



Revision of the

GSTC Industry Criteria for Hotels and Tour Operators

Terms of Reference

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The Global Sustainable Tourism Council

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Document Control

This is the Terms of Reference for the development of the GSTC Industry Criteria version 4.0, 2024.

Table of Content

1 Introduction	1
1.1 Tourism and Sustainability	1
1.2 Global Sustainable Tourism Criteria	1
1.3 History of the GSTC Industry Criteria	3
1.4 Need for Revision of GSTC Industry Criteria	3
1.5 Intended Outcomes	3
1.6 Purpose of the Terms of Reference	4
2. Revision Management	4
2.1 Guiding Principles	4
2.2 GSTC Standard-setting Manual	5
2.3 Stakeholder Mapping	6
2.4. Risk Management	7
2.5. Technical Team	7
3 Revision Process	9

1 Introduction

1.1 Tourism and Sustainability

The tourism industry leaves a significant economic, social, and environmental footprint, ranging from economic benefits to the local community to negative environmental impacts. With the hospitality industry accounting for 1% of the total carbon emissions and hotel operations consuming eight times more water than the neighboring communities, it is clear that the sector has much work to do to reduce the negative impact and better its operation. With the growing demand for an effective environmental, social, and governance structure, the industry is reshaping its structure and business model to cope with consumers' demand to take care of the environment and social issues. Especially in the tourism sector, consumer trends have shifted toward safety and customer service while prioritizing meaningful experiences, including sustainable travel or authentic local flavors¹.

In response, hospitality companies are implementing science-based measurements and setting net-zero targets across their energy use, transportation, and travel options. Additionally, stakeholders across the hospitality industry have responded to focus more on climate change, health & safety, gender diversity, equity, and inclusion across the workforce. Initiatives on sustainable local sourcing, food waste, and water conservation are underway and account for a competitive advantage for many companies².

According to the IUCN Redlist, one-third of the world's species is under threat of extinction. This challenges the tourism sector, which relies on natural resources to attract people. The GSTC Criteria address economic, social, and environmental issues to make the tourism industry more sustainable. With consumers' changing demand, evolving technology, and ongoing concerns over environmental and social matters, GSTC will delve into these issues by revising the GSTC Industry Criteria for Hotels and Tour Operators³.

1.2 Global Sustainable Tourism Criteria

The Global Sustainable Tourism Council (GSTC) currently has three sets of sustainable standards, known as the GSTC Criteria. These are the globally applicable guiding principles and minimum requirements that any tourism business or destination should aspire to reach to protect and sustain the world's

¹ <https://sustainablehospitalityalliance.org/how-environmental-is-your-hotel/>

² <https://sustainablehospitalityalliance.org/only-one-earth/>

³ <https://www.pwc.com/us/en/industries/consumer-markets/library/esg-reporting-in-hospitality.html>

natural and cultural resources while ensuring tourism meets its potential as a tool for conservation and poverty alleviation. They were developed and continue to be periodically revised through extensive public consultation worldwide, in both developed and developing countries, striving to adhere to the ISEAL Code of Good Practice for Sustainability Systems version 1.0. They serve as vital tools for elevating good practice and policy and driving market demand by all players in travel and tourism.

All the GSTC Criteria have been built on decades of prior work and experience around the world, taking into account the numerous guidelines and standards for sustainable tourism from every continent.

They are arranged in four pillars:

- A. Sustainable management
- B. Socioeconomic sustainability
- C. Cultural sustainability
- D. Environmental sustainability

All the Criteria are core elements that tourism businesses and destinations should achieve for social, environmental, cultural, and economic sustainability.

The three sets of the GSTC Criteria are:

1. **GSTC Industry Criteria**, abbreviated as GSTC-I, relates to the sustainable management of the private sector travel industry, focusing on Hotels and Tour Operators.
2. **GSTC Destination Criteria**, abbreviated as GSTC-D, relates to the sustainable management of tourism destinations and is intended for public policy-makers and destination managers.
3. **GSTC MICE Criteria**, abbreviated as GSTC-M, relate to sustainability in venues and events. It is intended for all venues and event organizers, regardless of size and location, to make their events more green and sustainable.

With the three sets of Criteria, GSTC intends to raise awareness and education levels of all travel and tourism players of sustainable tourism concepts to support sustainable consumption and production.

