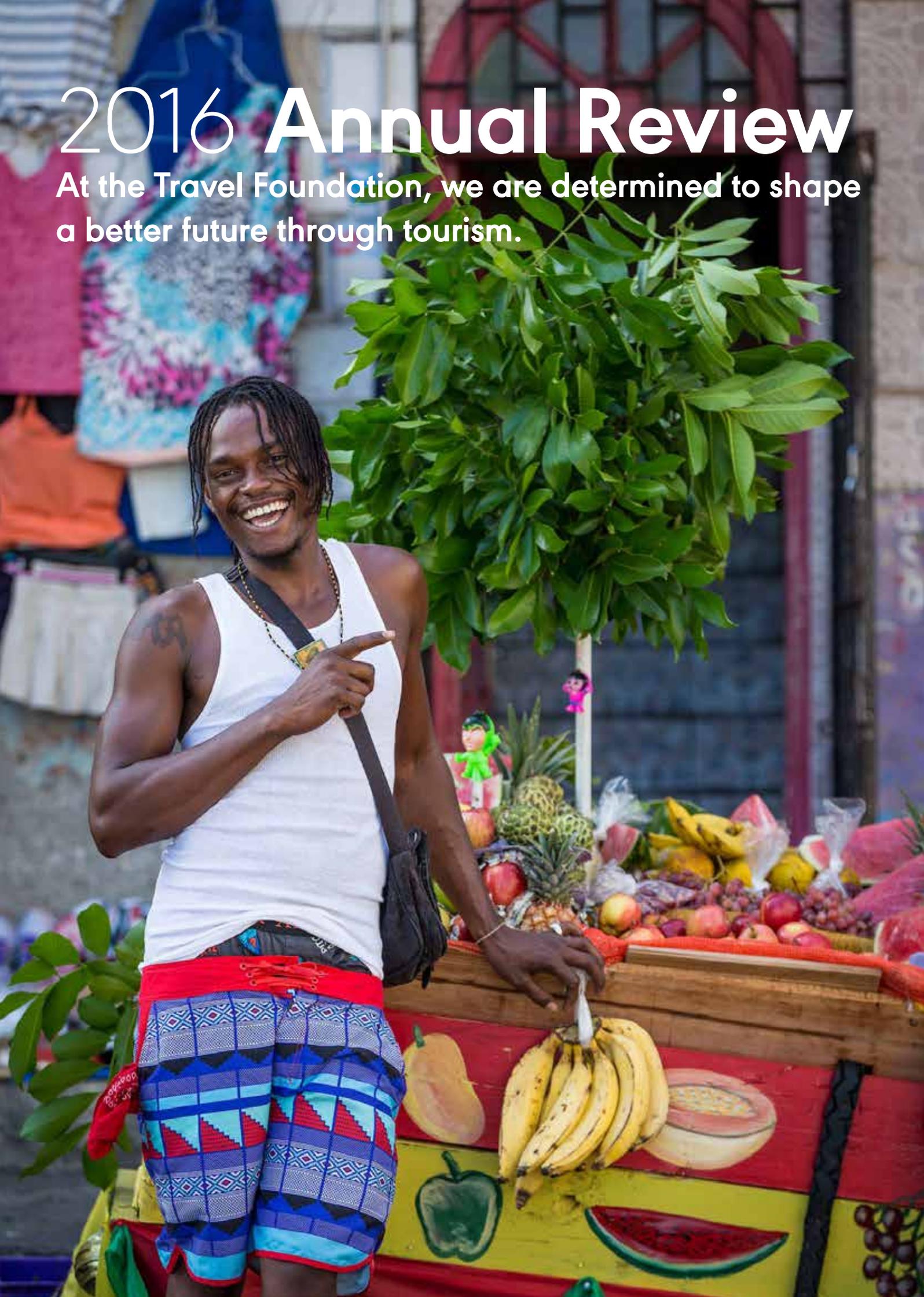


2016 Annual Review

At the Travel Foundation, we are determined to shape a better future through tourism.



