

# THE IMPACT OF CLIMATE CHANGE ON TOURISM AND NATIONAL GROWTH IN THE CARIBBEAN

## Tobago Pilot Study

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# Introduction

- Climate change and the current global recession are having a compounding effect on Tobago and the Caribbean in general.
- In future years the economic effects of climate change and the associated social impacts will be much greater than they are today.
- Tobago is reliant on natural resources for economic activity in not only tourism but agriculture and fishing.
- Tourism accounts for approximately 46% of the economy.
- Approximately 60% of the workforce is reliant on tourism.
- A down-turn in tourism arrivals and revenue will have a significant impact on the social and economic well being of the island.



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# Tobago & Climate Change

- Tobago is vulnerable to the effects of climate change due to poor diversity of economic base and heavy reliance on natural sources.
- The economic well-being of Tobago is linked to Trinidad, its larger counterpart, both politically and economically.
- Trinidad and Tobago has a significant industrial base with 43% of its Gross Domestic Product (GDP) being derived from the energy sector.
- Tobago with has low levels of institutional, technical and human capacity which constrains its ability to manage climate change risks.
- Access to insurance protection limited, low incomes and often meagre assets to generate and support diverse income generation.



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# Tobago Pilot Study

This study undertook a lengthy review of literature pertaining to:

- Climate change in general.
- Climate change and its effects on small island states in particular Tobago and the Caribbean.
- Climate change and tourism with particular focus on the importance of weather on destination choice.
- The effects of mitigating policies in tourism markets.



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## Impacts that directly effect tourism and are already documented in relation to Tobago and the wider Caribbean include:

- Effects on a sustainable supply of water
- Weather affects, particularly tropical storms, hurricanes and precipitation
- Sea level rises
- Reduction in agricultural production and coral reef fishing
- Bio-diversity impacts including beach loss and coral bleaching
- Increased dependence on food imports
- Energy
- An increase in the prevalence of water and airborne diseases



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# Key Facts

- The effects of human derived climate change are unequivocal.
- Small island states such as Tobago are particularly vulnerable to climate change and are experiencing the effects now in forms such as of coral bleaching, storm surge and coastal erosion.
- Trinidad and Tobago's contribution to total global emissions is small (0.1%), but per capita emissions are significantly higher than those of other Caribbean countries and higher than that of the United States.
- Climate change impacts are and will be increasingly far reaching in terms of social, economic and environmental terms. A 'business as usual' policy is not an option.



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# Key Facts (cont...)

- Tourism is a significant contributor to greenhouse gas (GHG) emissions.
- Tourism and climate change are highly complex systems and create even more complex systems when they interact.
- Tourism is extremely climate dependent, this has a significant effect on destination choice.
- The Stockholm Environment Institute estimates that the Caribbean could lose up to 22% of its current Gross Domestic Product by the year 2100 if no actions were taken to tackle climate change.





# Key Facts (cont...)

- Tourism is working on preventing climate change through mitigation policies.
- Taxation of air travel is perceived to be a threat to tourism in Tobago due to the distance from the major supply countries of the USA, Canada and Europe.
- Little evidence exists that current tourism policy takes account of the effects and threats that climate change poses.
- There is a general awareness of climate change by tourism stakeholders.





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# Key Facts (cont...)

- Tourism is likely to remain stagnant or decline over the next 1-3 years in Tobago.
- Climate change poses a serious threat to the achievement of the United Nations Millennium Development Goals (MDGs).
- There is likely to be a significant impact on the poorer people in Tobago's communities as the effects of climate change become more apparent and far reaching. Consequences of this may include increases in crime, reduction in the quality of health and an increased financial burden on the government.
- Short term marketing and promotional activity of Tobago's tourism product will only have a short term effect if the degradation of its environment is not acknowledged and managed.



# Key Facts (cont...)

- Tobago's primary sector is tourism with few other economically stable sectors on the island. This will pose a constraint for alternative options in the event of a serious decline in tourism.
- A focus on tourism as a pro-poor sector is seriously undermined by the effects of climate change.