The three sets of Criteria and associated Performance Indicators are publicly available for download from the GSTC website. While the official language of the GSTC Criteria is English, translations into several other languages are available.

1.3 History of the GSTC Industry Criteria

The first version of the GSTC-I was created and published in October 2008. It was developed with a coalition of more than 50 organizations, including the United Nations (UN) Environment Programme (UNEP), UN Foundation, UN Tourism (UNWTO), International Union of Conservation of Nature (IUCN), Rainforest Alliance, Conservation International, Expedia, Travelocity, Sabre, Fairmont, Marriott, International Hotel & Restaurant Association (IH&RA), American Society of Travel Advisors (ASTA), etc.

Four years later, in February 2012, the second version of the Criteria was released. The second version was revised, and the third version was published in 2016. In 2021, it was concluded that revising the Criteria was unnecessary. The GSTC-I is now due for revision after it has become evident that a paradigm change is prominent.

The 3rd version of the GSTC-I consists of four pillars, as described below. There are 42 criteria for both hotels and tour operators, 167 indicators for hotels and 182 indicators for tour operators.

- Demonstrate effective sustainability management
- Maximize social and economic benefits to the local community and minimize negative impact
- Maximize benefits to cultural heritage and minimize negative impacts
- Maximize benefits to the environment and minimize negative impacts

1.4 Need for Revision of GSTC Industry Criteria⁴

Many comments and feedback on the criteria and indicators were received throughout the years, calling for a revision of the Criteria. Specifically, two main concerns have arisen: 1) the need to clearly distinguish the criteria and indicators for Hotels and Tour Operators and 2) the need to make more measurable and specific indicators. The indicators are meant to be the measurable steps toward the performance of the criteria.

Following the need to revise the Criteria, GSTC will form a group of experts to work on the draft. The GSTC Criteria is divided into four sections, including the three pillars of sustainability: economic, social, and environmental. GSTC acknowledges the importance of a management system that integrates and coordinates all the pillars under one umbrella. Thus, the first section of the GSTC Criteria is related to the Sustainable Management System.

1.5 Intended Outcomes

The intended outcome is to create a set of criteria and indicators that better guide hotels and tour operators on their pathway to sustainability. The management processes for sustainability and the implementation of sustainable practices are the main and desired outcomes of the Criteria. Precisely

⁴ <https://www.gstccouncil.org/about/gstc-impact/>

defined indicators will show key industry players measurable and easily readable requirements on how and what plans to follow throughout the process-oriented criteria set.

GSTC is committed to ensuring that sustainable tourism best practices are adopted and implemented by the industry and the traveling public⁵. With the revision of the GSTC-I, GSTC will enhance the Sustainable Tourism Training Program by adding more up-to-date materials.

1.6 Purpose of the Terms of Reference

The purpose of this Terms of Reference(TOR) is to set out the needs and requirements for revising the GSTC Criteria. Following ISEAL's Code of Good Practice for Sustainability Systems v1.0, the TOR explains the intended impacts and objectives of revising the GSTC-I.

This TOR explains the need for revising the Criteria, the intended outcomes, risk management, a stakeholder mapping explaining for whom the Criteria is intended, guiding principles that describe what aspects are included when drafting the criteria, and revision process management which includes who has handled the revision process.

2. Revision Management

2.1 Guiding principles

This standard-setting process adheres to the guiding principles described in the GSTC Standard Setting Manual version 3.0 as follows:

Collaboration - Governments, businesses, and civil society organizations, including other sustainability systems, that are working towards shared sustainability objectives. It actively seeks alignment, establishes partnerships, and shares learning to improve efficiency and direct or systemic impacts.

Continual Improvement - Objectives, strategies, and performance of the tools and system are regularly reviewed by which the impacts and outcomes are evaluated. Lessons learned from the continual improvement process are for improvement purposes that respond to new evidence, stakeholder input, and external changes, adapting strategies to improve its impacts and remain fit for purpose.

Measurable Progress - Quantitative or qualitative tools relevant to achieving sustainability objectives, whereby progress towards objectives is measured over time. The sustainability system of

⁵ <https://www.gstccouncil.org/about/gstc-impact/>

GSTC collects and analyzes the data it needs to measure and understand. Measuring the progress ensures that the user of the data is directed toward the sustainability objectives.

Reliability - Information is consistent and tools are designed in a way so that they can be implemented and assessed with consistency. Reliability ensures that assessments of users' sustainability performance are competent and accurate and that these assessments support any claims they allow users to make.