Our aim is to enable positive change in destinations

Tourism is a unique opportunity. By its very nature, it values the things that are most precious in our world: stunning landscapes, wildlife, history, culture and people. Tourism can be a catalyst for growth in the local economy, providing good quality jobs, opportunities for enterprise and funds for conservation. When managed well, it creates a symbiotic relationship with its destinations. A great place to live becomes a great place to visit, and a great place to visit sustains a great place to live.

The Travel Foundation is uniquely placed to make this opportunity a reality. We are working with destinations to help them protect their important environmental and cultural assets. In parallel, we support tourism companies to meet their own responsibilities and invest in the future of the product – the destinations they rely on. Together, we are defining a brighter future for those yet to come.

Our approach is all about enabling those who plan and manage tourism to do so sustainably. We research tourism's impacts and how they can be improved. We identify who has influence and bring the many groups involved together. We then deliver initiatives that embed sustainable practice into everyday ways of working.



None of this would be possible without the generous support of our project partners and supporters – thank you!

Salli Felton, Travel Foundation CEO

We tackle the big issues that have the greatest impact

Our partnerships with tourism organisations and destination authorities, our links to local communities and the support of our funders all enable us to take on the important challenges facing the industry.

For example in 2016 we:

- ⊞ Collected strong evidence and gained support to address critical water, energy and waste management issues in Cape Verde.
- ⊞ Created a model for improving the impact of hotel developments on local communities in Croatia.
- ⊞ Enabled small, local businesses to link to mainstream tourism in Jamaica, Mexico and Turkey.
- ⊞ Piloted a new research methodology to identify future risks for sustainable tourism.

The following examples are just some of our many initiatives. These include projects that make up our long-term programmes in Croatia, Cape Verde, Turkey, South Africa, Mexico and Jamaica, as well as research and scoping in destinations around the world, and training programmes for the wider industry.



Local Product Development

Croatia: Helping communities adapt to changing markets

Project stage: Year 2 of a 3-year programme

The rapid increase in Western European tourism to Croatia has meant that many local businesses used to catering to domestic and regional markets are struggling to adapt and compete. We are working with TUI to understand the impact of two new resort developments in the Makarska Riviera and improve the local benefits they provide. Following detailed research, we created two 'councils' to improve local tourism planning, delivered training for small business owners to increase market access, and made recommendations for future hotel developments. As a result:

- Ⓓ Two new decision-making 'councils' have been set up, involving a total of 26 public and private sector organisations.
- Ⓓ Following training and support, 15 small businesses have improved their products and marketing.
- Ⓓ TUI is incorporating new guidance into future hotel development specifications to ensure impacts on local communities are taken into account.

Next steps: In addition to strengthening local planning structures and supporting small businesses, our focus will be on developing and promoting a model for integrated tourism development at regional and national levels.



Mexico: Linking rural communities to tourism

Project stage: Completed in 2016

For a number of years, we have supported a group of Mayan women to earn a living from tourism without having to leave their families and their rural village to work in tourist hotspots like Cancun. As well as enabling the 'Muuch Kaab' cooperative to develop and sell their honey-based products to hotels, we have supported the group to protect Melipona bees, an endangered, stingless bee that has been kept by Maya people for centuries. In 2016, the group proudly launched newly branded honey-based products. As our support for the project comes to an end, the cooperative is going from strength to strength, showing the following results:

- ⌘ £40k generated in sales over the past four years.
- ⌘ 300% increase in income during 2016, enabling the group to earn a monthly salary each from the business for the first time.

Next steps: Now that this project has come to an end, we are entering an exciting new phase in the Riviera Maya, scoping new projects for improving the sustainability of excursions and hotel supply-chains.



Turkey: A successful initiative now in local hands

Project stage: Completed in 2016

Our award-winning Taste of Fethiye project, which started in 2009, has enabled 40 local farmers to supply fresh produce to mainstream hotels in the Fethiye region of Turkey. We formally handed over the project to a local tourism and culture organization, FETAV, who will coordinate the initiative for the longer term. The handover was a vital step to ensure the project's longevity and ongoing impact.

