

# ***Sustainable Cruise Operations in Ha Long Bay: Business Consultation***

**Intercontinental West Lake, July 31, 2014, 14:00-18:00**

## **Bui Thi Thu Hien: Introducing the Ha Long Bay Alliance (HLBA)**

Hien opened the meeting by welcoming all participants, thanking them for their interest in improving the environmental quality of HLB, and calling for feedback on how IUCN, government, and cruise boat companies cooperate. She stressed that this was a consultative workshop and looked forward to hearing the opinions of all involved. IUCN is responsible for reporting on environmental conditions in natural WHS, including HLB, on behalf of UNESCO. Hien explained how HLBA aims to assist government and business, particularly the cruise boat companies, to support sustainable tourism development.

[Brief intro about IUCN mission and its role – short video clip]

## **Katie Jacobs: Sustainable Tourism Regulation and Certification**

Katie began by addressing the pollution caused by cruise boats in HLB and how this threatens the integrity of the bay upon which the tourism industry relies. She stressed the need to take negative feedback from tourists (e.g. trip advisor), seriously as it has the potential to drastically reduce visitation. Highlighting the potential of public-private partnerships (PPP), Katie addressed the importance of balancing conservation and economic development in the bay for the health of the natural environment and local economy. As an example of PPP, Katie explained how a combination of government regulation and voluntary certification could benefit tourism. Criteria, which could include activities such as waste reduction and recycling, would be established to identify actions boats could take to reduce their environmental impact. Compliance would be monitored by a third-party regulator to ensure that the system is transparent and meets international standards. Certification and regulation have been successfully used to foster sustainable tourism in many countries.

## **Armand Cheveux: Bhaya Cruises - an Example of Cruise Boat Sustainability**

Presenting on behalf of Bhaya, the largest cruise operator in HLB, Armand discussed steps the company is taking to minimize the impact of their boats and why the company feels it is important to invest in environmental sustainability. To reduce pollution, Bhaya cruises to less-visited areas, trains all staff and guests on waste management, and runs an annual rubbish collection drive. Bhaya has two boats (known as Au Co) fitted with advanced waste water management systems. However, these are very expensive and can only be fitted into new boats. Armand called for external financing to assist companies, particularly small ones, to make similar upgrades. Armand made several suggestions: passenger and crew education; solid waste management; use of portion of entrance fees to invest in environmental management; regulation that all new boats include waste recycling pools; and greater transparency in how the waste management system is managed.

## **Discussion facilitated by Le Tuan Anh (AMDI)**

Andrew opened the discussion with a brief description of the situation analysis he is preparing for the HLBA. Waste is not being properly managed. There is no solid waste-type classification on boat. The trash is classified once it is offloaded from the boats at port. In some places, waste is collected at the water's edge, next to the tourist embarkation area, which creates a foul smell and damages the tourist experience. There is no designated site for liquid waste collection, therefore waste and ballast water discharged directly into the bay without any treatment contributing to the deterioration of water quality. It is obvious that Ha Long Bay will be a 'toilet' container unless actions to be taken. The scale of pollution has expanded beyond the capacity of the current waste management system and Andrew stressed the need for measures that are financially and institutionally sustainable to handle the growing volumes of waste.

## **Doan Van Dung (Indochina Junk)**

It is very important that we improve the sustainability of our businesses and pay more attention to environmental quality. To be effective, we need to work together. First, we need to identify the biggest environmental impacts; then we should create a plan to introduce certification for the boats. This should use an international brand for marketing benefits. We also need to develop incentives.

For example, companies should pay to dump their waste based on volume, which would encourage investment in less-polluting initiatives. It is difficult for small boats to invest in new technology due to the uncertainty of over government's strategy. Small boats may not be allowed to operate in the bay even after a large investment is made. The Alliance should support those enterprises willing to make such changes.

### **Nguyen Van Ha (South Pacific Director)**

Education is crucial. We need to understand how much people know about conservation. It is important that we clean up the bay but we cannot do anything without the right government leadership. Because of the absence of collection and treatment infrastructure, most waste water is discharged into the bay. We need to jointly voice our concerns to government and perhaps it can assist through PPP mechanisms such as low-interest loans. We need a long-term commitment and a formal decision from the top. Businesses need to make a profit and will not invest in high-cost technologies without knowing what government will do in the future. Without certainty there is no incentive to invest in clean technologies.

### **Vu Huong Giang (Exotissimo)**

Our profits depend on improving the environmental quality of the bay but we need high-level policy mechanisms in place to make changes. Entrance fees were recently increased without prior notice. This has put tourism companies in a difficult situation as they hadn't budgeted for these increases. Businesses want to share their concerns with government but they do not know who to talk to. Cruise boat operators play an important role in environmental management. Awareness and training are very important: everyone needs to understand why we are doing this. HLBA can serve as a bridge between government and business to lobby for environmental protection. Collaboration between the two is essential. Tourists may be willing to contribute to conservation but they will not do so unless they see where the money is going.

