



INTERREG IIIB NORTHERN PERIPHERY PROGRAMME • INTERREG IIIB NORTHERN PERIPHERY PROGRAMME

**MAIN PROJECT  
FINAL PROJECT REPORT**

**Project Name:** Sustainable Model for Arctic Regional Tourism (SMART)

**Project Registration Number:** 02/02/20

**Measure:** 2.1

**Project Website:** [www.arctictourism.net](http://www.arctictourism.net)

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## **Executive Summary**

The purpose of the *Sustainable Model for Arctic Regional Tourism (SMART)* – project was to assist the arctic tourism sector, mainly local small- to medium-sized tourism businesses and other local stakeholders, to develop positive economic, social and environmental benefits from tourism based on the cultural and natural environment of the North. The project's goal was to create resources, tools and incentives that can be used directly by tourism SMEs and other local players in tourism development as well as professional training to assist the tourism sector in their respective area.

During the SMART - project, six basic principles for sustainable arctic tourism were created from existing principles and other sources of information. Based on the principles, a trainer's manual containing six training modules of sustainable tourism were created for the tourism companies. Interviews were made within the project's pilot tourism companies and good business practises were collected on actions that represent sustainable tourism. The examples were placed in the training material.

Plans for a common arctic sustainable tourism label were made and the project decided to recommend using a Swedish ecotourism label, Nature's Best, to introduce as a model for the Arctic countries and regions in the tourism industry. The initial adaptation of the model was done in northern Finland and in Nunavut and North-West Territories of Canada as well as in Kamchatka Russia and the work will continue by maintaining the partnership in established Sustainable Arctic Tourism Association. The Alaskan tourism industry has also been introduced the model.

A Sustainable Arctic Tourism Association (SATA) was established in October 2005 to continue developing and promoting sustainable tourism in the Arctic and partly to formalize the network that has been formed over the past several years. The association provides a forum for sustainable arctic tourism operators and other stakeholders to share their expertise and opinions. The SATA owns the resources created during the SMART.

## **Project Information and Objectives**

The vision and the mission of the SMART are:

### **Vision**

To empower the tourism sector in the arctic to continually innovate more sustainable tourism practices.

### **Mission**

To assist the arctic tourism sector to adopt economically, environmentally and culturally sustainable tourism practices.

### **The five main objectives:**

- To collect, document and analyse best practices in relevant to sustainable arctic tourism.
- To market sustainable tourism practices and benefits from adopting them.
- To assist the arctic tourism sector to learn how to implement sustainable tourism practices.
- To define sustainable tourism practices and to award businesses for achieving them.
- To create incentives for the tourism sector to adopt sustainable tourism practices and join the recognition scheme, laying the ground work to brand sustainable arctic tourism.

Based on the two pillars of the project, knowledge transfer on the one hand and market incentives on the other, SMART aimed to strengthen the awareness and implementation of sustainable practices in the arctic tourism sector. The main target groups of the project were micro, small and medium sized tourism enterprises (SMEs). Secondary target groups and beneficiaries of the SMART project included communities, tourism development bodies, trade associations, environmental organizations and other local tourism players in the field of sustainable tourism. The main target group was represented through pilot companies in each participating country of the project (Finland, Sweden and Canada).

The partners in the project were Kemi-Tornio Polytechnic (Finland), Metsähallitus / Natural Heritage Services (Finland), State Provincial Office of Lapland (Finland), ALMI Företagspartner i Västerbotten (Sweden), Hushållningssällskapet i Norrbotten (Sweden), Swedish Eco-tourism Society (Sweden), WWF Arctic Programme (Norway), Nunavut Tourism (Canada), the Government of North West Territories (Canada) and other associate partners from Alaska Wilderness Recreation and Tourism Association (Alaska / US) and Tourism Committee of Arkhangelsk Region (Russia). The target areas of the project have been the county of Lapland (Finland), counties of Norrbotten and Västerbotten (Sweden). The WWF Arctic Programme works throughout the Arctic with emphasis on the Barents Sea and Bering Sea regions.

