



Tourism Standards and Certification



**Tourism Standards and
Mandatory Accreditation
to improve quality in
Philippine Tourism**

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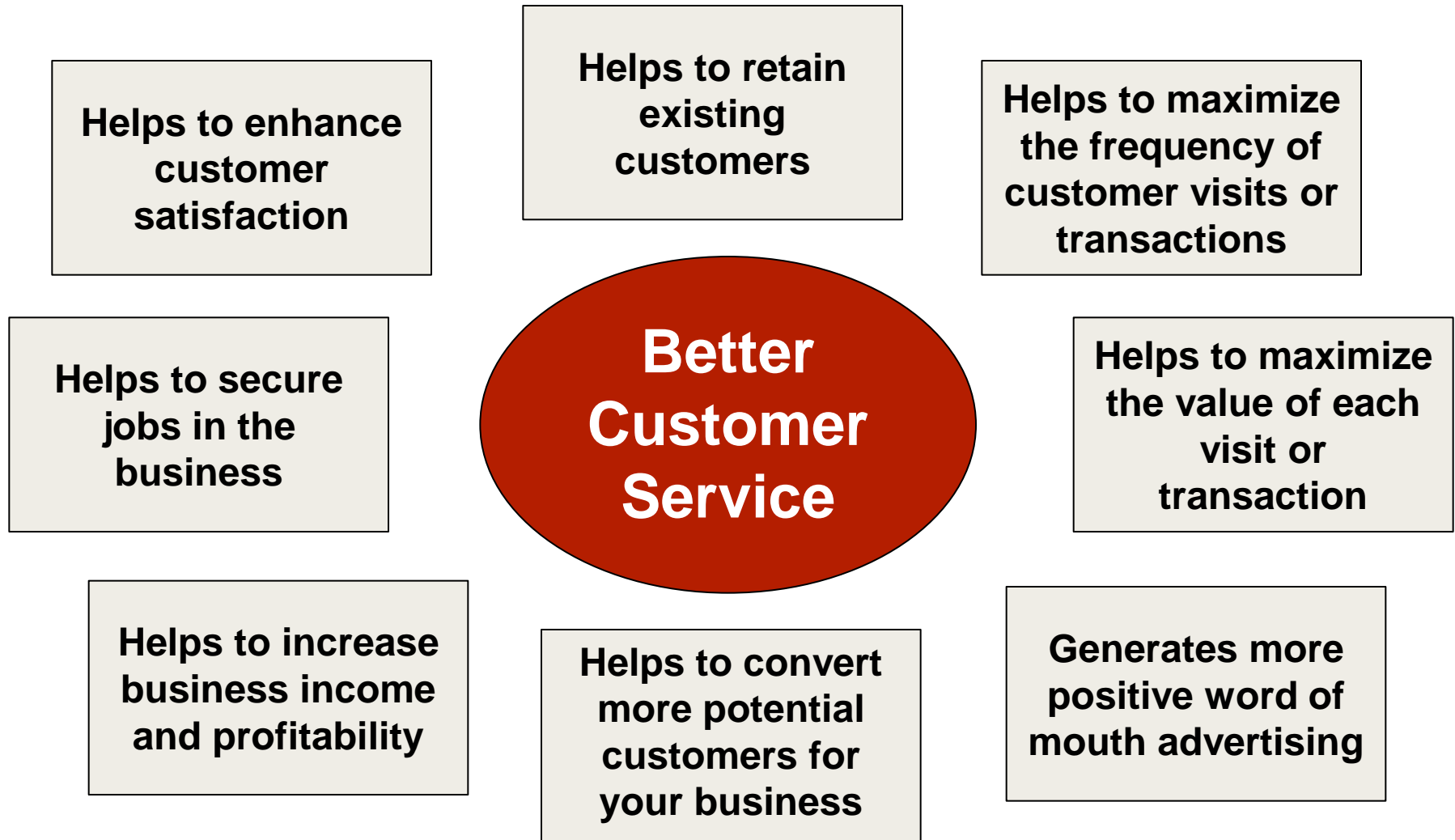


Service please!





Why are tourism standards, e.g. Service Quality, important?





