

6.2 Hotelplan: An Eco-Fund to Support Sustainability



Description of Good Practice

The Hotelplan Swiss Group, a Swiss tour operator that offers mainly outbound package tours and guided tours, established an Umweltfranken (Eco-Fund) in January 2001. Funds for the programme are raised through a contribution of five Swiss Francs (about US\$3) per customer booking any of the holiday packages in Hotelplan's 'Ferien am Meer' (Holidays at the Seaside) catalogue, which represents 20-25 percent of the company's sales. This catalogue is also linked to the Crete Declaration, signed in 1998 by Hotelplan and all other Swiss tour operators and travel agents to formulate principles for nature protection by the Swiss tourism industry (www.hotelplan.ch/environnement, heading DdC).

The fund was established to:

- Actively involve guests and stakeholders in destinations;
- Support the integration of social aspects into Hoteplan activities;
- Financially support Hotelplan's environmental commitment;
- Generate a competitive advantage by developing an ecologically sound product;
- Enhance Hotelplan's corporate image; and
- Safeguard the company's leading position on environmental matters in Switzerland.

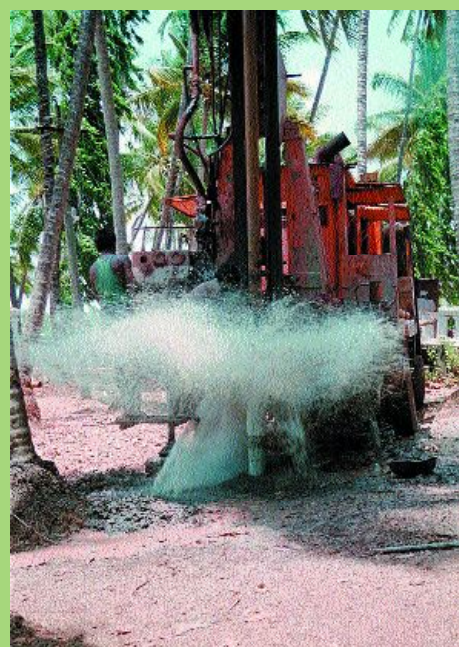
In 2002, the fund raised about US\$750,000. The money is distributed among three categories of projects: internal and external sustainable tourism projects, environmental efforts by partners at Hotelplan destinations, and emergency help in case of natural disasters or one-off projects (see Box 1).

The Board of Directors of the Hotelplan Swiss Group and the company's Department of Corporate Ecology jointly created the Eco-Fund. The Tour Operations Department is responsible for calculating the final price of holidays, which includes each customer's five Swiss Franc contribution to the Fund, and for the development of project proposals.

Whilst awaiting investment in the selected projects, Umweltfranken funds are invested in accordance with ethical criteria, by Swissca Green Investment (www.swissca.ch/greeninvest/swissca/company/home-en.html) and managed by Zürcher Kantonalbank and WWF.

Implementation

Interested organisations apply to Hotelplan's Ecology Department for funding. The department director evaluates each project to determine whether it falls into one of the three funding categories, and approved projects are submitted to the Environmental Panel, which makes the final selection. Local stakeholders are sometimes included in project selection.



SUCCESSFUL WATER DRILLING, GOA, INDIA

In general, selected projects receive their funding in installments.

The use of the funds is monitored and project managers are asked to report back to Hotelplan on progress made before receiving each additional installment. When possible, representatives of the company's Ecology Department visit the project site.

Hotelplan communicates with its customers about the overall philosophy of the Umweltfranken, individual projects and responsible behaviour while on holiday through special billboards on the projects, informa-

tional brochures and customer briefings. For example, in the five Greek beach locations where a turtle project was supported in 2001, Hotelplan produced special billboards and printed an information leaflet with recommendations on appropriate behaviour while turtle watching. In Gibraltar, a marine biologist supported in 2001 as part of a research project focusing on whales was also involved in customers' briefings during whale watching excursions.

Hotelplan also provides information on the fund and projects in its corporate Environmental Report and Annual Financial Report, as well as on the company's web site (www.hotelplan.ch/umwelt) and in catalogues and leaflets in branch offices and at destinations. Internally, staff is informed about the projects and the progress made by the Fund through the intranet, meetings and training sessions.

Benefits

The Umweltfranken has had a number of benefits for the company, customers, local communities and the environment:

- Hotelplan has gained competitive advantages through awareness raising among staff and guests and the improved quality of its product;
- Customers enjoy a better quality product and have the opportunity to choose between better tourism offers;
- Local communities have gained a greater awareness of environmental issues and benefited from a transfer of experience and expertise; and
- The environment has benefited from reduced pollution and improvements in biodiversity conservation.

Comments

In creating the Umweltfranken, Hoteplan opted for investing in many small projects rather than in one, big flagship project. This decision was based on numerous considerations, including the realisation that it was easier to influence and control smaller projects, the recognition that administrative costs are often too high in projects with big NGOs, and the understanding that many smaller projects can raise awareness in several different destinations.

In the medium term, the company intends to expand fund-raising for the Umweltfranken to include other Hotelplan products. The use of part of the funds to financially support 'internal' projects is considered an investment in improving the quality of Hotelplan products.

Based on an assessment of the projects funded in 2001, Hotelplan realised that the projects had not focused sufficiently on key problems and, in particular, that the social component of sustainability was not sufficiently addressed.

Box 1: Umweltfranken Projects, 2001-2003

Umweltfranken funds have been used so far to support the following projects:

2001 Projects

- Care of the breeding grounds of the Mediterranean green loggerhead turtle along five beach sections in Greece.
- Support for a marine biologist and enabling scientific research and unobtrusive observation tours of marine mammals in southern Spain.
- A quantitative analysis of the environmental pollution of two standard holiday offers in Crete and two in Tenerife, and a compilation of an eco-balance for each holiday.

2002 Projects

- Organisation, execution and financing of a volunteer week for employees to help conserve Swiss mountain forests.
- Tapping of underground water resources with traditional means and construction of four wells for local communities in Goa, India.
- Sponsorship of an art project in Cape Verde that turns waste into works of art, which are sold to support a local aid and relief fund.
- Financial support for the World Without Mines Foundation.
- Quantitative analysis of all standard holiday offers in Crete and Tenerife (building on the 2001 pilot project).

2003 Projects

- Tapping of underground water resources with traditional means and construction of five wells for local communities in Rajasthan, India, providing drinking water for 5,000 people and water for 25,000 head of cattle.
- Organisation, execution and financing of a volunteer week for employees to help conserve coral reefs and desert ecosystems in the Red Sea region of Egypt