<td>Joint Venture</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
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</tr>
<tr>
<td>LEED</td>
<td>Leadership in Environmental Energy and Design</td>
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<tr>
<td>LPG</td>
<td>Liquefied Petroleum Gas</td>
</tr>
<tr>
<td>MINARS</td>
<td>Monitoring of Indian National Aquatic Resources</td>
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<tr>
<td>MoEF</td>
<td>Ministry of Environment and Forests</td>
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<tr>
<td>MoT</td>
<td>Ministry of Tourism</td>
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<tr>
<td>MPEDB</td>
<td>Madhya Pradesh Ecotourism Development Board</td>
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<td>MPFD</td>
<td>Madhya Pradesh Forest Department</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<td>NGPDA</td>
<td>North Goa Public Development Authority</td>
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<tr>
<td>NOC</td>
<td>No Objection Certificate</td>
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<tr>
<td>NRIs</td>
<td>Non-Resident Indians</td>
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<td>NSRT</td>
<td>National Standard for Responsible Tourism</td>
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<tr>
<td>NTCA</td>
<td>National Tiger Conservation Authority</td>
</tr>
<tr>
<td>NTFP</td>
<td>Non-Timber Forest Produce</td>
</tr>
<tr>
<td>ODP</td>
<td>Outline Development Plan</td>
</tr>
<tr>
<td>PESA</td>
<td>Panchayat Extension to the Scheduled Areas (PESA) Act, 1996</td>
</tr>
<tr>
<td>PUG</td>
<td>Practices Under Guidelines (TOFT)</td>
</tr>
<tr>
<td>PWD</td>
<td>Public Works Department</td>
</tr>
<tr>
<td>RTDC</td>
<td>Rajasthan Tourism Development Corporation</td>
</tr>
<tr>
<td>RTI</td>
<td>Right to Information (RTI) Act, 2005</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium Scale Enterprises</td>
</tr>
<tr>
<td>STC</td>
<td>Sustainable Tourism Certification</td>
</tr>
<tr>
<td>STP</td>
<td>Sewage Treatment Plant</td>
</tr>
<tr>
<td>STSC</td>
<td>Sustainable Tourism Stewardship Council</td>
</tr>
<tr>
<td>TIES</td>
<td>The International Ecotourism Society</td>
</tr>
<tr>
<td>TOFT</td>
<td>Tour Operators for Tigers</td>
</tr>
<tr>
<td>TSC</td>
<td>Tourism Sustainability Council</td>
</tr>
<tr>
<td>TSPL</td>
<td>Taj Safaris Pvt. Ltd.</td>
</tr>
<tr>
<td>TTF</td>
<td>Tiger Task Force</td>
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<tr>
<td>UNCED</td>
<td>United Nations Conference on Environment and Development</td>
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<tr>
<td>UNEP</td>
<td>United Nations Environment Programme</td>
</tr>
<tr>
<td>UNWTO</td>
<td>United Nations World Tourism Organisation</td>
</tr>
<tr>
<td>WLPA</td>
<td>The Indian Wildlife (Protection) Act, 1972</td>
</tr>
<tr>
<td>WRD</td>
<td>Water Resources Department</td>
</tr>
<tr>
<td>WSSD</td>
<td>World Summit on Sustainable Development</td>
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<tr>
<td>WWF</td>
<td>World Wildlife Fund</td>
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</table>
Image and Ethics in Corporate Accountability in Tourism
Case studies of Multinational Corporations in India

Introduction
Recently, the Asia Monitor Resource centre, an independent non-governmental organisation that focuses on Asian Labour released a position statement on Corporate Social Responsibility. They noted that Corporate Social Responsibility (CSR) is generally understood as being no more than corporate-run community development projects. At the moment, they observe, CSR has won the battle of ideas and serves the neoliberal agenda of a reduced role for the state in favour of an expanded role for the corporate sector. There are many actors involved in CSR activities: NGOs, government, and international institutions, which eventually make CSR an emerging industry itself, valued at US$ 31.7 billion in 2007.

What is worrying about many examples of CSR is that it provides a kind of smokescreen for corporations to project the image of responsible social actors and detracts from the multifarious ways in which the power and hegemony of corporations is increasing as well as their lack of any real accountability towards communities and people they impact. Corporations believe that if they can promise returns to their investors then they are exempt from all other obligations to society in their drive for profits above all else.

EQUATIONS has relentlessly pursued the question “Who Really Benefits from Tourism”. It is easy to answer that question from the perspective of some of tourism’s stakeholders - viz large corporations, tourists themselves, and governments. But when this question is posed from the perspective of local “host” communities, from small and marginal players eking out a livelihood from tourism, from those forced to deal with tourism’s negative impacts – the answers are different. They do not necessarily say they want more of tourism!

The last few years has seen the beginnings of a discourse on Responsible Tourism in India. The champions of the discourse are in high level committees and conclaves and represent the high end tourism sector and those focussing on niche and elite markets. The discourse is mostly about going green or about responsible luxury. Most proclamations are about voluntary measures and ratings or certifications. However this is only the tip of the iceberg and there is little or no confrontation of the real problems associated with tourism in India and the lack of accountability that corporations get away with.

This publication is a set of research studies that EQUATIONS has done focusing on different dimensions of Corporate Accountability. We have used the case study method to demonstrate the nuances involved in understanding corporate accountability beyond the limited definitions that corporations like to circumscribe themselves in. The view that we have taken is clearly from the stakeholders who are not in the room and whose voices are not sought when policies are made and regulations are diluted – such as the forest dwellers and adivasis, the local residents, the small shopkeepers, and the crafts persons. In our accounts the context setting is deliberately elaborate - as an indication that it is often contexts and histories that decide if behaviour and action is socially, culturally and economically just or sensitive. We hope that these accounts will help spark off a deeper and more authentic and inclusive debate about the futures we are shaping in tourism - where those with great power amass even more with lesser and lesser responsibility and almost no accountability.

EQUATIONS Team
April 2011
01. Introduction

Wildlife tourism, in the past 10 – 15 years has received a boost both from the government as well as the tourism industry. The Ministry of Tourism issued its first set of guidelines for ecotourism in 1998. An activity which was once limited to naturalists, wildlifers and researchers has over the past 5-7 years, started seeing an increasing number of excursionists and picnickers visiting wildlife sanctuaries, interest being especially in the big animals like the Lion, Tiger, Rhino and the Elephant. Around the same time, the state forest departments started getting actively involved in tourism in the forest areas. Today most of the state’s ecotourism policies are written by the forest department and management of tourism in the forest is retained by them.

1.1. Tiger Tourism

Within wildlife tourism, the tiger has been an important pull to tourists. Kanha was one of the first nine National Parks to be declared a critical tiger habitat under the Project Tiger in 1973. Along with Corbett National Park, Uttarakhand, Kanha was also one of the first to see large scale tourism development. Madhya Pradesh, also known as the Tiger State owing to the fact that it holds 19% of the country’s and 10% of world tiger population has therefore seen high tourist visitations consistently over the years.

At the turn of the 20th century, there were 40,000 tigers in the country, which had come down to 4,000 in 1965 and fell to an abysmal 1800 in 1972. It was when this alarming fact came to light in 1972, that Project Tiger was introduced by the central government. In 2001 – 2002, the tiger population had increased to 3,642. However, in 2004, the shocking revelation that there were no tigers left in Sariska, Rajasthan (a historically important tiger reserve), prompted the Ministry of Environment and Forests (MoEF) to set up the Tiger Task Force (TTF), which submitted a detailed report in 2005. According to this report there are 1,411 tigers left as of 2008 in 28 tiger reserves. Today the estimated tiger population in the country is 1706.

According to the same report, 1.29 million wildlife tourists visited the reserves in 2004 - 2005 which brings the average visitation per park to about 58,456 per year. According to the data available in 2008 with the Madhya Pradesh Forest Department, in 2007–2008, vehicles entering Kanha were 27,941 and Pench was 9,953. However, the exact number of tourists visiting the parks depends on several factors like the probability of tiger sighting, proximity to rail heads/airports, promotion of the park and the historicity of the park.

While tourism can benefit a region, by creating livelihood options etc., it can also be detrimental as it can trigger negative impacts like land alienation (due to illegal purchases of land for tourist accommodations), loss of wildlife habitat, etc. Ranthambore National Park in Rajasthan is a classic case illustrating these negative impacts and implicating tourism in the deterioration of a wildlife reserve. The management and regulation of tourist and vehicle entry was handed over to the state tourism department and the Rajasthan Tourism Development Corporation (RTDC) in 2004, which due to improper management has negatively impacted the habitat. Due to the non-regulation of tourism infrastructure, there have been large amounts of private investment especially in high-end tourism establishments. It is reported that the annual turnover is 21.88 crores across top 21 elite hotels (there are 33 recorded hotels around the Park). A result of this is the feeling of alienation of villagers living around the park as they do not receive any benefits from the high-end tourism that has been promoted in Ranthambore. In fact the money earned by the hotels includes park entry fees which should rightly be handed over to the state Forest Department for conservation and other eco development work. Due to these negative effects and following the release of the report of the Tiger Task Force, which quite vociferously highlighted the negative impacts due to the bad management of the RTDC, the management of tourism in the National Park was handed back to the Forest Department.

1.2. The Conservationist – Tourism Nexus

Wildlife tourism in India has had a history of conservationists entering the tourism sector. A factor contributing to this could be the fact that wildlife tourism requires guides who understand the intricate realities of the forest, which is a specialised field. Conservationists set up establishments which offer more than just accommodation to the tourist. Staying at the establishments owned by conservationists promises guides who know the forests and the flora and fauna. They also operate in the very broad realm of what is understood as ecotourism where food, physical structures at the lodge, the atmosphere and the experience in general are such that they are seemingly in tune with local realities.

Some examples of conservationists who have entered the tourism foray are Kipling's Camp owned by the internationally known British environmentalist Belinda Wright was set up in 1982, one of the first on the periphery of the Kanha Tiger Reserve. The famous tiger conservationist whose life work has been in the Ranthambore, Valmik Thapar’s nephew reportedly owns the Sher Bagh in the same tiger reserve. Hashim Tyabji
along with 3 other individuals ran a high end luxury lodge at Pench Tiger Reserve, which has now been leased out by Taj Safaris Pvt. Ltd. Dr. Raghunandan Singh Chundavat owns the Sarai at Toria, a lodge at Panna Tiger Reserve and has opened its doors to tourists in 2011.

All the above mentioned conservationists have been able to significantly influence wildlife related policies and practices in the country and have served on a government instituted committee for conservation at some point in their careers, pointing to the possibility of a nexus between conservationists, the state and the tourism industry.

Lately, Taj Safaris Pvt. Ltd. (TSPL) a joint venture company formed between the Tata Sons promoted India Hotels Company Limited and & Beyond, an African adventure wildlife tourism and conservation company which specialises in animal translocation has entered the wildlife tourism sector.

1.3. Corporate Accountability in Tourism

Widely agreed understandings of corporate accountability take into account three aspects societal, organisational and interpersonal.

“Corporate accountability can be defined as the ability of those affected by a corporation to control that corporation’s operations. This concept demands fundamental changes to the legal framework in which companies operate. These include environmental and social duties being placed on directors to counterbalance their existing duties on financial matters and legal rights for local communities to seek compensation when they have suffered as a result of directors failing to uphold those duties.”

Corporate accountability is seen as being different from corporate social responsibility, though the two are connected. Corporate accountability is directly related to the core tasks and operations of the organisation and is related to its accountability to the people affected by the activities of the corporation. Corporate social responsibility on the other hand is the welfare activity that a corporation takes on voluntarily, and often has philanthropic overtones. In the discourse on corporate accountability, a corporation is bound to respond to the impacts of their activities on communities and address these. Some of the potential impacts of a corporation on communities are land and resource alienation, water and land being polluted by industries set up etc. In these cases, it is the fundamental duty of the corporation to take into consideration potential negative impacts while planning the activities as well as to mitigate any unavoidable losses to the communities. Going by this argument, communities living in the vicinity of the corporate enterprise have a greater right, than what they are currently ascribed, to influence the decisions of corporations.

This becomes an imperative in the case of the private sector involved in wildlife tourism since their activities impact the forests, flora, fauna, environment and most fundamentally communities. Communities who are already marginalised due to their location and identity, since more often than not, communities living in forests are adivasis who have already experienced land dispossession and continue to do so with the increasing importance given by the Ministry of Environment and Forests (MoEF) to areas considered critical wildlife habitats.

The need to need to interrogate corporate accountability is also very important in the case of the tourism sector as tourism is one of the most unregulated sectors in the country. The self imposed mandate of the state and central bodies in tourism has been mostly about promotion and infrastructure development. Thus any regulation has been at the behest of voluntary standards of business ethics, values and practices of the private players in the industry.

1.4. Governance in Forest Regions

The MoEF along with the state forest departments are responsible for forests and forest lands. The district collector as well as the structures for revenue regions has little to no say when it comes to areas identified as forest land. All development, including issues of supplying electricity to villages (forest or revenue) need to be approved by either the state forest department or the MoEF. This has resulted in the forest department taking on a neo-colonial role and structure post independence. With the state forest department entering the tourism sector through ecotourism policies and the management of wildlife sanctuaries and national parks, their lack of a pro-people attitude, has been highlighted by several people’s movements.

However, what is happening in actuality is that the big players in the tourism industry and the conservationists have a lot more space in decision making than the people themselves. This has led to a campaign-like propagation that communities living inside and on the peripheries of forests are the ones who are destroying the forests. It must be recalled that one of the reasons that propelled the central government to introduce the ban on game hunting in India, was the leisure hunting that the erstwhile royal families continued to indulge in, on their traditional hunting grounds.

The other important element of governance in forest areas is the blatant disregard and violation of the Panchayat Extension to the Scheduled Areas (PESA) Act, 1996 (PESA, 1996) and The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (FRA, 2006). PESA, 1996 gives adequate directions with respect to policy implementation in Scheduled V areas and FRA, 2006 gives specific directions for its implementation in areas declared as critical wildlife habitat.
1.5. Objectives of the Study

It is with this complex set of factors in the background – wildlife tourism, conservation, corporate accountability and governance - that a study on the Taj Safaris Pvt. Ltd. (TSPL) was conducted in Madhya Pradesh during the month of January 2011.

The IHCL and its subsidiaries are together known as the Taj Hotels Resorts and Palaces and comprises 93 hotels in 53 locations, including 25 Ginger hotels across India and 16 international hotels in the Maldives, Malaysia, Australia, UK, US, Bhutan, Sri Lanka, Africa and the Middle East.

One of the collaborations between the Taj and &Beyond - Taj Safaris – are luxury wildlife lodges. The Tata group website claims "Taj Safaris that allow travellers to experience the unparalleled beauty of the Indian jungle amidst luxurious surroundings. They offer India’s first and only wildlife luxury lodge circuit. Taj Safaris provide guests with the ultimate, interpretive, wild life experience based on a proven sustainable ecotourism model."

Given the Taj groups aggressive plans for expansion as well as its significant presence in the wildlife tourism sector this study focussed on Taj Safaris in Madhya Pradesh.

The objectives of the study were:
• To understand Taj Safari’s Pvt. Ltd. practices in the context of corporate accountability.
• To understand social, cultural, economic and political impacts of the company’s activities on the communities living in the region.
• To understand the role that the company plays in conservation.
• To understand the role of the company in influencing tourism and forest policies of Madhya Pradesh.

1.6. Methodology

TSPL operates 4 lodges, one each at Panna, Bandhavgarh, Kanha and Pench Tiger Reserves in Madhya Pradesh, which is the study area. EQUATIONS interviewed the following persons in the 4 tiger reserves:

<table>
<thead>
<tr>
<th>Tiger Reserve</th>
<th>Communities</th>
<th>TSPL</th>
<th>Park Director/ Collector/ other senior officials</th>
<th>Civil Society Organisations</th>
<th>Other lodge owners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panna</td>
<td>√</td>
<td>√</td>
<td>Field Director</td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>Bandhavgarh</td>
<td>√</td>
<td>√</td>
<td>Collector</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Kanha</td>
<td>√</td>
<td>√</td>
<td>Deputy Director (Buffer)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pench</td>
<td>√</td>
<td>√</td>
<td>Field Director</td>
<td></td>
<td></td>
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<tr>
<td>Bhopal</td>
<td></td>
<td></td>
<td>Chief Wildlife Warden, Madhya Pradesh Forest Department</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1: People and organisations interviewed

The following are the other sources of data:
• Review of relevant policies, guidelines, rules and acts of MoEF and the state forest departments.
• Information on the websites of TSPL, IHCL, & Beyond.
• Information on other related websites, magazines and travel advice sites like tripadvisor.com

1.7. Limitations of the Study

Since this study is focussed on corporate accountability of corporations with TSPL as a case study, neither are all corporate entities in the 4 parks studied, nor are all issues of wildlife tourism explored. Further, there are some larger issues around forests, community and tourism like that of governance, implementation of relevant laws etc. which have not been explored in this study. However, these are important issues which will need to eventually be taken up.

02. Taj Safaris Pvt. Ltd.

Taj Safaris Pvt. Ltd., is a joint venture between the Tata owned Indian Hotels Company (IHCL) and & Beyond, set up in 2004, with initial plans of setting up 5 high-end luxury lodges one each at Panna, Bandhavgarh, Kanha, Pench National Parks in Madhya Pradesh and Corbett National Park in Uttarakhand.

In 2003, news appeared in the media that IHCL was entering into a joint venture with Conservation
Corporation (CC) Africa and Cigen Enterprises (a fully owned subsidiary of the Nepal based Chaudhary Group)\textsuperscript{10} to form the Taj Wilderness Lodges.

CC Africa (recently been re-named as & Beyond) is one of the biggest luxury adventure tourism companies of Africa. The Chaudhary Group is a large food and beverage processing company in Nepal, who in 2001 formed a joint venture with IHCL to form Taj Asia Ltd., which is envisaged to take care of acquisitions in south-east Asian countries.

The joint venture was finally established in 2004 between CCA & IHCL,\textsuperscript{11} and called Taj Safaris Pvt. Ltd. There is no information in the public domain about the share holding of each of the companies in the joint venture.\textsuperscript{12} In 2006 it was envisaged that each lodge would cost anywhere between Rs. 8 – 10 crores.\textsuperscript{13}

**About & Beyond**

In the late 1970s 2 brothers turned their private family vacation lodge into a wildlife tourism lodge focusing on ‘low density, high-priced tourism’ and have since promoted themselves as a conservation organisation. In 1989, Conservation Corporation Africa (CC Africa) was established when the Varty brothers teamed up with Alan Brenstein, a wealthy white South African. By 1990-91, the first private lodge was established. By 2007, the company had expanded operations to over 40 lodges in 16 African countries. This has been possible since wildlife reserves in Africa are not necessarily state owned and several designated areas are privately owned game parks.

In 2008, CC Africa rechristened itself as & Beyond. Today the company boasts of having 50 lodges in 16 countries. The joint venture with IHCL, & Beyond has entered the global wilderness tourism market. CC Africa claims as its USP ‘conservation with community development’.

What is interesting in the model of community development is that the resources for this are not obtained from the profits of the company. Instead the Rural Investment Fund (now Africa Foundation) was set up for which the company raises resources from external donor agencies. This is similar to what TSPL is attempting to replicate in India.

With the large number of properties that & Beyond owns and operates, the company has also become an expert in translocation of animals. This is presumably done to ensure sustainability of the environment of the different game parks they own. The expertise in translocation is another element that & Beyond brings to India. TSPL had initiated the gaur translocation project with the Madhya Pradesh forest department, which took place recently.\textsuperscript{14}

Mr Raymond Bickson, Managing Director, IHCL, from a press release by the company in 2004, makes clear the motivations for IHCL to get into this joint venture and enter the wildlife tourism sector:\textsuperscript{15}

> “We believe there is tremendous opportunity in a planned, aggressive thrust to promote the abundant wildlife offerings in this country….. With this venture, the Taj will make a concentrated effort on improving the quality of safari management in India and taking it to international standards, while promoting wildlife tourism within the country.”

In the same news article, Mr Steve Fitzgerald, Chief Executive Officer, CC Africa stated:

> “We are delighted to work with the most well connected and knowledgeable network of hotels to explore the wide range of opportunities in a fascinating wildlife destination like India. This joint venture allows us, for the first time, to implement outside Africa, our model of a successful ecotourism business which contributes time, passion and revenue towards the presentation of wilderness biodiversity and community benefits.”

The TSPL website claims that IHCL brings in the hospitality component into the joint venture, while & Beyond brings in its experience of wildlife tourism and conservation into the project. The company also boasts of the ‘hardware by Taj Hotels Resorts and Palaces and the software by & Beyond’.

The company has until now set up 4 lodges out of the 5 planned at 4 sites in Madhya Pradesh:
- Pashan Garh, Panna
- Mahua Kothi, Bandhavgarh
- Banjaar Tola, Kanha
- Baghvan, Pench

In a news article on March 10, 2010, it was reported that 6 more establishments were being planned over the next 18 months, with one in Assam.\textsuperscript{16}

The 4 TSPL lodges have PUG ratings, a certification from the Tour Operators for Tigers (TOFT).

**About TOFT**

The Tour Operators for Tigers (TOFT) considers itself a travel industry campaign rather than an organisation and is based in the United Kingdom (UK). It views itself as the champion of the tiger, encouraging tour operators to be responsible and sustainable in their activities. TOFT promotes a certification called PUG, based on 3 broad aspects of enhanced quality, improved profitability and broader market appeal. Across these 3 aspects are covered the issues of ecological and ethical standards, safeguard livelihoods of local communities, therefore adding value to the parks and increased appeal of the tourists due to the certification.

In June 2010, there were reports in the newspapers that TOFT had submitted a formal proposal to the Madhya Pradesh forest department to lease parts of reserved forest areas to private tour operators who would ensure conservation along with boosting their tourism businesses. The state forest department approved it and
sent it to the central ministry for approval where it was shot down. Below is a brief on each of the lodges on the following parameters:

- Operational since
- National Park Gate located at and distance
- Size of property
- No. of rooms
- Ratio of guests to staff
- Status of land holding
- Type of structures
- CSR initiatives

<table>
<thead>
<tr>
<th>Lodge</th>
<th>Operational Since</th>
<th>N.P. Gate located at and distance</th>
<th>Size of property</th>
<th>No. of Rooms</th>
<th>Ratio of guests to staff</th>
<th>Status of land holding</th>
<th>Type of structures</th>
<th>CSR Initiatives</th>
</tr>
</thead>
</table>
| Pashan Garh, Panna   | 2009              | Madla, 30 minutes (12 kms) from gate | 190 acres        | 12           | 1:2                      | Own 100 acres and remaining 110 acres on lease | Luxury stone lodges  | ● Wildlife Band  
● Sale of School Bags  
● Excursions for students of nearby government schools in the Park  
● Donation of books, bags and shoes to students of nearby schools  
● LPG Programme (only by Banjaar Tola) |
| Mahua Kothi, Bandhavgarh | 2006        | Tala, 20 minutes drive from gate | 40 acres         | 12           | 1:1.5                    | Leased                 | Jungle village huts |                                                                                  |
| Banjaar Tola, Kanha  | 2008             | At Mukki                          | 90 acres         | 18           | 1:2.5                    | Own all 90 acres       | Tented suits in 2 camps of 9 tents each |                                                                                  |
| Baghvan, Pench       | 2007             | Turia, 5 minutes drive from the gate | 14 acres         | 12           | 1:5                      | Leased                 | Suites with a contemporary bungalow feel |                                                                                  |

Table 2: Brief information on the TSPL properties

The company is headquartered at New Delhi. Each lodge has a regional manager, operations manager and in-charge for all the departments listed above. All the heads of departments are located at Banjaar Tola, who are responsible for their respective departments in the 4 lodges and who are supported by the resident in-charge. Below is the Organisation Chart of TSPL at the lodge level:

![Organogram at the lodge level](image)

The numbers of staff vary across the 4 lodges. About 90% of the staff is male at all the 4 lodges. The regional manager and operations manager are people who have the relevant qualifications and are not from the region. About 30-40% (in contrast 60-70% according to the claims of Mridula Tangrial, Director - Operations, TSPL) of the staff are from the local communities and are employed in the following departments: food & beverages (service), maintenance, housekeeping, laundry and security. However, the heads of these departments located at Banjaar Tola are not from the local communities. Members of the local community are usually taken on for the lower rung jobs and depending on performance are promoted to higher positions.

In some of the lodges and in the case of some of the departments, the person from the local community hired has been promoted as in-charge at the lodge level. Only in the case of Banjaar Tola, a person from the local community who was employed as the Utility (UT) in the main kitchen has been promoted to the head of the satellite kitchen on campus. Banjaar Tola is also the only lodge to have a woman naturalist.

At Mahua Kothi, it was shared that the lodge sees about 30-40% occupancy, which they believe is good since the park is closed for 5 months of the year. At Pashan Garh, the manager shared that 2010 saw 3000 bed nights in the year, which he felt was excellent given that the lodge is only in its third year.
2.1 Tariffs
Tariffs and special packages are common across all 4 lodges. All bookings are made only at the company’s headquarters in New Delhi. Below is the tariff table for 2010-2011:

<table>
<thead>
<tr>
<th>Package</th>
<th>Tariff</th>
</tr>
</thead>
<tbody>
<tr>
<td>All inclusive</td>
<td>High Season (October – April): Rs. 32,000</td>
</tr>
<tr>
<td></td>
<td>Low Season (April – June): Rs. 20,000</td>
</tr>
<tr>
<td>Stay longer for less</td>
<td>• Stay for 5 nights and only pay for 4</td>
</tr>
<tr>
<td></td>
<td>• Stay for 8 nights and only pay for 6</td>
</tr>
<tr>
<td></td>
<td>• Stay for 11 nights and only pay for 8</td>
</tr>
</tbody>
</table>

Special Offers (only for Indians)

<table>
<thead>
<tr>
<th>Package</th>
<th>Tariff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bed &amp; Breakfast offer</td>
<td>• Rs. 7,500 per person per night</td>
</tr>
<tr>
<td></td>
<td>• Includes accommodation, breakfast and taxes</td>
</tr>
<tr>
<td>Limited Jungle Plan</td>
<td>• Rs. 12,500 per person per night</td>
</tr>
<tr>
<td></td>
<td>• Includes accommodation, all meals, non-alcoholic beverages, laundry,</td>
</tr>
<tr>
<td></td>
<td>park fee, one safari per day and taxes</td>
</tr>
<tr>
<td>Full Jungle Plan</td>
<td>• Rs. 16,000 per person per night</td>
</tr>
<tr>
<td></td>
<td>• Includes accommodation, all meals, beverages, house liquor &amp; wines,</td>
</tr>
<tr>
<td></td>
<td>laundry, park fee, twice daily game safaris and taxes (applicable</td>
</tr>
<tr>
<td></td>
<td>for a minimum 2 night length of stay)</td>
</tr>
</tbody>
</table>

Table 3: Tariff plan of the TSPL properties

2.2 Construction and Interiors of the 4 Lodges
All the 4 lodges have been designed by Chris Browne, the Creative Director of & Beyond, Africa.

The construction material used at the 4 lodges is different and there has been an attempt to use local materials. However the structure and design of the lodges themselves have little resemblance to the construction of homes in the respective regions. Most of the materials for the interiors have been sourced from a trader of antiques located in Udaipur, Rajasthan.

The structures have not been audited by any of the local communities. The only people from the local communities who have access to the lodges are families of the staff who according to non-local staff at the lodges claim have liked the properties. The claim that TSPL make that the structures are based on local constructions, seems therefore a bit far fetched.

Validating this is the following review written on the website www.tripadvisor.com by a couple who stayed at Banjaar Tola.21

"......The camp is somehow linked (I think) to an African group. My husband and I have stayed in Singita Camp in South Africa, and the room layout/bathroom/sundeck combo at Banjaar Tola is exactly the same... even some of the objects and paintings in the room looked African rather than Indian. Obviously this isn’t a deal-breaker in many people’s eyes, and as all the other guests whilst we were at the camp were Indian, it might have been appealing to them. But we wanted India, ..... ."
Figure 2: The interiors of the common area at Pashan Garh, Panna National Park

Figure 3: Interiors of the tents at Banjaar Tola speak of super luxury in the wilderness

Figure 4: The sit out at Baghvan. All the antiques have been sourced from Udaipur, Rajasthan
2.3 Food & Beverages
In contrast to the non-localised architecture and construction, Mr. Manish Taygi the head of the Food & Beverages (F&B) – Production and stationed at Banjaar Tola has specialised in Bundelkhandi (a region of Madhya Pradesh) cuisine. He has travelled across the region and met some of the older generation who are known to still have knowledge of traditional Bundelkhandi cuisine. During the months that the lodge is closed, the F&B staff conducts Bundelkhandi food festivals at the Taj hotels across the country.

2.4 CSR Initiatives of TSPL
The following is the information on CSR practices of IHCL. However, since TSPL is a joint venture, it is unclear as to whether they follow the CSR practices of IHCL.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Indian Hotel Companies Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appointment of a company CSR manager</td>
<td>Yes</td>
</tr>
<tr>
<td>Member of Global Compact</td>
<td>Yes</td>
</tr>
<tr>
<td>Published CSR policy</td>
<td>Yes</td>
</tr>
<tr>
<td>CSR initiatives include both social and economic</td>
<td>Yes</td>
</tr>
<tr>
<td>Method of enforcement</td>
<td>Employee volunteering</td>
</tr>
<tr>
<td>Presence of company in other countries</td>
<td>Yes</td>
</tr>
<tr>
<td>Separate CSR policies for different socioeconomic regions</td>
<td>No</td>
</tr>
<tr>
<td>Percentage of annual profits used for CSR</td>
<td>No info available</td>
</tr>
<tr>
<td>Environmental CSR initiatives</td>
<td>Yes</td>
</tr>
<tr>
<td>Social CSR initiatives</td>
<td>Yes</td>
</tr>
<tr>
<td>Economic CSR policy</td>
<td>No</td>
</tr>
</tbody>
</table>

Table 4: Information on CSR initiatives of IHCL

According to the IHCL website on CSR, the company is committed to further arts and crafts of those living in the vicinity of their establishments by collaborating with ‘Paramparik Karigar’ through trainees who identify projects to take forward. It is envisaged that this gives the trainees the exposure to living with communities and broaden their outlook. On reading the document, what comes across is that the reason behind this activity is more to enhance corporate volunteering rather than furthering the cause of the artisans.

In a press release dated June 10, 2010, the Tata Group announced that the Tata International Social Entrepreneurship Scheme (Tata ISES) in the 2010 will receive 13 students from London School of Economics (LSE), Cambridge University and University of California, Berkeley. They will be placed with different Tata companies for 2 months, working on community initiative projects by the company. For the year 2010, the students from Cambridge University were placed with IHCL and their task would be to:

"Identify community engagement programmes around Taj Safaris that 1) could be implemented in the future and 2) documentation through social media tools to connect tourism and the neighbouring community for brand building initiatives."²²

There are two issues which are striking here, 1.) A member of the Tata institutional field is the Tata Institute of Social Sciences (TISS), the first school of social work in the country, yet there seems to have been no attempt made to involve the Institute to plan community programmes²³ and 2.) the reason for the students’ work is for brand building initiatives. How then does this qualify as CSR?

Conservation and community development are planned and implemented at the lodge level. IHCL’s Taj Mahal Hotel in Delhi has a Bundelkhandi cuisine as part of the Safari menu at the Hotel’s restaurant Machan. 10% of revenues from this cuisine have been earmarked for the conservation of the forests at the 4 tiger reserves where the lodges are located. As part of the conservation plan, is the subsidising of gas connections for the villagers. According to TSPL, with every one family that abstains from using firewood, 600 kg. of the resource are saved per month.²⁴

The plan is that the company will contribute Rs. 3500 out of the Rs. 4500 towards the connection with each family having to pay an initial amount of Rs. 1500. The company is exploring with LPG providers the option of the villagers paying in instalments.