Outside the Northern Periphery Programme area, the target areas have been the northernmost territories of Canada (Nunavut and Northwest Territories) and the State of Alaska (USA). There was a separate EU -project implemented in Arkhangelsk region in Russia, which focused on sustainable tourism development and the white whale conservation in the White Sea area.

SMART was recognized as an official project under the Arctic Council's Sustainable Development Working Group as well as one of the Northern Forum priority projects. The Northern Forum was also one of the financiers of the project in addition to the Northern Periphery Programme, Finnish Ministry of Environment, County administrations of Norrbotten and Västerbotten in Sweden, the North Calotte Council and the Government of Canada as well as the project partners in each country.

### **Starting point for the project**

Tourism industry has grown substantially in northern areas during the last few years, and especially arctic destinations have become more popular. This development does not only present economic opportunities but also potential threats to local cultures and the fragile environment. Recent tourism trends in the North show that current practices and future tourism development have to take into account environmental, cultural and economic aspects in a balanced approach to ensure that tourism will benefit the local people and the environment in the long term.

Even more so, sustainable tourism can be an alternative economic possibility for the remote northern communities, and can result in a reduction of the pressure on the environment and especially the living resources. After all, nature and culture are the basis tourism builds on in these northern areas.

However, it is not only with regard to long-term sustainability of tourism in the North as seen from the supply side that environmental issues and social responsibility become more and more important in tourism and especially for SMEs. Customers, especially outside the mass tourism segment, are increasingly aware of the implications their travel can have on local environments and communities and thus look for experiences that reflect more responsibility.

Also, tour operators from source markets with advanced environmental awareness require information about social and environmental records of their supplier. They also demand quality and safety standards from the products and suppliers that they are selling to their customers.

Unplanned or poorly planned tourism activity can eventually degrade the natural environment and create conflicts with local people and thus decrease quality of life in the local community and at the same time undermine the basis of tourism. In addition, tourism is a highly competitive sector and an exploited environment or commercialised cultural experience "devalues" a destination and might have far reaching consequences for the location and its inhabitants. To address these challenges the SMART- project was implemented.

And last but not least, a good tourism experience often comes down to one basic question: quality. Quality is what the customers are looking for in their tourism experiences and sustainability should and can be a main component of a quality product. The resources developed in the SMART – project will help businesses in planning their quality, sustainable tourism products that combine social and environmental responsibility with economic feasibility and the "fun factor".

## Project Implementation and results

The project activities were divided into five separate work packages. *The first activity (WP1)* was to create a framework for sustainable arctic tourism, defined by a set of common principles and supported by a set of best practices and resulting benefits.

Sustainable arctic tourism was defined in the SMART as tourism that

- Supports the local economy  
Supporting stands for employing staff, buying goods and services and paying tax locally. Tangible benefits from tourism are a positive force.
- Operates environmentally friendly  
Establish and continuously improve environment policies. Transportation, waste and lodging impact policies are adjusted to local conditions.
- Supports the conservation of local nature  
The ecological carrying capacity of the area must be respected. The local inhabitants and tourism operators have a right to participate in land use planning on local and regional level. The operator should have thorough knowledge and co-operate with other actors and should give active support to preferably local conservation projects.
- Respects and involves the local community  
Promoting and preserving local cultures, lifestyles and values sets limits and rules to tourism. Quality tourism depends on active support from and benefit to local people.  
The networking between different stakeholders in the region is highly encouraged.
- Ensures quality and safety in all business operations and  
Sustainable tourism is quality tourism. This includes administration, planning, acting as a good host and implementing safety issues in quality management policy.
- Educates visitors about local nature and culture.  
Sustainable tourism is based on curious and respectful visitors. Operators use knowledgeable guides and constantly improve the awareness level of the personnel. The visitor is given information of the sustainable tourism in the region.