As a result of our project:

- ⌘ Farmers increased yield per acre by an average of 30%.
- ⌘ Farmers increased their profits by 26% through improved agricultural practices.
- ⌘ 24 hotels have purchased Taste of Fethiye produce for around 200,000 guests

Next steps: FETAV will continue to coordinate Taste of Fethiye and is considering expanding the brand to other locally produced goods.



Environmental Protection

Cape Verde: Managing precious natural resources

Project stage: Year 1 of a 3-year project

Our research into tourism impacts on the islands of Sal and Boa Vista highlighted the local context of very limited rainfall, a lack of recycling facilities and minimal landfill capacity. We are now working with the Destination Council, set up by our team several years ago, on an exciting new programme to reduce the environmental impact of tourism with a focus on water, waste and energy. Our research found:

⊘ Hotels in Sal and Boa Vista contribute 42% of the total waste volume on the island.

⊘ Per capita, tourists use five times as much water as locals – and all water comes from desalinated sources.

Next steps: With funding from the TUI Care Foundation, we will work with local stakeholders to implement water, waste and energy initiatives with hotels and the public sector. Our targets include reducing the volume of waste going to landfill by 20% by 2018.



Cape Verde: Improving nature-based tourist excursions

Project stage: Year 1 of a 2-year project

Our work to improve tourist excursions on Sal is benefitting local providers and the environment. For instance, Sal is the world's third largest nesting site for endangered loggerhead turtles. With the recent growth of tourism and increasing popularity of nature tours, it is vital that tour guides follow best practice to protect these animals, other important wildlife and their habitats, whilst also offering a quality experience for visitors.

☐ In 2016 we supported the production of best practice guidelines and training for 40 turtle-watching guides to help minimise the impact of their tours.

Next steps: We will support the development and roll-out of nature-based tourism guidelines and training, and potentially their integration within a national government-backed scheme.



Photo credit: Marcos Hernández

“I have worked in this business for more than 5 years and it is the first time that a workshop about turtle watching did not generate hostile debates among us. It was a very interesting approach... that did not point fingers but, instead, showed us what we can do to improve our behaviour/performance”

- Marceo, local tour guide and workshop participant

Turkey: Reducing the footprint of marine tourism

Project stage: Year 1 of a 3-year project

The Fethiye–Gocek marine area provides a stunning playground for locals and tourists alike, yet with increasing popularity comes the risk of damage. Our Blue Wave project aims to reduce the impacts of marine tourism activities in this special environmental protection area. In 2016, we brought together the key public and private sector stakeholders, including TURMEPA, the largest marine conservation organisation in Turkey, the Chamber of Shipping, and D-Marin, a key marina company in the area. A significant achievement for the year has been the development and agreement of a plan to reduce impacts. As a starting point, we have:

- ☐ Facilitated a working group on sustainable boating practices
- ☐ Developed and disseminated educational materials - distributed to over 20,000 tourists.

Next steps: We aim to improve knowledge of sustainable boating practices amongst boat operators with a new manual, website and workshops. We will also work with stakeholders to identify key infrastructure needs.



Embedding sustainable ways of working

Jamaica: Getting tourists out and about in Montego Bay

Project stage: Year 1 of a 3-year programme

The Harbour Street craft market is a vital source of income for many local people, but tourist spend in the market is low, partly due to product quality due to low tourist footfall, product quality and craft traders hassling tourists to buy. In response, we set up a training programme, endorsed by the Jamaica Product Development Company (an agency of the Ministry for Tourism), to enable traders to improve their income. We first delivered workshops to local government tourism trainers, who in turn trained craft traders in product development and effective customer service. The project is part of a wider programme to improve the scale and spread of tourist spend in the local economy. To date:

- ⌘ 94 craft traders have received our training through local trainers.
- ⌘ 93% of traders who completed the training demonstrated that they could interact professionally with international visitors.
- ⌘ 95% demonstrated competency in basic business skills such as product selection, pricing and stock-taking

Next steps: We will continue to support the market traders and work with tour operators to drive footfall to local attractions, with a view to applying successful models more widely in Jamaica.