Currently, the only consistent CSR initiative across the 4 lodges is the sale of ‘Wildlife Bands’ and School bags placed in the stores and purchased by the guests. The school bags are sold for Rs. 500 per bag. When about 50-60 bands and bags have been sold, the money so collected from the sale of bands is used to purchase books, pencils and shoes which are given to children of the nearby government schools. The school bags sponsored by the guests are also given to the children.
Finally, the initiative of TSPL to take students of the nearby government schools into the Park as a way of instilling in the students a need for conservation and respect of the forests is highly presumptuous. Many of the people living in the periphery of the Park have been displaced from within the park. For e.g. Kanha village was resettled at Khatia, which is today the entry gate to the Kanha Tiger Reserve. Manji Tola was also a village which lived within the Park and have been displaced in the late 1970s. That the company would teach conservation to adivasi children, who are the inheritors of a legacy of sustainable living and who hear rich stories of the past from the village elders is both disrespectful and arrogant. When the researcher shared this with people in the nearby villages, they were infuriated since they access the forests in a manner which is sustainable.

TSPL has recently submitted a proposal for community development projects to be implemented at the 4 sites where the lodges are located, to the Sir Dorabji Tata Trust. This has been approved and the project is to start sometime soon. Through the project TSPL hopes to identify about 15-20 youth across the 4 regions, who will be trained in hospitality services and then absorbed by the company in one of their many set ups across the country. One staff has been hired for planning and implementing community development in the 4 areas, however since the staff was on leave the researcher was unable to meet her and get more details. The staff member shared that plans for community development were prepared at each of the sites and compiled by the specialised staff at Banjaar Tola, sent to the New Delhi office. However the staff at Baghvan were unaware of such a proposal having been made, let alone that it had been sanctioned. This initiative also seems more like the furthering of the employability of the youth of the region into the hospitality sector, thus reducing the costs of hiring and retaining staff from the cities. There is no consideration of the aspirations and dreams of the youth. In fact the Tata Group seems to have made a better effort at contributing to the community in Africa, where it has several holdings, through the Tata Africa Holdings, under the Tata Scholarships Programme.

2.5 Taj, Nagarhole

In 1994, the Government of Karnataka, leased out its jungle lodges in Nagarhole National Park to Gateway Hotels and Gateway Resorts Ltd., a subsidiary of the Taj group of hotels. Nagarhole Budakattu Hakku Sthapana Samithi was the result of the mobilisation against this project specifically and against adivasi displacement in general, which came into being in 1996. The Samithi fought vehemently this development through dharnas, rasta rokos and picketing of government offices. A detailed Memorandum was submitted to 10 important stakeholders including the President and Prime Minister, Chief Minister, Forest Minister and other bureaucrats at the state level as also the Taj Hotels.

Figure 5: A student in Anyhiria who received a school bag and shoes he is wearing from TSPL.

At Banjaar Tola, TSPL along with the park administration have trained some people from nearby villages the art of bee keeping and honey collecting, in a manner where they do not smoke the bee hives. The honey thus collected is purchased by the lodge and used in their cooking. This has been experimented with a group of 10 people and the staff at Banjaar Tola say that they are ready to go into the next phase of training another group of 10. The honey is not currently being sold since there is the issue of certification of the product, which the lodge will explore once the experiment succeeds over a period of time.

Another initiative shared with great pride by the staff at Banjaar Tola are the green leaf bowls that all the 4 units purchase from women in the nearby villages. These bowls are specifically made to order according to the needs and design of the company. Each bowl is purchased for 0.50 paisa. Considering that the company is against the use of the forest by the villagers for fire wood and the collection of Non Timber Forest Produce (NTFP), causes one to wonder exactly how much the company believes in conservation. Whether the leaves are collected from the reserve forest or trees outside is not the moot point here since the demarcation of a forest as reserve is only to ensure the specific conservation of those forests, but in no way means that forest land outside of these areas can be allowed to be degraded.
The writ petition filed by the Nagarhole Budakattu Hakku Sthapana Samithi and others, in 1996 against the State of Karnataka and M/s. Gateway Hotels and Gateway Resorts Ltd was against State Government leasing out 56.41 acres of forest land to M/S Gateway Hotels and Gateway Resorts Limited, a division of the Taj Group of Hotels. The initial permission to the project was granted in violation of the rules of the Forest Conservation Act (FCA), 1980 and the Wildlife Protection Act (WLPA), 1972. A single Bench of the Karnataka High Court allowed the plea and directed that the possession be reverted to the State Government. Aggrieved by the order the respondents appealed in the High Court. The division bench of the High Court set aside the earlier judgement and allowed the appeal with some conditionalities. Aggrieved that this implied a post facto clearance by the Central Government under the FCA, Nagarhole Budakattu Hakku Sthapana Samithi and others, filed a Special Leave Petition before the Supreme Court of India. The Supreme Court reserved judgment until the decision of the MoEF regarding clearances was at hand. In 1998, MoEF rejected the application of M/s. Gateway Hotels and Gateway Resorts Ltd under the FCA and the project was stalled.

The developments in Madhya Pradesh need to be seen in this light. The one big difference between 1994 and today is that the company has managed to endear itself to the state forest department, by its attempts at conservation through the relocation of the gaur (See section 3.2) and therefore ensures that in the event of pressure from the adivasis or civil society organisations, the company will continue to have the support of the bureaucracy.

<table>
<thead>
<tr>
<th>Tiger Reserve</th>
<th>National Parks/Wildlife Sanctuaries Included in Core Area</th>
<th>Area of Tiger Reserve (in sq.kms.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Core Zone</td>
</tr>
<tr>
<td>1 Kanha</td>
<td>Kanha NP</td>
<td>917.43</td>
</tr>
<tr>
<td>2 Bandhavgarh</td>
<td>Bandhavgarh NP</td>
<td>452.666</td>
</tr>
<tr>
<td></td>
<td>Panpatha WLS</td>
<td>264.237</td>
</tr>
<tr>
<td>3 Pench</td>
<td>Pench National Park</td>
<td>292.857</td>
</tr>
<tr>
<td></td>
<td>Pench Mowghli WLS</td>
<td>118.473</td>
</tr>
<tr>
<td>4 Panna</td>
<td>Panna National Park</td>
<td>542.662</td>
</tr>
<tr>
<td></td>
<td>Gangau WLS</td>
<td>33.468</td>
</tr>
</tbody>
</table>

Table 5: Basic information of the 4 Tiger Reserves

Madhya Pradesh, located in the heart of the country is one of the richest states in terms of forest resources. Forest land in the state amount to approximately 94689.38 sq. kms, which is 30.71% of its geographical area. Madhya Pradesh also accounts for 12.44% forest area in the country. The 9 National Parks and 25 Wildlife sanctuaries are spread over approximately 10,862 sq. kms. which constitutes 11.40% of the total forest area and 3.52% of the geographical area of the state. Of the 9 National Parks, 6 have been declared as Tiger Reserves: Panna, Bandhavgarh, Kanha, Pench, Satpura and Sanjay-Dubri. A seventh at Ratapani Wildlife Sanctuary has been proposed and declared in 2010.

In 2006 through an amendment to The Wildlife (Protection) Act, 1972 a National Tiger Conservation Authority (NTCA) was instituted which has been envisaged as the nodal body for tiger conservation and management in the country. The NTCA works with the state forest departments where tiger reserves are notified. Areas under Project Tiger receive 100% assistance for non-recurring expenditure and 50% of recurring expenditure as part of the Central Sponsoring Scheme (CSS) from the NTCA. The remaining 50% of the recurring expenses are supported by the state governments.

According to The Wildlife (Protection) Act, 1972 and as reiterated by the amendment to the Act in 2006, core and buffer areas are to be demarcated for all tiger reserves. In Madhya Pradesh, Kanha is the only tiger reserve which had these areas marked from the time of its creation in 1973. In Figure 10, below are the details of core and buffer areas of the 4 tiger reserves which form part of this study:

03. Brief Background of 4 Tiger Reserves in Madhya Pradesh

Madhya Pradesh, located in the heart of the country is one of the richest states in terms of forest resources. Forest land in the state amount to approximately 94689.38 sq. kms, which is 30.71% of its geographical area. Madhya Pradesh also accounts for 12.44% forest area in the country. The 9 National Parks and 25 Wildlife sanctuaries are spread over approximately 10,862 sq. kms. which constitutes 11.40% of the total forest area and 3.52% of the geographical area of the state. Of the 9 National Parks, 6 have been declared as Tiger Reserves: Panna, Bandhavgarh, Kanha, Pench, Satpura and Sanjay-Dubri. A seventh at Ratapani Wildlife Sanctuary has been proposed and declared in 2010.

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The clarification of the core and buffer is pertinent for this study since all core areas necessarily need to be inviolate, therefore necessitating that tourism infrastructure be developed in the buffer. The buffer areas, whether forest or non-forest land are under the management of the forest department. Therefore all clearances need to be sought from the forest department and not the district administration. However, since there are revenue lands in the buffer, which are within the jurisdiction of the District Collector, there is a role for the district administration to play. However, between the confusion of protocol, more often than not many decisions are either taken extra-constitutionally or are just not taken at all. A case in point is the declaration of the buffer in Bandhavgarh Tiger Reserve. Only after the letter from the Environment Minister (MoEF) in June 2010 and a ruling from the Jabalpur High Court in December 2010, has the state forest department made any move to demarcate and declare the buffer area. The procedure states that the gram sabhas of villages who would come under the buffer area would need to pass a resolution stating their acceptance of the proposal made by the forest department. Yet, during discussions with people, it became clear that neither the forest department has shared with the gram panchayat that the village would be included in the buffer area as per the plan proposed nor were resolutions to this effect passed. Some of the more concerned lodge owners also shared that people were being made to sign on papers which they claimed were NREGA proposals, which in actuality were resolutions stating that they have accepted to be included in the buffer area.

With the buffer areas being the only regions where tourism infrastructure can be developed and the added complication of the laxity of the forest department, the adivasis living in these regions face discrimination and land alienation at 2 levels. 1. For those living in the core, displacement is the issue and for those in the buffer, access to the forest is curtailed due to the different forest and wildlife related laws and 2. illegal methods of land that private operators acquire to set up their establishments.

Following a Public Interest Litigation (PIL) filed in the High Court of Jabalpur in September 2010, in which one of the prayer’s to the High Court was the demarcation of core and buffer, the state forest department has completed the required procedures and have marked these areas. Maps with the revised core and buffer areas are awaited to be released by the forest department.

3.1 Panna Tiger Reserve
Panna National Park was declared a tiger reserve under Project Tiger in 1981. The total area of the reserve is 542.67 sq. kms. all of which is part of the core. The reserve is spread across two districts – Panna and Chhatarpur (Bundelkhand). There is only one gate at Madla to the Panna zone from where a maximum of 140 vehicles are allowed to enter the reserve per day. It is the only tiger reserve in Madhya Pradesh where the buffer has not been declared. The Madhya Pradesh Chief Minister, despite a letter sent by the Minister (MoEF) in July 2010 stating that buffer zones need to be finalised, has been reluctant to do so.
Issues in Panna Tiger Reserve

The situation in this tiger reserve is complex and different from the other tiger reserves in Madhya Pradesh. The important issues have been listed below:

- **Tiger Mortality:** In 2009, the state government finally accepted that tigers had not been sighted in Panna tiger reserve, which until 3 years before that had 24 tigers. In 2008, the state forest department accepted that there was a problem with the sex ratio of the tigers, with no tigresses and only tigers. Accordingly, 2 tigresses were brought, one each from Kanha and Bandhavgarh. The state then accepted in 2009, that there were no tigers left either. A tiger was then translocated from Pench. Today each of the tigresses has 2 cubs each, creating a population of 7 tigers in Panna.

- **Poaching:** The NTCA in its background information does not mention tiger poaching as a problem, though it is common public knowledge, especially made known by the conservation biologist Dr. Raghu Chundawat who has done extensive work in Panna and has been the key person in introducing radio collaring to monitor their movements. The current Park Director has also accepted the same and says that poaching is one of the most important reasons for the disappearance of tigers from Panna.

- **Mining:** One of the issues complicating the matter of the buffer is the fact that there is heavy mining activity just outside the periphery of the reserve. National Mineral Development Corporation (NMDC) has a mine at Majhagawan just outside the reserve at the Hinouta gate.

- **Ken-Betwa river link:** One of the first 2 rivers to be linked as part of the interlinking of rivers project of the government is that of Ken and Betwa rivers. If this is done, it is believed that about a third of the tiger reserve will be submerged. The state of the river Ken is also being affected by the mining effluents that are being dumped into streams that drain into the river.

3.2 Bandhavgarh Tiger Reserve

Bandhavgarh was declared a tiger reserve in the year 1983 and is largely located in Umaria district with a small part in Katni district (Baghelkhand). The total core area is 624.75 sq. kms out of which 207 sq. kms. (approximately 33%) has been identified as the tourist area, which is divided into 4 zones: Khitauli, Magadhi Zone 2, Panpatha and Tala Zone 1. A maximum of 394 vehicles are allowed per day across these 4 gates.

The gaur went extinct from the Park around the year 1998. It was first in the year 2008 that the translocation of gaur from Kanha was planned, which was at that time estimated to cost Rs. 1.25 crores. TSPL has been involved with the project since its inception to which they were to contribute 80% of the expenses. This is being planned despite the fact that a group of gaur have been found 30 kms. from Bandhavgarh, which have been suspected to have come from Achanakmar Wildlife Sanctuary, Chhattisgarh. The NTCA had advised the state government to explore the possibility of directing this group of gaur towards Bandhavgarh. However, the translocation was completed in the second week of January 2011 with financial and technical support from TSPL, who have reportedly video documented the whole exercise.

![Figure 8: Map of Bandhavgarh Tiger Reserve](image)
Tourism in Bandhavgarh

Figure 9: Points of Tourist in the Tala zone of Bandhavgarh Tiger Reserve

Figure 10: Vehicles in Bandhavgarh National Park wait for the tiger cub to emerge from the gully

Figure 11: Vehicles in Bandhavgarh National Park wait for the tiger cub to emerge from the gully
3.3 Kanha Tiger Reserve
Kanha, one of the first to be declared as a tiger reserve in 1973 is located in the Balaghat and Mandla districts of Madhya Pradesh (Mahakoshal and Baiga Desh). Out of the core of 940 sq. kms., 227 sq. kms. (25%) have been identified as the tourism area.34 A maximum of 300 vehicles are allowed entry into the park every day across the 3 zones: Kanha, Mukki and Sarhi.

It is said that tiger population in Kanha is the most dense and has seen tourism development much before most other wildlife destinations in the state. Kipling’s Camp in Kanha is one of the first to be established in the region. As one of the staff at the lodge puts it ‘Kipling’s Camp brought tourism to Kanha’, again indicating at the conservationist-tourism nexus.

While poaching is not seen as a major threat in Kanha, 6 tiger deaths were reported in the 6-month period from November 2008 – April 2009, doubting the credibility of the claims of the state.

3.4 Pench Tiger Reserve
Pench was declared a tiger reserve in 1992 and is located in the Seoni and Chindwara (Baiga Desh, Gondwana and part of Mahakoshal) districts of Madhya Pradesh.35 Of the total core area, 292.85 sq. kms. is located in Madhya Pradesh. The tourism area has been divided into 3 zones: Jhamtar, Touria and Karmajhiri from where a maximum of 130 vehicles are allowed every day into the reserve.

Pench has been a favourite destination for people from Maharashtra especially from the Vidarbh region given its proximity to Nagpur. The Park is also famous as the locale that inspired Kipling’s Jungle Book.

One of the biggest threats to Pench is the widening of NH7 which goes through the area adjoining the Park. The Central Empowered Committee appointed by the Supreme Court in 2009 had directed the Chief Minister to halt the cutting of trees for the widening of the road. This was done in response to a petition filed by the Wildlife Trust of India.36 However, the people of Seoni see this as anti-development and are angered by this decision.
3.5 Displacement of villages from the core areas of tiger reserves/ People-Park Conflict

<table>
<thead>
<tr>
<th>SN.</th>
<th>National Park</th>
<th>Total no. of villages</th>
<th>Villages to be excised</th>
<th>Villages to be relocated</th>
<th>Villages already relocated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>No. of Villages</td>
<td>No. of Families</td>
<td>Area (In Ha.)</td>
</tr>
<tr>
<td>1</td>
<td>Pench</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>Bandhavgarh</td>
<td>9</td>
<td>1</td>
<td>91</td>
<td>78.1</td>
</tr>
<tr>
<td>3</td>
<td>Kanha</td>
<td>45</td>
<td>10</td>
<td>1112</td>
<td>2257</td>
</tr>
<tr>
<td>4</td>
<td>Panna</td>
<td>16</td>
<td>0</td>
<td>0</td>
<td>1782</td>
</tr>
</tbody>
</table>

Table 6: Information on displacement in the 4 Tiger Parks

Figure 15: Pipar Tola, Panna Tiger Reserve after the village has been relocated

Figure 16: The famous Chakradhara meadow within the Bandhavgarh National Park, one of the earliest villages to be displaced.

Figure 17: A temple of the adivasis within the Bandhavgarh National Park. Villagers are not allowed in anymore to make offerings.
With the WLPA Amendment 2006, large scale displacement of villages from the core areas of tiger reserves has received impetus and is rampant being done without consideration of the impacts on the lives of the people.

The villagers both in the core and buffer areas view the park as a threat to their lives and livelihood.

For villages in the core the obvious cause for the anger against the Park is the fact that they are displaced. However, the popular propaganda spread by the government is that the adivasis have been harassed by the presence of the wild animals and are therefore grateful to the government for helping them find a way out of the situation, while benefiting greatly with the compensation doled out.

Villagers in the buffer areas share that there has been an increase in the human-animal conflict. Wild boar and deer are the biggest cause for distress since they destroy the standing crop. The biggest fear to the villagers is the wild boar, a pack of which is known to wipe out several acres over a single night. While the forest department has announced a scheme for compensation of crops thus destroyed, the researcher had not met one single person who had benefitted from the scheme. Apart from the long drawn process involved, such a large sum of money is lost to corruption that the villagers now feel too disheartened to even apply for compensation.

In all 4 parks, villagers have responded negatively to the presence of the Park. Yet, before the ‘creation’ of the Park, the villagers seemed to have been living in harmony with the animals. While there were human-animal conflict, the frequency was much lower and more importantly, the villagers felt that they were in control of the situation.

According to the villagers, the reason that human-animal conflict was low was that the tiger used to be on the prowl near the villages looking to attack cattle, thus keeping away the deer and the wild boar from the fields. The villagers in turn had evolved a mechanism of patrolling the villages so that the tiger would not attack the cattle. With the ecosystem now in disarray, with villages having been moved out of the Parks, the deer and the boar are moving away from the portions of the forest they used to inhabit and are starting to enter the villages on the periphery of the Park.

Before the creation of the Park, villagers used to kill the boar or the deer which used to attack their crops. However, now if they kill the animals, the villagers are fined as well as imprisoned. They feel that their hands have been tied and they have no way of protecting themselves or their crops.

It is with cynicism that they share that the forest department takes immediate action if the animals in the forest are killed, but do nothing when these animals attack people and the crops.

There is therefore little to no support for the Park among the villagers. Some of the villagers showed apparent anger, while others looked upon the discussion with a sense of having given into fate.

The people feel that while they continue to suffer both at the hands of the park management as well as the wild animals, people visit the park for leisure in the wild and for wildlife viewing. Therefore the feeling of bitterness against the park is heightened with the presence of tourism.

It is to address this non-support at one level and indifference at another, that the Park authorities are trying to do eco-development work through the Eco Development Committees formed (more details in section 4.9). However, these committees have not been envisioned such that they would address the people-park conflict.
3.6 Wildlife Tourism in Madhya Pradesh

Wildlife tourism in Madhya Pradesh has been an important tourism activity. There have been several researchers who have become world renowned conservationists following their work in the National Parks of the state due to the opportunity offered by the high density of wildlife population in its Parks. Following are the tourism statistics for protected areas of Madhya Pradesh from 2004 – 2010, which indicates at the high number of tourist visitations.

<table>
<thead>
<tr>
<th>Year</th>
<th>Indian Tourist</th>
<th>Foreign Tourist</th>
<th>Revenue (in lakhs)</th>
<th>Avg revenue per tourist</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>6,85,917</td>
<td>22,117</td>
<td>427.07</td>
<td>60.31</td>
</tr>
<tr>
<td>2005-06</td>
<td>6,72,712</td>
<td>24,466</td>
<td>516.5</td>
<td>74.1</td>
</tr>
<tr>
<td>2006-07</td>
<td>6,46,026</td>
<td>50,003</td>
<td>698.95</td>
<td>100.41</td>
</tr>
<tr>
<td>2007-08</td>
<td>7,56,922</td>
<td>61,594</td>
<td>893.35</td>
<td>109.14</td>
</tr>
<tr>
<td>2008-09</td>
<td>8,77,006</td>
<td>64,949</td>
<td>970.24</td>
<td>103.03</td>
</tr>
<tr>
<td>2009-10</td>
<td>10,72,841</td>
<td>70,805</td>
<td>1036.78</td>
<td>90.65</td>
</tr>
</tbody>
</table>

Table 7: Visitation data in all the wildlife sanctuaries and national parks in Madhya Pradesh

However, as the last row of the table suggests, the revenue generated per tourist is low therefore raising the question of sustainability and cost-benefit. This is particularly important since tourism in Madhya Pradesh is promoted heavily by the MPTDC and the Forest Department, which claims that tourism has the potential to generate revenues for conservation. Ecotourism, which is the model of tourism promoted in forest areas, requires that the number of tourists be limited so as to ensure sustainability. However, if the revenue per tourist is low, as the case is, for the enterprise to be viable, there would need to be an increased number of visitations or an increase in entry / safari fees, therefore counteracting on the concept of ecotourism or making a product elite that is then out of the reach of the people from the middle/lower classes.

Tourism Statistics

Figure 15: Tourist Arrivals at Bandhavgarh Tiger Reserve from 1987 - 2002

Figure 20: Visitation data at Kanha and Bandhavgarh Tiger Reserves

Figure 21: Domestic Tourist visitation trends at the 4 Tiger Reserves
The following observations are evident from the analysis of the data presented above:

• Kanha is the most visited of the 4 Tiger Reserves. Bandhavgarh coming in next, with Pench clearly an emerging destination with an average growth rate of 19% recorded between 2002 – 2008.

• Data shows that there has been a definite spurt in wildlife tourism in Kanha and Bandhavgarh (and possibly in Pench and Panna, but we cannot state for sure since data for that period is unavailable) from the year 2004-2005, which is ironic as that is the year that the discussion on tiger mortality was high in the media.

• Foreign tourists still hold a small share in wildlife tourism in Kanha and Bandhavgarh. Considering the fact that foreign tourists generally visit places which are internationally marketed, and those which have well evolved tourism infrastructure, it can be assumed that the levels of foreign tourists at Panna and Pench are even lower than at Kanha and Bandhavgarh.

The forest officials who support tourism in tiger reserves make the following 4 arguments:

a. **Tourism generates funds for conservation related activities.**

EQUATIONS in an earlier paper had refuted this argument stating:

Secondly, identifying the source of resources is also a challenge. The Forest Department receives money from both the state and central governments. There are several crores of funds parked in Compensatory Afforestation Fund Management and Planning Authority CAMPA, the utilisation of which has been extremely low. The Government of India is also receiving large amounts of funding from various International Financial Institutions for forest regeneration.

Fundamentally, the issue here is to examine if the income generated from ecotourism activities do go back to the Forest Department. Currently, all earnings from forests (NTFP, timber, entry fee etc.) go back into a common pool wherein all non-plan income of the state is parked, from where allocations for different expenses are made. There is no way to ensure that the income from tourism is ploughed back to the Forest Department for regeneration work. Therefore the only direct benefit that is traceable is salaries people receive in case they are employed at tourism sites. This creates a rupture in the idea that ecotourism can be used as an income generation method for forest conservation.

b. **Wildlife tourism creates awareness among the tourists who are visiting therefore building public support for conservation measures that the centre announces.**

When the researcher took the safari at Bandhavgarh and Kanha, both the guides were focussed on tracking the tiger, though the researcher reiterated that they would like to know more about the forests, flora and fauna and tourism. The guide at Bandhavgarh shared that it was important for him to spot a tiger for the group, since a guide is considered successful only if he has been able to point out a tiger to the tourists. The guide also shared that the pressure is very much from the tourists who go back disappointed if they have not been able to sight a tiger and sometimes turn their anger onto the guides. Other guides, tour operators and lodge owners corroborated this information.

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**Table 1:** Growth rate of visitation in Kanha and Pench National Parks

<table>
<thead>
<tr>
<th>Protected area</th>
<th>PA size in km²</th>
<th>Year established</th>
<th>Habitat</th>
<th>Closest city/ies</th>
<th>Tourist nos. 2007–2008 (a)</th>
<th>Annual growth rate for 2002–2008 (b)</th>
<th>Average growth rate for 2002–2008 (c)</th>
<th>Indian tourists 2007–2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanha</td>
<td>940</td>
<td>1955</td>
<td>Sal &amp; bamboo forests</td>
<td>Nagpur (260 km) Jabalpur (169 km)</td>
<td>132601 (13)</td>
<td>14.50%</td>
<td>17.40%</td>
<td>86%</td>
</tr>
<tr>
<td>Pench</td>
<td>275</td>
<td>1977</td>
<td>Tropical moist deciduous forest</td>
<td>Nagpur (93 km)</td>
<td>54,027 (13)</td>
<td>15.90%</td>
<td>19.10%</td>
<td>94%</td>
</tr>
</tbody>
</table>

---

a. Total number of tourists for the year 2007–2008 (numbers in brackets indicate years of data).
c. Average growth rate is averaged for every year from 2002–2008. For some PAs, data are available from 1995–2008. Data for all PAs were available from 2002–2008.
Further, a rule exists that the distance between 2 jeeps during a safari should be a minimum of 500 metres. However, photographs in the media show that this does not happen. Below is a picture of what happens when a tiger is sighted.

Figure 22: Tourists crowd a tiger at Bandhavgarh to get a picture

Therefore to say that tourists would be better educated in conservation of forest areas in general is a myth, since the tourist is not really interested in the forests, and the tourism operators collude with this belief.

c. **Tourists entering the forests act as watchdogs both for the forest staff and for poachers. The staff patrolling the forest areas do a diligent job since they realise that they are being watched by the tourists. Poachers stay away from regions where tourists enter, since the crowds would make poaching impossible.**

There are 2 issues here – First that the forest department would need tourists to monitor their activities is to also admit that the forest staff are not doing their work the way they should. Tourists neither know or understand the mechanisms of the forest department and therefore will not be able to monitor the activities of the forest staff.

Secondly, poachers usually operate at night, when tourists are not allowed in the parks. Further, on an average only 1/4th of the parks are marked as tourism zones. Another issue is that poachers know the behaviour of the animal and will be able to hunt them at a time when the tourists are not in the park. In the case of Bandhavgarh and Kanha, which have healthy tiger population, only some of them are known to habit the area under the tourism zone. The majority of them choose to stay in the higher and interior reaches of the reserve. At a more fundamental level, considering that forest department has emptied the tiger reserves of people by displacing the villages who used to live there and who were automatically watch dogs for the poachers, it becomes the responsibility of the forest department to ensure that poaching does not happen instead of passing on this responsibility to the tourists.

d. **Tourism creates jobs thereby ensuring that communities living in the vicinity are also developed.**

It is true that tourism development generates employment opportunities for the local communities. However the owners of these establishments whether lodge owners or jeep owners are usually not from the region. They are more often than not from nearby cities/towns and sometime are from as far away places like New Delhi, Kolkata and Mumbai. The income thus generated from tourism is taken away from the region and into the bigger cities. There is also the issue of self-determination here. People who used to own land, have due to poverty been forced to sell out to the companies and become employees as guides and drivers if lucky, but usually end up working as security guards, gardeners, waiters at the restaurant etc. Therefore the mere generation of employment, though an often repeated argument, is highly overestimated as it does not counter the disempowerment and lack of dignified life that the adivasis experience.

<table>
<thead>
<tr>
<th>Protected area</th>
<th>Districts</th>
<th>District area (Km²)</th>
<th>Average human population density within 10 km of PA a</th>
<th>Total tourism employees</th>
<th>Proportion of people directly employed by tourism b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanha</td>
<td>Balaghat</td>
<td>9,245</td>
<td>91/km²</td>
<td>676</td>
<td>0.0007</td>
</tr>
<tr>
<td>Mandla</td>
<td></td>
<td>8,771</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pench</td>
<td>Seoni</td>
<td>3,206</td>
<td>98/km²</td>
<td>276</td>
<td>0.0006</td>
</tr>
<tr>
<td>Chhindwara</td>
<td></td>
<td>11,815</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 9: Data on employment generated at Kanha and Pench National Parks

a. Human population density is calculated using taluk level data from India’s 2001 census (www.censusindia.net) and accounting for park area.
b. Employment is calculated relative to the total employable population in a taluk.
Though 62% of the people involved in tourism activity at Tala are local people, they are all largely involved in the unorganised sector of drivers, cooks, labour, guide and general business. 88% of the people of village Tala are involved in this work. All the managerial level work is therefore conducted by the outsiders. Further, in villages other than Tala, only 1% of the people are involved in tourism activities. This trend is corroborated in the study conducted by Karanth, K & DeFries, R (2010) where they state that less than 0.001% of population living with 10 kms. of a PA find employment in the tourism industry.

3.7 Brief Cultural Backgrounds of the Eastern Madhya Pradesh

Apart from minor studies on carrying capacities in the more visited Bandhavgarh and Kanha National Parks, there have been almost no studies conducted on the impacts of tourism on communities in the region. All the 4 National Parks part of this study are located in areas which have diverse and rich cultural histories. The map below highlights the tiger reserves and the districts they are located in along with the cultural regions they are a part of.
Eastern Madhya Pradesh has several overlapping cultural regions—Bundelkhand, Baghelkhand, Mahakoshal, Gondwana and Baiga Desh.

**Bundelkhand:** Gwalior, Datia, Tikamgarh, Chhattarpur, Panna, Damoh and Sagar form the Bundelkhand region in Madhya Pradesh. The region was ruled by the Chandela Rajputs from the 10th to the 16th century from whom the region gets its name. Following the decline of the Bundela Rajputs, the region was ruled for shorter periods by the Rajput Chauhans, the Mughals, the Marathas and finally the British. However, there are also records that the Gonds ruled over some parts of Bundelkhand until the 13th century. Panna Tiger Reserve is located in Panna, which is part of this region.

**Baghelkhand:** The present districts of Anuppur, Rewa, Satna, Shahdol, Sidhi and Umaria form part of Bagelkhand. The Bagel Rajputs, originally from Gujarat, ruled this region during the 13th century. Bandhavgarh Tiger Reserve is located in this region.

**Mahakoshal:** Jabalpur, Katni, Narsinghpur, Sagar, Mandla, Satna and Damoh districts form part of the erstwhile Mahakoshal region. These are basically the upper reaches of the river Narmada, with Jabalpur being the most important city. Kanha Tiger Reserve in Mandla is located in this region.

**Gondwana:** it has been recorded that the earliest Gond kingdom was established in the 10th century and that they continued to rule till the 18th century. The current day districts in Madhya Pradesh, which were part of Gondwana are Mandla, Dindori, Jabalpur, Seoni, Betul, Chhindwara, Balaghat and Sagar. There were well known kingdoms established in 3 distinctive regions—Garha-Mandla, Deoghar-Nagpur and Chanda-Sirpur. The region in Madhya Pradesh is largely part of Garha-Mandla, with some parts belonging to Deoghar-Sirpur. The Gond kingdoms were one of the few to have ruled for a continuous period of over 800 years. Kanha and Pench Tiger Reserves are located in this cultural region.