Rigor - All components of a standard system are structured to deliver quality outcomes. Standards are set at a performance level that results in measurable progress toward the scheme's sustainability objectives, while compliance assessment provides an accurate picture of whether an entity meets the standard's requirements.

Stakeholder Engagement - The sustainability system of GSTC empowers stakeholders to participate in decisions and hold the system to account. A balanced and diverse group of stakeholders are involved in decisions that will affect the system (or the building of the Criteria of GSTC). Stakeholder engagement is essential and provides clear and transparent feedback that guarantees adaptation to the whole system. It shall be a fair, impartial, and accessible mechanism for resolving complaints and conflicts.

Sustainability Impacts - Results that deliver what achievements have been met to what has been measured. The sustainability impact communicates the strategies for achieving objectives involving social, environmental, economic, and cultural aspects of current scientific evidence and international norms when relevant. It is adapted to local or sector-specific conditions which helps improve impacts.

Transparency - Important information is publicly available and easily accessible while protecting confidential and private information. Stakeholders can further understand and evaluate the system's processes, decision-making, results, and impacts. Through openness and honesty, stakeholders have the necessary information and resources to actively participate in decisions or raise concerns.

2.2 GSTC Standard-setting Manual

The development and content of the Terms of Reference follow the GSTC Standard-setting Manual version 3, which was developed based on the ISEAL requirements for standard-setting and the ISEAL Code of Good Practice for Sustainability Systems version 1.

The revision for the GSTC-I will follow the inclusive and rigorous review process, including public consultations and feasibility assessment. This document provides an overview of the background and contexts of the GSTC-I, including a) the need and justification for the revision; b) clear social, environmental, and economic outcomes that the standard seeks to achieve and how those are linked to the GSTC's intended change; c) the inclusive process of the revision and; d) an assessment of risks

in implementing the standard and how to mitigate these, including identification of factors that could hurt the ability of the standard to achieve its outcomes; unintended consequences that could arise from its implementation; and possible corrective actions that could be taken to address these potential risks.

The GSTC Board of Directors will approve the final draft of the GSTC-I as the new version.

2.3 Stakeholder Mapping

Private businesses in the Hotel industry and Tour Operators

Businesses responsible for managing any type of hotels and tour operators for their business.

Employees

Employees working for hotels or tour operators and their suppliers who are impacted by the application of the Criteria.

Public agencies managing Hotels and Tour Operators

The public agencies are responsible for managing hotels or tour operators's legal compliance

Hotel Associations and Tour Operator Associations

Association for Hotels and any associations related to tour operators comprise networks with the resources for the industry. These organizations are instrumental in advancing the knowledge, skills, and professionalism and promoting the growth and sustainability of businesses.

Neighboring Communities

Hotels significantly impact the neighboring community, both positive and negative. Local communities are essential partners in the hospitality industry, and their involvement is critical to long-term tourism's continuous operation and sustainability.

Destination Enterprises not directly involved with the Hotel or Tour Operator

Enterprises in the destination that are not directly a hotel or tour operator but still connect with and benefit from the industry in several ways, such as increased demand for goods and services, increased awareness of the destination, opportunities for networking and collaboration, or improved reputation and branding. These can positively impact the local economy and the quality of life for residents. Destination enterprises have an important role to play in supporting its growth and development regardless of their direct involvement.

Public (Customers that visit the Hotels or reach out to Tour Operators)

The public may be directly and indirectly involved with the hotel or tour operator by visiting the site or facility and experiencing them, providing feedback and input through surveys or focus groups, etc.

Hotel Standard Owners and Certification Bodies

Some organizations have developed, used, and/or certified the Hotel or Tour Operator industry. They are important in promoting best practices and sustainability in that industry. By setting standards and providing certification, these organizations help to improve quality and safety, protect the environment, and promote responsible business practices in the industry.

Disadvantaged Groups

For the GSTC-I Criteria revision, the Disadvantaged Groups are defined as under-engaged and underrepresented groups due to linguistic, geographic, technical, and other difficulties/barriers. Disadvantaged groups will be contacted to get their input in the GSTC-I Criteria revision.

2.4. Risk Management

GSTC will strive to identify and mitigate all potential risk factors that may arise during the revision process. The identified risks and GSTC's corresponding mitigation strategies are as follows.