Leading the way: online training for tour leaders and guides

A new on-line training course is providing tour leaders and guides with skills to improve the sustainability of tours. We created a special training website for member companies of the Dutch travel association, ANVR. The training gives practical tips on how to improve practices and communicate with customers so that tours maximise the benefits to local people and minimise environmental impact. It also enables tour guides to improve customer satisfaction. Of the 115 individuals who have completed the training so far:

- Ⓧ 98% found it useful in learning about responsible guiding processes
- Ⓧ 93% said that they would improve or introduce practices to minimise environmental impact
- Ⓧ 90% said they will increase the positive contribution of their tours to the local economy

Next steps: We will evaluate the effectiveness of the training and add new training modules for environmentally and culturally sensitive areas.



“Tour guides and leaders can use the inspiring knowledge straightaway and put it into practice. Their new insights combined with their passion and enthusiasm largely contribute to holidaymakers’ enjoyment and a better appreciation and understanding of the history, culture and nature at the holiday destination.”

- Gerben Hardeman, Manager Responsible Travel & Tourism at the ANVR

Project Discovery – skilled volunteer programme

2016 was the 10th year of our ground-breaking skilled volunteer programme, Project Discovery, with TUI UK and Ireland. To date, 100 TUI volunteers have spent over 1000 days on 54 assignments in 19 destinations. Volunteers are carefully matched to existing projects so that they can contribute their own skills and experience to improve the impacts of tourism. On their return, they look to implement these new skills into their daily roles and spread the word about sustainable tourism and its benefits to their colleagues.



Research and Impact Assessment

South Africa: Exploring opportunities for local enterprise development in nature reserves

Project stage: Initial research and project scoping

In 2016, we kicked off an exciting new partnership with Cape Nature, in the Western Cape. Our starting point has been feasibility studies into the development of adventure tourism in nature reserves. The research focusses on how to create opportunities for local people to earn a living from tourism in the reserves, which in turn can also increase funds for environmental conservation through visitor fees. Our findings highlighted the potential for locally-created add-on services such as tour guiding, portering and catering. Detailed analysis has enabled us to select five reserves and identify key opportunities for these add-on services.

Next steps: In 2017, we will test the viability of specific add-on services in the five reserves and aim to secure funding for the next stage of the project.



Sardinia/ Saint Lucia: Assessing risks from tourism

Project stage: Research phase ended 2016

In 2016, we designed a new research methodology to identify opportunities and risks relating to sustainable tourism development. We teamed up with TUI to pilot this approach in Sardinia and Saint Lucia. The research looked at financial, operational and reputational risks relating to sustainability in each destination, including to the environment, local economy, employment, cultural heritage and quality of life. We then identified actions and opportunities for destination authorities and tourism businesses to mitigate the risks and improve the impacts of tourism. TUI is now identifying how to integrate sustainability into future risk assessments for new destinations.

Next steps: Our aim is to follow up with stakeholders in both destinations to address the key issues identified in our research.



“By carrying out such analysis before a new destination becomes operational, we are best placed to identify and mitigate key risks, as well as identify the correct partners in the destination to work collaboratively for a more sustainable tourism product in coming years.”