Previous Tourism Standards and Accreditation

- Old DOT tourism standards date back to 1992. They are outdated and not aligned with international standards.
- Voluntary accreditation of tourism enterprises.
- Only 10-20 percent of tourism enterprises were accredited by DOT.
- Often, the accreditation is several years old and has not been updated.
- DOT doesn't have the personnel capacity to assess all enterprises.
- LGUs don't have the capacity to monitor compliance of tourism enterprises with standards and accreditation.
- Hence, the standard of facilities and the service quality of Philippine tourism enterprises lags behind those of competitor countries.
- Consequently, tourist prefer destinations that offer better value for money.



Definitions

- **Accreditation**

Government, i.e. the Department of Tourism does not accredit enterprises, but accredits the certification bodies. It stipulates the quality standards to be assessed and the certification mechanism to be followed.

- **Certification**

An independent third-party mechanism which assesses and certifies the quality of tourism enterprises, their facilities and services. Subject to an enterprise fulfilling the standards, the assessor may issue a certificate of approval.

- **Registration**

Subject to the certification by an independent assessor, the LGU can register and/or renew the license of a tourism operator, or – in the absence of such a quality certificate, refuse registration and licensing.



Certification Systems – Key Issues

- On-site spot checks of tourism enterprises to ensure assessment of real situation.
- Concise assessment criteria to minimize the degree of subjectivity and discretion
- Audit of business processes (reservation process, maintenance process, complaints management, billing process, procurement processes)
- Third party certification body (private sector certifier) that is internationally recognized and can ensure credibility of the quality seal.
- Financing of certification process to include micro and small operators, and to ensure sustainability of the system.
- Marketing of the system among tourism enterprises, but also among tourists and international tourism operators and travel agencies.
- Broad-based system that covers the vast majority of tourism enterprises.
- Capacity development for regulators, certifiers, supporters and enterprises.



New Accommodation Standards

- **Hotel** – full service accommodation with reception and guest rooms generally offering private facilities with an onsite restaurant, room and bar services available. Additional facilities such as business centres and conference rooms are expected.
- **Resort** - full service accommodation located in a more natural, relaxed environment, with reception and guest rooms generally offering private facilities with an onsite restaurant, room and bar service available. Additional recreation facilities and tour services are expected.
- **Apartel** – Serviced or un-serviced apartments offering self-contained units that contain access to kitchen and laundry facilities. A number of bedrooms may share one bathroom in the unit.
- Pension house, Guesthouse, Bed & breakfast, Tourist Inns - informal budget accommodation offering limited service that may include breakfast, facilities may be private or shared and often include common areas.
(*Not yet approved*)



Dimensions to be evaluated

Business Area	Hotel	Resort	Apartel	Pension House
Arrival & Departure	10%	10%	8%	5%
Public Areas	10%	10%	7%	6%
Bedrooms	30%	30%	30%	20%
Bathrooms	15%	15%	15%	10%
Food & Beverage	15%	15%	n/a	9%
Lounge area	n/a	n/a	15%	n/a
Kitchen area	n/a	n/a	10%	n/a
Amenities	10%	10%	5%	3%
Business practices	10%	10%	10%	7%
Total	100%	100%	100%	60%



New Accommodation Standards

- **One Star: 25-40% achievement (251 to 400 points) –**
These properties appeal to budget minded travellers. They provide no-frills accommodation that is clean and basic. There is a limited range of facilities and services and only breakfast may be served.
- **Two Star: 40-55% achievement (401 to 550 points) –**
These properties appeal to the tourist seeking more than basic accommodation. They offer expanded facilities and a higher level of comfort at a moderate price.
- **Three Star: 55–70% achievement (551 to 700 points) –**
A very good level of accommodation is offered. There are more spacious public areas, higher quality facilities and a greater range of services. Higher standards of food and beverage services are available.
- **Four Star: 70–85% achievement (701 to 850 points) –**
These properties are upscale in all areas. Accommodation is refined and stylish. Service is responsive, often including an extensive array of facilities. There is a strong attention to detail and hospitality.
- **Five star: 85%-100% achievement (851 to 1,000 points) –**
These properties reflect the characteristics of luxury and sophistication. The facilities are world class in every manner and the meticulous service exceeds all guest expectations. This is an unmatched level of comfort.