### **Doan Thi Thanh Van (Indochina Services)**

90% of our customers are from Europe. German customers are protected by German law. If their complaints are proved to be true, the tourism companies must refund their money. HLB fees have increased from VND40,000 per person per day in 2011 to VND170,000 in 2013. We can't ask customers to pay more once their tours are booked. We don't know on what basis this increase was decided. It would be good if tourists could see that the money will be invested in the environment but the system would have to be transparent. Regulation would be necessary and awareness remains low. It would be too expensive for all 500 boats to invest in their own systems. We suggest that one company collects and treats waste water from other boats. Certification needs incentives. For example, boats not meeting the standards will be prevented from operating while those that meet them should be recognized and promoted. Changes need to be introduced slowly with a clear roadmap.

### **Guilhem Cavaille (Handspan)**

Agreeing that there is a pollution problem is easy; the hard part is getting the companies and government to work together. Government doesn't let us make changes such as diversifying the cruise route; they make it complicated and difficult. Even if changes to a route are allowed, companies must pay each time they cross HLB management zones, which greatly increases costs. As a result, most companies stay in one zone, concentrating boat traffic and pollution. We are talking about major financial investments here and the biggest problem is not identifying what to do, it is managing the system.

### **Le Ngoc Son (Green ID)**

Transparency is a clear issue and it is essential that we all know how the system is working, e.g., where funds are going, how trash is handled. As an international organization, does IUCN have access to any studies or lessons learnt from other regions? We need a platform to share ideas.

### **Pham Van Ha (Bhaya Cruise)**

All power lies with government and all depends on what it is willing to do with it. Managing solid waste and raising environmental awareness are both fairly straightforward. Black-water is the hardest issue to deal with. Instead of having boats discharge waste water at the port, we suggest

that a third party operator be employed to provide 24/7 mobile waste water collection to cruise boats. Currently, each boat has to comply with the port authority's disembarkment schedule and they may not have enough time to discharge waste water at the port's collection point. These waste-collection boats could patrol the bay collecting black-water from tour boats and transporting it to shore for treatment. This could be a short-term solution. In the long term, all boats could be equipped with modern waste water treatment systems.

### **Bui Ngoc Linh (Huong Giang Travel)**

Companies are willing to protect the environment for their own reputation and will do so with or without regulation. Larger companies that handle international tourists are already aware of the issues and know that changes need to be made to reduce pollution. However, many small companies do not know and are not willing to make changes; we need to target those companies.

### **Conclusions**

- Companies support the introduction of a certification system that uses an international standard; but this requires strong government commitment and possible financial assistance.
- Smaller companies may be unwilling and/or unable to afford new waste water treatment technology without financial assistance.
- Companies are reluctant to make large investments in their boats until there is a higher degree of policy stability from the government.
- HLBA expects to play a bridging role between government and business.
- There is a need for transparency about where the HLB entrance fees go; a portion of the fees should be reinvestment into environmental management.
- Stricter regulation should be combined with environmental awareness raising so that companies understand why these changes are needed; and new regulations should be introduced gradually not abruptly
- There are immediate steps the government can take to reduce water pollution including: re-zoning to allow boats a wider cruising area and hiring third-party companies to collect waste water.

### **HLBA**

The HLBA aims to improve environmental quality in HLB by establishing a business-oriented alliance to catalyze public and private action. With a three year grant from the U.S. Agency for International Development (USAID), IUCN and the Centre for Marinelifelife Conservation and Community Development (MCD), will work as implementation partners to protect and restore the environmental integrity of the bay.

### **Participants**

<b>Organization</b>	<b>Name</b>
Bhaya Cruises	Armand Cheveux, Ms. Audrey, Pham Van Ha
Indochina Junk	Doan Van Dung
Image Ha Long Cruises	Nguyen Thi Phi Nga, Nguyen Thi Van
Syrena Cruise	Luu Thi Dieu Ha
Aphrodite Cruise	Nhu Thi Thu Thao
Handspan Travel Indochina (Hanoi)	Guilhem Cavaille, Quach Thu Trang
Exotissimo (Hanoi and Saigon)	Vu Huong Giang
Easia (Hanoi)	Hoa Pham, Nguyen Thi Thanh, Ha Hai Anh
ICS (Hanoi)	Doan Thi Thanh Van
Green Tangerine	Nguyen My Giang Huong
HG travel	Bui Ngoc Linh
South Pacific	Nguyen Van Ha
Asian Travel	Vu Thanh Binh
Heritage Line Co. Ltd	Pham Thanh Hoa
IUCN	Bui Thi Thu Hien, Nguyen Thuy Anh, Nguyen Thi Bich Hien, Le Thi Thanh Thuy, Daniel Constable, Katie Jacob
AMDl	Le Tuan Anh , Nicole Ryan, Sonja Garbrecht
Green ID	Tran Dinh Sinh, Le Ngoc Son

US Embassy

John Houston