The principles were tested within the project pilot companies (Finland, Sweden, and Canada) and among other stakeholders throughout the project partner countries and they were found easily to be implemented, even in daily business operations.

The principles combine existing sustainable tourism principles for example from WWF Arctic Programme, Finnish Forest and Park Services/Natural Heritage Services and Nature's Best and thus can be used widely in different organisations and businesses in the Arctic. The first phase of the project focused on gathering information about different existing principles, sustainable tourism and ecolabels, good business practises and examples as well as interviews from the pilot tourism companies. Most of the information is available in the trainer's manual (6 training modules) and also on the internet site.

*The activity of the second work package (WP2)* was to implement an awareness campaign promoting sustainable tourism practices in the Arctic. The project work focused on raising awareness in many ways and forms. For example following sources included information:

- The SMART newsletters
- SMART website [www.arctictourism.net](http://www.arctictourism.net)
- Project partner organisations' websites (WWF Arctic Programme, State Provincial Office of Lapland and others)
- Northern Forum website and various events (information given in written and oral form)
- Arctic Council reports and events (SAO and SDWG meetings) and [www.sdwg.org](http://www.sdwg.org) - website

- WWF International Arctic programme Arctic Bulletin. The articles published on SMART in the Arctic Bulletin are in the following issues: 02/02, pp 18 – 19; 03/02, pp 20 – 21; 01/03, page 9.
- Regional news articles and press releases
- Conference materials
- Project seminars and other regional seminars and events where SMART project was presented

The original idea of the awareness campaign was that it would focus on why sustainable tourism practices are worth integrating into tourism operations at business and destination level. A lot of this explanation can be found in the training material. The awareness raising done focused more on making sustainable tourism, the project and the message more known, visible and more important among the northern regions.

*Work package 3 (WP3)* activity included a training programme in sustainable tourism that advances skills and practises and among other things prepares graduates for participation in the proposed market recognition scheme (or a label) and the goal was to assist the arctic tourism sector to learn how to implement sustainable tourism practices.

In order to improve the general knowledge on sustainable tourism, SMART project developed training material for companies and operators. The primary target groups for training modules are small and medium sized tourism companies in the Northern areas. Tourism students and teachers can take advantage of the training material as well. The contents of the training modules can be utilized to improve the company performance in sustainable tourism issues. If the companies are going to apply for national or international labelling in sustainable tourism, it is useful for them to get acquainted with the contents of the modules before that.

The training material planning began by making an overview of existing and relevant tourism training courses. What was lacking was a more comprehensive sustainable tourism curriculum and course/courses that would touch the most of the subjects in sustainable tourism as are defined in sustainable arctic tourism principles. Short term courses suitable for entrepreneurs were also lacking.

A trainer's manual consisting of 6 different sustainable tourism modules was created during the project and they are based on the principles of Sustainable Arctic Tourism. Some pilot courses have already been organised in Nunavut, Canada. The training courses are ready to be delivered by regional based trainers or organisations. The trainers have the freedom to adapt the modules and add resources in to it as they see suitable for delivering the course. A decision was made within the project that the training should be done by regional or national financing in each country. The business practises that were collected during the project from pilot companies and other sources of information are included in the trainer's manual.

The coordination of the training on an international level is done through the Sustainable Arctic Tourism Association (SATA). The representatives of the SATA will also be involved in the trainer trainings.

The training modules that were produced during the SMART project are available for review in a password protected section of [www.arctictourism.net](http://www.arctictourism.net). The password can be acquired from regional contact persons mentioned on the website.

*The activity of work package 4 (WP 4)* was to create an Arctic-wide market recognition scheme (later referred to as sustainable tourism label) for sustainable tourism businesses. The aim was to create a tool that recognises tourism practitioners for implementing and achieving sustainable practices. This tool would then function as an incentive and a reward.