**Baiga Desh:** Mandla, Balaghat and Seoni form part of Baiga Desh in Madhya Pradesh. The Baiga adivasis (categorised as Primitive Tribal Group) have lived in this region for centuries and consider themselves the protectors of the forests. Historically, they have had little connection with the people living in the plains. According to a special survey conducted by the Tribal Research Institute, Bhopal in 1992 – 93, the total Baiga population recorded was 1,34,357. Mandla district, where the Kanha Tiger Reserve is located is part of this region.
Of all the regions, Bundelkhand and Bagelkhand are regions which have seen several centuries of feudalism. Both the Bundelas and Bagelas were Rajputs who came either from Rajasthan or Gujarat bringing with them the hierarchy between the ruler and the ruled. There does not seem to be much documentation of conflict between the Rajputs and adivasis. The adivasis – Gonds and Baigas – who are the 2 main communities in these 4 regions, served as guides to the rulers when they went game hunting, due to their knowledge about the forests and animals in them.

Gondwana, was ruled by the Gonds who had a classification within them which is different in each of the areas. Broadly however, the classification is based on descendants from the kings, chieftains and the commoners. However, apart from rules regarding marriage, there is little hierarchy between the Gonds. Instead, hierarchy and rules similar to the untouchability that the Dalit community faces, exist between the Gonds and the Baigas, with the Baigas being considered as lower in the social structure by the Gonds. The Baigas however tend to remain in the forests and have very little contact with other communities.

Panna has been ruled by the Bundela dynasty and was accessed to the Indian state on January 1, 1950. NDTV in May 2006 reported that the royal family has retained land in the National Park. It was also reported that at Madla, there are two gates to the National Park, one for tourists and the other for the royal family. According to the same report, land owned by Lokendra Singh, which was earlier shown as being located within the Park, in the latest maps is seen as being located outside the park. During the visit to the Panna Tiger Reserve, the researcher was informed that the land adjoining the forest near the Madla gate was owned by the royal family. Shyamendra Singh, a member of the royal family owns Ken River Lodge on the banks of the river Ken.

Bandhavgarh was the capital of the Rewa kingdom under the Bundela dynasty. The Bandhavgarh fort continues to be an important tourist attraction within the National Park. During EQUATIONS’ visit to the National Park, a very interesting story about the Fort was shared with the researcher. During the time of the accession of the Rewa kingdom to the Indian state, the then ruler Martand Singh requested the government that the family retain the ownership of the fort which was granted with the condition that the royal family would not put the Fort to commercial use. Accordingly, the Fort was open to tourists without any fee. However, after the death of Martand Singh, his son Pushpraj Singh, who also owns the Maharaja resort at the Tala gate, started charging the tourists a fee for entering the Fort. When this was brought to the attention of the Forest Department, due procedure was followed and ownership and control of the Fort was taken over by the state. Since the passing of Martand Singh, the Fort has seen a lot of neglect, despite which large number of tourists still choose to visit the place for the panoramic view of the National Park that it offers.

Kanha and Pench are located in Gondwana and there seem to be no princely states of much consequence in this region. Due to this, much less feudalism and hierarchy is visible in the region.

04. Impact on Communities

Among the 4 key features of the joint venture initiative between IHCL and & Beyond, the following 2 are pertinent to the current study:

- In keeping with the Tata philosophy of community development, the venture will be a unique collaborative effort where high-end wildlife tourism will be promoted in India within a larger mission to preserve the ecology & natural environment of the country.

- In this initiative, the Taj & CC Africa will actively work with the Central and State governments.

None of the 4 features speak about the local communities – neither in terms of involvement of the community nor in terms of understanding the potential impacts and planning for the same.

Further, the agenda that comes through is that the company, like many conservationists, works with a model of environmental conservation, wherein there is no space for people. The company’s preoccupation with influencing policies is also evident.

The following is an extract from the Taj Promises: “We abide by fair and just policies that ensure your well-being and that of your family, the community and the environment.”

Throughout the process of setting up on the lodges and in the running of them, nowhere is the promise to the community being fulfilled.

4.1 Land Ownership Status of TSPL Properties

As evidenced in the earlier section, Madhya Pradesh has a history of princely states, some of whom during accession chose to retain the ownership of certain tracts of land. In Panna, out of the 210 acres that the Taj property is located on, 100 acres have been purchased from a member of the royal family and the remaining 110 acres have been leased from him.

The Bandhavgarh property is owned by Dhruv Singh a member of the royal family of Churhat, who owns 3 lodges in the Bandhavgarh. Churhat Kohli was the first of his ventures into wildlife tourism. He is also a descendent of the Churhat princely state, part of the Baghelkhand dynasty.

The property at Kanha has been bought by TSPL. However, there is a question of the legitimacy of the property since it is land owned by the adivasi
communities, and according to Indian law no adivasi land can be purchased by a non-adivasi. The only way to do this legally is for the adivasi community to state the purpose for the sale of the land in writing to the District Collector, who then follows a process, which usually takes a year to clear the sale. In the case of Banjaar Tola, the villagers of Manji Tola (where the property is located) shared that following an enquiry into the legality of the ownership, the middleperson overnight got the adivasi ruler of the Kawardha district in the neighbouring Chhattisgarh state, to purchase the land (with some form of contract between the adivasi ruler and TSPL) and therefore term the transfer of land ownership legal. By and large therefore the ownership of Banjaar Tola is suspect and can as such be considered *benami*. The villagers also shared that while the property is supposed to be 90 acres, the company has encroached approximately 10 acres of forest land under the ownership of the Madhya Pradesh Forest Department (MPFD).

Similar to the case of Mahua Kothi at Bandhavgarh, the property at Pench - Baghvan has been leased from the earlier owners of the resort. It is known from some news articles that the property is co-owned by 4 people, one of whom is Hashim Tyabji, a noted environmentalist.

### 4.2 Interactions with the Communities

One recurring comment that villagers living near the 4 TSPL properties shared was that no one is allowed entry onto the properties. Only guests and those who have prior appointments are allowed entry. When one reaches the gate of the property, the security staff would already have been informed about the number of people arriving and the name of the person making first contact, which is verified by him. By the time the group reaches the main lodge, the relevant people are informed by the security guard through a wireless set or telephone who would then be prepared to receive the party. The lodges do not have a restaurant which is open to people who might be passing by. All food is prepared specifically for the guests and according to their needs.

In Panna, the lodge is a mere 3 kms. from Panna town. Some of the middle class families shared that they would have liked to celebrate a special event by dining out and had also attempted to book a table at Pashan Garh, where they were told that they do not have a restaurant and that all meals are prepared specifically for the guests staying at the lodge. This is the same with the other 3 lodges too.

The lodges offer the guests a chance to visit nearby villages and see village life. When a guest opts to do this is the only time that there is any interaction between the lodge and the villages. However, the manager at Panna shared that most of the guests who visit the lodge are not particularly keen on visiting the villages. Quoting the manager who spoke about the Ambanis who are patrons of the lodge, ‘they have seen enough villages to not want to see anymore’.

### 4.3 Backward Linkages

While all 4 lodges claimed that they purchase vegetables from the villages nearby, all the lodges also have a vegetable patch where they grow most of what they
need. Vegetables like potatoes, onions and some basic spices, which they source from the local markets, are not purchased from the farmers but from one single supplier in the nearest town/city. Further, some of the other materials and produce come from larger cities like Jabalpur as in the case at Kanha. In fact, ingredients for non-Indian cuisines are sourced all the way from New Delhi.

The staff of Pashan Garh said that they purchase milk, vegetables and minor millets like Kudu from the villagers of the nearby Amjhiria village. However, the villagers shared that apart from milk no other purchases have been made from the village. Instead, a retailer in Panna town had been contracted to buy all locally available material.

Guests staying at the lodges are driven directly either from a nearby airport or railhead. The lodge also sends a package of food and beverages so that the guests do not have to stop at wayside amenities which might not be to the liking of the guests. In cases where the drive is long like from Jabalpur to Kanha, the company has identified pre-determined hotels where the guests are taken to. The result of this is that none of the smaller businesses benefit from the lodges. The villagers of Amjhiria share this sentiment and there is much animosity that has been caused. Pachdhaar is a village of potters near Pench Tiger Reserve on the NH7. The village being located on the highway has a petrol bunk and several small eateries. Guests staying at Baghvan are brought here to witness the potters at work as also to try their hand at pottery, who then purchase small earthen ware from the family. Apart from this, there is no other benefit for the villagers. The owner of a small tea shop next to the petrol bunk shared that Mr. Amitabh Bachan who stayed at Baghvan had stopped at the petrol bunk to refuel but the party accompanying him did not purchase anything from the small restaurants in the village. He very aptly stated that since the clientele of the Baghvan are the rich and famous, they would obviously not stop at places meant for commoners and was therefore of no use to him.

The 4 lodges have a small shop each which sells handicrafts and clothes. All of these are centrally sourced by the head office in New Delhi. The staff at Banjaar Tola shared all the handicrafts are sourced from Dastakar (an NGO working with arts and crafts communities in India and headquartered at New Delhi) and the clothes are specially designed and made for TSPL and this is coordinated by the New Delhi office.

As mentioned in section 3, each of the tiger reserves are located in regions with rich cultural backgrounds – Bundelkhand, Baghelkhand, Mahakaushal and Gondwana- these regions are home to several adivasi communities. The Gonds and Baigas specialise in certain kinds of weaves, bamboo and mud work. For e.g. in Bandhavgarh, which is part of Baghelkhand, the adivasis work with bamboo, which is very specific to the region. Yet, when asked about the availability of local arts and crafts, the staff at Mahua Kothi, shared that there were no crafts specific to the region.

It is clear that the company has not really explored the cultures of the Gonds and Baigas and have chosen to sell crafts which are more popular like the Bastar metal work, which they promote as being local art work. IHCL, in one of their press releases mentions helping the cause of the Banarasi silk weavers by purchasing sarees from them for their hotel staff across the country.

4.4 Decision Making

Decisions from the location of the TSPL properties to the interiors and the service have all been largely decided by &Beyond. Staff shared that Chris Browne, the Creative Director, & Beyond, Africa was the person who scouted the regions around the 4 tiger reserves and came up with the locations. One news article mentioned that Chris Browne and Dean D’Cruz, an architect were responsible for the design of the structures. Once the plans were finalised, people from the region were not consulted as to the suitability or specificity of the region. Decisions about the food that will be served are also taken by TSPL.

When asked if TSPL has invited villagers from the neighbouring villages to audit the campus, it was shared that the only villagers who have visited the campus are the family members of the local staff.

4.5 Employment

The villagers of Amjhiria, from where the staff of Pashan Garh at Panna claimed 10-15 of the staff were hired, shared that there were only 2 people hired. The villagers of Manji Tola, where Banjaar Tola is located shared that 4-5 people have been hired from the village, but one of them was fired, since the management claims he did not keep to time. Earlier, when EQUATIONS had visited the lodge, Manish Tyagi during the discussion of community response to the presence of the tiger reserves shared that the people of Manji Tola would not be against tiger tourism since they have seen and received the benefits of tourism, one of the most important being that of employment. The villagers confirmed this. They shared that there have been several negative impacts of
tourism; however in a region with few alternatives for livelihood, the tourism industry does offer opportunities to the local youth. But, the presence of Banjaar Tola, they said made no difference to them since they had not opened up employment opportunities for the local people.

The only exception is that of Rajkishore, a naturalist at Mahua Kothi, who is from a nearby village. Rajkishore used to work with Dhruv Singh, when he operated Churhat Kothi. He had spent several years with Dhruv Singh and had been trained to be a naturalist. While Rajkishore, who conducted the initial orientation of the lodge, spoke in English, it was clear that he was extremely uncomfortable with the language.

4.6 Social and Cultural Impacts
The north-eastern parts of Madhya Pradesh have been steeped in feudalism. The region so rich in minerals was one of the first in the country to be mined by the British. The railway line from Katni to Satna was built in 1864, connecting the mines in Umaria and Bilaspur to a transport system so that the coal extracted could be taken out of the area and to the industries using this resource. Through these historical developments, the Gonds and the Baigas continued to live in the forests and were relatively unaffected (about 60% of the adivasis were not involved in these industries). However, this region was also one of the least developed as mining was the only activity. Very little was given back to the region either by the British or by independent India.

Several members of the royal families, who own large tracts of land, have set up high-end tourism establishments. All these establishments sell the concept of luxury as seen by the royalty. Most of the establishments model themselves on the British Raj or the Indian royalty.

Each of the lodges sells different notions of luxury. Panna is the most contemporary of the 4 lodges and has based its theme around the erotic sculptures of Khajuraho and the crocodile for which Panna National Park is well known.

Entering Mahua Kothi is like going back in time to the British Raj. The imposing British period structure surrounded by 12 structures that are meant to be kutias, and the surrounding wilderness gives one a feeling like one has stepped into a British cantonment. Banjaar Tola on the other hand is like a camp of kings out on a hunt. Baghvan, a little more contemporary with the cottages and a machan gives you a feeling of modern day luxury mixed with a reminiscence of being in a hunting camp within the jungle.
What TSPL sells is therefore basically royalty and guests are treated as such - surprise locations for meals, cosily cordoned off spaces for intimate dinners. The staff claims that a guest sees only 4 people during their stay – the butler, chef, manager and naturalist – thereby providing absolute privacy. The guests are completely unaware about who is creating that luxury and what goes into it. The ‘foot soldiers’ are faceless, nameless people who are meant only to serve and who find no acknowledgment for the work they do.

Some extracts from reviews in travel magazines and travel review sites stand testimony to this:

“While Mahua Kothi reflects India’s colonial era, Baghvan will time-warp you back to the fifties. The camp’s wildly eclectic main lodge is Browne’s witty take on a 1950 “dak bungalow”; the country rest houses once used by travelling officials in the early days of Indian independence. A picture of Nehru overlooks an open kitchen with an ancient wireless receiver ready to tune in the BBC, while the great room is furnished with mega-eclectic gear.”

“Decor details are extraordinary: royal guard mannequins standing watch over teak treasure boxes and banana leaf baskets. The light fixtures are antique, the pillows Italian cotton and the bathroom counter is a four-metre slab of sal wood.”

“Taj, the name says it all. Felt like a queen!”

This dynamics of the ruler and the ruled is most evident at Mahua Kothi. Dhruv Singh, a descendent of the Churhat kingdom, is fondly referred to as ‘Baba’ while his staff addresses him as ‘hukum’, which loosely translates to ‘master’. Subservience is evident in Rajkishore in the way he spoke, as would subjects to a ruler – hunched shoulders, low tone of voice and an apologetic look on the face.

A review of the history of adivasi struggles in the region reveals that while there were several rebellions against the British in the areas to the east and west but none in the region itself. Further, while there has been a history of feudalism, mining and other oppressive developments, the adivasis living in the vicinity of the 4 tiger reserves have never either mobilised themselves or been mobilised. Some of this could be the fact that the adivasis have tended to stay in the upper reaches of the mountains and have lived largely self-sustaining lives. This, despite the fact that well known political figures and socialists like Ram Manohar Lohia, Yamuna Prasad Shastry, Acharya Narendra Dev and Krishna Pal Dev are known to have worked in this region.

What appears is that the culture of questioning the state and of fighting for rights is not part of the worldview of the adivasis in the region.

And this is what TSPL is selling. Disguised as luxury, it valorises feudalism and colonialism, without being accountable for the fallout of this on the communities as well as the message that goes out to the guests who visit. A guest who stays at the lodge, will go back imagining a region still steeped in these oppressive structures – and worse having rejoiced in them!

TSPL is also tapping into the upper middle class and upper class aspirations for royalty. The question that we need to ask here is whether the company which has supposedly spearheaded industrialisation in the country is now aspiring to go back to a time, the shackles of which great people have fought against – whether it is colonialism, feudalism, caste hierarchy or patriarchy.

4.7 Impact on Conservation

In the years that TSPL has operated in Madhya Pradesh, the company has been able to build a strong collaborative relationship with the state forest department. In March 2007, it was reported that Sarath Champati, the head naturalist at TSPL, was nominated to state governing bodies headed by the state forest minister – The Madhya Pradesh Tiger Foundation and The Madhya Pradesh Ecotourism Development Board (MPEDB), for a period of 2 years.

The involvement of TSPL in the gaur translocation process is another example of their aspiration and ability to influence conservation policies and practices in the state.

In September 2010, when a petition was filed in the Jabalpur High Court petitioning against permitting tourism inside the tiger reserves, the Chief Wildlife Warden sent out an email to lodge owners asking them to intervene, and alerting them to the fact that the PIL would be detrimental to their interests. This email was specifically sent out to all the high-end luxury lodge owners including TSPL.

During an interview with one of the staff at Baghvan at Pench, the staff, in response to the issue of leasing out tracts of forest land to private operators, shared that such a step would greatly help both tourism as well as conservation. According to him there have been several guests to the lodge who have evinced interest in investing in such tracts of “privatised forest” land.

4.8 Wildlife Tourism vs. Ecotourism

On the one hand, the state forest department, through the Madhya Pradesh Ecotourism Development Board (MPEDB) supports ecotourism in forest areas. Yet, a review of the 3 aspects of ecotourism (conservation, conservation education and community involvement) in the tiger reserves speaks a different story. While some lodges/resorts, including TSPL have attempted adopting
green practices, they do not contribute to conservation either through participation or through funding of the same. The way TSPL sees it, their involvement in gaur translocation is their attempt at conservation. However, given that there were other options to re-introducing the gaur in Bandhavgarh (as mentioned earlier) the extent of their contribution to conservation is suspect. The LPG subsidy programme is seen as another attempt at conservation, which according to them would reduce the dependency of the communities on forests for firewood. One needs to remember that conservation is not merely about not cutting trees. The LPG subsidy programme is neither sustainable nor an empowering experience for the adivasis, since for every subsequent cylinder that they need, they would incur huge costs, which include transporting the cylinder to their villages, since in most cases, the nearest town is several tens of kilometres away.

The lodges in an attempt to be involved in conservation education, bring the children who study in the government schools to the campuses when the Parks are closed, give them a tour of the lodge and conduct some conservation related sessions for them.

Guests staying at the lodge are also introduced to the nuances of conservation. However, the understanding, perspective and mindset of TSPL is urban and one which does not trust adivasi communities. By saying that they are urban in perspective we mean that TSPL also looks at forests, the flora and fauna in opposition to the adivasis. The perspective they propagate is similar to that which the British propagated. A reading of the book ‘The Highlands of Central India’ by Captain J. Forsyth, first published in 1871, reveals that the arguments that were made by the Captain, the state forest department, conservationists as well as TSPL and other high-end lodges is similar. That it is the villagers who have caused the reduction in tiger population either for preservation of cattle or are poached for their skin, bones and other parts. The other well worn argument is that it is adivasis and other forest dwellers who have depleted the forest resources to create more areas for cultivation, have cut trees for constructing homes as well as to sell firewood. The word ‘dependency’ itself is much abused, which indicates that the adivasis are only taking from the forests and have not given back anything. On the other hand, the ‘co-dependency’ that exists between forests and people is the reason that the adivasis have protected the rich forests we see in all the 4 tiger reserves.

The villagers, who were Baigas, narrating this story said that it was the forest department who have indulged in felling activity and not the people. They also said that for the Baiga community, god resided in the Sal trees and they would therefore not fell these trees. The Gond community in the buffer of the Pench tiger reserve also shared that they consider the Sal tree Bara Deo and would therefore never fell the trees.

TSPL subscribes to this negative propaganda of adivasis, with no knowledge or respect for their identity, cultures or the fact that it is because the adivasis have protected the forests, that there is any tourism potential in the region at all.

This brings us to third aspect of ecotourism, that of community involvement. The communities have not only been not involved, the state forest department has done its best to remove the communities from the same forest areas where tourism is being promoted. This attitude has also been internalised by TSPL. One of the staff at Baghvan in response to the question of eviction of communities from the core zone said that it was a positive move on the part of the policy making bodies of the country. He also said that there was no problem in the method of eviction as well as the rehabilitation package offered (Rs. 10,00,000 per family, where every adult in a family is considered a separate family).

Further the MPEDB, which is responsible for ecotourism development in the state, is only involved in the training of the forest department approved guides. The Board is neither involved in policy making nor conducts studies which would highlight issues regarding ecotourism in tiger reserves. The only study that the Board has conducted is one on the role of ecotourism in livelihoods at Bandhavgarh National Park.

Finally, while IHCL can get away in other properties with token community development work to boost their image in society, it cannot do so in the case of TSPL. There is a link between wildlife tourism and ecotourism. While wildlife tourism is linked with the nature of activity, ecotourism would need to be the way of doing it. Intrinsic to the issue of wildlife tourism is that of ecotourism, which encompasses conservation, conservation education and community involvement. Ecotourism is also about simplicity, minimal facilities and being with nature. The Taj seems to have not given any thought to this aspect and has relied completely on &
Beyond to bring this element in. However, as seen above the operations of & Beyond have been in Africa where parks are privatised. In collaborating with & Beyond, IHCL has explicitly committed itself to the kind of wildlife tourism, which favours the elite and does nothing for the development of the very community which has been the custodian of the forests for centuries. Considering that corporations like that of the Tata Group with its influence, reach and status is both capable of and is also influencing policy, it is the responsibility of the company to review if its own practices are responsible.

4.9 Eco-Development Committees (EDCs) & TSPL

All tiger reserves have formed eco-development committees (EDC) in the villages adjoining the reserves. Below are the number of societies formed in each of the tiger reserves.

<table>
<thead>
<tr>
<th>National Park</th>
<th>No. of EDCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panna</td>
<td>No information</td>
</tr>
<tr>
<td>Bandhavgarh</td>
<td>Eco-development plans are made for 8 villages but no information if EDCs have been formed</td>
</tr>
<tr>
<td>Kanha</td>
<td>Buffer - 106 Core - 25</td>
</tr>
</tbody>
</table>

Table 10: Number of EDCs in the buffer zones of the 4 Tiger Reserves

Ecotourism initiatives through these EDCs have been proposed by the MPEDB in their study on the role of ecotourism in livelihood creation in Bandhavgarh National Park. In Hinnauta, Panna Tiger Reserve, an ecotourism project has been set up and the information board at the venue claims that it is the EDC, Hinnauta which runs the establishment. However on speaking with the security guard at the site, it was known that the state forest department is running the place on behalf of the EDC. The infrastructure lies abandoned with about 2-3 tourists staying there per season.

The TSPL establishments do not use any of the existing formal structures in the villages, like the Panchayat or the EDCs to reach out to the communities. On asking the manager at the Pashan Garh, if the lodge has any connections with the local panchayat, the response received was that TSPL did not want to involve themselves in local happenings including politics.

05. Conclusion and Recommendations

The apt way, we believe, to end this paper would be to narrate the story of Shanta Bai, Gond adivasi woman of Karmajhiri village, Pench National Park.

Shanta Bai started a small canteen for the forest officials stationed at the gate about 15 years ago with an initial loan of Rs. 5000 from micro plan funds given by the forest department. Over a period of time she has repaid her loan. Today her assets have grown to approximately Rs. 50,000. She runs 2 restaurants – 1 at the forest camp and 1 just outside the Karmajhiri gate. 3 years ago she also built 2 modest rooms just outside the gate, which she rents to tourists at Rs. 800 per day. One of her sons is a guide, the other a jeep driver and her third son helps her with running the business. The story of Shanta bai as a tourism entrepreneur is one in complete contrast to that of TSPL. Hers is story where she has fought through multiple layers of social structures to achieve this level of success.
that since the TOFT proposal to lease out forest tracts to stakeholders in the tourism industry, the state forest department has prepared an Ecotourism Policy (in draft form right now) wherein there would be provisions for the leasing out of forest lands through the formation of Eco Sensitive Areas (ESAs). While the forest department is bending backwards trying to please the high-end tourism operators lobby, of which TSPL is the biggest, there are several alternate ways of promoting tourism in the tiger reserves, which lie unexplored. The few which do exist like the case of Shanta bai are not supported and local communities struggle to eke out a decent living while the privileged few can feel like a Queen at their expense.

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**Research Team:**

Swathi Seshadri (Principal Researcher) and Rakesh Dewan, Journalist.

**Endnotes**

2. Dhruv Singh, Bandhavgarh says that a census done in 2010 pegs the tiger population closer to 800.
5. Ibid 1
7. Friends of the Earth (2005 ) Briefing: Corporate Accountability, April 2005
8. A journalist in Umaria shared that no FRA claims have been settled in the areas falling within the jurisdiction of the Bandhavgarh National Park. In Kanha, the park director shared that out of 259 FRA claims submitted by people whose lands have been lost due the creation of the core, 98 have been rejected and 322 are being processed. In the buffer area out of 259 FRA claims submitted 2382 have been processed.
11. The information available in the public domain is that TSPL is a joint venture between IHCL and CCA. There is no information on whether Cigen Enterprises is part of the joint venture actually formed.
12. However, a press release by the Tata Sons on October 27, 2006 titled Taj group will tap wildlife tourism potential mentions that the 3 companies which were planned to come together in the joint venture would invest equal amounts. http://www.tata.com/company/Media/inside.aspx?artid=k6WIWbqoG7tq data retrieved February 2011
16. Taj Safari on expansion mode, Assam may benefit, Business Standard, December 30, 2010
17. http://www.tajhotels.com/our_lodges/Pashan_Garh_Panna_Wilderness_Lodge.pdf. However, the lodge manager shared that the size of the property is 210 acres.
19. Banjaar Tola has 2 kitchens – the main kitchen near the staff quarters and a satellite kitchen in one of the camps.
23. Mr. R. K. Krishna Kumar, one of the directors on the Board of Directors of Tata Sons is also the Chairman of the Governing Board of the TISS.
24. Kukra from Kanha, Financial Express, March 28, 2010
27. The following text from The Wildlife (Protection) Act, 1972 Amendment 2006 defines the core and buffer areas:

   (i) core or critical tiger habitat areas of National Parks and sanctuaries, where it has been established, on the basis of scientific and objective criteria, that such areas are required to be kept as iniviolate for the purposes of tiger conservation, without affecting the rights of the Scheduled Tribes or such other forest dwellers, and notified as such by the State Government in consultation with an Expert Committee constituted for the purpose;

   (ii) buffer or peripheral area consisting of the area peripheral to critical tiger habitat or core area, identified and established in accordance with the provisions contained in explanation
(i) above, where a lesser degree of habitat protection is required to ensure the integrity of the critical tiger habitat with adequate dispersal for tier species, and which aim at promoting co-existence between wildlife and human activity with due recognition of the livelihood, developmental, social and cultural rights of the local people, wherein the limits of such areas are determined on the basis of scientific and objective criteria in consultation with the concerned Gram Sabha and an Expert Committee constituted for the purpose.


29. WP/12351/2010 registered on 03/09/2010 in the Jabalpur High Court

30. The Park Director has stated and accepted this in his interview with EQUATIONS


32. Herd near park, but MP goes ahead with translocation plan, Indian Express, September 9, 2008

33. Contribution of Ecotourism to livelihood: Bandhavgarh National Park, MPEDB


35. A part of the tiger reserve is located in neighbouring Maharashtra. However, this study looks at only the Madhya Pradesh part of the tiger reserve.


37. Website of the Madhya Pradesh Forest Department http://mpforest.org/wildlife/wing%20website%20final1_files/Page2197.htm data retrieved February 2011

38. Displacement due to the declaration of Tiger Reserves has been going on since 1973. However, the MoEF and the state forest departments have become a lot more alert to this issue since the WLPA Amendment 2006.


40. Ibid 33

41. Compiled from data available on www.madhyapradeshstat.com

42. Ibid 41

43. Ibid 4

44. As shared by Dr. H.S. Pabla, Chief Wildlife Warden, Madhya Pradesh Forest Department, in an interview with EQUATIONS on January 17, 2011.

45. EQUATIONS, (2010), Community Involvement in Ecotourism

46. According to the MoEF website on CAMPA, income as on 31.1.2010 is Rs. 16,884,204,485 and the expenditure for the same period is Rs. 7,999,134 with a balance of Rs. 16,876,205,351. http://moef.nic.in/downloads/public-information/CAMPA-consolidated-income-expen.pdf data retrieved

47. Mazoomdar, J (2010), Crouching Tourists, Hidden Tiger, Open, November 26, 2010

48. Ibid 4

49. Ibid 33

50. Ibid 33

51. Ibid 33

52. Ibid 4


55. Ibid 15

56. CC Africa and Taj Hotels, Resorts and Palaces launch first ever Indian Wildlife Circuit offered by one company, Travel Board, Australia, March 9, 2006

57. Whitman B Eyeing the Tiger, in Capitol Hill pp244 data retrieved February 2011


61. Captain J. Forsyth was an Acting Conservator of Forests, Central Provinces and built the famous Bison Lodge at Pachmarhi in 1862, where the first Forest Department was established by the British.

62. It is mandatory that every vehicle entering the park be accompanied by a forest department approved guide who is registered with the Park administration. http://www.madhyapradeshstat.com/table/tourism/29/domestictourists/29340/63717/data.aspx

63. www.projecttiger.nic.in
Accountable to Whom?

Corporate Social Responsibility of Multinational Hotels in Goa

01. Introduction
This study investigates the impact of the tourist accommodation industry in Goa, specifically the five star hotels, on local communities. Tourist accommodation has seen a phenomenal growth since the early days when ‘hippies’ were hosted by Goans in humble homes along the coast. Five star hotels in particular have multiplied since the 1980s. In fact, the five-star deluxe hotel segment in India grew at a compounded annual growth rate (CAGR) of 16% between 2003-04 and 2008, reaching approximately Rs. 106 billion in 2008-09.¹

The Central Government has been vigorously promoting tourism and the expansion of the hotel segment in particular. In March 2008, the Planning Commission’s High-Level Group on Services Sector (HLGSS) released a report, part of which was the tourism sector report, prepared by a sub group on tourism headed by S. S. H. Rehman, Executive Director, (Hotels, Travels, Tourism & Foods), ITC Limited. The report predicted a shortage of 1.5 lakh tourist accommodation rooms in India by 2010, and proposed a relaxation of land acquisition laws as well as coastal regulation zone norms by the Ministry of Environment and Forests (MoEF) in order to attract affluent tourists with more hotels on India’s coast. This was followed by the XI Five Year Plan Tourism Report in September 2008 which was the outcome of the Working Group and Steering Group set up by the Planning Commission. As these bodies were largely industry-centred, their emphasis was on the same lines as that in the HLGSS report. More recently, the Reserve Bank of India (RBI) has introduced a new ruling that delinks hotels from the high-risk category of commercial real estate (CRE) business and relaxed external commercial borrowing (ECB) so that the sector can obtain loans at lower interest and raise external commercial credit.² It has also announced an investment-linked tax holiday for new hotels in the two-star and above category which started operations from April 2010.³

In December 2010, Union Cabinet approved the establishment of a Hospitality Development and Promotion Board (HDPB) at the central level for approving and facilitating hotel projects on a fast-track basis. State governments will be advised to do the same. According to the notice issued by the Tourism Ministry, the Board will also “review hotel project policies to encourage the growth of hotel/hospitality infrastructure in the country,” without superseding the statutory clearances required by other agencies.⁴

Taken together, these three key steps by the central government indicate a policy direction which needs closer scrutiny on the basis of their implications for local communities. The main question that needs to be at the centre of any such enquiry is: what are the costs and benefits of contemporary tourism development to residents, workers, small businesses, the informal sector and the environment?

Accordingly, the objectives of the study were:
1. To examine the impact of five star hotels as a microcosm of tourism in Goa;
2. To explore the role of the state in tourism regulation and planning in Goa through the lens of the five-star hotel sector.

Three broad areas within which the policies and practices of the hotels have been examined are: Economic development and poverty alleviation; Social impact; and Environmental impact. Each of these areas was further explored through the list of indicators outlined in the table below.