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# Gaps in Data and Knowledge

- Comprehensive tourism statistics on arrivals, tourist type, bed nights, tourism spending, tourism products e.g. number of available hotel rooms and type.
- Tourism data that is comparable rigorous and over time so that trends may be identified.
- Not all of the statistical data is available in one place and most of the data in this study has been gleaned or interpreted from more than one source.
- A lack of general statistical data on other sectors of the economy for comparison.



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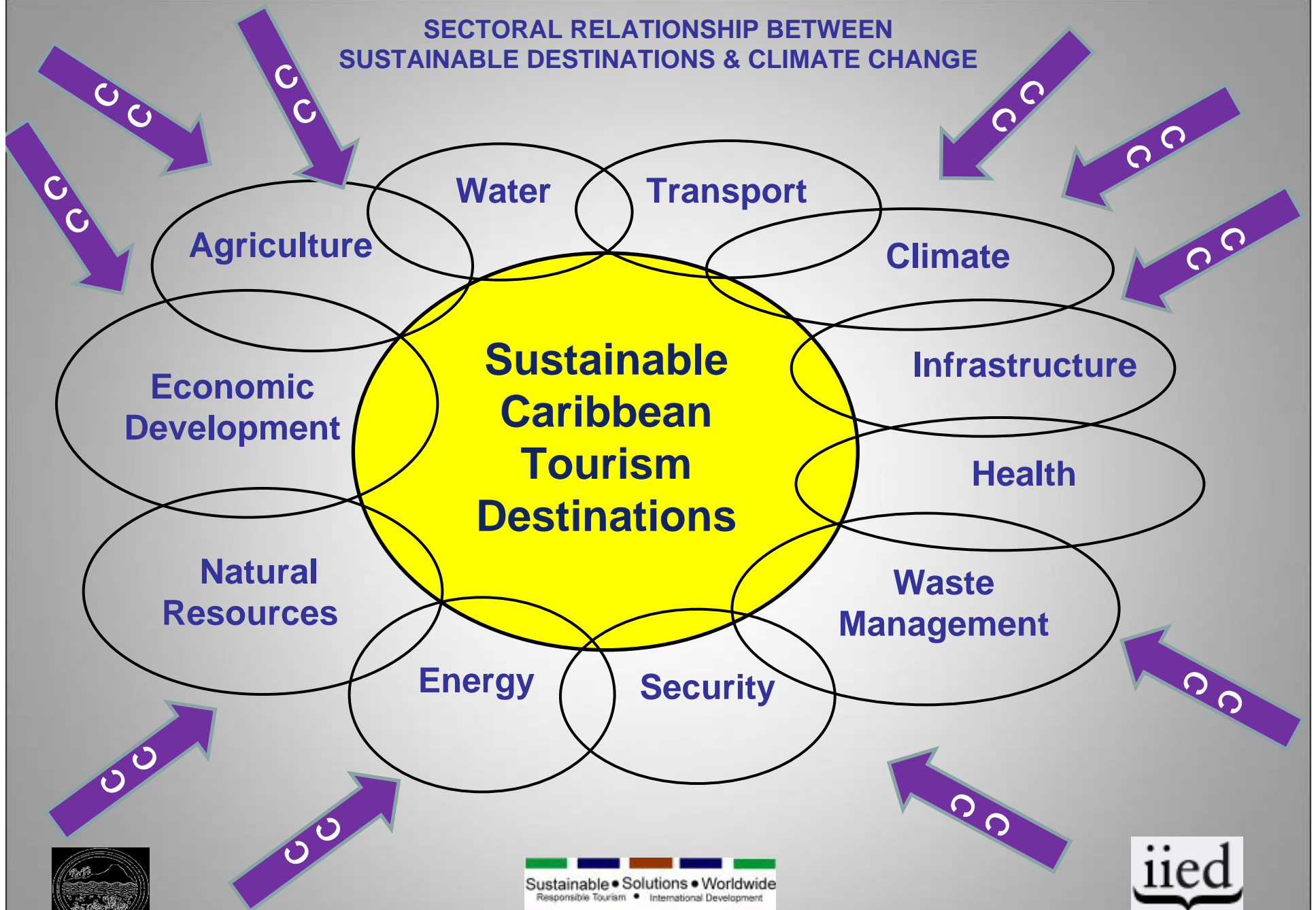
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# Gaps in Data and Knowledge cont...