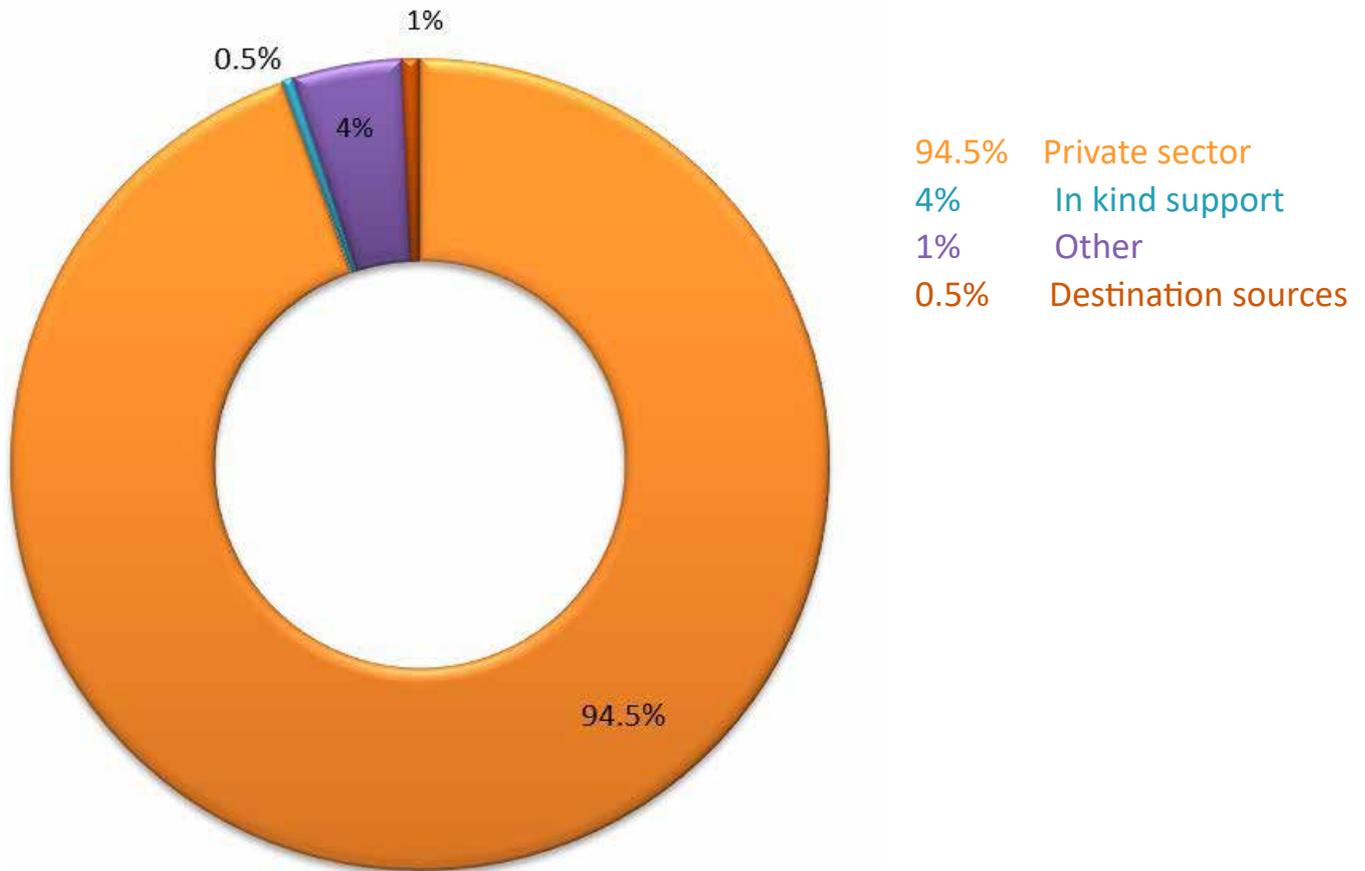
- Tom Johnston, TUI Senior Manager
Sustainability - Product & Purchasing
TUI UK & Ireland

Our income and expenditure

Breakdown of income 2016

Total income: £1,294,381

Our income was 26% higher than we had originally budgeted, a considerable achievement and an annual increase of 5%, largely the result of growth from two prominent donors. The majority of our funding comes from our partner travel companies and their customers, with charitable trusts also contributing. Our aim is to increase the spread of our income sources in 2017.