<table>
<thead>
<tr>
<th>CSR Areas</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| Economic development & poverty alleviation | • The quantity and quality of employment  
• Forward and backward supply chain linkages within the local economy  
• State subsidies, incentives, tax holidays, etc.  
• State revenue generated |
| Social impact                  | • Land acquisition process  
• Water supply for the hotel in relation to the rest of the village  
• Adoption and implementation of Codes of Conduct  
• Traffic management and parking facilities  
• Displacement of fishing community  
• Public participation in decision-making process  
• Access to the beach  
• Other facilities, e.g. casinos, ‘escort’ services, etc.  
• Prices of essential food items, e.g. fish, vegetables, etc. |
| Environmental impact           | • Energy and water consumption levels  
• Garbage (wet and dry) disposal and handling  
• Sewage discharge/treatment  
• Relation to Coastal Regulation Zone (CRZ) norms  
• Pool drainage |

Table 1: Major Areas of CSR and Indicators
These objectives frame an initial status report on corporate monitoring of five-star hotels in Goa. This study is an attempt to document in detail the regulation and effects of five-star hotels. More generally, the study contributes to a broad view of tourism development that is sensitive to the needs of locals, includes public participation in decision-making, minimizes the detrimental effects on the environment, and ensures that the benefits of tourist trade primarily remain in the state. These are the general principles of corporate social responsibility (CSR) and corporate accountability which structure this study. A common definition of CSR projected by employers is in fact corporate philanthropy, which includes conducting special health clinics in villages, employee donations to blood banks, beach-cleaning by hotel staff, volunteering in orphanages, and so on. Rather than viewing CSR as charitable acts of the company, the perspective on CSR applied here is that of responsible citizenship, i.e. being a good employer, a decent neighbour, and an exemplary member of society. Multinational corporations often adopt codes of conduct which they claim reflect their ethics. However, due to their voluntary nature and the debatable content, mode of implementation and monitoring mechanisms of the codes themselves, they fall short of publicly sanctioned regulation. In short, CSR is a self-defined concept wherein corporations set the parameters of their own conduct. This study begins with an examination of the codes of conduct, where they exist, and also checks the conduct of the five-star hotels vis-à-vis laws and public policies from the perspective of the affected community.

02. Research Methods

This section describes the purpose of the study, the selected case studies and the methods that were used in the empirical research.

2.1 Growth of Five Star Tourism in Goa

Goa is the smallest state in India located on the west coast between Maharashtra and Karnataka with a geographical area of 3,702 sq kms. It has two districts, namely North Goa and South Goa, with a total of 11 talukas. The state has a long coastline with long winding rivers flowing across the land at several points, and many forests across the state which are among the world’s top bio-diversity hotspots. Goa’s natural beauty and picturesque coastline has made it a very popular domestic and international tourist destination since the initial arrival of ‘hippies’ in the 1960s and 1970s.

More recently, there has been a distinct shift in state policy toward up-scale tourism in order to attract high-spending tourists. This has translated into de facto fast track permissions for the construction of large, name-brand luxury hotels, land acquisition for golf courses, ‘visa upon arrival’ for Japanese tourists, aquatic sports such as para-sailing, jet-skiing, bungee jumping, and so on. Parallel to this trend toward luxury tourism, there has been a consolidation of capital and control in the hands of local and foreign corporate bodies, squeezing out the small and medium tourism traders. Five-star hotels have emerged as the centre of a service-based industrial eco-system with the full support of the political class. As such, their mode of operation and local impact demand urgent investigation.

2.2 Company Profiles

This research draws upon empirical data collected on two multinational hotels, the Taj Vivanta in Goa’s capital city, Panaji and the Leela Kempinski in Mobor, Cavelossim in South Goa. These case-studies illustrate features which make them worthy of an analysis of the control, regulation and benefits of tourism. Two primary differences are their location and the chief governing bodies which regulate their activities. The Taj is an urban five-star hotel in a state known for beach tourism. It is located close to the centre of the capital city, which is geographically sandwiched between the North and the South districts of the state. It comes under the purview of the Corporation of the City of Panjim (CCP). On the other hand, the Leela is located on Goa’s crowded coastline in the South. It comes under the purview of the Panchayat of Cavelossim village. Location and governance structures play a role in the hotels’ clientele, marketing strategy and level of accountability to external stakeholders.

Another significant difference between the two hotels is their age of existence. The Taj is a new hotel, built in 2008 on an open plot that had no built structures, surrounded by residential and business buildings. It was opened in May 2009 and has been operating for less than two years. The Leela, in contrast, was built in 1990 on an erstwhile remote beach peninsula lying between one of four rivers in South Goa and the Arabian sea. It has been operating for two decades with changes in its corporate structure over the years. A hotel’s age is indicative of its economic viability in fluctuating markets and reflects the corporation’s overall success with varying target audiences. Due to time constraints, it was decided in the research design phase that the study would concentrate on the pre-operation stage in the case of the newer hotel, i.e. the Taj Vivanta, and on the community impact aspects in relation to the older hotel, namely the Leela. However, both dimensions were covered in both cases.

2.2.1 Vivanta by Taj

The Taj is India’s most famous branded hotel chain, often equated with royal Indian hospitality. Established in 1903 and headquartered in Mumbai, the commercial capital of India, Taj Hotels Resorts and Palaces is part of the Tata Group, run by one of India’s oldest industrialist families, and is operated through the Indian Hotels Company Ltd., a holding company for Taj properties. Taj Hotels Resorts and Palaces comprises 65 hotels in 45 locations across India with an additional 15 hotels abroad. The Taj Mahal Palace and Tower, Mumbai, played host to US President Barack Obama in November 2010, three years after being the target of a terrorist attack with two other prominent city sites. Some political commentators have argued that the Taj is a symbol of India Inc. the corporate India which is vying for attention on the global economic landscape:
Hotel Taj is where the rich and the powerful of India and the globe congregate. It is a symbol or icon of power of money and politics, not India…. It is precisely because Taj is the icon of power and not people, that the terrorists chose to strike.6

In his Director’s Report, Chairman Ratan N. Tata states that the Taj has received Rs. 180 crores from its insurer following the attack and is expecting the remainder, still under negotiation, in a settlement of the claim once the heritage wing is re-opened. He reports that the company through its non-profit Taj Public Service Welfare Trust, has helped 230 affected families and is reportedly committed to expend Rs. 2.27 crores.7

The company has recognized the short-sightedness of the tourism industry in its focus on international travellers, and by implication high-end accommodation, when it is the domestic travellers who come “to the rescue of the [tourism] sector” during economic dips as was the case in 2009-10. Mr Tata points to the 600 million-strong domestic market of travellers that is yet to be tapped. While the government has revealed a general shortage of tourist accommodation (see the Introduction), according to Mr. Tata: “The shortage is especially true within the budget and the mid market segment. There is an urgent need for budget and mid market hotels in the country as travellers look for safe and affordable accommodation.” The company is therefore strategically investing in more Ginger brand hotels for budget travellers. It has added five new Ginger hotels in Durg, Jamshedpur, Pune – Wakad, Surat and Guwahati; has entered into management contracts in Lucknow, Chandigarh and Amritsar; and is planning additional Ginger hotels in Chennai, Indore, Delhi, Bangalore, Manesar and Tirupur. At the end of the first quarter of 2010, the company had 21 operational Ginger hotels with a total of 2,037 rooms.

In an effort to cut costs during the global recession, IHCL adopted a three-pronged strategy for greater financial efficiency: first, to minimize additional hires for new hotels; second, to fill new positions through internal deployment; and third, to freeze salary raises for executives, defer salary revisions for staff and implement a 50% cut in performance bonuses for middle and senior management.

Under tight liquidity conditions due to the global financial crisis, IHCL has shifted from completing new projects to entering into management contracts as a growth strategy. The Taj Vivanta, Panaji is one such project along with The Gateway Hotel, Jodhpur. It has also entered into numerous management contracts overseas, specifically the Middle East, China (Beijing and Hainan), North Africa and South America. Other management contracts entered into by the Taj for hotels which are yet to open include a Vivanta by Taj resort in Srinagar, Gateway hotels in Bhandup (Mumbai), Shirdi (near Nashik) and Ludhiana. Taj has invested in other properties and will enter into management contracts for them. These include: ‘Vivanta by Taj’ resorts in Coorg, Gurgaon, Kakarduma (Delhi), Bekal (Kerala), Srinagar and Pondicherry; plus Gateway hotels in Pune, Kolkata, Chennai, Shirdi, Raipur and Cochin.

Figure 1: Hotel Taj Vivanta is located in St. Inez, Panjim
Map Source: GoaHolidayHomes.com

Taj has also acquired properties on lease from the government of Andaman & Nicobar Islands to set up the first 5-Star Luxury resort on Havelock Island and with the Punjab Government (through one of its associate companies) for a land parcel in Amritsar to develop a Vivanta by Taj hotel. These are going to be strategic locations of growth for the company in the coming years. In addition to these, the company is also redeveloping the property where the Sea Rock hotel in Mumbai stood into a luxury convention centre with hotel and apartments to be fully integrated into Lands End hotel. Its expansion initiatives include a 330-room Vivanta by Taj in Yeshwantpur, Bangalore; the 64 room expansion of Taj Fisherman’s Cove hotel in Chennai; and the 180 room Vivanta by Taj hotel in Coimbatore.

Talking about Brand Vivanta in a media interview,8 a senior employee of IHCL said that company research based on their competitors’ and customers’ perspectives show that brands like Vivanta by Taj and Gateway will address specific market niches. He reported that the company plans to consolidate the brand which covers 32 properties in India and nine more expected overseas. However, in his words:

IHCL will continue to remain agile in the market space and explore growth opportunities in all segments within the next 12-18 months.

Part of IHCL’s market agility stems from its highly developed sensitivity to market changes and its ability to adapt to change in the tourism sector generally. Its growth trajectory in Goa reflects this innovative style.

Taj Hotels Resorts and Palaces had three luxury hotels in Goa, namely the Fort Aguada Beach Resort, the Taj Holiday Village in Sinquerim and Taj Exotica in Benaulim,
plus an additional hotel in the ‘budget’ category under the Ginger label in Patto Plaza, the business district of Panjim.9 Hotel Vivanta by Taj is the fourth hotel in the ‘premium’ category in Goa. It was opened in May, 2009 as the first-ever five-star business property in the state with 170 rooms and facilities that cater to the business and leisure tourists’ needs.10 The property offers an outdoor pool, a rooftop jacuzzi, a spa, two restaurants, a bar, and a delicatessen.11 Guests also have a choice of limousine and yacht transfer from and to the airport. Owned and constructed at the cost of Rs. 110 crores by Kamat Construction and Resorts Private Ltd., a 40-year old company that specialises in construction, real estate and hospitality in Goa, the hotel signals a partnership that may spawn other collaborative ventures for the two companies.

2.2.2 Leela Kempinski
The Leela Kempinski in Mobor, Cavelossim is owned and operated by the Hotel Leelaventure Limited company which was established in 1957 and is headquartered in Mumbai.12 Hotel Leelaventure has a marketing alliance with the German Kempinski Group of Hotels (hoteliers since 1897) which makes it a combination of an Indian multinational and a household name in Europe for elite hospitality. The company operates six hotels and resorts, as well as spas around India. Its current portfolio includes luxury hotels and resorts in Mumbai, Bangalore, Kovalam, Gurgaon and Udaipur, besides Goa, comprising a total of 1,523 rooms and 90 serviced apartments.13

Projects for the financial year 2011 include a landmark luxury hotel with approximately 260 rooms in Chanakyapuri, Delhi and a top-end hotel in Adyar, Chennai with 332 rooms.14 The latter, to be opened in March 2011, will be Chennai’s first five star hotel, built on a 6.25-acre property. Development of the property which will include a 15-storey building has reportedly cost the company Rs. 5,500 million. This luxury hotel will be part of an IT software park also slated to open at the same time. The company has acquired seven acres of land in close proximity to the historic Taj Mahal, Agra. Future hotels will be added to the company’s portfolio in Agra, at Lake Ashtamudi in Kerala, Hyderabad and Pune where the Leela Group already owns premium land and will be exploring a planned consolidation of land assets. Taking advantage of the global financial crisis, Hotel Leela reduced its Euro Bond 2010 exposure from Euro 60 Mn to Euro 39.20 Mn, and US$ Bond 2012 exposure from US$ 100 Mn to US$ 41.60 Mn. The company will be pursuing further equity fund-raising in the coming year.

With a chain of exclusive luxury hotels, the company launched a luxury business hotel in Gurgaon through a management contract with the owner, Ambiance Hotels and Resorts Ltd.15 According to the Director’s Report, this first-ever venture was a positive experience, earning the company management fees of Rs. 11.84 crores in its first year of operation. It has secured the Leela brand in hotel management, and may be replicated elsewhere.16

Some concerns needing government intervention raised by the company Chairman, Captain. C.P. Krishnan Nair in the Director’s Report were: the need for better infrastructure around the country; smoother visa procedures to enable foreigners to visit India; and better access to global multilateral financing in terms of long-term loans. He also highlights the need for a single window committee to approve plans in every state on a fast-track within seven days. These views hold significant sway and indicate policy directions because Captain Nair is the winner of several significant hospitality sector awards and recognitions, and is a Padma Bhushan award recipient for his contribution to the luxury hospitality sector. His son, Vivek Nair, the Managing Director and Vice Chairman of Leela Group, is the Chairperson for 2011 of World Travel and Tourism Council India Initiative, the apex private sector representative of the tourism industry, as well as Honorary Secretary of the Federation of Hotels and restaurants Association of India (FHRAI).

With the USA as its largest source market, the Leela Palaces, Hotels & Resorts entered into a sales and marketing agreement in 2008 with the Preferred Hotel Group headquartered in Chicago.17 It is also member of the transnational Global Hotel Alliance based in Geneva, Switzerland.18 Hotel Leelaventure has also engaged London-based ESPA to manage its spas in Mumbai, Delhi, Udaipur as well as Goa.

The top four ‘key executives’ of the company received nearly US$ 30 million in compensation during the financial year 2009-2010.19 According to a filing to
the Bombay Stock Exchange, Hotel Leelaventure Ltd. suffered a net loss of Rs. 4.75 crores despite a sales growth of 16.38% at Rs. 104.41 crores for the quarter ended September 30, 2010. Two of the company’s Board of Directors have since resigned. 20

Of the company’s five properties, the Leela Goa earned 17% of the total revenue in 2009-2010 with Rs. 66.87 crores, having increased its contribution to the company’s coffers from 14% the previous year. 21 Its occupancy rate among the six properties that the company manages is the highest and most consistent throughout the year at about 70%. Hotel Leela’s stable financial performance in Goa makes the hotel a significant player within the company’s portfolio, trailing only behind the company’s flagship unit in Bangalore and its home-base in Mumbai.

The Leela Kempinski, Goa is spread over 75 acres of landscaped gardens nestled between the Arabian Sea and the river Sal with 186 rooms, suites and villas. 22 Besides banquet facilities and meeting rooms, the property contains four restaurants including a beach-side café and seafood restaurant with a bar, swimming pools with a bar, a health spa and beauty salon, a boutique and shopping arcade, a casino, a discotheque, three floodlit tennis courts, facilities for badminton and croquet, a 12 hole Par 3 golf course, a children’s activity centre, and a florist. Services at the hotel include currency exchange, car rental, sightseeing tours, as well as water and beach sports.

The table below summarises the primary characteristics of the two case studies.

<table>
<thead>
<tr>
<th>Operational since</th>
<th>30 September 199023</th>
<th>21 May 200924</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>5 Star deluxe</td>
<td>Five Star business</td>
</tr>
<tr>
<td>No. of rooms</td>
<td>186</td>
<td>170</td>
</tr>
<tr>
<td>Business model</td>
<td>Owned and operated by Hotel Leelaventure Ltd.</td>
<td>Owned and constructed by Kamat Constructions and Resorts Pvt. Ltd.</td>
</tr>
</tbody>
</table>

Table 2: The Case Studies at a Glance

2.3 Data Sources

Empirical data for this project were collected through interviews with representatives of the major stakeholders of both hotels, namely community members who are residents and shop-owners in the neighbourhood; hotel staff and management; government representatives; community-based social activists; and leaders of civil society organizations. This information was complemented by web searches on the corporate ownership structures, company profiles and press coverage on the hotels. Company websites provided access to the hotels’ existing codes, Annual Reports and public relations material. Applications made under the Right to Information Act, 2005 (RTI) also generated valuable insights into the relation between the state and the private sector.

There are many limitations to this pilot study, the biggest being access to the corporations. Requests for an interview were declined by the General Manager of Taj Vivanta, Panaji on the basis that local management were prohibited from speaking to the public, and that all requests for information were handled at the headquarters in Mumbai. When contacted, the manager of community initiatives first directed the researcher to the company’s website and in a follow-up to a written request for an interview, responded that she was too busy. A written request made to the company’s public relations manager, following several phone calls, was declined by a third party firm presumably contracted to handle the company’s textual materials.

An interview with the General Manager (GM) of the Leela Hotel, in comparison, provided some insights into the operation of the hotel. However, due to time constraints the interview was short and limited to the general information that the GM provided on the spot himself or conveyed from another manager by phone after the interview.

Taj’s refusal to participate in the study demonstrates a preference for a one-way communication system that allows the company to transmit information to the public in a highly controlled manner. This not only prevented us from gleaning further details on the contents of the reports available on the company’s website, but also reveals the company’s reluctance to engage with non-governmental organizations which seek to gauge its sincerity in practicing social responsibility. More broadly, it implies that transparency at the sectoral scale is still limited and has a long way to go as CSR matures in the hotel sector beyond its present concept as philanthropy.

It became apparent early in the fieldwork that tourism was a sensitive topic in both locations. Some potential respondents, specifically hotel staff and residents or business owners/operators, refused to even engage in casual conversations about the hotel for fear of reprisals given the economic and political power of the corporations. Some who did, painted an untainted picture of the hotel unless they could ‘place’ the researchers as trust-worthy based on mutual contacts or from previous interaction. In one case, despite an introduction by a mutual acquaintance, a staff member of one of the hotels refused to take calls from the researcher when he found out that it was for an interview about working conditions at the hotel. What could evoke such strong reactions to attempts at unveiling the impact of large hotels in the community? One possible answer to this question lies in the combination of wealth and influential power of the two hotels studied in a very tiny State as will become evident in the findings section later.
03. CSR & Hotels in Goa ~ Issues in Brief

Tourism is one of two primary bedrocks of the Goan economy. It is a significant source of income to people in Goa and over the years, has also had a tremendous impact on the social and environmental ethos of the state. This section explores the predominant CSR issues that face the hotel sector in Goa.

First, it is important to emphasize the socio-political context within which this study is taking place as it is critical for a better understanding of contemporary tourism development. Goa is witnessing change at a break-neck pace driven partly by the real estate and construction industries, which have been fuelled by the demand for land and the development of second homes and luxury projects in pristine, un-congested locales that Goa still offers to the rest of the country and indeed, the world. As the next section explains, tourism has played a significant role in generating an unprecedented interest in land or deluxe home ownership in Goa for personal and commercial purposes. Corruption within the bureaucratic rungs of state administration coupled with the sky-rocketing price of Goan land, running in crores of Rupees, from corporate groups have resulted in a speculative market with extremely high financial and political stakes. Hence, a study on the policies and practices of multinationals in the tourism industry has to necessarily take into account these broader trends in Goan society which are creating a sense of alienation, displacement and unemployment among Goans. Multinationals thus are one group of agents of social change whose actions are going to be judged in terms relative to those of other equally powerful ones.

3.1 Quantity and Quality of Employment

In interviews, union leaders pointed to the fundamental bias in the governmental system which favoured star hotels over small businesses, from which a higher percentage of economic benefits flow through the local economy. A common thread of discussion was the shrinking share of ‘regular’ employment within the hotel segment and the dramatic rise of precarious work for the majority of the five star staff. This includes a predominately young workforce typically categorized as ‘Apprentices’, Trainees, or hired on Fixed Term Contracts (FTCs), even though they are eligible for these jobs only if they already have professional training at the most highly rated institutions. Rather than a statutory monthly salary, they are typically paid a ‘stipend’ in violation of the ‘equal wage for equal work’ law. The insecure nature of employment in hotels results in a weakening of collective bargaining power, and subsequently, the terms and conditions of work for everybody. It is commonly understood that, for this reason, five star hotels are treated as a stepping stone to overseas jobs on cruise ships and other facilities in the hospitality business. Young workers who are in such employment in Goa have no experience of trade union membership or interest in risking their completion certificates and letters of reference by fighting for a regular job in Goa.

3.2 Hotels and the Environment

Critics of tourism in Goa have long argued that there have been a broad range of environmental and social costs of tourism development in the state and on its population. This section focuses on the environmental impact of tourism promotion. When resources such as land and water are utilised by the tourism industry, for the construction of infrastructure such as airports, hotels, and parking lots for example, it leads to the transformation of ecological habitats and loss of flora and fauna (Holden, 2000). Besides serving as resources for the generation of economic wealth, the physical environment, in the combination of different ecosystems, also provides the oxygen, water and food resources that are necessary for the survival of communities in the tourist destination (Holden, 2000). Over-exploitation of the physical environment can lead to a depletion of natural resources and fails to account for the social costs of environmental damage borne by local people.

Accommodation facilities in Goa have been built without due regard for their environmental effects. For the purpose of this study, we have limited ourselves to the resource usage and some aspects of pollution caused by the major tourism players and activities, which cater to over 25 lakhs of tourists each year.25 The construction of hotels and additional facilities for tourism activities has resulted in a steady destruction of mangroves, khazans and salt pans of Goa (Sonak et. al., 2006).26 A study by Kazi and Nairy (2003) estimating the resource-use patterns in Goa found that the high-budget and luxury hotels had the least built-up area in relation to their total land area, leading the authors to conclude that they exerted the least pressure on land resource in terms of congestion.27 However, there is another perspective to this if one considers the land-use per tourist. The vast landscaped property around luxury hotels is an intrinsic part of the ‘resort package’ and has no value other than to please the aesthetic sense of high-end clientele who, moreover, seek a certain degree of social seclusion. Therefore, the demarcated land is a privatized resource exclusively for tourism precisely because it is a spatial extension of the hotel, even though the way it is used does not give a sense of congestion.

The same study does highlight that low-budget hotels require the least land per tourist which means that the land usage per tourist hosted is more intensive in the high-budget and luxury hotels. Furthermore, most hotels of all categories were built in previously open or ‘barren’ land, with a number of these hotels and their facilities having been constructed in agricultural lands, especially khazan lands (Noronha and Nairy, 2003).28 An important point that needs to be borne in mind here is that land that is officially perceived as ‘barren’ actually supports multiple life forms, the most visible use being fodder for animals. Large-scale construction, therefore, destroys the ecosystem and has detrimental implications on health and community life.
3.2.1. Double Standards of Coastal Regulation Zone (CRZ)

India’s coastal belt has been sheltered from new constructions by the special notification introduced in February 1991 under The Environment (Protection) Act, 1986 which defined the stretch of land 500 metres from the High Tide Line (HTL) as the CRZ. Although the CRZ norms have been viciously attacked and amended to dilute its intended value, they nevertheless provided a standard of ecological conservation on India’s beaches that non-governmental agencies could use to put court pressure on the government in order to implement and enforce its conditions. In 2008, the CRZ was sought to be replaced by a fresh notification called the Coastal Zone Management (CZM) which was so controversial that it was soon scrapped in favour of a draft CRZ notification circulated for comments in April 2010 and finally notified on 15 September 2010 amidst vociferous protests from affected communities and environmentalists alike. Major corporations in the hospitality industry have played a significant role in lobbying the Indian government in order to open India’s beaches for unobstructed, large-scale tourism development.

In the short period between the CZM notification and the fresh CRZ notification, hundreds of structures in Goa deemed illegal by coastal zone protection norms were demolished. These demolition orders were widely considered to target the poor and vulnerable population, mainly comprising of traditional fishing communities and small-scale entrepreneurs, while overlooking the illegalities of the wealthy which enjoyed political patronage. A five star hotel located in a suburb of Panjim is a case in point.

In early 2010, Goa’s Chief Minister Digambar Kamat moved an Ordinance which regularized a part of the five star hotel Cidade de Goa in Dona Paula which the Supreme Court had ordered to be demolished for violating CRZ norms. Cidade de Goa is owned by the Timblos, who also own the mining company Fomentos. The Supreme Court order was followed by a march to the Raj Bhavan by a group that Cidade de Goa described in a press release as consisting of employees, associates and family members of the hotel, to petition the Governor, the Chief Minister and the Leader of the Opposition to save their livelihoods. The Chief Minister thus justified the regularization by claiming that hundreds of hotel employees would lose their jobs if the hotel were razed.

What needs to be noted here is that the hotel had been encroaching upon a public beach which it had tried to keep private for years, despite agreeing to allow the public passage to it through the hotel lobby and agreeing to maintain public access to the traditional path to the beach. The 2010 Supreme Court demolition order upheld the judgment of the Bombay High Court (Goa bench) ten years earlier in 2000. The Bombay High Court had ordered the hotel to demolish all structures that obstructed public access to the beach. It also directed the Goa Government to initiate steps to take back the land that it had acquired for the hotel under The Land Acquisition Act, 1894, as the hotel had breached the terms of the agreement for the acquisition. Were it not for the regularization ordinance which the Chief Minister enacted in a single stroke, Vainguinim beach would have returned to the public after a gap of 17 years. However, the sand dunes and vegetation that were destroyed by the illegal construction of the hotel can never be replaced. Similar stories are repeated all along Goa’s coast.

3.2.2 Water Consumption and Pollution

One of the oldest criticisms of the tourism industry has been the over-consumption of precious water resources by hotels for their swimming pools, expansive lawns and multiple showers a day of their guests. There have also been complaints that hotels do not have adequate sewage handling facilities as a result of which the treatment of hotels’ sewage puts additional pressure on an already over-burdened public system. A series of press reports in 2010 found that some hotels were clandestinely discharging raw sewage in the public water bodies close to them without punitive measures taken against them or appropriate action to resolve the problem of water pollution by the state authorities. Such cases point to the corporate irresponsibility of erring hotels as well as the gross negligence of the corresponding governmental bodies. It is only when vigilant locals contact the local media, as in the case discussed below, that the state of the lax regulatory system becomes evident.

A beach resort in Majorda was found to be diverting a fresh water stream with the use of sand bags allegedly in order to facilitate easy access to the beach for the resort’s guests. This has affected local farmers who depended on the fresh water for irrigation of their paddy fields and coconut groves. Reports in the press revealed that the concerned authorities had neither taken any action against the resort nor taken any steps to take corrective measures to address the problem. Apparently, complaints to the collector, the Water Resources Department (WRD) and the Goa Coastal Zone Management Authority (GCZMA) evoked no response, although it was widely acknowledged that any move designed to divert the flow of natural course of water body was illegal. Managers at the beach resort admitted taking this measure for a number of years, but pointed out that it was in full knowledge of the concerned government authorities in the absence of a feasibility study requested by the resort.

3.3.3 Land Conversion and Displacement of People

Many construction projects have been proposed and carried out despite public protest, as they would purportedly attract visitors to Goa and diversify the state’s facilities. One such project which has recently been announced in the press is a Rs 300-crore high-end project named Nitesh Fisher Island to be developed by Bangalore-based Nitesh Estate, an integrated property

43
development company, across 9.3 acres on the banks of river Sal. It is slated to comprise 36 luxury villas, each proposed to have a spa and a private swimming pool, besides common water sports and a jetty. The entire project is expected to be completed in the next two to three years in a bid to grab a substantial share of the growing luxury real-estate market, targeting premium-end customers.33 A similar project of over 600 flats overlooking the river Sal proposed in 2008 by Mumbai-based Raheja faced strong opposition from the villagers of Carmona.

The demand for additional accommodation and second holiday homes for non-resident Indians (NIRs) or retirement homes for foreign nationals, for example, has increased land prices and motivated coastal residents to sell their land. There has also been massive legal and illegal land conversion from agriculture to settlement zones. In fact, some scholars have argued that “tourism has accelerated the decline of agriculture in Goa, by providing a viable alternative for the lateral transfer of investment capital, land, and labour by the locals” (Sawkar et. al. 1998: 8).34 Indeed, preliminary evidence indicates that youth in families who have traditionally been involved in agriculture-related occupations are lured to more lucrative jobs in the tourist shacks along the beaches.

A narrative now familiar to Goans is in the process of unfolding on Vanxim Island with the involvement of the church as a major player. A tourist resort with villas and water sports activities has been proposed for an area of 6.30 lakh square metres on Vanxim Island, which is located between Divar, Chorao and Mayem islands in Tiswadi Taluka. This property, which belonged to the Archdiocese of Goa was sold to Mahendra Gaunekar, reportedly for a paltry sum of about Rs. 55 lakhs, and re-sold to a Bangalore-based developer named Ozone Leisure and Resort Private Limited for Rs. 30 crores. Much of the land upon which the resort is expected to be constructed was agricultural land with tenant families who have been issued certificates claiming that the land has been fallow for years and is uncultivable. The whole island with a total area of 7.30 lakh square metres is now declared as a ‘settlement’ zone, and also holds a church, some houses and a school, which will apparently happen to the families displaced by the resort is not be affected by the new development.35 A similar project of over 600 flats overlooking the river Sal proposed in 2008 by Mumbai-based Raheja faced strong opposition from the villagers of Carmona.

The damage of the coastal ecosystem has been so devastating on marine life systems that the state governments of Maharashtra and Karnataka have declared a fish famine in their states. In Goa, it is not the state but the All Goa Fishermen’s Cooperative Association (AGFCA) and the Cutbona Boat Owners Development Society (CBODS) which have separately reported a ‘fish famine’ and the endangerment of the livelihoods of traditional fishermen in late-2008. The marine catch has reportedly fallen by 10,000 tonnes and the inland catch by 3,100 tonnes of fish over the past two years. There are many inter-related reasons for this decline. While the Society blamed the lack of trained workforce for the present crisis, the Association has blamed the government’s shack policy and the CRZ rules.

State policies threaten the livelihoods of traditional fishermen who rely on canoes, the ramponkars, those using gill net and those involved in collecting shell fish, including tisryo as their access to the sea and the beaches which constitute public space, has been severely restricted or unilaterally denied. The threat of tourism lies in the unfortunate timing of the season, as the shack are erected at the start of the tourism season, i.e. around September, which coincides with the start of the fishing season, after a lull imposed by law in order to maintain a balance of the marine eco-system and protect spawning. Thus, there is a clash of interests between the shack owners/operators and the fishing communities, both of whom compete for space on the beach and access to the sea.

With the recent success of tourism promotion to be a year-long activity, it is probable that the prohibition on fishing during the monsoon season alone will not help protect and regenerate the reproductive cycle of sea-life as there are many more dangers to the marine eco-system posed by tourism-related activities that have yet to be curbed. Five of the six jetties in Goa which

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3.3.4 Fish, Livelihoods and the Marine-Ecosystem

One of the areas of the study was the degree to which the hotels were integrated in the local economy. A major concern in Goa is the rising cost of food, especially the staple components of a typical Goan diet such as fish and coconut-based curry. Tourism is often blamed for the cost of these items for the locals since the purchasing power of hotels which buy in large quantities is so much higher than the average local buyer. While the rising cost of seafood in the local market has many causes, tourism has certainly affected the local ecology in far-reaching ways.
were used by the fishermen have been leased out to off-shore casinos or the tourism industry to dock various luxury cruises without making adequate alternative arrangements to the fishing communities.

The licensing of the off-shore casinos and docking facilities for luxury cruises typically proceeds without due regard to their environmental (or social) consequences. The State Pollution Control Board has found some of the commercial vessels to be violating basic regulation in relation to pollution of the sea and rivers. This confirms AGFCA’s claims reported in the press that the commercial vessels and off-shore casinos pollute the sea by throwing garbage and emptying their sewage tanks in the water, thereby adversely affecting the marine eco-system. With dwindling returns on their investment in fishing, members of the fishing community are shifting to entrepreneurship in tourism through the water sports business spurred by the sharp rise in tourism development and the lax regulatory regime that governs it.