The label had an ambitious objective in the beginning. The original plan was to create directly an international label. During the project, the partners and participating countries came to the conclusion that a strong local or national footing for a label needed to be established before developing an international one.

A consultant from Sweden was used in the project to gather information on existing principles, sustainable tourism guidelines and labelling that could be used as a basis for preliminary label criteria. Evaluation was done in some extent within the project to map out which labels exist that could be adapted to arctic conditions.

After the SMART principles were finished (WP 1) and agreed upon, the conclusion was made that the Swedish Nature's Best ecotourism label was the closest label related to the principles and the contents of the SMART and also practically the only label developed in and suitable for the North even though it does not especially highlight the Arctic as such. It was also considered valuable for the marketing of the SMART ideas to be able to refer to the experiences and practical solutions of an existing label. The Nature's Best label was consequently recommended as a model to be used in the Arctic countries.

There was a discussion between the partners about the level that the label should have; whether it should be national or an international one. It was clear that the way into international arctic sustainable tourism recognition had to take a national route first. An "arctic dimension" based on the principles developed in WP 1 should however be a guideline for a national approach and ensure the compatibility and standard of those national labels. Due to this conclusion, the process has been handed over to the partner countries who aim to continue the process.

Taking up a model from the Nature's Best has been discussed with and commented by stakeholders in Finland and also preliminarily tested and reviewed within tourism companies and by stakeholders in Finland, Canada and Russia (Kamchatka) and Alaska. For Canada and Alaska there are different options at the moment, but there is an interest to use the Nature's Best label as a model. Further discussions about the label were held during spring 2006 in Finland. The further processing of the label is the responsibility of the regions and countries themselves, but the former SMART partners and now the SATA members in each country will be participating in this discussion to help bring it forward. In addition, Nature's Best is becoming more international and the Swedish Ecotourism Society has indicated an interest to cooperate on international / country level in the label development with the project partner countries.

*The activity of the final work package 5* was to establish a web site as part of the overall project web site that would market products and businesses affiliated with the market recognition scheme (label) and to encourage the establishment of an arctic-wide association for the sustainable tourism sector as a result of the SMART process. The established SMART website can function in the future as a database for marketing businesses that have been accredited for a sustainable tourism label. Today the operators mentioned on the website merely illustrate the principles of sustainable tourism.

The Sustainable Arctic Tourism association (SATA) was founded during the SMART – project. It is a non-profit organization based in Skellefteå, Sweden. The SATA has a board of 9 members from countries of Finland, Sweden, Norway, Alaska (US), Canada and Russia. The purpose of SATA is to promote sustainable arctic tourism and to provide a forum for international sustainable arctic tourism operators and other stakeholders to share their expertise and opinions and to uphold the highest standards; foster cooperation among its members; own and develop the resources created during the Sustainable Model for Arctic Regional Tourism project (SMART) and promote sustainable tourism practises in the Arctic environment.

### **SWOT – analysis of the project implementation**

The strengths of the project have been a good, functioning partnership and a strong Arctic-wide network. There have been various organizations involved in the project and there is a diversity of expertise in Arctic tourism in the network.

As weaknesses it could be mentioned that the project idea was too big for one single project. More industry and training/education oriented organisations could have been included in the project and the label development should have had a larger national anchoring and dialogue with stakeholders. Implementing the project was a learning-process, where some of the project objectives had to be re-adapted along the way.

The opportunities are and continue to be the large international network that has been formed during the SMART. The project partners kept bringing up the importance of the topic of sustainable tourism in different forums throughout the whole implementation period of the project. The decision-makers are more aware of the importance of the issue and the fact that sustainable arctic tourism should be developed further. The existing network is a good basis for continuing work on promoting sustainable practises in arctic tourism

As possible threats could be mentioned that the resources directed towards developing sustainable tourism are not sufficient (some other sectors may be prioritized). The responsibility of development is within those countries, but the SATA will also encourage regions and countries to take action in the future and participate in the discussion and development work

### **Transnationality**

The project is based on international cooperation in the Arctic and transnationality, working across the borders of the regions and countries, has been one very significant part of the project from its very beginning. The network, which has been created during the project, is wide and the project has made contacts in all the Arctic countries during its implementation. The project's aims had international focus (resources, training, network and the label) already in the beginning and thus it was natural to include partners from many Arctic countries.