- The majority of data is included within 'Trinidad and Tobago', making judgements difficult when trying to isolate data that is only relevant to Tobago.
- Tourism data on visitor perceptions, primarily from tourism generating countries.
- General impact studies of tourism on Tobago.
- Climate data



SECTORAL RELATIONSHIP BETWEEN  
SUSTAINABLE DESTINATIONS & CLIMATE CHANGE



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Simpson et al 2008a

# Conclusions

- Tobago is reliant on its bio-diversity and eco-systems to support the tourism industry and other sectors such as agriculture.
- These are widely recognised as two of the most sensitive sectors to the effects of climate change.
- For the tourism industry that employs 60% of the workforce in Tobago, the natural environment is crucial to its success.
- Without the beaches, coral reefs and other environmental assets tourism in Tobago will no longer be attractive.



# Conclusions (cont...)

- Tobago is experiencing coral bleaching, loss of beaches and changes in sea temperature.
- The region as a whole is being affected with increases in the number and severity of storm surge and hurricanes.
- There will be an increase in mitigating and adaptive policies imposed in the region's primary tourist markets that will (undoubtedly) affect the supply of tourism to Tobago.
- The current taxation policies and future proposals by the UK to increase taxes associated with air travel are examples of such policies.



# Conclusions (cont...)

- Diversification: The Government of Trinidad and Tobago are seeking investment in sectors such as Downstream Petrochemicals, Film, Fish and Fish processing, Food and Beverage, Information & Communications Technology, Yachting, Printing & Packaging, Music & Entertainment and Merchant Marine Industries.
- Stakeholders in this study have already identified with others that Tobago should move towards becoming a carbon-neutral destination.

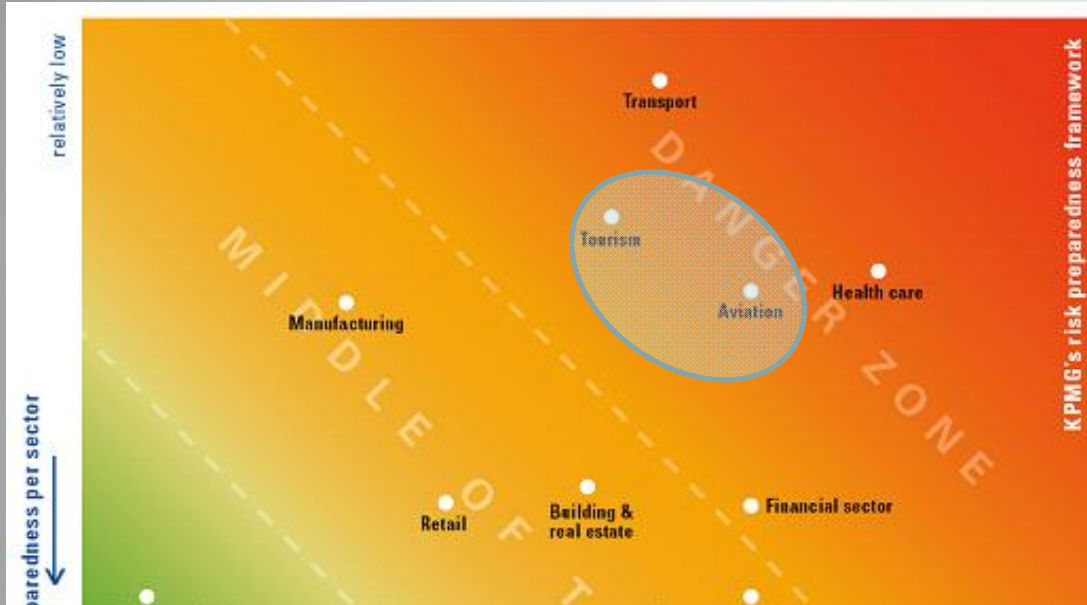


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# Investors-Insurers are Taking Notice: Tourism in the 'Danger Zone'



**Six Industry Sectors  
Should Be on Alert Over  
Climate Change Risks**



‘Collectively and individually the tourism industry can no longer afford to ignore climate change ...’

*Fiona Jeffery -Chairperson of World Travel Market 2007*



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**‘For me, I am an Optimist...  
for there seems little point in anything else’**

Winston Churchill

**THANK YOU**

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