Changes in the fishing industry with the domination of mechanised trawlers, a decline in the fishing communities’ access to the seas, and pollution of the marine eco-system have all contributed to drastic shifts in the cost and availability of fish in the local market. These have been exacerbated by the rise in tourism-related activities in and near the sea.

3.3 A Casino Economy

Although The Goa, Daman and Diu Public Gambling Act, 1976 prohibits gambling in the state, electronic casinos using slot machines were legalized in 1993 and live gambling was restricted to ‘offshore’ areas. Licenses for gambling have been issued to operators through a loophole in the law which leaves the term ‘off-shore’ undefined. By the end of 2008, the Under Secretary of the Home Department had issued seven licenses to ‘off-shore’ casinos at the cost of Rs. 5 crores (Rs. 50 million) each on a first come, first served basis. Besides the license fee, casinos generate revenue through excise duties and commercial taxes that are levied on each entry ticket sold. The casinos operating in the Mandovi River in Panaji are only nominally off-shore, with India’s first-ever live gaming outlet, the Casino de Goa aboard the M V Caravela anchored at the government jetty in Panjim. The Government also issues licenses to five-star hotels under the pretext that the casinos will generate revenue for the state by attracting non-locals, i.e. tourists, for high-stake gambling. It is estimated that the government draws Rs. 320,000 lakhs a week on entry tax from about 1,600 passengers who gamble in just one off-shore casino, the Caravela.

Casinos have come under severe criticism from different sections of the public under the banner of “Aam Aurat Aadmi Against Gambling.” They have called upon the government to ban advertising and stop issuing licenses to casinos. Members of women’s groups have pointed out the disastrous effects of gambling on the household economy and its association with over-consumption of alcohol. Off-shore casinos became a major topic of discussion in the Legislative Assembly and beyond when a report by the panel for ports’ administration pointed out that the floating casinos do not have sewage treatment facilities onboard and were pumping raw sewage into the Mandovi River along with the cruise ships. Despite these criticisms, the government has been dragging its feet instead of taking stern action even against the casinos found to be operating without permits.

“Casinos thrive on people who have large amounts of surplus money, which is invariably obtained through unfair means, the kind of money which fuels a parallel economy...A person who comes to gamble also looks for other avenues for pleasure. He seeks nightlife, which is supplemented by drugs, booze and flesh trade. When these factors come in, the providers of these pleasures scurry for state protection and you have a protection money racket flourishing and then finally politicians come into the picture.”

Ramakant Khalap, Former Union Minister, a Congress leader and Chairman of the Goa Law Commission.

The casinos floating in the river Mandovi were also accused of obstructing river navigation and were ordered by the Port Administration to move further out to the Aguada Bay. Casino operators in response took the Port to court challenging its order. Meanwhile the floating casinos continue to crowd the river.

This section has drawn together tourism development and the predominant CSR issues as they relate to hotels in Goa. It raises important questions about the indirect effects of the dominant tourism development agenda on people’s access to land, the sea, and a healthy environment. The discussion here also casts a shadow of doubt on the ready claims by the state and the private sector that tourism generates employment for locals. The next section turns to the research findings in order to analyse the impact of the two selected hotels from the point of view of the issues that have emerged in the secondary research.

04. CSR in Practice

To reiterate, the corporate social responsibility of two five-star hotels in Goa is being examined along the following three axes: economic development and poverty alleviation; social impact and environmental impact. It is important to note, as in Section 2, that the companies’ perspectives on CSR have been gleaned primarily through self-reported materials available on the company websites. This is because interviews with managers at the Taj were declined and the interview at the Leela was short and restricted to the General Manager.
4.1 Company Codes
First, we explore the corporate codes of conduct of the two hotels in terms of the breadth and depth to which relevant CSR issues are covered.

The Leela Hotel has a company-wide code of conduct for members of the Board of Directors and senior management, which was framed in compliance with the provisions of Clause 49 of the listing agreement with stock exchanges.\(^4\) It mainly concerns itself with fundamental ethical conduct of individual managers or directors as they represent the company’s business interests and handle the company’s fiduciary responsibilities. The Annual Report covers the financial aspects and corporate governance in great detail for the company as a whole. Due to the concern for the safety and security of guests, Hotel Leela Goa is one of three of the company’s units which has been certified with ISO-22000 (food safety) certification.\(^4\) These documents and the certification may serve to reassure shareholders, potential investors and clients. On corporate governance, their website states that: “It has been the endeavour of “The Leela” group to give fair and equitable treatment to all its stakeholders, including employees, customers and shareholders.” However, they fail to outline specific guidelines or standards for their relationship to staff, suppliers and vendors, or the community, or how they would implement, monitor and report progress on this front to the public.

In comparison, IHCL’s code of conduct outlines a broad range of issues besides the general principals of financial ethics and corporate integrity vis-à-vis the government and shareholders.\(^4\) These include: (a) preservation of the national interest of countries in which it operates; (b) freedom of employees to engage in civic and political affairs which do not conflict with corporate interests; (c) political non-alignment; equal opportunities in employment irrespective of race, caste, religion, colour, ancestry, marital status, sex, age, nationality and disability; (d) provision of a safe and healthy working environment and compliance with all regulations regarding environmental preservation; and finally, (e) cooperation within the Tata Group on competitive terms with other business parties.

Two aspects of the code deserve special mention. First, the code expresses the company’s aspiration to “honour the information requirements of the public and its stakeholders” and clearly states that the company “shall be represented only by specifically authorised directors and employees” for disclosure of business information to “public constituencies.” As discussed in Section 2, this was echoed by the manager contacted in Panaji for an interview for this study. However, the fact that our request was also turned down by the Public Relations officer in the company’s headquarters is a cause for concern as it makes the code appear to be a promise more in theory than practice.

Secondly, the code of conduct contains a section on corporate citizenship in which the company outlines its definition of CSR as going beyond compliance with all relevant laws and regulations to “actively assisting in the improvement of the quality of life of the people in the communities in which it operates, with the objective of making them self-reliant.” It then continues to specify what this entails, including “initiating and supporting initiatives in the field of community health and family welfare, water management, vocational training, education and literacy,” all of which will not be treated as optional activities but be incorporated as an integral part of the business plan. This section ends with the statement: “Tata companies are encouraged to develop social accounting systems and to carry out social audits of their operations.”

On paper, the Taj Hotel’s code of conduct appears to be well-framed taking into account virtually all of the concerns civil society may be poised to tackle. It promises excellent corporate citizenship in succinct and general terms. According to the latest Corporate Sustainability Report, the company invests time to inculcate these principles of functioning among its employees, security, and suppliers through mandatory training sessions.\(^4\) Leela Kempinski’s code, on the other hand, makes no commitments beyond its duty to the government, its shareholders and its guests. Regardless of what company documents contain, the key question remains: To what extent is each of these hotels respectful of the environment and the community in practice? The following sections discuss how CSR concerns raised in Section 3 of this report play out in the two cases.

4.2 Environmental Conduct
According to company information available on the web, both companies place high value on initiatives for energy conservation and environmental management initiatives at their units.

4.2.1 Hotel Leela Kempinski
In Goa, Leela Kempinski claims to have a sewage treatment plant with a capacity of 250 KL per day.\(^4\) It apparently maintains the quality of the treated water according to the standards of the Goa State Pollution Control Board (GSPCB), to which it reportedly submits quarterly water testing reports of the sewage treatment plants. It reports that no hazardous waste is generated and that it has garbage storage space for wet and dry garbage, with the former maintained at 4-6 degrees Celsius. Air conditioning equipment and refrigeration are CFC-free, while electric gold carts are used to shift materials in order to prevent air pollution. None of this has been confirmed through information obtained under the RTI from the GSPCB, except that the hotel does have a sewage treatment plant (STP) with unspecified capacity. The data that was in fact made available under the RTI will be discussed in the relevant sections below.
Given the potential financial savings, energy conservation is given high priority by Hotel Leela. According to the manager interviewed: “About 10-11% of our costs is for power, so we take care.” Hotel Leela’s energy conservation methods in Goa are described in a long list which includes: solar heating of the pools and shower water in every guestroom; thermostatic controls in the kitchen and in guestrooms for air-conditioning; low energy lighting in guestrooms and common areas; use of flashed steam and heat recovery in laundry; double-glazing on windows to reduce load on air-conditioners; flow-restrictors on showers heads, taps and kitchen taps to reduce water consumption; and sprinklers for garden lawns and plants. Although the list makes for positive reading, these features have not been viewed or monitored for this study, nor have they been audited by any independent body yet so it is unclear how the amount of energy consumed with these improvements compares with that consumed prior to them.

Missing from the company-provided information here were figures on the average daily or monthly resource consumption of the hotel, e.g. electricity and water per guestroom. These would be critical to gauge the degree to which environment-consciousness is integrated in the management of the hotel. In response to a question under the RTI, the Public Works Department (PWD) has stated that it supplies the hotel an average of 15,499 cubic metres (or 15,499,000 Litres) of water per month. The same data indicate that the hotel’s consumption in 2009-2010 was the highest during the month of June
(stated that it supplies the hotel an average of 15,499 cubic metres (or 15,499,000 Litres) of water per month. The same data indicate that the hotel’s consumption in 2009-2010 was the highest during the month of June 2010 and that the daily water consumption in the month of August 2010 followed by December 2009, while it’s lowest was in April 2010. The hotel’s monthly water bill ranges from Rs. 2,71,400 to Rs. 4,88,000.

In its Environmental Statement, required to be submitted annually, dated May 28, 2010, the hotel’s authorised signatory states that the hotel consumed a total of 1,88,380 KL (or 188,380,000 litres) in the year 2008-2009 and that the daily water consumption for cooling and domestic purposes was 37,676 KL (or 37,676,000 litres). A GSPCB inspection report (31 May, 2010) states that the hotel’s domestic water consumption is approximately 1,80,000 litres/day, its wash water consumption is 2,00,000 litres/day and cooling water consumption is 40,000 litres/day. Hotel Leela’s return regarding water consumed during the months of April to July 2010 state that it has been between 10,090 and 21,620 kilo litres.

There is no information available about the amount of dry waste, especially plastic (e.g. water bottles) generated by Hotel Leela’s and what happens to it once it leaves the hotel’s premises. This information would have lent more credibility to Hotel Leela’s expressed goal of environmental preservation as this remains a sore point in public discourse in Goa. On the question of pollution discharged by the hotel into the environment, the hotel’s Environmental Statement simply states: “Monthly analysis report submitted to approved agency” on the quantity and concentration of discharge in the water. Similarly, the same Statement claims that: “Half yearly monitoring report of stack is submitted to GSPCB, done by M.O.E.F. approved agency,” on the quantity and concentration of pollutants discharged in the air. On the question of solid wastes, the Environmental Statement again simply states: “Collection is done by a contractor approved by Health Authority.”

The manager interviewed did admit that the air-conditioning for the hotel was centralised and that the hotel was vast and spread out, making the air-conditioner work very hard to pump water and make sure that it was still cold when it reached the rooms at the other ends of the sprawling property. Besides the distance that the water needs to travel for proper air-conditioning, the amount of energy required to cool the guest-rooms would also vary according to their size. Rather than mere ‘rooms’, Hotel Leela’s guestrooms are in fact ‘suites’ and ‘villas’ described as Lagoon suites (41); Lagoon deluxe suites (4); Club suites (9); Club Pool suites (6); Royal villas (4); and a Presidential villa in addition to Pavilion rooms (54) and Conservatory rooms (66). These multiple-room suites and multiple-floor villas presumably consume more water, electricity and energy for air-conditioning than the average hotel room elsewhere.

The manager also revealed that due to frequent power cuts (“On average, we have 5 hrs a day of cuts”) throughout the year which get worse in the monsoon, as is the case in the rest of Goa, the hotel currently has two Diesel Generator (DG) sets and was having a third one installed. The implications of these for water and energy consumption as well as air and noise pollution are immense.

Hotel Leela has been granted a renewal of the consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 as amended dated 18 October, 2010, which is valid until 23 April, 2012. This consent covers the operation of the two boilers and two D.G. sets of the hotel, specifying the emission limits of effluents into the air and the maximum quantity of fuel that they can use.

Boilers can affect the environment through air emissions from fuel combustion, wastewater from cooling and cleaning, and solid waste from ash disposal. The following table summarises the three types of pollutant emissions of boilers.
If unchecked, these pollutants and air toxins are known to cause adverse health effects in human beings and the environment. They can also contribute to global warming. In the Renewal of Consent to Operate, the GSPCB specifies its compliance requirements of Hotel Leela’s two boilers, each of which has a capacity of two tons/hour. These include a common stack of 22 metres height above the ground to let out the emissions, maximum emission of 2.16 Kg/hour Sulphur Dioxide and 800 mg/Norm cubic metre. The inspection report of 15 May, 2010 reports: “Stack analysis has been carried out and the PM matter is within permissible limits prescribed by the Board” without any explanation of the methodology adopted or the actual results.

The two DG sets have a capacity of 1250 KVA each and run on high speed diesel (HSD), which is a post-consumption hazardous waste. The GSPCB had issued Hotel Leela an “Authorisation for Occupier or Operator Handling Hazardous Waste” dated 30 May, 2008 which was valid until 21 May, 2010.51 This Authorisation allows the hotel to operate a facility for collection and storage of: (1) 6,720 litres of used oil which needs to be disposed of through a recycler registered with the Central Pollution Control Board (CPCB) and authorised by the State Pollution Control Board (SPCB); and (2) 320 filters contaminated with oil which need to be sent to Mumbai Waste Management Ltd. at Taloja for incineration. An inspection conducted on the 31st May, 2010, after the expiration of the Authorisation mentioned above, states: “Stack analysis has been carried out and the PM matter [particulate matter] is within permissible limits prescribed by the Board.” The report of an inspection conducted by GSPCB representatives on 12 November, 2008,52 consists of just two lines: “The unit has changed the filters as a remedy. The sample was collected.” This investigation may have been a follow-up to a previous one which found irregularities in the hotel’s practice but there is no reference to any other inspection report or details about the filters and sample collected and the results of the subsequent analysis, if any were conducted. Once again, the inspection report of 15 May, 2010 states: “Stack analysis has been carried out and the PM matter is within permissible limits prescribed by the Board” without any explanation of the methodology adopted or the actual results.

Hotel Leela has also been granted a renewal of the consent to operate under Section 25 of The Water (Prevention and Control of Pollution) Act, 1974 as amended on 1 October, 2010, which is valid until 23 April, 2012. This Consent requires the hotel to comply with the following standards: a maximum of 380 kilo litres per day of sewage and sullage; sewage treatment and disposal with specified parameters for the waste water, and a composting facility for bio-degradable waste, among other conditions. The test results of the final discharge from the sewage treatment plant (STP) analysed in the GSPCB laboratory as part of the inspection on 31 May, 2010 showed it to be within the permissible limits.

Both consent renewals (in relation to air and water pollution) state that they are valid for the hotel with 156 rooms and a restaurant. An inspection conducted by representatives of the GSPCB on the 31st of May, 2010 also begins with the ‘observation’ that: “The hotel has 156 rooms.” However, this is an under-count of the hotel capacity described by all the promotional materials as having 186 rooms and four restaurants.53 The number and size of rooms is significant not only because they influence the hotel’s impact on the environment, as noted above, but also because the number of rooms is the sole basis upon which the GSPCB fixes the cost of the licenses that accommodation facilities are required to have, regardless of the actual emissions they generate and the public cost they entail.

It is worth noting that in general, the GSPCB’s approach to pollution control seems to be arbitrarily based on number of rooms and not on actual facilities and emissions of the hotels. The Federation of Small and Medium Hotels (FOSAM) has repeatedly called upon the GSCPB to design an anti-pollution regulatory system for the tourism industry that is based on the size of the guest house or hotel and the corresponding degree of pollution that can be potentially generated through a scientific study of current tourism practices.54 This effort continues.

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<th>Air Emissions</th>
<th>Non-Combustion Waste</th>
<th>Combustion Waste</th>
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<td>Chlorine</td>
<td>Volatile Organic Compounds</td>
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<td>Nitrogen Oxides</td>
<td>Organic chemicals</td>
<td>Heavy metals</td>
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<td>Carbon Monoxide</td>
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<td>Volatile Organic Compounds</td>
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<td>Particulate Matter</td>
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<td>- arsenic</td>
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Table 3: Pollutant Emissions by Diesel fuelled Boilers
The RTI application related to this study had requested the last two annual Environmental Statements submitted by the hotel and two latest inspection reports of the GSPCB. However, the GSPCB provided only one of the former, implying that only one of each was available for the hotel which has been operating since 1991. As discussed above, the earlier report was grossly inadequate in its content. Even the latest GSPCB inspection report from 31 May 2010 repeats (the company’s Environmental Statement): “The solid waste generated is disposed through private party,” without further explanation or sign of having verified the company’s claims. Instead of providing the figures and results of the purported analyses as attachments, the hotel’s Environmental Statement itself simply refers to other paperwork, e.g. in relation to water and air pollution or solid waste handling, without specific reference numbers or dates of submission. There is no evidence that the GSPCB has verified, investigated or followed-up the Environmental Statement in any way.

According to the company website, Hotel Leela has invested in environmentally-friendly technology and was aiming to pursue ISO 14001 certification in late 2009 or early 2010. The manager, however, reported that the hotel was going through ISO 14001 certification at the time of the interview in November 2010. The webpage also expressed the hotel’s intention to implement Leadership in Environmental Energy and Design (LEED). However, there were no reports of either certification having been granted at the time of report-writing.

4.2.2 Taj Vivanta
IHCL uses the Global Reporting Initiative’s (GRI) G3 guidelines as a framework for their Corporate Sustainability Report, which is also aligned with the United Nations’ Global Compact principles. Among the Taj’s company-wide social responsibility indicators discussed in the 47-page report, nine figures are highlighted prominently on a leading page. Besides the IHCL employees’ voluntary hours in the community, which reflects the company’s philanthropy rather than social responsibility as defined in Section 1 of this report, the others indicate IHCL’s social and environmental awareness of its broad role in the community. For example, the IHCL was one of 25 organisations to be granted ISO 14001 certification having been granted at the time of report-writing.

Taj Vivanta falls in the ‘luxury’ category of hotels within the IHCL. As such, it reportedly consumes 1.10 gigajoules (Gj) per room night, produces 26.59 kgs CO2 eq per room night, and consumes 2.66 cubic mts water per room night. The report does not provide an explanation of how the production of carbon dioxide equivalent was calculated; therefore the figure presented cannot be compared to standards in any other setting, whereas the two other figures can be analysed more carefully and are indicative of lifestyles that contribute to environmental degradation, rather than conservation, promoted by the hotel.

For instance, in comparison to the hotel’s consumption of 306 kWh per room per day, an average middle-class family in Goa with four members consumes 304 kWh per month or approximately 10 kWh per day. This means that guests staying in one room at Hotel Taj Vivanta (or another Taj ‘luxury’ hotel), typically one or two people per room, use more than 30 times the amount of energy used by an average middle-class Goan household. Similarly, the hotel’s consumption of 2,660 litres per room night can be compared to the water consumption of a typical household in Europe, which is approximately 100 litres per person per day. If we assume that a typical household in Europe has four members, it means that the consumption of water, increasingly a scarce resource around the world, by guests in one room of the Taj Vivanta is approximately seven times the amount consumed by a household in Europe. When the figures for each room night are multiplied by 9,03,772, the total number of room nights per year in 23 ‘luxury’ Taj hotels a year, the consumption of energy and water by Taj’s guests appears staggering.

According to the first Environmental Statement submitted to the GSPCB for the financial year ending on 31 March 2010, the Taj Vivanta is reported to have consumed 135 cubic metres (or 135,000 litres) of water each day. This is contradicted by a report of an inspection conducted by GSPCB on the 28th January, 2009, before the hotel began operation, in which the hotel’s water consumption is recorded as 183 kilo litres (or 183,000 litres) per day. Information gathered under the RTI indicates that the no objection certificate (NOC) for water supply facilities for Hotel Taj Vivanta was issued to the developers of the hotel without a technical scrutiny report on its feasibility and the letter from the developers requesting these facilities was “not traceable” in the PWD office.

The Environmental Statement reports that the sewage discharged by the hotel contained 33 kgs of biological oxygen demand (BoD) per day or 372 mg per litre of sewage water which is 13% over the limits, and 28 kgs of oil and grease per day or 48 mg per litre of sewage waste which is acknowledged as being 15% over the limits prescribed by the GSPCB. It is unclear whether or not the GSPCB followed up the hotel’s Environmental Statement with a notice asking for an explanation for the excess or by inspecting the premises. According to both the pre-operation GSPCB inspection report and the hotel’s own Environmental Statement, all of the hotel’s sewage is discharged into the public sewer system, and treated at the public STP in Tonca, Panaji. Although a GSPCB rule
states that hotels with more than 24 rooms need to have their own STP, the Taj Vivanta may be exempted from this rule since it is located within one of the only towns in Goa which has a public sewerage system.

While the GSPCB sets a daily limit of effluent from the hotel at 147 kilo litres per day, the hotel's Environmental Statement does not specify the quantity of sewage it discharged. However, the GSPCB's inspection report prior to operation, predicted that 146.4 kilo litres domestic waste water would be generated daily. Since only one inspection report was provided in response to a RTI request for the two latest inspection reports, it can be reasonably assumed that there has been no inspection of the Taj Vivanta in more than 1.5 years since it began operation in May 2009. Moreover, the environmental impact of the hotel's pool which has a capacity of 90 kilo litres per day is not reported anywhere other than in the pre-operation inspection report where nothing more is mentioned.

It is worth noting that the GSPCB's Consent to establish NOC appears to be directed toward the manufacturing industry, and does not necessarily conform to the nature of the hospitality industry which includes facilities such as swimming pools, spas, beauty salons, and jacuzzis whose environmental impact is decidedly different from smoke-spewing chimney stacks. Whether or not the GSPCB has any norms associated with these additional facilities is unclear.

In its Environmental Statement, the hotel disclosed that it produced 80 litres of lubrication oil as hazardous waste during the same financial year. This hazardous waste is presumably produced by the two DG sets with a capacity of 600 KVA each running at the hotel on HSD of 320 kg per hour as reported in the inspection report. The hazardous waste, which is within the limits prescribed by the GSPCB in its Authorisation to handle hazardous waste, is sold to an authorised collector. This Authorisation, which is valid until the 28th January 2011, does not mention any limits on filters that the hotel presumably also uses. The hotel produced 54.5 tons of solid waste during the same financial year, of which the dry waste (36.72 tons) was "carted away by the Corporation of the City of Panjim daily" and the wet waste (14.4 tons) was treated by an organic waste converter. It is not clear from this disclosure whether or not the wet waste is treated on the hotel's premises in its own composting facility as required by the GSPCB.

In contrast, Taj Vivanta demonstrates a good faith effort in minimizing its impact on the water body which flows adjacent to it. The current Outline Development Plan (ODP) for Panjim specifies a 'set-back' clause which states that there can be no new construction within five metres of the nullah (creek) so that it can be cleaned regularly and its ecological value preserved. Since Hotel Taj Vivanta was built under the provisions of the earlier ODP, which did not specify any buffer zone, the construction of the hotel is within permissible limits.

However, the problem of cleaning the nullah remains and Taj Vivanta has a boat that plies in the nullah everyday in order to remove the dirt and sewage that comes downstream toward it. This has led one prominent environmentalist interviewed for this study to praise the hotel's "fantastic" efforts to keep the nullah clean, albeit in self-interest.

4.3 Economic Development

Besides safeguarding the environment, five-star hotels can play a leading role in economic development and poverty alleviation by their sheer scale and purchasing power. They offer visitors a 'package deal' of accommodation, meals, entertainment and recreation on their premises. Their impact on the local economy could be tremendously positive if they purchased their supplies of furnishings, decoration, toiletries, food items and so on locally; if they provided decent, long-term jobs with all the social security benefits that employment entails; and if they paid all the taxes and fees for which they are liable considering their wealth. This section discusses the extent to which this is true based on limited information obtained through the hotel manager (of one hotel) and other sources.

4.3.1 Suppliers

One area of investigation was the sources of food items consumed in the hotels. Leela Kempinski in Goa has four restaurants which use domestic (Goan and Indian) and imported items. The imported food stuff such as Australian beef, cheeses, pasta, olive oil, and so on are in heavier demand during the tourist season. These are all purchased through the central purchasing department for the seven hotels in the Leela Group. A huge shipping container-full is received by the purchasing department and gets distributed among the different hotels. According to the General Manager, who checked with the local purchasing manager, the ratio of Indian to foreign items is 80-20. Of the Indian items, the ratio of Goan to Indian was 60-40. This information could not be cross-checked through any other source.

4.3.2 Employment

Another important area of study was the quantity and quality of employment generated by the hotels. Leela Kempinski has a total of 680 staff members, of which 250 (37%) are regular employees, 80 (12%) are 'Executives', 200 (29%) are engaged through various contractors, and the rest, 150 (22%) are all on FTCs which are one-year renewable contracts. "We give them a break that way they have more flexibility," claimed the manager in an interview. The figure below illustrates the multiple forms of employment at the Leela Kempinski by percentage of the total workforce.
As the figure above shows, over 50% of the staff at the hotel are in what the international labour movement calls "precarious employment" on fixed term contracts or engaged through contract agencies, which allows the hotel to discontinue their services without the statutory obligations of an employer. This results in great insecurity for the workers who do not know whether or not they will have a job past the end of the contract. With the hope of having their contract extended or their employment status changed to ‘fixed,’ staff in precarious employment tend to put in longer, more intensive work-days in order to earn the approval of their supervisors.

This was the case of a young worker at the Taj Vivanta who also revealed that the attrition rate of new hires was very high precisely due to the heavier work-load unfairly expected of them. He stuck to his job despite the long, tiring, unduly-compensated work days, the cumbersome home-to-work commute, and the unfavourable terms and conditions only on the basis of the promise made by his supervisor of ‘better’ prospects elsewhere in exchange for good service.

Besides the practical advantage of being able to shed off FTC and contract workers more efficiently and cost-effectively, engaging workers in precarious forms of employment provides a political edge as well. At the Leela Kempinski, only the regular employees are organised in trade unions. All of them are members of two different unions. The manager admitted that, although 330 staff members were in permanent jobs three years ago, this number has been gradually whittled down in order to discourage workers from joining unions. "We give higher priority to FTCs,” he admitted. While this does not directly violate the International Labour Organisation’s (ILO) Convention 87 (on freedom of association) and 98 (on the right to collective bargaining), it is a shrewd strategy to circumvent them. These two conventions are part of the eight that constitute ‘core labour standards’ which are selectively adopted in companies’ voluntary codes of conduct. However, neither the Taj nor the Leela has expressed these fundamental human rights at work as corporate principles.

In comparison to the Leela Kempinski Goa, accurate figures of workers by employment status at the Taj Vivanta Panaji could not be obtained but the total number of employees is listed as 320 on a report of a hotel inspection conducted by the Corporation of the City of Panaji on the 1st of June 2010. A reliable source informed us that the food and beverage section of the hotel had about 45 workers, of which only two were women (one designated as ‘Hostess’ and another as ‘Trainee’), and that approximately seven to ten of the 45 were Goans. The regional composition of the hotel staff also emerged as a theme in the interview at Leela Kempinski where the manager reported that 40% of the staff was Goan and 60% came from all over India. This was not further broken down with figures for staff in regular and precarious employment. Although the figures concerning the origin of the workforce at Hotel Leela could not be verified, observation during a visit indicated that Goans, if any, are certainly outnumbered by other Indians.

Such a geographical imbalance in the workforce composition is a particularly sore point in Goa as starred hotels are accorded privileged status by the government under the pretext that they provide jobs to locals. In reality, however, one union leader claimed:

*Star hotels have a bias against Goan workers. They start with a sprinkling of Goans but when they are running full-steam, the staff is recruited from all over the country. They look for the cheapest labour.*

It is not clear that workers recruited from other parts of India are in fact ‘cheaper’ than Goans. Approximately 18-20% of the hotel’s overall budget is labour-related costs, which is apparently the standard rate in the rest of India, according to the manager of Leela Kempinski.

Whether or not it is the labour costs of hiring locals who may be better informed about their rights and entitlements that dissuades five-star hotels from hiring them, the issue of ‘jobs for locals’ and the insecure nature of employment that is generated are unquestionably important variables in calculating the local economic impact of five-star hotels. If the Taj Vivanta and Leela Kempinski are representative of the five-star hotels in Goa, the great mismatch between the number of Goans in regular employment in five star hotels and the number of Goans available to work in the state is even more disturbing as qualifications and skills cannot be in shortage. Goa boasts several leading vocational education institutions which could train locals for jobs in the hospitality industry at a time when unemployment among Goan youth is high.

### 4.3.3 Local Revenue

The third area of investigation to assess the hotels’ economic impact was the revenue generated by them for the state in terms of taxes. For instance, the Leela Hotel paid the Panchayat of Cavelossim a total of Rs. 1,91,304 as house and light tax for the financial year 2010-2011 on seven parts of the property considered separately. The hotel also pays the Panchayat Rs. 150 per financial year as trade tax but the Panchayat does not collect any luxury tax from the hotel. In comparison, the table below reflects daily room tariffs charged at the Leela Kempinski in 2008-2009 based on information obtained under RTI:
### Table 4: Daily Room Tariffs at the Leela Kempinski in 2008-2009

<table>
<thead>
<tr>
<th>Room Type</th>
<th>1 Apr-30 Sept</th>
<th>1 Oct – 31 Mar</th>
<th>28 Dec – 3 Jan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pavilion</td>
<td>11,000</td>
<td>23,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Conservatory Premier</td>
<td>14,000</td>
<td>27,000</td>
<td>35,000</td>
</tr>
<tr>
<td>Lagoon Suite</td>
<td>20,000</td>
<td>40,000</td>
<td>52,000</td>
</tr>
<tr>
<td>Club Suite</td>
<td>30,000</td>
<td>53,000</td>
<td>69,000</td>
</tr>
<tr>
<td>Club Pool Suite</td>
<td>40,000</td>
<td>65,000</td>
<td>86,000</td>
</tr>
<tr>
<td>Royal Villa</td>
<td>50,000</td>
<td>1,00,000</td>
<td>1,20,000</td>
</tr>
<tr>
<td>Presidential Villa</td>
<td>1,00,000</td>
<td>1,35,000</td>
<td>1,75,000</td>
</tr>
</tbody>
</table>

The consolidated property tax assessed by the CCP for the Hotel Taj Vivanta is Rs. 18,82,949 per year for a total area of 16,540.03 square metres. The hotel has been liable for this tax since February 2009 when the occupancy certificate had been issued. For the financial year 2010-2011, Kamat Construction & Resorts Pvt. Ltd. paid Rs. 88,000 as Trade Licence fee, renewable every year, to the CCP, plus Rs. 6,912 as signboard tax for the neon signboards it is allowed to display. The latest Trade Tax receipt dated 6 June, 2010 shows that the company paid Rs. 88,000, plus Rs. 1,20,000 as sanitation charge for the same year.

### Table 5: Daily Room Tariffs at the Taj Vivanta in 2009-2010

<table>
<thead>
<tr>
<th>Room Type</th>
<th>No. of rooms</th>
<th>Single</th>
<th>Double</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nirvana - the Presidential</td>
<td>1</td>
<td>50,500</td>
<td>50,500</td>
</tr>
<tr>
<td>Temptation suites</td>
<td>4</td>
<td>23,500</td>
<td>23,500</td>
</tr>
<tr>
<td>Allure Suites</td>
<td>6</td>
<td>19,500</td>
<td>19,500</td>
</tr>
<tr>
<td>Indulgence</td>
<td>32</td>
<td>14,500</td>
<td>15,500</td>
</tr>
<tr>
<td>Delight</td>
<td>61</td>
<td>13,500</td>
<td>14,500</td>
</tr>
<tr>
<td>Charm</td>
<td>66</td>
<td>12,500</td>
<td>13,500</td>
</tr>
</tbody>
</table>

All except the Charm and Delight room rates include breakfast and the use of ‘Rhythm – the Lounge’ and only Nirvana - the Presidential also includes airport transfers.