It has become evident in many occasions and in the events and seminars where the SMART project has been involved that there is a growing interest for sustainable tourism activities at the moment and also it can be assumed that the interest will continue in the future. One example of this is the fact that in Finland's new tourism strategy, sustainability is one essential theme.

Transnationality brought added value for the contents of the training modules. Different aspects and experiences from around the arctic areas have been taken into account, even though the training modules will partly be localized. A starting point for the arctic tourism label is having a transnational element in it. It has become easier to obtain information regarding sustainable tourism from the regional project contacts and country co-ordinators. The team consists of multi-skilled people in the field of tourism from different countries thus making the project more professional and many-sided adding a special value for the contents of the project.

SMART – project was able to take advantage of the following sources of information among others:

- Sweden: Nature's Best – label
- Norway: a regional tourism project "Nature-based tourism" and sustainable tourism manuals and tools (GRIP)
- WWF: Ten Principles for Arctic Tourism, Codes of Conduct for Arctic Tour Operators and Tourists
- Finland: Quality management programmes, experiences with tourism in protected areas from the PAN Parks initiative, Pyhä-Luosto strategy process and the sustainable nature tourism principles used in the Finnish protected areas and national parks
- Alaska: "Guiding Alaska Tourism" program
- Scotland: Green tourism label

Some partners such as from Norway and Greenland became inactive during the implementation, but some new cooperation areas were also found (e.g. Kamchatka, Russia). The wide network that was created during the project is its strength. It has a chance of becoming more formalized through the SATA. In the later stages of the project, contacts were made from Greenland and different parts of Russia, which indicated that there was an interest to become a part of the network. The Russian involvement in the project has added knowledge on practises and conditions for tourism as a relatively new industry sector in Russia.

The SMART - project partners have been involved in many other sustainable development and sustainable tourism development processes during the project period besides the project.

Two of the Finnish partner organisations participated in the project “Belugas of the White Sea” – a Finnish-Russian Neighbouring area cooperation project, which concentrated in the Arkhangelsk region, Russia.

SMART also has had close contacts with the University of the Arctic in the beginning. The Uarctic is a network of universities operating in all areas of the circumpolar North. There have been discussions to include the SMART training to be a part of the University of Arctic’s curriculum of the Bachelor of circumpolar studies. The SMART - project is by invitation a member of sustainable development discussion forum in the University of the Arctic.

The SMART project team members have contributed to a consultation document on sustainable tourism of the EU Commission. The open consultation document was delivered to the EU Commission in July 2003. SMART representatives also participated in the new strategy for sustainable tourism in the Arctic initiated by the Nordic Council of Ministers and the Nordic Industrial Fund. This process was lead by Rambøll in Denmark, and Kemi-Tornio Polytechnic was asked to be a sub-contractor for Rambøll.

Two of the partner organisations, the Swedish Ecotourism Society and the WWF Arctic Programme, were involved in drafting a new Barents 2010 – programme for tourism sector.

The transnational cooperation will continue after the project in a form of the association and an informal network of actors. At this point it is not certain, whether there will be soon another international project to take the activities of SMART further. The training and the label development need now strong regional and national efforts. The Sustainable Arctic Tourism Association is one that could help in this process and also keep up the international elements in the label development and in the training coordination. SATA could also be involved in new larger international or national and regional projects.

### **Dissemination and Transfer of Experience**

During the SMART – project there were many events, where the experiences and knowledge were shared between the participating countries and regions.