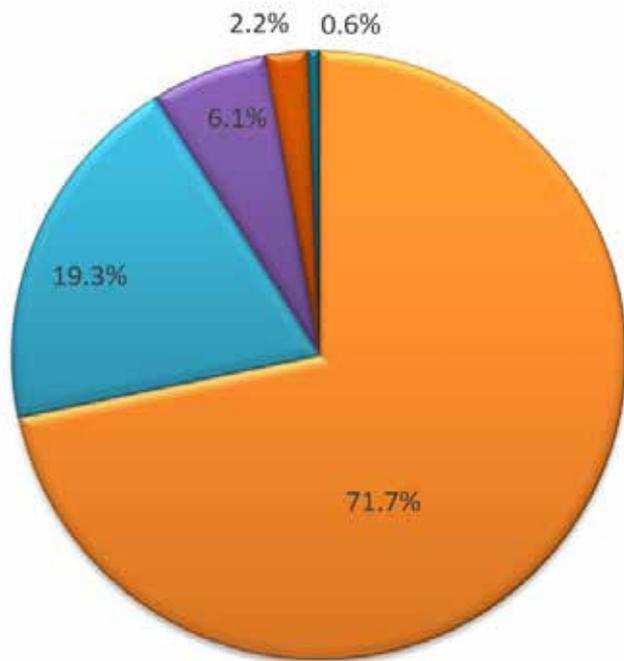


For a full breakdown of our income and expenditure, please request a copy of our full annual report and accounts from: admin@thetravelfoundation.org.uk

Breakdown of expenditure 2016

Total expenditure: £1,119,574

We continue to strive to keep our governance and support costs low, ensuring that the majority of the funds raised are spent directly on our core activities. In 2016, our total expenditure was lower than we had originally budgeted. This was the result of cost savings, reduced internal capacity, unforeseen project delays and funding changes. However, our 2017 budget reflects our intention to scale up activities expenditure significantly with management capacity increased to help enable this and a range of new programmes and areas of research planned.



71.7% Core charitable activities - all programmes activities and the communication of them.

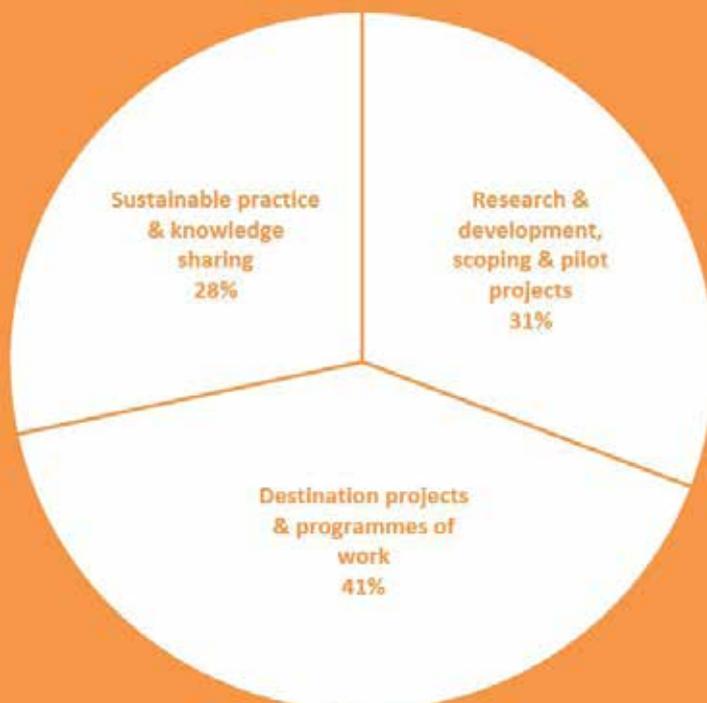
19.3% Overheads and support costs - running costs and general management of operations.

6.1% Fundraising costs - retention and generation of income sources.

2.2 % Unrecoverable Income -including bad debts.

0.6% Governance costs - trustee and audit costs.