Preliminary evidence suggests that the hotels generate high revenue given their tariffs and a reported minimum of 50-70% occupancy rates. While the hotels may procure some of their food items locally, it is by no means a sign of their integration in the local economy. Given the shortage of time and limits on information, this pilot study was unable to cover the vast, uncharted territory of the two case studies’ local supply networks, their contribution to the state’s coffers and a full picture of the employment they generate. An in-depth economic assessment of five-star hotels would be a logical next step.

#### 4.4 Community Impact

The third part of CSR examined in this pilot study was the social impact of the hotels. This involved exploring the hotels’ neighbourhood, their role in facilitating a cultural exchange between visitors and locals, and their direct or indirect contribution to social degeneration through activities that are either illegal or considered ‘unsociable’. This section is based on visits and interviews with local community members.

When the Leela Group was in the process of acquiring land for constructing the hotel in the late-1980s, they approached families living on the land that now holds the hotel. By offering 100 square metres of land to each of the family members who had a stake in the property, they were able to consolidate large swathes of land for the hotel. Some of the families who were compensated in this way now have taxis which serve the hotel.

Similarly, Taj Vivanta representatives have tried to buy property from the owner-occupants of an ancestral home adjacent to the planned hotel. However, the owners refused to sell and the hotel now towers over the home and is built around it. This seems to be a case of history repeating itself in the case of the Taj Group. The Taj Holiday Village (Aguada Hermitage) was the venue for the prestigious Commonwealth Heads of Government Meeting (CHOGM) in 1983. During Taj’s efforts to acquire land for building its hotel in time for the event, one family resisted the acquisition by the Taj. The narrow strip of land between the Taj Fort Aguada (the first Taj property constructed in 1971) and the Holiday village, including coconut groves and an ancestral home, belongs to the D’Souza family. The family challenged the acquisition of their property and the case went to the High Court where they lost. They went on appeal in
the Supreme Court. However during the CHOGM, local NGO activists brought this David versus Goliath case of bullying by the powerful Taj to the attention of the international media and the image of the Taj was sullied. After the CHOGM, the Taj withdrew from the case and the land was restored to the family, who run a small resort on their ancestral property sandwiched between the two huge super-luxury Taj properties.

In the latest Vivanta Panjim version of this story, the family is being encroached upon by visitors’ and commercial vehicles that block access to their house gate while conducting business at the hotel. Their sense of intimidation and harassment is so great that they declined our request for an interview and instead invited the researchers to bear witness to their daily plight by simply observing what happens in front of their house. It is difficult to ascertain whether or not inspectors from the CCP or the Traffic Police have contacted them or noted their situation. Similarly, some of the resident-owners and commercial enterprises around the hotel have been approached by hotel representatives to sell their share of the land to allow for future expansion of the hotel.

According to some nearby residents, the Taj Vivanta contributes to traffic congestion and road accidents as vehicles queue up to go through security checks while entering the narrow one-vehicle main gate. This is especially true on busy weekend evenings when the hotel’s multi-cuisine restaurant attracts patrons who may not be staying at the hotel. Residents also complain that the basement parking supposed to house vehicles belonging to the staff and visitors is either not adequate or is not used for that purpose (see Section 4.5 below). Instead, they claim that motor-bicycles, cars and taxis crowd both sides of the street thereby preventing them from using the same space or permitting them to exit their own parking spaces within their compound without hindrance. Furthermore, they point to the late-night littering and noise pollution caused by out-of-town taxi-drivers who listen to the radio or talk loudly with other drivers as they wait for their customers patronizing the hotel.

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Figure 4: Views of Hotel Taj Vivanta dwarfing over a traditional corner-café on one side and...
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Figure 5: a family home on the other. The hotel's main entrance is on the left while the building is on the right. The entrance to the house is blocked by vehicles parked in front.
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Figure 6: A family home to right of the Hotel Taj Vivanta
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Figure 7: The nullah next to the main entrance of Hotel Taj Vivanta and the road crowded by parked vehicles on both sides.
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When asked about the ways in which Hotel Leela’s guests interact with local residents and get a sense of Goan culture, the manager responded in the following words:

Goa is a 100% beach destination. [Our guests] don’t come here to visit an old heritage mansion. ...They want to relax in the sun but when they feel a bit guilty about lying in the sun too much, they take a one-day excursion, or may go shopping or visit some markets. That’s when they interact with the locals as they shop. I know of some tourists who went out at 4 a.m. to meet the fishermen.

Given his vast experience in the field, the manager’s judgment of the guests’ level of interest in local culture may perhaps be accurate. Interaction on Mobor beach with two Ukrainian families who were staying at the Leela indicated that many hotel guests may not be comfortable navigating their own way in the local society, and with limited information or English, this may indeed be a daunting venture. Staying within the hotel which provides familiar comforts and limiting their time to the beach just next to it may be the best option for some. However, the two families expressed an interest in finding out more about Goa and seemed at ease interacting with the local vendors on the beach. This could mean that there may be ways, yet unexplored, that five-star hotels could facilitate a wholesome exposure to Goan culture and heritage for their guests going beyond the typical marketing gimmicks.

On how the hotel responds to social problems related to tourism, the manager spoke of the staff training at Hotel Leela a few months earlier on preventing child abuse and human trafficking by becoming more aware of the issues involved, what to look out for and security issues that need vigilance.

4.4.1 Casinos

Although there were no obvious signs that the two hotels were engaged in any illegal activities, Hotel Leela’s casino has run into controversy. Hotel Leela Venture’s floating casino became India’s second live gaming outlet and in 2009, was sold to the MDLR group which operates a land casino in Goa. According to press reports, the company sold the casino at a loss since it was unable to motivate customers to travel 30 kms from the hotel to Panjim where the ‘off-shore’ casino was anchored in the Mandovi river. A senior official is quoted as saying that a casino so far from the hotel did not make ‘business sense,’ however, local activists revealed in an interview that the majority of the gamblers in another ‘business sense,’ however, local activists revealed in an interview that the majority of the gamblers in another casino which is currently operated within the hotel (by a contractor, according to the manager) is Goan residents, including prominent politicians and their relatives, not the hotel’s clients.

The ‘off-shore’ casino was shifted to Panjim’s shores in the aftermath of wide-scale opposition to its presence in the Sal river in August 2007. Interviews with campaign leaders revealed that the off-shore casino threatened the livelihoods of the fishing community through the pollution of the river and dredging that was taking place. According to press reports, Hotel Leela had acquired an offshore casino license from the Goa government in 2006. The company had apparently spent more than Rs 4.6 crore to set up the land-based infrastructure for a floating jetty, in addition to the Rs 5 crore casino fee every year. A Hotel official also claimed that the company had invested around Rs 30 crore in refurbishing the ship. The casino was expected to earn Rs 25 crore in revenue in the first year of its operation.

4.5 Regulation of Hotel Construction & Operation

This section deals with the nature and quality of governmental regulation of the two five-star hotels based on available data.

In the case of the Leela in Mobor, the Panchayat of Cavelossim granted a construction license in 1990 upon the payment of Rs. 1,50,890, and subsequent extension to the property in 1996 upon the payment of Rs. 61,550 plus an additional Rs. 1,95,445 as license fees. With the construction license, the Panchayat laid down twelve special conditions to be followed by the construction company in addition to the eight required of all construction firms. Significant among these in the local context are:

1. 4 metres wide public access to the beach on the northern boundary of the plots;
2. 200 metres of land between the high tide line and the hotel complex to be free of construction, unfenced and accessible to the public;
3. Unobstructed access to a path parallel to the river which is annually used for religious processions;
4. 50% of the staff positions to be provided to qualified locals; and
5. a land conversion (from agriculture to settlement) Sanad to be obtained before embarking on the construction work for the extension.

A site visit showed that the hotel has set up a ‘café on the beach’ just outside its property barrier plus a bar exclusively for its guests. Two security guards posted at the café stop anyone who appears to be an ‘intruder’ (like the researchers connected to this study) from crossing an invisible line in the sand which demarcates the hotel’s ‘private’ property from the beach. This appears to be in violation of point (2) of the construction license above and the CRZ regulations. Point (4) pertaining to the employment of local staff is being violated, according to the Manager’s own account (see Section 4.3). This disparity between the conditions placed by a government authority and the hotel’s conduct raises serious questions about the purpose of such conditions if there are no consequences for their violation.
Also absent from the list of conditions is the remedial action necessary for the massive destruction of the existing coconut groves and vegetation as well as the land-filling that preceded the ground-breaking for the hotel.  It is not clear at the time of the report writing whether or not the Panchayat (or any other government body) has ever inspected the property to check on the conditions outlined, or indeed, whether the Panchayat has the human resources and procedures in place in order to play such a monitoring role. In a related vein, an application under the RTI requested a copy of the three most recent water quality test reports of the river Sal near Hotel Leela Kempinski which are supposed to be conducted under the national Monitoring of Indian National Aquatic Resources (MINARS) project.  However, the response from the Goa State Pollution Control Board failed to include such copies, implying that they were not “available on record.”

Similarly, in the case of the Taj Vivanta, a special scrutiny of the building plans, approvals and licensing procedures required for five-star hotels showed that there have been several revisions of the site plan, floor plan and basement plan with approvals granted for each upon a payment of the corresponding revision and processing fees. The maze of paperwork through two separate governmental bodies – the CCP and the North Goa Public Development Authority (NGPDA) – reveals that the developers by and large have acquired the requisite approvals. What is not clear is on what technical basis the revisions were approved, what exactly the modifications were, and whether or not the final approved revisions on paper match the actual physical layout of the final construction. In other words, to what extent were the building approval procedures a paper-based exercise for documentation sake as opposed to being driven by a genuine concern to implement and monitor the legal compliance of new constructions? Taj Vivanta’s on-site parking facility is a case in point, worthy of closer examination due to the complaints from neighbouring residents and shop-owners about inadequate parking space since the hotel was built (see Section 4.4).

Five-star hotels are required to provide one parking space for every two rooms, which in the case of the Taj Vivanta (372 rooms) would be 86 spaces. Additionally, the hotels are required to provide one parking space for every 50 square metres of other facilities such as restaurants that they contain. For the Taj, this space has been calculated as 2,200 square metres, by implication requiring 44 parking spaces, making a total of (86+44=) 130 parking spaces to be provided within the hotel property. Taj Vivanta’s basement plan shows the provision of 68 spaces and the site plan shows an additional 62 spaces for cars on the ground level of the property.

A reliable source within the hotel confirmed that the maximum capacity of the basement for parking was 60 vehicles, not 68 as shown on the basement plan. Moreover, a scrutiny of the approved site plan shows that for practical reasons, the ground level cannot possibly accommodate 62 cars in the spaces shown. For example, fourteen cars are shown parked in a row in front of the main entrance gate, which would impede incoming vehicular traffic, and a row of seven cars lined up one after another are shown in a three metre wide space between the southern compound wall and the building, which would make it impossible for any car behind the first one to exit once parked. A site visit would also show that other spaces earmarked for parking are in fact landscaped and the total number of vehicles that can in fact park around the premises would be less than even half the number claimed on the site plan. This exercise shows that, while the papers of a construction project may be in order, the actual building site may not reflect the plans or accommodate the real concerns (related to parking, in this case) which gave rise to the rules and regulations in the first place.
Moreover, parking, garbage handling and sewage discharge may have emerged as contentious issues if a full-fledged public hearing had been required as part of the approvals procedures.

Since the EIA Notification issued by the Ministry of Environment and Forest exempts buildings and construction projects that have a built up area greater than 20,000 square metres but less than 1,50,000 square meters (the Vivanta has 16,540 sq mts of built up area) from the procedures of Environmental Impact Assessment study (EIA) and a public hearing as part of Environment Clearance process, the public accountability of this process has been diminished.

5. Conclusions and Recommendations

This pilot project on the corporate social responsibility of two five-star hotels in Goa focused on their social, economic and environmental impact while exploring the regulatory framework within which they operate. Hotel Taj Vivanta in Panjim has been operating for less than two years while Hotel Leela Kempinski in Mobor, Cavelossim has been open for nearly two decades.

Both companies show great awareness of the need to adopt more environmentally-friendly practices and inform the public through their Annual reports and websites about the measures they have taken on this front. Progress has been made on basic issues such as wet waste composting, garbage disposal, and sewage water treatment partly due to changing governmental directives and partly due to peer pressure in the international arena. While financial savings may have motivated lower energy consumption, the level of water consumption remains vexingly high, especially in relation to the availability and use of water in the neighbouring areas. A significant issue that requires further monitoring and verification is Hotel Leela’s adherence to CRZ regulations and its encroachment on a public beach.

In the social arena, the hotels have had a mixed impact. Hotel Taj Vivanta’s parking shortage and contribution of traffic makes it a less than ideal neighbour. With an eye to grab more land around it for further expansion, owner-residents are understandably wary of the hotel. Hotel Leela’s casinos have attracted the ire of local fishing communities and anti-gambling activists. Even with the sale of the floating casino and the subcontracting of the indoor casino to third-party management, Hotel Leela’s profit motives and political connections will keep it suspect in the public eye, despite its philanthropic activities, which have not been an object of this study.

The hotels’ impact on the local economy was more difficult to assess through this pilot study without full disclosure by the management. From the limited data gathered through observation and interviews, it is clear that the hotels do not provide good employment. Instead, young qualified workers fresh out of professional institutes are kept in insecure demanding but temporary jobs while they prove their worth for fixed employment. Each batch of recruits is replaced by fresh hires six months or a year later. This is certainly not a sound base for a stable, thriving economy.

The most striking finding of this study is the lax and passive role that the government plays in regulating the hotel segment of the tourism industry. Through applications under the RTI, it becomes apparent that if the law is implemented, it is in word (on paper), rather than in spirit. For example, once licenses are granted with conditions attached, they are rarely followed up with inspections to check on whether or not the conditions are being respected. It is only when examining the records closely in conjunction with the legal exigencies to be followed by the hotel that one can identify the gaps in compliance. Despite legal violations, the hotels continue to operate with impunity except in cases where formal complaints were lodged by members of the public, which is rare in the case of five-star hotels. The only way that corporate irresponsibility can be curbed is if vigilant community-based groups regularly monitor and document irregularities, and initiate action by reporting them to the authorities. The watchdog role of civil society becomes all the more important as the land and the sea in this part of Goa becomes more and more congested by tourism facilities even while the appropriate paperwork is in place.

In order to take forward this pilot study for campaigning purposes, this report concludes with two recommendations:

1. Evaluate the conduct of five-star hotels in relation with the codes of conduct that Indian and foreign stock exchanges require of listed companies;

2. Target the Hotel & Restaurant Approval & Classification Committee (HRACC) of the Ministry of Tourism which is responsible for the re-classification system of hotels to take into account the adoption, implementation and monitoring of sound environmental, social and economic policies. Community concerns have not yet been integrated even within the amended classification system of the HRACC dated 14 January, 2011.

While community concerns may or may not be shared by luxury hotel companies, their shareholders in India and abroad would be sensitive to the public image of the brands. In a context of growing international concern for the impact of business practices of multinational corporations, there is plenty of scope for the ratcheting up of social, environmental and economic standards of the leading industry players so that tourism is made more accountable and beneficial to local communities.

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Research Team:
The principle researcher for this pilot study is Dr Anibel Ferrus-Comelo who was commissioned by EQUATIONS to do the study.

Endnotes
05. For example see, Monshausen, Antje and Fuchs, Heinz (2010) Magic Formula CSR? Corporate responsibility between voluntary commitments and binding regulation, Bonn: Church Development Service (EED).
14. Ibid 13
15. Annual Report 2009-2010 pp. 3
23. Date provided by the hotel’s authorized signatory on the Environmental Statement for the financial year ending on 31st March 2009, dated 28 May 2010.
36. TNN (2010) Vanxim locals to be stakeholders in project, Times of India, Goa edition, 8 November.
41. See Section 2.
46. The following information was obtained from the company website: https://www.theleela.com/corporate-information.html data retrieved 12 October, 2010
47. No. 13 on the list of Terms and Conditions of the Renewal of Consent to Operate under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 as amended No. 5/l7792/PCB/5433 dated 1 October, 2010 issued to Hotel Leela Venture Ltd.
48. These reported figures are confusing and probably incorrect as the annual consumption of water seems to be less than five times the daily consumption.
49. Ibid.
50. Noise standards for DG sets were prescribed in Dec. 1998
and the central government has been pursuing the State Pollution Control Boards, generator manufacturers and major users of the sets to implement these standards. The MoEF is in the process of revising these standards and issuing notification that would make it mandatory for all generator manufacturers to provide acoustic enclosure at the manufacturing stage itself. This will have a major impact on noise from DG sets. Source: http://www.cpcb.nic.in/faq1.php data retrieved 27 January, 2011.

This is the latest provided in response to a request made under the RTI for the same in November 2010.

Within the validity period of the Authorisation mentioned above.


Joint letter from the Centre for Responsible Tourism and FOSAM to the Chair of the GSPCB dated 13 June, 2008

LEED is an internationally recognized green building certification system, providing third-party verification that a building or community was designed and built using strategies intended to improve performance in metrics such as energy savings, water efficiency, CO$_2$ emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts. Source: http://en.wikipedia.org/ data retrieved 11 January, 2011.


GRI produces one of the world's most prevalent standards for CSR reporting. For more information, see http://www.globalreporting.org/ReportingFramework/G3Guidelines/ The UN Global Compact is a “strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.” Source: http://www.unglobalcompact.org/AboutTheGC/index.html data retrieved 11 January, 2011

Corporate Sustainability Report 2010-2011, pp. 7

Gigajoules (GJ) is a derived unit of energy in the international system of units and can also be expressed in terms of kilowatt hours, or kwh. 1.10 gigajoules (GJ) = 306 kwh

Carbon Dioxide equivalent linked to the consumption of energy, eg in air-conditioning, pool-heating, etc.

1 cubic metre = 1,000,000 litres

Corporate Sustainability Report 2010-2011, pp. 19

9,03,772 times 2,660 litres equals 2,404,033,520 litres and 9,03,772 times 306 kwh equals 276,554,232

Consent to Operate under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974, as amended, No. 5/4116/08-PCB/7123 issued 6 February 2009 and valid until 1 December, 2010.

These figures have been reported by the hotel in the Environmental Statement and have been cited here as is.

The GSPCB’s modification of the Consent to Operate dated 16 April 2010 informs the Taj Vivanta of the Board’s decision at a meeting on the 2nd July 2009 that five, four and three star hotels must install a bio-degradable waste composting facility. The same notice directs the hotel industry to comply with this condition within three months and submit a compliance report to the GSPCB office.

Although the nullah goes across Panjim and into the village of Taleigao, the five metre set-back clause is only specified in the revised ODP of Panjim, not Taleigao’s, showing inconsistency in the environmental regulatory practice of local government bodies.


Reported by a resident of the village who was hired as a construction worker by the company that built the original complex.(interview, 30 November, 2010)

For more information, see http://goaspcb.gov.in/gspcb-minars.htm data retrieved November, 2010.
01. Introduction

Internationally, certification in the tourism industry is playing an increasing role in regulating and monitoring tourism enterprises and promoting sustainable development. While there are several tourism enterprises in India which have received international sustainable tourism certifications, there is currently no national sustainable tourism certification in India. This may be partly because "sustainability as a concept is still new to India." The creation of the Global Sustainable Tourism Criteria (GSTC) in 2008 and the Tourism Sustainability Council (TSC) in 2010 have refocused the attention of tourism stakeholders on sustainable tourism certification (STC), and have led Indian tourism stakeholders to agree to draw up national sustainable tourism criteria based on the GSTC.

With respect to the existing certified Indian enterprises, a clear pattern has emerged: they are comprised almost entirely of accommodation providers (mainly hotels belonging to high-profile chains and forest resorts) and have been audited mainly on their environmental performance (or measures to improve the same). Currently, certifications based on the adherence to the social responsibility aspect of sustainable tourism do not feature significantly in India. Research undertaken for this paper indicates that this is also the case for most STCs globally. Given this, and the fact that sustainable tourism criteria are only now being developed for India, this paper considers what the social aspects of STC in India might entail. The main research question is: will communities be able to participate in and benefit from STC in India?

Section one covers the aims of the research, the definitions, the methodology adopted and limitations of the study.

Section two reviews the history of STC and the recent creation of the Global Sustainable Tourism Criteria, as well as the current global distribution of STC schemes and the nature of their criteria.

Section three explores some of the international debates on the participation of local communities and social criteria in STC, as a means of initially exploring what issues and obstacles STC in India may face.

Section four narrows the focus to the Indian context: the current extent and nature of tourism and STC in India, Indian participation in the development of the GSTC and the current discussion about how these criteria might be used to develop a national STC.

Section five attempts to further shape this discussion by comparing the opinions of sustainable tourism experts from India and internationally as well as voices of and local communities on STC. With such a small level of STC currently, no research has yet been undertaken to catalogue the experiences and opinions of local communities in India. In their stead in this paper are the voices of local community and indigenous groups from other developing countries that have experienced more intense levels of STC, in the hope that their experiences, concerns and ideas may be used to inform those wishing to develop STC in India.

02. Section I

2.1 Aims of the Research

The idea of STC in India has been discussed amongst the industry but has not been sufficiently examined as of yet. Tourism business leaders and politicians have made statements as to the ‘need’ for STC in India, but there remains no public debate as to how this would be developed, who would govern it, or who would be allowed to participate. As will be discussed later, local community participation in sustainable tourism and STC in other developing countries has been seen by some as being completely insufficient and unequal. As tourism stakeholders and rights holders, this lack of participation has meant that local communities have not had a fair say in how tourism operates in their homelands (let alone the opportunity to say ‘no’ to tourism), and have often found themselves receiving a disproportional share of the benefits of sustainable tourism, and by extension, certification.

The GSTC and TSC are still only in their infancy and their application to Indian tourism has not been publicly
debated, but the debate about STC in India is gaining momentum. After exploring the history and outlining the current status of STC internationally, the first objective of this paper is to make an initial assessment of the Indian debate about sustainable tourism criteria and certification. This is based on a review of current STC in India and the opinions of various tourism experts and communities from other developing countries on this subject. The second objective is to use this assessment to consider whether local communities might benefit from STC in India.

The findings and recommendations of this paper could be of use to non-governmental organisations (NGOs), sustainable tourism practitioners and those involved in creating sustainable tourism criteria and certification in India. As these issues are further discussed and finally become reality, this paper could be used as the basis of future research.

### 2.2 Definitions

#### 2.2.1 Sustainable Tourism

Although there are over 100 known definitions of sustainable tourism, the "most widely accepted" definition is that of the United Nations World Tourism Organisation (UNWTO), who define it as:

"tourism which leads to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems."  

The UNWTO further describes sustainable tourism development as a process which meets the needs of present tourists and host communities whilst protecting and enhancing needs in the future.  

The confusion and misuse of tourism terms such as ‘sustainable’, 'eco', 'green', 'responsible', ‘fair trade’, ‘ethical’, etc. is well-documented. For the purposes of this paper, the term ‘sustainable tourism’ will be used to include most of what is implied by the above terms, namely: environmental, economic and socio-cultural responsibility and sustainability in tourism (often referred to as a ‘triple bottom line philosophy’).  

#### 2.2.2 Certification

Certification can be defined as:  

"a voluntary procedure that assesses, audits and gives written assurance that a facility, product, process or service meets specific standards. It awards a marketable logo to those that meet or exceed baseline standards."  

In general and specifically within the Indian context, sustainable tourism certification should not be confused with:

Accreditation - According to the ISO:

"certification applies to the awards given to businesses, products, processes, or services, while 'accreditation' applies to the process of qualifying, endorsing and licensing entities that perform certification. In other words, accreditation is certifying the certifier."  

Ecolabels - where certification rewards the achievement of baseline standards, ecolabels (and other ethical labels) reward "exemplary performance" in comparison to other businesses in the relevant sector.  

Classification - similarly to ecolabels, where certification rewards compliance of certain standards, classification grades products in relation to each other. (Some certifications mix both of these, such as the hotel star rating system.)  

For example, certification should not be confused with:

- Terms used to classify or categorise tourism accommodation, such as resort, boutique and budget hotels, which are purely descriptive and not regulative.

- The Star and Heritage Category accommodation quality certification ratings given by the Hotel and Restaurant Approval and Classification Committee (HRACC), set up by the Government of India’s Ministry of Tourism (MoT) "to conform to the expected standards for different classes of tourists, especially from the point of view of suitability for international tourists." These ratings are given based on factors such as the quality and safety of guest facilities and security measures for example and not sustainable practices. However the guidelines were revised in 2009 and later in January 2011 so that existing classified hotels and new projects have to adopt to some aspects sustainable tourism - environmental friendly practices, protection of children, etc.

- Classification schemes such as the Scheme for the Classification of Ayurveda Centres, awarded by the Government of Kerala's tourism department. Such schemes do not give certificates based on sustainable practices; for example this scheme was created to prevent the flouting of safety and health regulations, to maintain a uniformity of practice and to promote tourism in Kerala. An exception to this is the Green Palm certificate, also awarded by the Kerala Government.

Affiliations and memberships of industry associations such as IATO, PATA, FHRAI, HAI etc, whose primary functions are networking and lobbying.

Responsible tourism awards, codes of ethics, and charters - while award recipients may share some of the same perceived benefits as certified businesses, such as increased press coverage and enquiries, awards have been omitted from this study because they differ greatly from certification in most other respects. Awards prize individual best practice, where certification plans, assists and monitors collectively-agreed best practice. Even though other voluntary schemes such as codes of ethics
and sustainable tourism charters may have more in common with STCs, again their processes and functions differ and for this reason they are also not included in this study.

Finally, this paper addresses voluntary STC and not schemes which are mandatory by law.

2.2.3 Local Communities
The words local, host and community, generally refer to social groups living in closest proximity to tourist destinations. The International Ecotourism Society (TIES) and the Center for Responsible Travel (CREST) use the following IUCN (International Union for Conservation of Nature) definition of local communities:

“A socially and geographically defined group of people, not necessarily homogenous, living close to the natural resources and protected areas at stake. These people may have customary rights of use, distinctive knowledge and skills and direct dependency on natural resources as individuals or groups of individuals. They also, however, have a close and unique relationship to the natural resources as a community. This relationship is of critical concern.”

In this paper, indigenous community is only used in direct reference to data collected from indigenous communities or their representatives, mostly from the Americas. The distinctions and similarities between local and indigenous communities have been discussed elsewhere in the literature. In this paper, the voices of indigenous peoples have been used to make assumptions about local communities in India, and it must be conceded that this poses problems.

The remainder of the paper uses the term local communities to denote those people affected by tourism due to their habitual proximity to its operation. Importantly, in this paper this refers both to communities involved in and/or affected by tourism. Local communities may become involved in tourism through owning or working in community-based, small to medium or other tourism enterprises, the informal sector, or their involvement in other areas of the tourism supply chain. However tourism also affects local communities not involved in tourism, for example when tourism impacts (positively or negatively) on local infrastructure, natural resources or community social relations.

2.3 Methodology
Primary research: Qualitative data was collected through face to face and telephone interviews with tourism industry experts whose fields of expertise ranged from ecotourism and wildlife conservation to resorts, fair trade, certification and auditing.

Secondary research: The majority of the research was conducted through desk-based research, using print and Internet resources. As explained in the next section, there were very few relevant documents in the literature and this paper therefore relied heavily on these. These documents mainly consisted of large-scale analyses of existing tourism certifications. In particular, this paper is highly indebted to the research published in Tourism Certification: An analysis of Green Globe 21 and other tourism certification programmes: A report by Synergy for WWF-UK, August 2000.

2.4 Limitations of the Study
Given the vast number of STCs now in existence and especially the existence of some social criteria in these schemes, the lack of research on local community participation in STC in general -be they involved in tourism or not- is somewhat surprising.

There was also very little information available concerning the debate about STC in India, which meant the research relied heavily on what did exist. The developments concerning national sustainable tourism criteria in India are very recent and therefore there was no published analysis available; all that currently exists are press releases from the Ministry of Tourism (MoT). The lack of published community opinion from India on sustainable tourism in general and STC was also a disappointment and an impediment to the research, because this paper aims to consider the views of various tourism stakeholders on the prospects for community participation and benefits from STC, so obviously the absence of community opinion is a significant omission.

This absent data was substituted with the views of communities from other developing countries, on the presumption that some of the issues that arose could be comparable to the Indian context.

Finally, it was not possible in the short research period to conduct as many interviews as desired. Further interviews and discussions with other tourism stakeholders could strengthen this analysis.
03. Section II: Evolution of Sustainable Tourism Certification and the Creation of the Global Sustainable Tourism Criteria

3.1 The Evolution of Sustainable Tourism Certification

Certification has existed for centuries in the regulation of cheese and more recently for wine, woollen clothing and electrical goods; however certification in the tourism industry is “a fairly recent phenomenon.”\(^\text{20}\) It was started during the twentieth century by the automobile industry, who created star rating systems and guides to assist their travelling customers in finding quality restaurants and accommodation. Guides such as those published by the American Automobile Association and Michelin remain popular amongst tourists today. The idea of certification in agricultural products was also an early one.

There are a wide range of labels in tourism – mainly dealing with the concept of green labelling (environmental) and some looking at aspects of management issues and social (though these are always side issues / on the periphery).

The negative environmental and social impacts of tourism have become obvious in many parts of the world.\(^\text{21}\) Despite claims of increasing consumer interest in ethical products and green labelling as well as moves by the international private sector to increase their corporate social responsibility, the international travel and tourism sector was relatively slow to respond to these trends.\(^\text{22}\) Eventually in the 1990s, in response to the negative impacts of tourism, regulatory pressure and perhaps in a measure of self-preservation and cost-savings, the international travel and tourism industry became:

“one of the prime proponents of the value of voluntary initiatives in reducing the negative and enhancing the positive impacts associated with its own activities.”\(^\text{23}\)
These voluntary initiatives took the form of codes of conduct, charters; self-help guides and eventually, certification (see Fig. 1). Some of the early certification schemes started in Australia with the IPS certification, Ecotourism Australia (that looked at community perspective though is now not functioning) and Respect our Culture. As will be explored later, the first initiatives tended to focus on environmental impacts and less on the social and economic factors of sustainable tourism. The Blue Flag certification of beaches began in Denmark in 1987 and after the United Nations Conference on Environment and Development (UNCED) in 1992, voluntary environmental tourism certifications began to proliferate, particularly in Europe, with the majority of them focusing on accommodation.

3.2 Too Many Certifications: the Need for Global Sustainable Tourism Criteria

Since their inception, STC programmes have faced obstacles to success. Tourism operators have been confused as to the advantages, price and procedures of certification, and have been uncertain as to the extent of consumer demand for them. For consumers, the proliferation of schemes has created confusion about what certification logos are awarded for and who awards them. An analysis of certifications around the world conducted by Synergy for the WWF in 2000 found that the range of existing STCs covered the spectrum of function and quality:

“Some of these programmes are legitimate and credible.... Other certification programmes are little more than paid membership programmes, providing positive public relations to participating companies.”

The report concluded that this proliferation of schemes and the confusion this caused “could seriously undermine the significant potential that certification has to bring about sustainable tourism.”

The increasing number of schemes and the subsequent concern for the value and credibility of STC amongst the certification industry prompted the Mohonk Agreement, which sets out “general principles and elements that should be part of any sound ecotourism and sustainable tourism certification programs.” The idea of developing a “common minimum standard for any credible third-party certification system” also arose at this time, leading to the formation of the Sustainable Tourism Stewardship Council (STSC).