#### **Following events were held during the project:**

- Stakeholder negotiations Iceland, May 2003
- Seminar Rovaniemi and Luosto, Finland, June 2003
- Stakeholder seminar and project meetings Vindeln, Sweden, March 2005
- Final seminar and project meetings Pyhätunturi, Finland, October 2005
- Project meetings and study trips In Luleå (SWE), Tornio (FIN), and Scotland (UK).
- Regional stakeholders meetings e.g Sandsjögården (SWE) 2003  
Storuman (SWE) 2004  
Kronlund (SWE) 2005

#### **Other related events, where the SMART – project was presented (for example):**

- Pyhä-Luosto Forum Pyhätunturi, Finland, September 2003,
- Standing Committee for Arctic Parliamentarians Helsinki, Finland (plenary mtg) May 2004, and Greenland, September 2004
- EU best practise seminar Kemi and Rovaniemi, Finland, November 2004
- Operators’ seminars Sorsele and Storuman, Sweden September 2004
- Nature Research Forum Ylläs, Finland, September 2004
- Seminar of Nature Based Tourism -project Norway, Fall 2004
- Winter Cities’ seminar Svalbard, Norway, 2005
- Ecolabel seminar Malmö, Sweden, 2005
- Land-use planning seminar Northern Finland, 2004
- CIS Travel Market Expo St. Petersburg, Russia 2003
- Nunavut Tourism Annual General Meeting Cambridge Bay, Nunavut Canada, 2004
- Nunavut Tourism Development Task Force

- Northern Forum – project presentations in numerous events during 2003-2005 and also in a written format (website, reports etc).
- Arctic Council SDWG, SAO meetings and project presentations and reporting on a continuous base 2003-2005. Latest presentation was at the Arctic Council SDWD meeting in Russia October 2005.
- Updates on SMART at regular Nunavut tourism Board of Directors meetings, individual meetings with tourism operators and other stakeholders in Nunavut (CAN) and a pilot course (module 4) Iqaluit, Canada
- February 2006.

SMART also has been presented in trade shows in Northern Canada and in addition following activities were done in Northern Sweden with the entrepreneurs:

- The principles developed by the project team have in Sweden been tested in 18 pilot companies and with help from Swedish Eco Tourism Association in the companies with “Natures Best” certification. (The principles are based on the “Natures Best” model).
- The information from Natures Best companies has been used to improve the information to potential “Natures Best - companies” in matters regarding nature based tourism.
- In Norrbotten information has been given to other ongoing projects and processes within nature based tourism such as the NBT - project within the Northern Periphery programme and the “Norrbotten Lapland” and association for tourism enterprises in Norrbotten County.
- In dept interviews in pilot companies aiming at mapping the needs of competence development and other recourses in the companies for them to be able to develop sustainable arctic tourism products.
- Mapping of existing courses and education within nature based tourism and eco tourism within the arctic.
- Interviews with entrepreneurs and seminars with entrepreneurs and other stakeholders.

## Conclusions

It can be said that the SMART - project started serious discussions on ecolabeling in the partner regions and created training material which was in demand. Many international organisations can be talking about sustainable tourism, but they have no real partners. The SMART – project was able to facilitate this discussion in a wider geographical context and lay a basis for future work on international labelling.

The project was necessary for creating a stronger base for development of sustainable arctic tourism. In these kinds of projects, where sustainability is looked at a long-term development issue, the continuation is important and results are not achieved in an instant. The countries and the regions have their own responsibility, but international cooperation can in the future make the message stronger and increase follow up by decision-makers.

The next phases for each country would be to begin the training for the companies as well as further develop the label and to decide, whether they will want to use the Nature’s Best as a model to start from. An international recognition through an arctic-wide label is still far away.

In the beginning of project, there was an idealistic thought that the project could make a label that would become international, which proved to be more time and discussion-intensive than expected. More thought should have been given, how the label could be done. Dialogue with national and regional actors should continue and the needs for an international project besides the national activities should be researched carefully.

