ESAT Environmental and Social Assessment Tool

Sector Fact Sheet



Tourism and Leisure

Medium Risk Sector



Providing tourism activities, including construction of facilities.

Related Sectors:

• Transport



Production Processes

Tourism is traveling for the purpose of recreation and leisure. The tourism and leisure industry provides all the necessary services for these activities. Supplying the tourist with their needs involves the construction and operation of accommodation, restaurants and entertainment facilities. Infrastructure is needed for almost all activities related to tourism and leisure. Construction therefore accounts for a considerable part of the tourism and leisure 'production process'. Hotels, restaurants, and roads are examples of essential infrastructure. The operational processes involved in tourism and leisure include a broad spectrum of services. Jobs created range from waiter, receptionist and cleaning personnel to caterer, guide and management at all levels.

Tourism and recreational activities may, in many cases, be perceived as the consumption of environmental goods such as natural heritage and, in some cases, sensitive and protected ecosystems. The relationship between tourism and natural heritages is complex. One side of the coin is the negative impact that tourism can have on the environment, while on the other hand, tourism may also help to protect environmentally sensitive areas.

Sustainability Issues

IVI	Energy
H	Water Use
M	Emissions to Water
M	Waste
L	Emissions to Air
H	Ecosystems
L	Workplace Health & Safety
(1)	Disaster Risk
E	Site Contamination

Sector Rating

H	High risk issue
M	Medium risk issue

Low risk issue

Risks & Opportunities

- Tourism may contribute to environmental protection and the conservation of biodiversity.

 Ecosystems may be adversely affected by tourism and leisure activities. The development of tourism facilities can lead to land degradation and the loss of natural habitats. Keeping these impacts to a minimum helps to protect the environment. Sensitive ecosystems with high biodiversity may be a decisive reason for tourists to choose a location and therefore a highly valuable asset.
- Fresh water consumption may put a strain on local supply and compete with other users.

 Tourism and leisure activities involve the use of water for hotels, pools, golf courses, washing and cleaning, etc. resulting in high per-capita water consumption. There may be potential for optimizing the efficiency of water use, for preventing shortages and for addressing conflicts with other users of the same water resources.
- Untreated sewage, particularly from hotels, may contaminate coastlines and other tourist attractions. If sewage is disposed of untreated, it may impair water quality, potentially causing illness. Insufficient wastewater treatment may pollute bathing water, which may cause major damage to the reputation of a tourist destination.
- Appropriate waste disposal is essential for keeping the natural environment intact.

 Most waste produced by the tourism industry is non-hazardous. However, the tourism industry produces large amounts of waste, which should be disposed appropriately in order to minimize negative side-effects. Waste minimization, recycling, well-managed landfills and incineration plants are potential options for addressing the issue.
- The high energy demands of tourist facilities may indicate a potential for savings.

 Air conditioning, heating and hot water supplies consume large amounts of energy. Sound energy management has the potential for significant cost savings. It helps to ensure that local supply is not overstretched and minimizes negative side effects such as emissions to air or noise.

Environmental and Social Assessment for SMEs

www.ifc-esat.org