3.3 The Tourism Sustainability Council, Fair Trade Tourism and First Steps to Accrediting Sustainable Tourism

The Tourism Sustainability Council is “a global membership council that will offer a common understanding of sustainable tourism and the adoption of universal sustainable tourism principles and criteria.” Its role will be to effectively ‘certify the certifiers,’ i.e. it will be an accreditation body for sustainable tourism certification schemes.

The development of fair trade tourism was yet another response to the aforementioned proliferation of labels and certifications as well as the popularity of the Fair trade movement in developed countries. According to the UK-based NGO Tourism Concern, it has now become possible:

“to envisage a viable certification process with a recognised and trusted logo that applies worldwide, that benefits tourism communities and that, for the first time, gives consumers a meaningful opportunity to promote sustainable empowerment and development, when they go on holiday.”

To further investigate the potential of a Fair trade tourism label, Tourism Concern set up the International Fair Trade in Tourism Network, along with the Fair trade Labelling Organisation (FLO) and other stakeholders. Future developments in this field, especially the creation of a Fair trade tourism label, would be of particular significance to the issues raised in this study.

The South African-based non-profit organisation and sustainable tourism certifier Fair Trade in Tourism South Africa (FTTSA) participated in the TSC’s accreditation pilot project in June 2010. The project piloted the certification of package travel to South Africa, which involved a review of FTTSA’s compliance with the GSTC, internal operations and certification procedures. The FLO (who own the internationally recognised Fair trade mark) formally endorsed the pilot, which will result in draft trade standards and auditing procedures for certifying package travel to South Africa. This followed the publication of a three-year feasibility study to determine the extent to which standard Fair trade elements can be applied to the international trade in tourism services. Though results of this study were inconclusive, the report confirmed that there was a potential market for a Fair trade label in tourism, and research conducted by FTTSA on behalf of the FLO suggests that “practical work in destinations is needed to further the Fair trade tourism agenda.”

3.4 Development of the Global Sustainable Tourism Criteria

 Concurrent to the concerns emerging about the number and nature of STCs was a concern about the criteria of these schemes. This led to the Rainforest Alliance, UNEP, UN Foundation and the UNWTO forming the Partnership for Global Sustainable Tourism Criteria (GSTC Partnership), which went on to become “a coalition of over 40 organizations working together to foster increased understanding of sustainable tourism practices and the adoption of universal sustainable tourism principles.”

The Partnership was responsible for the creation of the GSTC in 2008 (and in 2010 it merged with the STSC to form the TSC). The GSTC are:
The development of the GSTC involved far-reaching consultation and analysis of over 4,500 criteria from more than 60 existing certifications and voluntary initiatives and comments from over 1,000 stakeholders. The Partnership was “dedicated to engaging all tourism stakeholders – from purchasers to suppliers to consumers to adopt the criteria”, however the engagement of local communities in the consultation is not referred to. According to Jennifer Seif of FTTSA:

“The GSTC addresses 4 areas – management, economic, environment, social, cultural and has the option to add additional points depending on the site specific keeping the 4 areas and 37 categories as minimum. The idea is for all certifications across the world to align and to harmonise the various schemes. Historically, the focus has been on the environment as it is much easier to measure and it is easier to sell this to the industry as a value proposition. More recent links are to the issue of climate change. Tourist pressure on the industry to be greener is also increasing. Social issues are much more difficult to sell and are usually on the periphery.”

According to Amos Bien, a consultant with UNEP, the GSTC apply to both developed and developing countries and are flexible enough to account for cultural differences. Similar to existing certifications however, the standards do not yet comprehensively cover the whole tourism sector: “Although the criteria are initially intended for use by the accommodation and tour operation sectors, they have applicability to the entire tourism industry.”

3.5 An International Standard in Sustainable Tourism: Views of Responsible Tourism Experts on the Value of the GSTC

Professor Harold Goodwin of the International Centre for Responsible Tourism (ICRT) and co-founder of responsibletravel.com is not convinced as to the merits of STC as a market-based initiative:

“There is no evidence that certification schemes have secured greater market access for small businesses. Consumer awareness is low.”

As will be seen later, there is a concern amongst local communities that international certifications involve a standardisation of business practices and product quality, which are very often based on local customs and values. However the creation of local tourism certifications as an alternative would not solve this problem, as Goodwin outlines:

“For Andrea Nicholas, co-founder and Managing Director of the Green Tourism Business Scheme (GTBS), the national sustainable tourism certification scheme in the UK and the biggest independent accreditation body of its kind in the world, the GSTC embodies the disadvantages of international certification:

“I do not believe that it is possible to have sustainable tourism criteria that are applicable globally; the world’s diversity precludes it. All tourism has local impacts and these needs to be identified, prioritised and managed locally. Taking such a broad approach as the GSTC reduces focus and ignores local and national issues. This is why, when we are working with other destinations such as Canada the model of the GTBS will be modified to produce criteria that are appropriate for that destination.”

The concerns of Prof Goodwin and his associates about STC have led them to believe that the GSTC will fail, and they have called on the TSC to engage in a more open debate about the criteria and to provide evidence that international accreditation will result in increased market recognition and sales for businesses.

3.6 The Nature and Global Distribution of Existing Sustainable Tourism Certifications

It is difficult to ascertain the true extent of certification schemes worldwide, especially as many have little to no presence on the Internet. A rough estimate is over 60 certifications, mostly national or local, at least ten are international certifications. Research for this paper showed that currently the main concentrations of certifications are in the global North and Oceania, especially Europe (a 2000 UNWTO analysis found that 78% of certifications were based in Europe). However in 2007, certified tourism businesses accounted for less than 1% of all tourism products; 7,000 in total. The distribution and concentration of certifications appears to correlate with visitor numbers to the relevant regions and countries. (However India- amongst others- is a notable exception to this rule, with 5.11 million Foreign Tourist Arrivals in 2009, on a par with Brazil, which is involved in several schemes.)

There are some schemes in Central America, South America and Africa, and it was only possible to find three in the whole of Asia: two in Thailand and one in India. Of the schemes outside of Europe in 2002, 85% only certified accommodation. According to the Asian Productivity Organisation:

“The majority of certification schemes accredit accommodations (63%), whereas only 7% address tour operators, mainly ground operators specifically dealing with ecotourism. About 40% of the criteria or indicators in standards relate to management issues; the remaining
60% relate to specific actions such as environmental benchmarking (34%), economic indicators (8%), or socio-cultural criteria (12%). The majority of programs to date (with the exception of Green Globe, Blue Flag, and International Standardisation Organisation (ISO) have targeted small operations or eco-lodges rather than larger-scale tourism accommodations.”

An analysis of various STCs found that they often have the following elements in common:

• Award of a logo, recognisable to consumers, differentiating the sustainability or environmental credentials of the product or service from those of other providers.
• Compliance with local regulations as a minimum requirement of membership.
• A published commitment to the environment and/or sustainable development as a minimum requirement of membership.
• An environmental management system or set criteria which must be met or exceeded by members, which may indicate continuous improvement in process and/or performance.
• A scoring, reporting, auditing or verification system as a guarantee that standards are met.
• A facility to provide technical help and support to assist organisations to make progress.
• A fee structure to underpin the operation of the system.

The Synergy/WWF report commented that:

"not all programmes are as effective or as credible as they could or need to be... requirements currently vary enormously across different schemes."  

It would appear that many existing STCs focus mainly on environmental best practice or improvements, and less on the social responsibility of tourism operations:

"even the voluntary codes lag far behind activities for environmental performance in the area of social responsibility."

"Certification programmes often implicitly require members to embrace many of the components of sustainable development, while explicitly referring to the term environmental development and environmental policy statement. Progress towards sustainable tourism requires certification programmes to embrace more explicitly the concept of sustainable development (especially some of the equity aspects of this term) and promote it to their members."

The WWF report and one undertaken by the UNWTO in 2000 found that most certifications have been developed by the tourism industry itself:

• 2/3 of the eco-labels are led by private tourism associations and other non-governmental organisations or consultancies, 1/3 are led by governmental organisations.
• 2/3 of the eco-labels have been co-operating from the outset in multi-stakeholder groups representing tourism, environmental, social and consumers’ interests.
• The costs for the development of eco-labels are covered by private (1/3), by public (1/3) or by corporate private-public sources (1/3).

Many of the early schemes operated self-assessments in order to certify; this is now less the case and third party audits are now more common amongst “credible initiatives”. Third party verification is seen as desirable because the ethics of “both taking money from members and deciding which organisations should be awarded a logo (or should have it withdrawn)” is questionable.

04. Section III: Local Communities in Sustainable Tourism Criteria and Certification

4.1 Social Criteria in Sustainable Tourism Certification

As mentioned, while the triple bottom line philosophy of sustainable tourism is apparent in the criteria of most STCs, the three aspects are not necessarily reflected equally and social criteria often feature the least. Further, the ideal of social equity as espoused in the definition of sustainable tourism is “poorly explored” in many schemes.

The fair trade feasibility study cites FTTSA as the only tourism initiative to have taken a primarily social angle (80% of its standards are dedicated to socio-cultural issues), and the “only body currently certifying at the travel destination”. The Green Deal scheme in Guatemala and FTTSA are also notable in that the participation of communities in the creation of criteria and other decision-making in their schemes is obligatory.

The Synergy/WWF report outlined the terms under which social/local community criteria generally fall:

• the establishment of processes to consult with stakeholders about the operation of the business, new development plans, or the environmental programme specifically
• integration of social considerations (predominantly use of the local supply chain) into purchasing decisions
• ensuring that the consumption of water and energy do not prejudice access of local residents to these resources
• provision of information about appropriate behaviour and dress codes to guests
• provision that companies should not promote activities, such as sex tourism
The significant findings of the report were as follows:

- the implementation of local employment policies (especially for senior management roles)
- input into local training initiatives
- employing people according to local laws and paying staff at or above minimum wage levels.

The Synergy/WWF and fair trade tourism analyses both concluded that criteria such as these fail to fully address the broader context of the social impacts of tourism, and ways of ensuring that local people can both participate in and have an equitable share of the benefits of tourism. This is a significant finding for the purposes of this paper and further legitimises the question as to whether local communities really benefit from STC.

4.2 Participation of Local Communities in Sustainable Tourism Certification

"The equity challenge of access to sustainable practices and certification of SMEs, particularly community-based and indigenous enterprises has many obstacles, political, financial, knowledge-based, and technical."70

It has been asserted that as stakeholders, indigenous communities are at a comparative disadvantage in tourism and STCs because they face obstacles such as those mentioned in the above quote.71 I would contend that this could be extrapolated to apply to local communities in STC. It is the stakeholder(s) with the perceptibly weakest power base who may also stand to receive the smallest share of the benefits of tourism and STC.

There has been little research done on the experiences and views of local communities on STC; the one existing study, Strategies for engaging small entrepreneurial, indigenous-run, and community-based tourism enterprises in best practices and certification of sustainability, was published by TIES and the Center on Ecotourism and Sustainable Development (CESD) in 2006.72 The study focused on five countries in the Americas but states that the results are "applicable worldwide". A range of tourism stakeholders were consulted, including local community groups and certification programs. This meant that the study was able to produce a comprehensive overview of the barriers to certification faced by SMEs, CBEs and indigenous-owned enterprises (see Appendix 5).

The significant findings of the report were as follows:

- The researchers expected to find high levels of community participation in the decision-making stages of certifications for community-based enterprises (CBEs), but found that only 40% of the operations surveyed included communities in these processes
- Only 10% of the CBEs were participating in a certification scheme or activities to reduce their ecological footprint
- "...the smaller regional and local organizations tended to have more familiarity and experience with issues of certification...generally it was agreed that a grassroots, 'bottom-up' approach focused on local and regional organizations would be more successful."
- Success of SMEs in STC requires an understanding of local history and context
- Majority of the issues, obstacles and barriers to STC can be categorized as informational, technical or financial.73 In addition, "many of the issues raised are societal issues which cannot necessarily be addressed by certification programs." More critical issues related to the process of certification and the structure of small businesses.

Suggested ways of mitigating financial obstacles include calculating certification fees proportionally to the size of the tourism business74, government incentives and support such as loans and subsidies75, and involving local tourism associations and developing guidelines to help local authorities to develop certifiable programs76. The Green Tourism Business Scheme (UK) has combined assessment for lower levels of their award with a quality grading scheme in order to provide greater value for money for smaller businesses. There is also partial or full subsidisation of some schemes by the public sector, such as the Certification for Sustainable Tourism, Costa Rica (CST).77

The inappropriateness of STCs for small businesses has also been described as an access barrier. According to a Pro Poor Tourism Paper on poverty issues in tourism standards:

"Small businesses make up about 97 per cent of total tourism industry... Does a tourist seeking B&B in a township expect to have the same facilities as a tourist seeking a traditional farmhouse B&B? ...It is very important that regulators consider the extent to which inappropriate and unnecessary standards may exclude poor producers."78

The remainder of the relevant literature generally criticises STC for not including communities in tourism planning, and explores why this may be the case79. For example, one argument is that while local stakeholder consultation is often proposed by certification programmes in order to acknowledge the rights of local people:

"current definitions of stakeholders within the tourism sector are poorly defined and rarely differentiate between stakeholders at an international level and at a local level or between the fundamental differences in the process of negotiation at these two levels."80

The complexity of Northern agencies creating STCs for developing countries is also an issue, as is echoed later by communities themselves:

"the major issue for southern exporters and providers of services like tourism – especially small and medium
scale producers and enterprises – is the share of costs and benefits between the standard makers and standard takers. Little is known about the attitudes and experiences of the people – workers, growers, rural citizens etc. – for whom codes are purportedly drawn up, or about real improvements in environmental or socio-economic outcomes.

05. Section IV: Sustainable Tourism Criteria and Certification in India

5.1 Introduction
The tourism industry in India has witnessed major growth in the last decade, with domestic tourist visits reaching 651 million\(^82\) and foreign tourist arrivals (FTAs) growing from 2.38 million in 2002 to 5.11 million in 2009,\(^83\) accounting for a growth in foreign exchange earnings from 15,064 to 54,960 crore.\(^84\)

Whether there is a consumer demand for sustainable tourism and certification in India is beyond the scope of this paper. What can be said is that the growth in mass tourism in India does not necessarily imply the same for sustainable tourism or certification, and as such the success of STC in India cannot be predetermined based on these tourism statistics alone.

5.2 The Relevance of Sustainable Tourism Certification for Developing Countries
India and other developing countries experiencing such tourism growth are the ideal environment in which STCs can operate and flourish, according to the Synergy/WWF and UNTWTO reports respectively:

“tourism certification programmes can also play a constructive role in many of the countries in which tourism is developing most rapidly (e.g., many of the African, Indian and Latin American destinations that are experiencing tourism growth rates in excess of 10% per annum). This is especially the case when membership is among the larger companies and in those countries in which there is an inadequate baseline for developing or implementing regulations. In these areas, certification programmes could have considerable benefit if they specified that members should surpass regulatory requirements to protect the environment and the culture of a destination.”\(^85\)

“The particular needs of developing countries, including capacity building of various stakeholders, should be given special attention. Southern initiatives and joint North-South partnership projects highlight how [voluntary initiatives and agreements] are an excellent instrument to exchange and disseminate best practice, so long as care is taken to allow for regional and cultural differences during their implementation.”\(^86\)

5.3 Obstacles to a Fair Analysis of Sustainable Tourism Certification in India

A review of the debate about STC in India should involve a balanced analysis of opinion and research across the tourism sector, i.e. including all tourism stakeholders. However there is a glaring omission from the available debate: the views of local communities. There may have been views expressed which are not included in the resources researched, however if this is the case, the forum for local communities to express their views has not been necessarily participative and open, and/or perhaps these views have not been given due consideration by other stakeholders.

In the absence of this information, the research considers the views of various indigenous community representatives (mainly from Latin America) on tourism certification, and of NGOs advocating on their behalf. These communities have witnessed increasing levels of tourism in their homelands and offer a useful critique of STC in developing countries and the issues involved in appropriating Northern-led STCs in specifically Southern cultural contexts.

5.4 Existing Sustainable Tourism Certification in India

Several tourism establishments in India have received international STC from schemes such as Green Globe, Ecotel and Greenstop, and others have received international non-tourism specific sustainability certifications such as LEED (Leadership in Energy and Environmental Design) and various ISO standards. These certifications tend to focus more on environmental efficiency standards than socio-cultural factors. In addition, for the most part, certified Indian tourism businesses belong to up-market hotel groups such as ITC-Welcomgroup and Taj Hotels Resorts and Palaces, with relatively insignificant representation from smaller-scale SMEs, CBEs or indigenous-owned enterprises.

Indian tourist businesses have also been the recipients of various national, regional and international sustainable tourism awards such as the Tourism for Tomorrow Awards and the Virgin Holidays Responsible Tourism Awards. There have also been positive developments in the form of quality classifications, with relatively insignificant representation from smaller-scale SMEs, CBEs or indigenous-owned enterprises.

As explained in the introduction, these differ greatly from STC and have been omitted from this research.

The only STC in existence in India is that given by Tour Operators for Tigers (TOFT), called Practices under Guidelines (PUG) (see Fig.2).

![Figure 2: TOFT PUG certification logo](image)
While PUG is a STC, it is only available to lodges on the periphery of the tiger reserves which are naturally of TOFT’s concern. It is also notable that TOFT has a large international presence in its team and membership.

The case of PUG is useful in a critique of future STC in India (bearing in mind the limitations of the type of establishment it can certify). A study published by EQUATIONS highlighted mixed opinions about certification amongst managers and other staff from lodges which were in some way affiliated with TOFT. Positive views included that the certification process involves a lot of learning and that it attracts clients. The need for marketing expertise to exploit certification was seen as a disadvantage, and there were objections to certification being given to lodges that were only undertaking the required actions. There was also a suggestion that the certification criteria be different for large and small establishments, as their budgets and footprints differ.90

5.5 Adoption of Sustainable Tourism Criteria for India

The UNWTO study recommended that at the national level:

“Countries may develop national sustainable tourism information frameworks based on the international framework taking into account their unique cultural, socio-economic and political backgrounds.”

The development of such a framework should:

- consider the overall tourism industry demand-supply structure with its programs and activities
- involve information gaps that prevent the development of sustainable tourism
- involve a series of consultation workshops with the different stakeholders from the business, private, government, non-government and academic institutions
- involve the active participation of the different sub-sectors related to the tourism business sector”

As a member of the 14-country Marrakech International Task Force on Sustainable Tourism Development, India contributed widely to the fostering of the GSTC.94

Prior to the creation of the STSC, global consultation workshops were held in order to gather qualitative data on the opinions of tourism stakeholders concerning STC and the creation of a relevant accreditation body. The South Asia workshop was held in Sikkim, India in 2002.

The following is a summary of the feedback from the Indian participants:92

- The level of awareness of certification programs in the region was found to be “quite low”. There was more awareness of certification amongst the Sri Lankan participants than the Indian participants (they both knew about ISO)
- There was a concern about certification being expensive and that there was no Ministerial coordination on the matter
- The Indian Standards Institution applies to products and processes, but not services. There are government regulatory management frameworks in existence for managing forests and coastal zones, but none regulating certifiers or certification
- When asked whether certification was working at the consumer level, the one hotel certified by Ecotel was seen as a “very successful” example.
- A possible benefit of certification is that it could challenge the Indian [hotel] star system
- Southern India and Sri Lanka could coordinate on accreditation, as could the Indian Himalayan states

Overall, the participants agreed that certification would make a product more marketable but there were reservations about the time and finances needed to be invested in such schemes, and the ability of small companies to access schemes and meet their criteria. The participants recommended that the term ecotourism needed to be protected, and that there was a need to consolidate certification in the region before addressing accreditation.93

A capacity-building workshop on sustainable tourism for small-medium hotels in 2009 concluded that it was necessary to derive an Indian sustainable tourism standard in conformity to the GSTC, due to the “unorganised and uncontrolled growth of the tourism sector in the country, leading to a negative impact on the environment and ecology of destinations,”94 and that this issue should be taken forward at the national level by the MoT.

At the National Workshop on Sustainable Tourism Criteria for India in July 2010, all tourism sector stakeholders present agreed to eventually adopt sustainable tourism criteria for India, based on the GSTC. This will not involve amending the criteria, but rather adapting them to Indian requirements “with diluting its idea, as in its original format it is more suited to Western conditions.”95 In practice, this will be done by tailoring the detailed notes accompanying the criteria to Indian sensibilities and law.96 It will also involve expanding the remit of the criteria beyond hotels and tour operators to include dhabas, wayside amenities, heritage sites, etc.97

To this end:

“A steering committee [with representation from major stakeholders] has been constituted to evolve the Sustainable Tourism criteria for India, which will then be formally adopted... Once adopted the criteria will help the Ministry of Tourism in formulating such policies that encourage sustainable tourism while underlining creation of environmental, social, economic and climate responsiveness.”98

As of now apart from a rather overarching statement of intention included in the voluntary Code of Conduct for Safe & Honourable Tourism and Sustainable Tourism the Ministry does not seem to have gone very far.99
Criteria and Certification in India

Industry Experts on Sustainable Tourism

It would be interesting to see whether the tourism certification enhances quality, preserves the environment, and improves the quality and performance of businesses and staff. Certification can look at hotels, travel operators and international travel operators as an example of hotels. There is a need for standards to avoid the abuse of the term ‘eco’, misleading claims of sustainability (‘green-washing’) and disappointment of tourists. Certification lends credibility to tour operators since a marketing advantage and avoids being added with green-washed businesses that are not sustainable yet trying to claim to be sustainable. Certification improves the quality and performance of businesses and staff; it shows that they are doing what they can to protect the environment and local communities. Certification enhances quality, preserves the destination and helps businesses meet higher standards through continued improvement. It would be interesting to see whether the tourism industry would be open to community audits, for example of hotels.

The seminar’s recommendations on certification were:

- Certification raises the international standard for ecotourism in a country.
- Certification lends credibility to tour operators since a lot of tourism bookings are done on the Internet.
- There is a need for standards to avoid the abuse of the term ‘eco’, misleading claims of sustainability (‘green-washing’) and the disappointment of tourists, and to remove the threat of SMEs from being environmentally destructive (as larger operations are seen to be under greater regulatory scrutiny).
- Many tourist ‘assets’ are actually government owned, such as forests, so those that can be regulated should be.
- Standards are needed, but a lot will also depend on who draws them up, who implements them and who enforces them; this is contingent to whether it is self-regulation, a certification process or a legislative process.
- We need tourism certification. Certification can look at lodges, travel operators and international travel operators, so we can actually have a supply-chain approach.
- Certification improves the quality and performance of businesses and staff; it shows that they are doing what they can to protect the environment and local communities, it cuts cost for economical value, gains a marketing advantage and avoids being added with green-washed businesses that are not sustainable yet trying to claim to be sustainable.
- Certification enhances quality, preserves the destination and helps businesses meet higher standards through continued improvement.
- It would be interesting to see whether the tourism industry would be open to community audits, for example of hotels.

The interviews conducted highlighted varying attitudes towards sustainable tourism criteria and certification in India and globally. This section contrasts their viewpoints.

6.1 Interview Findings

The interviews conducted with Abhishek Behl, Director of TOFT India and Managing Director of Conservation Footprints, and another environment services professional who wished to remain anonymous (Anon), confirmed that while they felt STC in India was necessary and positive, they were concerned about how it could work in the Indian context. This section explores their concerns and suggestions.

According to Behl, GSTC (and the Indian criteria to be established) are really applicable for the “large players” and “the rich and high-class people” in the industry. To an extent, smaller operators “are not clued up” on the terms and issues of this debate e.g. what sustainability is; “explaining certification to communities is not easy”. For STC to work in India, you must have “community buy-in” (Anon). However those involved in the national workshop in July 2010 did not seem to show any willingness to change this: discussions about certification for community-based homestays were “completely lacking” and participants expressed reluctance about working with communities because they felt they have “no capacity” (Anon).

Geological, aesthetic and cultural diversity of India, the differing population densities and living standards, and the many different types of tourism operating in the country means it will be almost impossible to set national STC criteria. An example given was the impossibility of using the same benchmarks to certify a large urban hotel with a tourism operation in the Sunderbans. It was noted that at the national workshop, an exercise intended to create indicators for the Indian interpretation of the GSTC proved difficult when attempting to mix the needs of different forms of tourism, such as rural and medical tourism (Anon).

The respondents agreed that the only way around this was to develop different levels of certification. For example, once established for India, high-end tourism businesses could be expected to adhere to all of the criteria in order to be certified; mid-range establishments could adhere to fewer criteria and smaller community-based tourism enterprises, even less. This would not be devised to allow smaller business to operate in a less sustainable manner; rather it could accommodate the very different indicators of sustainability of different forms of tourism.

6.1.1 “India is a lost cause for certification”

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According to Behl, GSTC (and the Indian criteria to be established) are really applicable for the “large players” and “the rich and high-class people” in the industry. To an extent, smaller operators “are not clued up” on the terms and issues of this debate e.g. what sustainability is; “explaining certification to communities is not easy”. For STC to work in India, you must have “community buy-in” (Anon). However those involved in the national workshop in July 2010 did not seem to show any willingness to change this: discussions about certification for community-based homestays were “completely lacking” and participants expressed reluctance about working with communities because they felt they have “no capacity” (Anon).

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One question that has yet to be answered is: who will they have equal power. If communities say no to tourism, earlier, the economic, social and ecological factors have representation has to be nationalised. As discussed level: communities have to be involved…community representation from communities at the local and central philosophy of the GSTC in India will only work if there is The interviewees agreed that the triple bottom line get their businesses recognised is the main problem. They start, but feels that getting people to spend money to benchmark in line with the GSTC in India as a positive fact that lodges are only a nine month industry. This is compounded by the pay for certification, the fee would have to be recouped because they would have to charge for certification (PUG TOFT considered expanding the PUG certification nationally, but found that it was not economically viable because of the need for capacity building and because they would have to charge for certification (PUG certification is currently free), and operators are not prepared to pay. He asked over 100 lodges whether they would pay for auditing and consultancy but found that their priority was getting more patrons; if they were to pay for certification, the fee would have to be recouped by increased visitor numbers. This is compounded by the fact that lodges are only a nine month industry.

Behl sees the developments to create a certification benchmark in line with the GSTC in India as a positive start, but feels that getting people to spend money to get their businesses recognised is the main problem.

The interviewees agreed that the triple bottom line philosophy of the GSTC in India will only work if there is representation from communities at the local and central level: communities have to be involved…community representation has to be nationalised. As discussed earlier, the economic, social and ecological factors have to have equal power. If communities say no to tourism, they should be listened to.

One question that has yet to be answered is: who will implement these criteria? (Anon)

Behl estimates that the government will hand over the governance of the criteria to tourism organisations once they are created, but this issue has not yet been publicly discussed.

6.1.2 “It’s the SMEs who are going to move the needle when it comes to sustainability”

In contrast, CB Ramkumar, owner and Managing Director of Our Native Village, a 100% eco-resort outside Bangalore, feels that the GSTC is a thoroughly robust framework which will lend itself to successful STC in India and benefits for local communities, especially those involved in SMEs:

The GSTC are universal in appeal and global in approach. “When you start looking at the details is when the applicability starts to come…[the] applicability has been so thoroughly researched, there is no part of the world which can say, it’s not applicable to me.”

The criteria can be adapted to local needs, subject to law. For example, in reference to criterion concerning wildlife, he notes that while hunting may be allowed in some countries (in a sustainable manner), it won’t be in others because it is against the law, such as in India.

In comparison to standards that only cover environmental aspects, the GSTC is the only framework that “covers all aspects, starting from business planning to people in your city office, to labour issues to fire safety issues, and also environmental issues. So, it is fully sustainable in its approach.”

The next steps for the steering committee (besides deciding on the national criteria) are looking at how to apply to the criteria to the regional, state, district and individual business levels. To this end there will be regional workshops held to follow the national workshop.

Ramkumar gave various reasons as to why the GSTC and the future national sustainable tourism criteria will be applicable to SMEs:

- Supplementary details of the criteria are comprehensive enough to explain what should be done and not how e.g. reducing energy consumption and converting to renewable sources. In view of the fact that the majority of tourism businesses are SMEs, UNEP has created self-instructive training tools specifically aimed at helping them become sustainable. That’s how it becomes applicable for the smallest, two-roomed home-stay in Coorg.
- Certification offers a level of market access that SMEs cannot dream of. For example, major international tourism booking companies such as Expedia and Travelocity are going to give special mention on their websites to businesses that adhere to the GSTC.
- SMEs by their very nature lend themselves to sustainability and this will benefit them in the long run.
"Slowly what will happen- these SMEs- they'll start to become world-class, and that's the beauty... Because sustainability is all about simplicity... and if anybody understands it better, it's SMEs. Because it becomes easily applicable [such as rainwater harvesting]. ... So for SMEs: nothing like the GSTC, because it will be easy to comply, easy to become world standard (in) sustainability, and you get market access."

Since sustainability as a concept is still new to India... the first step is to get people to understand, 'what is sustainability'? Awareness remains low; for example, many people still do not know what solar panels are, nor are they aware of sustainable business practices, such as seeking out constructive customer feedback.

He suggested that the MoT may serve as the national accreditation body for Indian STCs, with guidance from the TSC. Once an accreditation body is in place, certification companies will begin to emerge, as well as management and consulting companies to assist businesses in becoming certified.

6.1.3 “Tourism needs a different system and processes to certify”
Jennifer Seif, Executive Director FTTSA has been a pioneer in fair trade in tourism.

Certification is used as a policy instrument. The idea is to get the private sector to behave in a certain way. In South Africa it has taken the form of responsible tourism / volunteer tourism - pushing through the idea of responsible tourism within the industry. A certificate (the label) is a reward for operating in a responsible manner and in a way creates access to a segment of the market.

Ten years ago the concept of certification was niche (and was intended to target the niche market), now it is becoming mainstream. Tourists are looking for labels for whom it is an assurance of quality.

In tourism there is a lot of discussion on the idea of certifications but the numbers are not there. The private sector still sceptical. It is also true that we cannot show how it will help business - all that can be said is that we ‘think it will help’.

In FTTSA the focus is on the social aspect, looking at labour + environmental standards. We feel that the concept of certification is underutilised. However the challenge even for us is to start demonstrating the business case. The attitude of the suppliers / tour operators often is ‘do not mess with our business relationships’.

The need is to find a way to continually finance these schemes. Sometimes governments have come and pitched in like in the case of Botswana and Costa Rica – through subsidies – but that is not a sustainable option. Even in FTTSA's case we do not have the funding to keep it going. To the funders we cannot prove that it will get more business. Donors are reluctant to invest further as they want market return not operational investment. Eventually the scheme should be able to pay for itself.

Tourism needs a different system to certify. The pricing is very different. The structures are extremely complicated – if we look at the chain of people involved and flow of money. This is the main difference; otherwise it is not that dissimilar – e.g. labour standard, operations of the lodge. FTTSA's certifies the travel package – the entire chain / value chain, which is much larger in tourism. We use a similar set of criteria as in fair trade. We thought about regulating the commission structure but it is difficult. What we have done is to bring in some equity in the commission structures in a way that it is advantageous to the smaller groups.

Currently the idea is to look at how the various certification schemes can align with GSTC. We do not feel that it is narrow and are of the opinion that some awareness is better than no awareness. Once past this stage, then look at educating them about other aspects. Start with something as it is this same tourism industry that does not want to do anything or as little as possible and pay as little as possible.

Tourism Sustainability Council is now called Global Sustainable Tourism Council. The criteria that are applicable around the world are not perfect but better than what we had which is nothing. It is a common framework – not a definitive list but more like what is needed to be addressed. The GSTC is ISO65 standard. There will be a review once every 3 years and this is being done through a website consultation process. The consultations have been participated only by 'experts' and there have not been many stakeholder consultations.

The Council is faced with a number of problems – the main idea was to develop international accreditation programme but has got involved in many other kinds of work. It is working as a membership council, and mainly has tour operators from North America, who have lost any kind of accountability to the stakeholders. If you are not a member, you do not get access to the information. In my opinion, they have not thought through all this and are pushing their own agenda. FTTSA was a member and has now withdrawn. At this point I must distinguish, "while the Criteria is a positive step, the Council is in a mess and we need to separate these issues. GSTC has not engaged with community / community associations. There is no structure for it.