- The identified risk: Various types and sizes of hotels and tour operators may not be involved in the development process, potentially resulting in a final version that reflects limited business scope opinions.
- Mitigation strategies: GSTC will strive to increase participation from various hotels and travel agencies by promoting and encouraging public consultation participation using various novel media channels. Identify organizations that have difficulty participating in public consultation due to various factors (language, technology, limited accessibility to information, etc.), contact them individually, listen to their opinions, and reflect them in revisions.

2.5. Technical Team

The GSTC Technical Team consists of internal staff and external experts. The internal staff are the Global Assurance Director, the Project Manager, and the Membership Coordinator.

There are four external experts who have experience in hotel and tour operator management. Their role is to guide the overall process by engaging with the internal team in the drafts, consultation, and review process.

Overall, the GSTC Technical Team is responsible for the whole process and communication with internal and external stakeholders.

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3 Revision Process

It is proposed that a practical approach be taken to revise the GSTC-I and respond to the market's demand. GSTC promises to act on its mission to deliver on impacts such as:

- inform Industry players (Hotels and Tour Operators regardless of size and location) of issues and actions to engage in sustainable practices and events;
- provide effective guidelines to the marketplace;
- to comply with universal principles.

The GSTC-I version 3 will be used as the basis for creating the first draft. However, the revision process will start with the first public consultation instead of the Technical Team creating the first draft. The first consultation is intended to get opinions from the public on the direction of the revision and the required area to be revised.

A visual for the Criteria revision process is shown below (Figure 1).

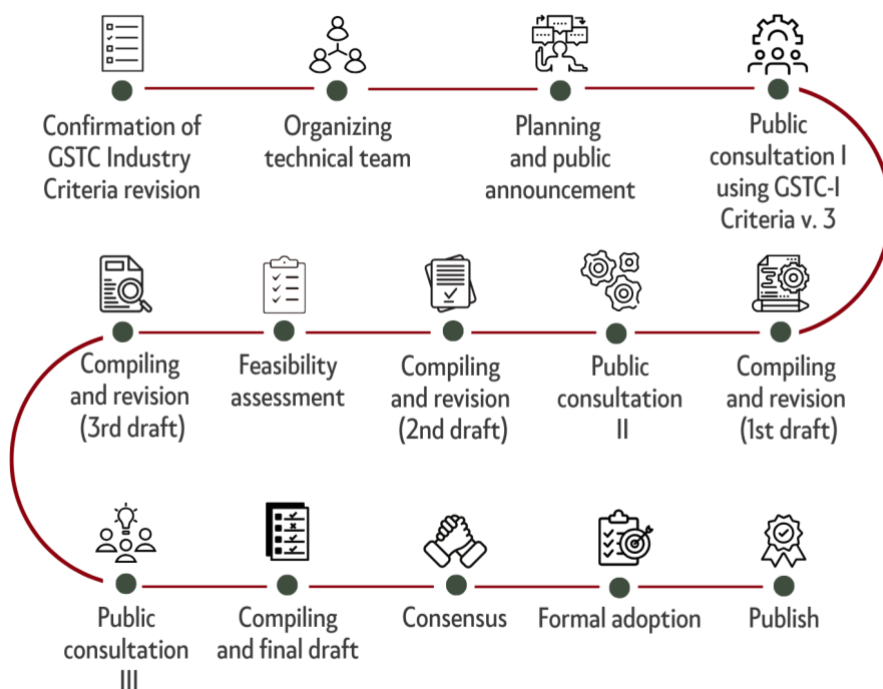


Figure 1. GSTC-I Revision Process

The task of each step is as follows:

1) Confirmation of the GSTC-I Revision

- Public announcement of the collaboration between the GSTC and Technical Team on the revision of the GSTC-I ("Public Announcement").

2) Organizing the GSTC-I Revision Technical Team

- Organizing the Technical Team with GSTC internal staff and external organizations/expert(s) who will manage the Revision Process (GSTC Assurance Director manages the whole process and the team).

3) Planning and public announcement

- Preparation of the TOR for the Revision, including the proposed scope, objectives, and justification of the need to revise the Criteria, steps in the standard-setting process, including timelines and clearly identified opportunities for contributing, and decision-making procedures, including how decisions are made and who makes them.
- Public announcement of the Revision on the GSTC Website, GSTC newsletter, emails to members, and social media.