SPLIT OF 2016 CORE CHARITABLE ACTIVITIES



31%: Research and impact assessment in tourism destinations
A vital part of our work, revealing tourism's specific impacts and informing the creation of initiatives to address them. This section also includes scoping and pilot projects in destinations.

41%: Programme implementation
Applying the findings of both our research and past projects to demonstrate and foster more sustainable practices in destination.

28%: Sustainable practice & knowledge sharing
Including communications initiatives that support delivery of projects, and the creation of resources to help more tourism businesses improve their practices.

Thank you to our partners and supporters

As a registered charity, we depend on your financial contribution.

Fundraising partners and donors: Those who have donated funds to support our charitable aims.

TUI Group
Virgin Holidays
Holiday Extras
Sunvil International
MidCounties Co-operative Travel
Classic Collection
Caribtours
STI
ANVR
Travel Matters
Ffestiniog Travel

In-kind support: Those who have donated gifts in-kind, including transportation, accommodation, event space, and skills.

ABTA
Alesta Yachting
Andrew Kayuni, Responsible Safari Company, Malawi
ANVR
Bates, Wells & Braithwaite
Carlos Vivar, Via Venture, Guatemala
Chamber of Shipping, Fethiye
Chris Willan
Connecting Travel
D Marin
Eco Union (Hotel Alba)
Four Communications
Grand Baris Boat
Green Traveller
Harvard School of Public Health
Igrane Tourism Board
I Love Eco Hotels
ITB
James Crockett, Jus' Sail, Saint Lucia
Karisma Hotel
Ljubljana Tourism Board
NSMC
NSMC (Assembly House)

Oasis Boat
Sensimar Makarska
Sensimar Adriatic Beach
Steve Parker, Inside Japan
The Bristol Consultancy
TUI
TURMEPA
University of Surrey
UNWTO
WTTC
Yacht Boutique Hotel

Project partners: Those who have worked with us to support destination projects, e.g. by contributing resources and adapting working practices.

ACVAI (Association of Cape Verdean Incoming Travel Agents)
ADEI, Cape Verde
Aeleos
ANVR
APP (Aguas do Ponta Preta), Cape Verde
Asociación de Hoteles de Tulum
Camara Municipal do Sal
Cape Nature, South Africa
Cape Verde, General Directorate of Tourism
Cape Verde Ministry of Culture
Cape Verde Ministry of Economy
Cape Verde Ministry of Environment
Cape Verde Protected Areas Agency
CERMI (Centre for Renewable Energy Research)
ClubHotel RIU Funana, Cape Verde
D Marin Gocek
EHTCV (Hospitality School of Cape Verde)
ELECTRA, Cape Verde
Fethiye Tourism, Culture and Environmental Education Foundation (FETAV)
Grand Palladium Jamaica Resort and

Spa
Grand Park Royal Cancun Caribe
GUIANTUR (Guides association), Cape Verde
Hotel Aloft Cancun
Hotel Grand Palladium Riviera Maya
Hotel Melia Tortuga, Dunas and Llana
Hotel RIU Montego Bay
Hotel RIU Palace Cabo Verde
IEFP (Institute of Training), Cape Verde
Igrane Tourism Board
Jamaica Tourist Board
Tourism Product Development Company (TPDCo), Jamaica
Karisma Hotels
Lía Villava (La Confitería – wholesaler), Mexico
Montego Bay Jamaica – Sangster International Airport (MBJ)
Morabeza Hotel, Cape Verde
Oasis Group – Belorizonte Hotel
Odjo d'Agua Hotel
On Travel Solutions
Peter Richards
Port Authority of Jamaica
Project Biodiversity, Cape Verde
St. James Municipal Corporation
TUI Care Foundation
TUI Destination Services
TUI Group
TUI UK and Ireland
Turkish Chamber of Shipping
TURMEPA
Universidad Cooperativa, Cancun - (UniCoop)
Vista Verde / Barracuda Tours / My Cape Verde Info
Yibrán Aragón
Yuritzin Flores
Zivogosce Tourism Board