In South Africa, the National Standard for Responsible Tourism (NSRT) is being set up, which is very much aligned to the GSTC. The NSRT will be accredited by the government. We also have the SABS (bureau of standards) process that is there to regulate / legislate. We feel that this information needs to be accessible to both the industry as well as the communities. The tourism industry is now fairly very well organised (big
and small) – with whom a process of consultations have begun, though the way to engage with the community / informal sector is not there as there is no structure of engagement that is yet in place.

6.2 Views of Local Communities on Sustainable Tourism Criteria and Certification

As stated earlier, there appears to be no published opinion of local communities in India on the subject of STC. In this absence, this section considers the views of other communities - mainly indigenous communities from Latin America - on the assumption that there may be shared concerns that could guide future debate and policy in India.

6.2.1 Case study: findings of Indigenous Tourism Rights International

According to Melissa Mundt of Indigenous Tourism Rights International (ITRI), “the movement to create environmental and social standards to which businesses calling themselves ‘ecotourism’ would have to comply often ignore Indigenous rights.”105 The lack of indigenous participation in the planning of the UNWTO’s International Year of Ecotourism (IYE) in 2002 prompted the International Forum on Indigenous Tourism in Oaxaca, Mexico. The meeting concluded with the Oaxaca Declaration 2002, which affirmed:

“Indigenous peoples are not objects of tourism development. We are active subjects with the rights and responsibilities to our territories and the processes of tourism planning, implementation, and evaluation that happen in them. This means we are responsible for defending Indigenous lands and communities from development schemes imposed by governments, development agencies, private corporations, NGOs and specialists.”106

It also calls on Indigenous Peoples to “strengthen strategies of coordination and information sharing both regionally and internationally, in order to assert participation in initiatives like the IYE”.107 (It should be noted that the Quebec Declaration on Ecotourism, issued at the conclusion of the May 2002 World Ecotourism Summit, states that “certification systems should reflect regional and local criteria” and that governments should help to “build capacity and provide financial support to make these schemes accessible to small and medium enterprises”.)

6.2.2 Rethinking Tourism Certification

More recent discussions among the tourism industry and international institutions about STC have also been accused of excluding indigenous participation. In response, the ITRI organised an online seminar titled Rethinking Tourism Certification in 2004.108 The opinions expressed by the seminar participants towards STC were many and varied, but “more people took positions opposing rather than supporting tourism certification, stating that certification is not a tool that corresponds to indigenous realities.”

The following is a summary of the main points arising from the seminar proceedings report:110

- Participants reaffirmed that indigenous peoples are rights holders and not “mere ‘stakeholders’” as they are referred to in United Nations and other policy discussions.
- An analysis of certification case studies found that “there are few certification programs that prioritize indigenous concerns rather than environmental and economic concerns”.
- It was noted that certification involves investment of finance and resources, with no guarantee of economic benefit.
- It was feared that communities could become dependent on and forced to satisfy the needs of the certified market, and that this would impact on a community’s autonomy.
- It was also felt that community cohesion could be at risk, as certification had caused divisions in communities where some producers (of timber and coffee) were certified and others not. The social sustainability of certification had not been adequately discussed.
- There was a concern that organisations in the global North had obtained funding for discussions on tourism certification without clarifying how they have “used the name of Indigenous Peoples to obtain the funds, and how their discussions will affect Indigenous Peoples”.
- Participants reaffirmed their right to prior informed consent and participation in the development of tourism development, as outlined in ILO Convention 169 and the United Nations Draft Declaration on the Rights of Indigenous Peoples.
- There is a knowledge gap about tourism certification amongst indigenous communities, especially in the global South. International organisations involved in the development of certification need to act on their stated goals of inclusion.
- What appeared to be the most often raised and most passionately expressed view was that local cultures would be standardised and effectively commodified through certification, thereby losing the unique authentic experience that tourists seek in the first place. The following are examples of such concerns:

- “Certification of tourism is not the same as certification of products like coffee and timber because tourism is built upon social relationships between and among hosts and visitors – relationships which cannot be quality-controlled by the technical requirements of certification”.
- “The quality of service is based on the quality of the experience, which is itself based on the very specific qualities of the social relationships that are constructed within particular indigenous communities”.
- “One of the reasons we do not agree with existing certification is that all the tools have been developed in the majority of cases by external consultants who do not know the reality of the communities.” (participant quote)
- There was a concern that certification “could ignore or even undermine Indigenous Peoples’ local priorities and customary standards and practices. [Participants] pointed out that external standards could displace culturally specific concepts and practices of accountability, hospitality and stewardship of the natural world.”

- Highlighting the ethical aspect of certification: “Tourism is a service based on social relations... social relations that are, or should be, products of historical and cultural questions, and not solely technical and specialized questions like certification. For example, trust in our communities is a product of a culture and a very specific form of education and communication... questioning our trust is questioning our history, our culture, in sum, our way of being, and this I do not believe we should permit, because processes of certification are mining [sic.?] our culture, our way of being.” (participant quote)

- Participants noted that “since each culture has its own approach toward and application of accountability, legitimacy and responsibility, certification programs developed by those ‘outside’ the cultures couldn’t be one-size-fits-all.”

The conclusion was that indigenous communities could benefit from further dialogue about certification and the potential for creating schemes that are based on indigenous values and priorities. It was reaffirmed that “that indigenous control over tourism development is required to protect Indigenous Peoples’ cultural values, inherent rights and very existence.”

Tourism certification is likely to be irrelevant, if not further marginalise indigenous peoples in important civil society issues, if it does not take place through a legitimate and inclusive process.111

These concerns were echoed by participants at the seventh session of the UNCSD. On the subject of tourism:

“There was broad agreement that the rights of indigenous peoples and local communities should be respected. Several participants noted that the use of indigenous or local cultures as a "product" to market must be approached with sensitivity, and should include the participation in decision-making of those groups affected by this. Measures to combat the illegal trade in cultural goods, such as the issuing of certificates of origin, should be considered. It was suggested that certification schemes include criteria on local and indigenous participation.”112

07. Conclusion

There is little doubt that internationally, STC will continue to be used both as a tool for regulating and monitoring the sustainability of tourism businesses, but also as a key means of market access. The WWF/Synergy report concluded that STCs have considerable potential; however in order to ensure that the rapidly growing industry can meet sustainability criteria, key issues for the future of schemes include (for the purposes of this paper):

- Increasing participation and integration - the development of programmes which are effective and cost-effective for SMEs, for example through simple checklists as opposed to management systems and implemented through local tourism associations.
- Actively working with stakeholders - who the stakeholders are and what the consultation process should involve need clarification. All stakeholders should be included throughout the tourism development process and play an active role in decision making.

7.1 Recommendations for Advocacy and Future Research

As the national sustainable tourism criteria for India have yet to be created, it is only possible at this time to speculate as to how much local communities will play a role in and benefit from STC. Instead, the research points to actions that could be taken to advocate and foster this.

Attendance at the National Workshop on Sustainable Tourism Criteria for India was by invitation only, which does not seem to have included local communities or NGOs (the workshop was organised by the Ecotourism Society of India and the MoT.) Therefore the statement that “all stakeholders” agreed to adopt sustainable tourism criteria for India is not valid”. Future workshops and consultations must include community representation at the local, state and central level. Failure to do this may be counter-productive to those wishing to see the criteria and STCs established in India. Especially where the government facilitates consultations, all interested stakeholders should have the opportunity to participate. Further meetings outside the capital should take place to give every party the opportunity to add their voice.

Further, it is time for local communities to be recognised as equal stakeholders in tourism in India and for their participation in tourism planning to be both sought out and considered appropriately; sustainable tourism certification being no exception.

The meetings of the Steering Committee tasked with developing the national sustainable tourism criteria should be made public knowledge and the final criteria should be subject to a period of open external consultation “until feedback is no longer provided or unique”,132 as was the process for the creation of the GSTC.

The creation of indicators to support the implementation of the criteria may prove the most crucial process for ensuring the applicability and fairness of STC for Indian tourism businesses. Again this process must be open and transparent and subject to ongoing consultation and feedback.
The barriers to certification that SMEs face must be properly assessed and appropriately addressed:

- Knowledge sharing is required so that SME managers understand the context and benefits offered by certification.
- Where there is an interest in becoming certified, schemes to address the financial and operational barriers to certification must be developed with this sector in mind.

Depending on the eventual governance of STCs in India, the MoT could consider regulating the cost of certification in proportion to business size and other factors. It could also consider or facilitate discussions on subsidies and loans for SMEs.

The MoT and other national and state tourism bodies could help to build capacity in local tourism associations to further increase awareness of and access to STCs by SMEs. This could be done through coordination with grassroots organisations. As quoted earlier, “a grassroots, ‘bottom-up’ approach focused on local and regional organizations would be more successful”.

Capacity-building consultancy for SMEs, particularly on the technical issues of certification, should be coordinated and offered by the government or other tourism bodies.

Without the ability to easily voice their concerns, tourism and other human rights NGOs and grassroots organisations could consult with and advocate for local community participation in and benefits from STCs. Organisations such as these also have the remit to bring the issue of community participation in STCs to tourism consumers, as a means of adding further pressure on the industry to include and engage communities in STC.

Once the national sustainable tourism criteria are created and STCs begin to operate more widely, further research should be undertaken to explore the realities of how social criteria are being implemented and how much local communities really are benefiting from STC.

Research Team:
This paper was researched by Kiran Gupta an intern with EQUATIONS with additional support from Aditi Chanchani.

Appendix 1: List of Interviewees
Abhishek Behl, Director, TOFT India and Managing Director, Conservation Footprints
CB Ramkumar, Founder and Managing Director, Our Native Village Resort, Bangalore
Jennifer Seif, Executive Director, Fair Trade Tourism South Africa

Appendix 2: Recommendations of the CSD on Tourism Certification Schemes
Tourism Certification schemes should:

- require companies to comply with national and regional regulations as an absolute minimum,
- have the potential to surpass regulatory requirements in a way which is cost effective,
- be developed with multi-stakeholder participation,
- include monitoring, assessment and verification systems to generate confidence and support
- from all parties, and
- include reference to the need for education focusing on travellers, investors, workers and host communities.114

Appendix 3: The GSTC Criteria115

A. Demonstrate effective sustainable management.
A.1. The company has implemented a long-term sustainability management system that is suitable to its reality and scale, and that considers environmental, socio-cultural, quality, health, and safety issues.
A.2. The company is in compliance with all relevant international or local legislation and regulations (including, among others, health, safety, labour, and environmental aspects).
A.3. All personnel receive periodic training regarding their role in the management of environmental, socio-cultural, health, and safety practices.
A.4. Customer satisfaction is measured and corrective action taken where appropriate.
A.5. Promotional materials are accurate and complete and do not promise more than can be delivered by the business.
A.6. Design and construction of buildings and infrastructure:
• Comply with local zoning and protected or heritage area requirements;
• Respect the natural or cultural heritage surroundings in siting, design, impact assessment, and land rights and acquisition;
• Use locally appropriate principles of sustainable construction;
• Provide access for persons with special needs.
A.7. Information about and interpretation of the natural surroundings, local culture, and cultural heritage is provided to customers, as well as explaining appropriate behaviour while visiting natural areas, living cultures, and cultural heritage sites.

B. Maximize social and economic benefits to the local community and minimize negative impacts.
B.1. The company actively supports initiatives for social and infrastructure community development including, among others, education, health, and sanitation.
B.2. Local residents are employed, including in management positions. Training is offered as necessary.
B.3. Local and fair-trade services and goods are purchased by the business, where available.
B.4. The company offers the means for local small entrepreneurs to develop and sell sustainable products that are based on the area's nature, history, and culture (including food and drink, crafts, performance arts, agricultural products, etc.).
B.5. A code of conduct for activities in indigenous and local communities has been developed, with the consent of and in collaboration with the community.
B.6. The company has implemented a policy against commercial exploitation, particularly of children and adolescents, including sexual exploitation.
B.7. The company is equitable in hiring women and local minorities, including in management positions, while restraining child labour.
B.8. The international or national legal protection of employees is respected, and employees are paid a living wage.
B.9. The activities of the company do not jeopardize the provision of basic services, such as water, energy, or sanitation, to neighbouring communities.

C. Maximize benefits to cultural heritage and minimize negative impacts.
C.1. The company follows established guidelines or a code of behaviours for visits to culturally or historically sensitive sites, in order to minimize visitor impact and maximize enjoyment.
C.2. Historical and archaeological artefacts are not sold, traded, or displayed, except as permitted by law.
C.3. The business contributes to the protection of local historical, archaeological, culturally, and spiritually important properties and sites, and does not impede access to them by local residents.
C.4. The business uses elements of local art, architecture, or cultural heritage in its operations, design, decoration, food, or shops; while respecting the intellectual property rights of local communities.

D. Maximize benefits to the environment and minimize negative impacts.
D.1. Conserving resources
• Purchasing policy favours environmentally friendly products for building materials, capital goods, food, and consumables.
• The purchase of disposable and consumable goods is measured, and the business actively seeks ways to reduce their use.
• Energy consumption should be measured, sources indicated, and measures to decrease overall consumption should be adopted, while encouraging the use of renewable energy.
• Water consumption should be measured, sources indicated, and measures to decrease overall consumption should be adopted.
D.2. Reducing pollution
• Greenhouse gas emissions from all sources controlled by the business are measured, and procedures are implemented to reduce and offset them as a way to achieve climate neutrality.
• Wastewater, including gray water, is treated effectively and reused where possible.
• A solid waste management plan is implemented, with quantitative goals to minimize waste that is not reused or recycled.
• The use of harmful substances, including pesticides, paints, swimming pool disinfectants, and cleaning materials, is minimized; substituted, when available, by innocuous products; and all chemical use is properly managed.
• The business implements practices to reduce pollution from noise, light, runoff, erosion, ozone-depleting compounds, and air and soil contaminants.
D.3. Conserving biodiversity, ecosystems, and landscapes
• Wildlife species are only harvested from the wild, consumed, displayed, sold, or internationally traded, as part of a regulated activity that ensures that their utilization is sustainable.
• No captive wildlife is held, except for properly regulated activities, and living specimens of protected wildlife species are only kept by those authorized and suitably equipped to house and care for them.
• The business uses native species for landscaping and restoration, and takes measures to avoid the introduction of invasive alien species.
• The business contributes to the support of biodiversity conservation, including supporting natural protected areas and areas of high biodiversity value.
• Interactions with wildlife must not produce adverse effects on the viability of populations in the wild; and any disturbance of natural ecosystems is minimized, rehabilitated, and there is a compensatory contribution to conservation management.
Appendix 4: List of Tourism Certifications Across the World

- Adventure Green, Alaska
- Audubon Green Leaf Eco-Rating Program
- Austrian Eco-label for Tourism
- Bayerisches Umweltgütesiegel für das Gas
- Beach Quality Certificate
- Bio Hotels, Europe
- Blaue Schwalbe, Europe
- Blue Flag
- Botswana Eco Certification System, Botswana
- Brazilian Standard ABNT NBR
- California Green Lodging Program
- Certificación para la Sostenibilidad Turística (Certification for Sustainable Tourism), Costa Rica
- Chouette Nature
- Climate Action Certification Program
- Connecticut Green Lodging Certification
- CSR-Tourism Certified
- David Bellamy Conservation Award
- Delaware Green Lodging
- Discover Eco-Romania
- EarthCheck
- ECEAT Quality Label, Europe
- Eco awards, Namibia
- ECO Certification, Malta
- Eco Guide, Australia
- ECO-biz, Queensland
- Eco-camping, Europe
- Eco-Friendly Star Accreditation
- Ecogite, France
- Eco-label Donana 21, Spain
- EcoLabel, Luxembourg
- Ecotel
- Ecotourism Australia- ECO Certification
- Ecotourism Kenya’s Eco-rating scheme
- Ecotourism, Norway
- EIFEL
- EMAS helpdesk, Europe
- Emblem of Guarantee of Environment Quality
- Estonian Ecotourism Quality Label
- Euro charter for Sustainable Tourism in protected areas
- European Ecolabel for tourist accommodation & camp
- Fair Trade in Tourism South Africa
- Florida Green Lodging Program
- Gites or Guest Rooms «Panda», Belgium
- Gites Panda, France
- Great Green Deal
- Green & Ecotourism Certificate Programme, Botswana
- Green Accreditation Scheme
- Green box Ecotourism label
- Green Certificate, Latvia
- Green Deal Guatemala
- Green Dragon Environmental Standard
- Green Flag Award, UK
- Green Globe Certification
- Green Hospitality Award, Ireland
- Green Key
- Green Key Eco-Rating Program
- Green Label, Madagascar
- Green Leaf Business Scheme
- Green Leaf Environmental Standard
- Green Leaf Foundation, Thailand
- Green Lodging, Michigan
- Green Restaurant, USA
- Green Seal, USA
• Green Star Accreditation
• Green Star Hotel
• Green Start, UK
• Green Tourism Business Scheme, UK
• Heritage Environmental Rating Programme
• ISO 14000
• Leadership in Energy and Environmental Design
• Luxury Eco Certification Standard
• Maine Green Lodging Certification
• Maryland Green Travel Program
• Ministry of Environment and Natural Resources (SEMARNAT) published sustainable tourism standards for marinas, beaches and ecotourism
  - Esquema de Certificación de Calidad de Playas (Quality Certification Scheme Beaches), Mexico
• Missouri Certified Green
• Nature's Best
• New Hampshire Sustainable Lodging & Restaurant
• Nordic Swan for Hotels & Youth hostels
• Normas de Turismo Sostenible
• Öko-Proof-Betrieb
• Oregon B&B Guild Green Certification Programme
• PAN PARKS Initiative
• PCTS Programa de Cert. em Turismo Sostenible
• Peak District Environmental Quality Mark
• Prog de cert de turismo rural sustenible
• Programa Nacional de Auditoria Ambiental
• Prüfzeichen Schorfheide-Chorin
• Qualitäts- und Umweltsiegel für den Kanu
• Quality Tourism for the Caribbean
• Qualmark
• Recommended Accommodation Structures
• Responsible Tourism System-Biosphere Host
• Rhode Island Hospitality Green Certification
• S.C. Green Hospitality Alliance
• Seychelles Sustainability Label
• Smart Voyager
• South Luangwa Eco Awards
• Stay Green, Illinois
• Steinbock Label
• Sustainable Tourism Eco-Certification Program
• Sustainable Tourism Standards
• The Uruguayan Society of Rural Tourism
• TOFT PUG Rating, India
• Tourism Authority Thailand
• Tourisme Responsable
• Travel Green Wisconsin
• Travelife Sustainability System
• Umweltgütesiegel auf Alpenvereinshütten
• UNESCO World Heritage
• Vermont Green Hotels
• VIABONO
• Virginia Green
Appendix 5: Overview of the Barriers to Tourism Certification faced by SMEs, CBES and Indigenous-owned enterprises – from TIES barriers to certifying SMEs, January 10, 2007, Pg 52-55

<table>
<thead>
<tr>
<th>Principle Aspects</th>
<th>Aspects in details</th>
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<tbody>
<tr>
<td><strong>For all types of small businesses</strong></td>
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<tr>
<td>A. No knowledge or understanding of certification.</td>
<td>1. They have not received information or do not understand it</td>
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<td>B. No desire to be certified</td>
<td>1. They believe that certification will not benefit them.</td>
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<td></td>
<td>2. They consider it to be irrelevant to their activities.</td>
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<td>3. It is believed to be too expensive</td>
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<td>4. The cost-benefit ratio is perceived to be unfavourable.</td>
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<td>5. The process is too slow</td>
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<td>C. Wish to be certified, but are unable to or believe that they are unable to.</td>
<td>1. They do not understand what steps must be taken or why they are required.</td>
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<td></td>
<td>2. Technological barriers:</td>
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<td></td>
<td>• high cost of technology</td>
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<td></td>
<td>• inappropriate technological solutions are prescribed for small businesses</td>
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<td></td>
<td>• do not know where to find green equipment and supplies or how to use or install it.</td>
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<td>3. Barriers caused by the requirements to maintain written registers of all aspects of the business:</td>
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<td>• difficulties with language or the ability to write it,</td>
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<td></td>
<td>• great quantity of information required,</td>
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<td></td>
<td>• the type of information requested is inappropriate for the objectives and characteristics of small businesses,</td>
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<td></td>
<td>• need to hire additional personnel to maintain written registers, or to overburden existing personnel.</td>
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<td></td>
<td>4. High cost of implementing changes in the business, purchase of equipment, and new infrastructure.</td>
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<td></td>
<td>5. Cost of audits and certification license.</td>
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<td>D. Cannot obtain funds to finance costs of certification</td>
<td>1. Do not know where to obtain financing</td>
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<td></td>
<td>2. Do not wish to acquire debt for something of dubious value.</td>
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<td></td>
<td>3. Require technical assistance to access sources of funding or donations</td>
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<tr>
<td>E. Certification criteria are inappropriate for this type of business.</td>
<td>1. In many programs, the criteria indicate “how-to-do-it” and not the true objective (e.g. using a key-card to turn off air conditioning, rather than reducing electrical consumption in Kwh per guest per night). This can smother creativity in the search for appropriate solutions.</td>
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<td></td>
<td>2. Criteria designed for large businesses, and hence are not applicable.</td>
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<td></td>
<td>3. Criteria designed for urban businesses that are not applicable in rural areas.</td>
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<td></td>
<td>4. Excessive requirements for written registers and paperwork inappropriate for small businesses and requiring additional staff or overburdening existing one.</td>
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<td>5. Requirements that appears capricious and inappropriate for small businesses. “Not adapted to reality.” These do not produce the desired results, but are obstacles for the SMEs. “Insignificant indicators.” Costs therefore cannot be recovered.</td>
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<td></td>
<td>6. Need to hire external experts and consultants</td>
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<td>7. Lack of tools for establishing processes</td>
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</tbody>
</table>
F. Few or no benefits perceived from re-certification.
   1. Lack of motivation for recertification once technical assistance is no longer available and the energy savings have been consolidated.
   2. The cost of recertification is similar to the cost of participating in an international trade fair or other more important promotional with immediate benefits.
   3. There is no marketing for certified SMEs. Certification could be valuable if it were part of a marketing program.
   4. There is confusion in the marketplace because of so many certification logos with no recognition. "There is no letter of presentation or market recognition."
   5. There should be programs to enable certified SMEs to achieve economies of scale in green purchasing, promotion, and interchange of personnel.

For community based enterprises

G. The certification programs were developed without full participation of community-based and indigenous-owned businesses (with some exceptions)

H. Many certification programs (especially in Europe) are based only on environmental criteria (especially contamination) and not on socio-cultural elements.
   1. Financing and training are oriented towards environmental aspects
   2. Many community-based enterprises have creative ways of managing environmental and socio-cultural aspects, based on traditional methods and values that are not considered in certification standards.

I. The certification of guides frequently excludes local guides.
   1. Bureaucratic requirements
   2. Academic requirements
   3. The cost and excessive time required for training courses.

J. There are important gaps in the consideration of what communities are and how consensus is achieved in them
   1. Definition of a "community": members functions, frame of reference, internal divisions, factions, etc.
   2. Consultation and consensus: How can these be achieved when there are conflicting interests within the same community?

For indigenous owned enterprises

K. Lack of knowledge
   1. No knowledge of what certification is.
   2. The perception that no community enterprise could comply with requirements.
   3. Lack of appropriate training.
   4. "Certification might have positive value but the communities should be those that defined the parameters to be measured."

L. Certification has been perceived on the part of indigenous communities as an outside imposition
   1. To be, once again, under the supervision, control, and regulation of outsiders.
   2. Having neither voice nor vote in the development of certification.
   4. Certification could be a disincentive for communities to continue with tourism

M. Certification does not support or require respecting each community's code of conduct
   1. Certification must recognize codes of conduct:
      • for internal use by the community itself on how to manage tourism;
      • for application to visiting tourists;
      • for application to tour operators and other tourist businesses.
   2. The communities should certify the tour operators
| N. The development and implementation of certification does not take into account the particular aspects of indigenous community-based tourism | 1. Discussion should be shared from the beginning of the certification program  
2. The certification should:  
   • Support a process of prior informed consent with respect to tourism.  
   • Take into account the current mode of government of indigenous communities (the old forms are not necessarily currently in use).  
   • Require respect for community property rights and access.  
   • Require respect for community intellectual property traditions, and secrets.  
   • Recognize the right to say "no" to tourism |
|---|---|
| O. The absence of certification programs developed by indigenous communities, for indigenous communities, taking into account their special requirements | 1. Lack of participation in the process of development of certification, standards, and evaluation.  
2. Certification which is applied to tourism within indigenous territories should be planned and executed by the communities themselves, through their own forms of organisation |
| P. The programs emphasize environmental and social aspects, whereas for indigenous communities greater emphasis should be on quality of service, security and safety | 1. Financing and training are generally oriented towards environmental aspects |
| Q. The programs lead to the homogenization of cultural values | 1. Certification does not support local traditional values.  
2. It imposes inappropriate requirements.  
3. “Certification produces … first and second class producers; those that are converted into the chosen children of the system, versus those that are held back; the first become recipients of economic and institutional support, whereas the second become an object of NGOs and official institutions for them to leave their “natural” state and be seated at the table with the chosen children, those that are certified by the modern world.” |

**Endnotes**

2. Interview with CB Ramkumar, August 2010  
6. Ibid  
8. Ibid  
10. Ibid  
11. Ibid  
12. The categories are: Star Category: 5 Star Deluxe, 5 Star, 4 Star, 3 Star, 2 Star & 1 Star; Heritage Category: Heritage Grand, Heritage Classic and Heritage Basic. Interestingly, a study carried out by Synergy for the WWF in 2000 found that certification costs can be equivalent to quality grading costs, and that businesses consider the latter to be of greater significance because they have a higher consumer profile.  
14. Guidelines – Approval of Hotels at Project Stage and Classification & Reclassification of Hotels, revised January 2011; [http://tourism.gov.in](http://tourism.gov.in)  
15. Scheme For Classification Of Ayurveda Centres; [http://www.keralatourism.org/classificationofayurvedacenters/AyurvedaClassification.html](http://www.keralatourism.org/classificationofayurvedacenters/AyurvedaClassification.html)  
16. The Department of Tourism Kerala has evolved a scheme to classify the houseboats in Kerala with the objective of evaluating the safety and service standards. A houseboat fulfilling all the essential conditions prescribed by the department and another five of the ten optional conditions will be awarded the status of ‘Gold Star’. Those fulfilling the essential conditions will be awarded ‘Silver Star’. Houseboats which satisfy the essential conditions and adhering to eco-friendly measures prescribed by the department will be awarded the ‘Green Palm’ certificate.  
17. Rights and Responsibilities: A compilation of Codes of Conduct for Tourism & Indigenous & Local Communities, Center on Ecotourism and Sustainable Development and The International Ecotourism Society, undated  
23. Ibid
24. Interview with Jennifer Seif, October 2010
27. Ibid
31. Tourism Concern defines fair trade in tourism as “a key aspect of sustainable tourism. It aims to maximise the benefits from tourism for local destination stakeholders through mutually beneficial and equitable partnerships between national and international tourism stakeholders in the destination. It also supports the right of indigenous host communities, whether involved in tourism or not, to participate as equal stakeholders and beneficiaries in the tourism development process.’
38. See Appendix 3
43. Ibid
46. See Appendix 4
53. Voluntary Initiatives for Sustainable Tourism, UNWTO, UNWTO: Madrid, 2002
56. Ibid
57. Ibid
58. Ibid
61. Ibid
64. Ibid
65. Ibid
66. Ibid
71. See publications by the Center on Ecotourism and Sustainable Development and The International Ecotourism Society


74. According to the Synergy/WWF analysis report, certification fees are "usually" structured according to the company size, while the UNWTO report found that schemes planned to do this in future.


83. FTAs were higher in 2008 at 5.28 million. Several international factors such as the global recession accounted for the decrease in arrivals in 2009.


87. In addition, there is a national certification similar to LEED, called Green Rating for Integrated Habitat Assessment (GRIHA). However it has not yet certified any tourism establishments, with ITC Chennai Hotel currently under process.

88. Though it is not a certification, the Green Palm Certificate awarded by the Government of Kerala’s Tourism Department is noteworthy. It is awarded as part of the Classification Scheme For Houseboats, which began awarding Gold and Silver Stars to houseboat operators as a response to “an urgent need to evaluate the safety and service standards of houseboats and classify them accordingly.” While the Gold and Silver stars do not award sustainable practices, the Green Palm certificate is awarded to houseboats adhering to the eco-friendly measures prescribed by the Department of Tourism. There are eight criteria for this certification and only one of them refers to social responsibility: “At least 75% of the workers in a houseboat should be employed from districts of the houseboat’s operation.” The remaining criteria all refer to environmental sustainability such as waste management and energy sourcing. http://www.keralatourism.org/classificationofhouseboats/Houseboat.html.


96. Interview with CB Ramkumar, August 2010.


99. Pledge for Commitment towards Safe & Honourable Tourism and Sustainable Tourism - I / We solemnly pledge and reiterate our commitment to conduct our business in a manner that befits the culture and ethos of our rich and ancient civilization, and the tolerant and accommodating nature of our multicultural society and protects all individuals, especially women and children from all derogatory acts which are contrary to the spirit of our country. We hereby commit to abide by the Code of Conduct for Safe and Honourable Tourism. Recognizing that every earth resource is finite and fragile, I / We further pledge to fully implement sustainable tourism practices, consistent with the best environment and heritage protection standards, such that my/our present tourism resource requirements optimize both local community benefit and future sustainable uses. (www.tourism.gov.in).

100. Speakers: Seema Bhatt, Consultant, CMS; CB Ramkumar, Managing Director, Our Native Village, Bangalore; Ramana Athreya, Eaglenest Wildlife Sanctuary, Arunachal Pradesh; Abhishek Behl, Director, TOFT India and Managing Director, Conservation Footprints.

101. “Seminar on Ecotourism- Relevance for India, Experiences,
It is important to note that C.B Ramkumar was the only Indian during the consultative process leading to the creation of the GSTC, is on the steering committee tasked with creating the national sustainable tourism criteria, and is the Chairman of the Sustainability Council of the Karnataka Tourism Board. According to him, “my objective was to bring the GSTC to India.” He has also been involved in workshops aiming to explain sustainability to SMEs.


**http://www1.umn.edu/humanrts/center/uppermidwest/mundt.html**


Cited in Rights and Responsibilities: A compilation of Codes of Conduct for Tourism & Indigenous & Local Communities, Center on Ecotourism and Sustainable Development and The International Ecotourism Society, undated

7 of the 173 participants were from India


“Tourism Certification and Indigenous Peoples in Latin America”, Luis A Vivanco & Deborah Maclaren, in Responsible Travel Handbook 2006


[Tourism Certification and Indigenous Peoples in Latin America](http://www.sustainabletourismcriteria.org/index.php?option=com_content&task=view&id=188&Itemid=188)

This publication explores some of the realities, dilemmas and challenges in the understanding and implementation of ideas around corporate accountability and corporate social responsibility within the tourism sector in India. This is explored through a set of case studies of companies in the hospitality sector.

The case studies examine the relationship between the corporations and the communities in their vicinity, also locating the issues that arise within the broader social-cultural-political realities of the region. Issues of violations of environmental, land and social regulations are noted within the context that large corporations are often able to get away with some of these violations with greater degrees of ease.

The publication posits issues of accountability within a larger framework of image and ethics, which debates on CSR do not take into account.

EQUATIONS is a research, advocacy and campaigning organisation working on the impacts of tourism on local communities in India. Supporting grassroots struggles against unsustainable tourism development and practices, it calls for policies that ensure equitable, democratic and non-exploitative forms of tourism development.