4) Public consultation I: Consultation on the GSTC-I v. 3

- Online and Offline consultation to get stakeholders' input
- Reaching out to under-engaged and under-represented groups by the GSTC Secretariat and Technical Team
- Focused group workshops, interviews, email communication, etc.

5) Compiling and Revision: Preparation of a draft outline

- Developing the first draft incorporating the feedback from the 1st Public Consultation.

6) Public Consultation II: Consultation on the 1st draft

- Online and Offline consultation to get stakeholders' input on the 1st draft
- Reaching out to under-engaged and under-represented groups by the GSTC Secretariat and Technical Team
- Focused group workshops, interviews, email communication, etc.

7) Compiling and Revision: Preparation of the 2nd draft outline

- Developing the second draft incorporating the feedback from the 2nd Public Consultation.

8) Feasibility assessment: Applying the 2nd draft to the field

- Voluntary participation from Hotels and Tour Operators in applying the 2nd draft to their businesses for self-assessment in order to check the draft's applicability.

9) Compiling and Revision: Preparation of the 3rd draft outline

- Developing the third draft incorporating the feedback from the Feasibility Assessment.

10) Public consultation III: Consultation on the 3rd draft

- Online and Offline consultation to get the stakeholders' input on the 3rd draft
- Reaching out to under-engaged and under-represented groups by the GSTC Secretariat and Technical Team
- Focused group workshops, interviews, email communication, etc.

11) Compiling the final draft: Compiling all comments and refining the draft

- Incorporating the feedback from the 3rd Public Consultation
- Developing the final draft to get the board's approval
- Creating and sharing of a tracking documentation to show the comments received reflected in the draft.

12) Consensus on the final draft

- GSTC's internal review and confirmation of the revision process and the final draft.
- Making sure that stakeholders' views are reflected in decision-making and the process follows the GSTC Standard-setting Manual.

13) Formal adoption: GSTC Board of Directors' formal adoption

- The board's approval of the final draft
- Adoption of the draft as the new version of the Criteria

14) Publish

- Publishing the new Criteria promptly and making it available for free in electronic format

Below is the timeline of each of the 14 steps of the Criteria revision (Table 1).

Table 1. Timeline of GSTC-I Revision.

TASK	TIMELINE	OUTPUT	BY
1. CONFIRMATION of GSTC Industry Criteria Revision			GSTC Board of Directors

TASK	TIMELINE	OUTPUT	BY
2. ORGANIZING Technical Team and other preparation	May-June, 2024		GSTC Secretariat
3. PLANNING and PUBLIC ANNOUNCEMENT: Announcing the Terms of Reference following the ISEAL Code of Good Practice for Sustainability Systems and GSTC Standard-setting Manual	July 1 st , 2024	Public announcement and information sharing	Technical Team International Standards Committee (ISC) GSTC Secretariat
4. PUBLIC CONSULTATION I Public consultation using the GSTC-I v. 3	July 1 st - August 31 st , 2024		
5. COMPILING and REVISION (1 ST DRAFT)	September 1 st - October 31 st , 2024		Technical Team
6. PUBLIC CONSULTATION II Public consultation on the 1 st draft	November 1 st - December 31 st , 2024		Technical Team
7. COMPILING and REVISION OF DRAFT (2 ND DRAFT)	January 1 st - 31 st , 2025	Draft for feasibility assessment	Technical Team
8. FEASIBILITY ASSESSMENT Applying the 2 nd draft to the field and refining it	February 1 st - March 31 st , 2025		Technical Team
9. COMPILING and REVISION OF DRAFT (3 rd DRAFT)	April 1 st - 30 th , 2025		Technical Team

TASK	TIMELINE	OUTPUT	BY
10. PUBLIC CONSULTATION III Public consultation on the 3 RD draft	May 1 st - 31 st , 2025		Technical Team
11. COMPILING and Final DRAFT Compiling all comments from the public consultation	June 1 st - 30 th , 2025	Refining for the final draft	Technical Team
12. CONSENSUS Reviewing the process and final draft.	July 1 st - 15 th , 2025		Technical Team and ISC
13. FORMAL ADOPTION GSTC Board of Directors' formal adoption of the final draft	July 16 th - 31 st , 2025 Formal announcement for publishing August 4 th , 2025	Approval and adoption of the new version	GSTC Board of Directors
14. PUBLISH		GSTC-I version 4 published and publicly available	GSTC Secretariat

#END#