Implementation Options for Enterprise Audits

SWOT	Option 1: Public Sector (DOT)	Option 2: LGU	Option 3: Tourism Association	Option 4: Private Sector Certifier (e.g. TUV)	Option 5: Public-Private Partner- ship (DOT / TC)
Strengths					
Weaknesses					
Opportunities					
Threats					
Summary					



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Strengths	<ul style="list-style-type: none"> ▪ authority of the state ▪ low personnel costs ▪ well known in industry 				
Weaknesses	<ul style="list-style-type: none"> ▪ DOT lacks staff capacity ▪ DOT staff lacks auditing competency ▪ bureaucratic attitude 				
Opportunities	<ul style="list-style-type: none"> ▪ affordable, because of government funding 				
Threats	<ul style="list-style-type: none"> ▪ political interference possible ▪ budget constraints undermine long-term sustainability 				
Summary	<ul style="list-style-type: none"> ▪ “soft” implementation of standards 				



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Weaknesses	<ul style="list-style-type: none"> ▪ DOT lacks staff capacity ▪ DOT staff lacks auditing competency ▪ bureaucratic attitude 	<ul style="list-style-type: none"> ▪ LGU lacks staff capacity ▪ LGUs lack auditing competency ▪ Inefficient ▪ LGU lacks resources 			
Opportunities	<ul style="list-style-type: none"> ▪ affordable, because of government funding 	<ul style="list-style-type: none"> ▪ linkage with business permit and licensing system 			
Threats	<ul style="list-style-type: none"> ▪ political interference possible ▪ budget constraints undermine long-term sustainability 	<ul style="list-style-type: none"> ▪ method lacks uniformity throughout the country ▪ political interference likely ▪ lack of credibility ▪ potential corruption 			
Summary	<ul style="list-style-type: none"> ▪ “soft” implementation of standards 	<ul style="list-style-type: none"> ▪ “inconsistent” standards 			



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Weaknesses	<ul style="list-style-type: none"> ▪ DOT lacks staff capacity ▪ DOT staff lacks auditing competency ▪ bureaucratic attitude 	<ul style="list-style-type: none"> ▪ LGU lacks staff capacity ▪ LGUs lack auditing competency ▪ Inefficient ▪ LGU lacks resources 	<ul style="list-style-type: none"> ▪ Lack of personnel ▪ Limited resources ▪ Not representative of micro & small enterprises 		
Opportunities	<ul style="list-style-type: none"> ▪ affordable, because of government funding 	<ul style="list-style-type: none"> ▪ linkage with business permit and licensing system 	<ul style="list-style-type: none"> ▪ self-regulation ▪ self-policing 		
Threats	<ul style="list-style-type: none"> ▪ political interference possible ▪ budget constraints undermine long-term sustainability 	<ul style="list-style-type: none"> ▪ method lacks uniformity throughout the country ▪ political interference likely ▪ lack of credibility ▪ potential corruption 	<ul style="list-style-type: none"> ▪ conflict between business leaders 		
Summary	<ul style="list-style-type: none"> ▪ “soft” implementation of standards 	<ul style="list-style-type: none"> ▪ “inconsistent” standards 	<ul style="list-style-type: none"> ▪ “unstable” system and not inclusive enough 		



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Weaknesses	<ul style="list-style-type: none"> DOT lacks staff capacity DOT staff lacks auditing competency bureaucratic attitude 	<ul style="list-style-type: none"> LGU lacks staff capacity LGUs lack auditing competency Inefficient LGU lacks resources 	<ul style="list-style-type: none"> Lack of personnel Limited resources Not representative of micro & small enterprises 	<ul style="list-style-type: none"> relatively expensive (commercial rates) 	
Opportunities	<ul style="list-style-type: none"> affordable, because of government funding 	<ul style="list-style-type: none"> linkage with business permit and licensing system 	<ul style="list-style-type: none"> self-regulation self-policing 	<ul style="list-style-type: none"> professional auditors business opportunity long-term sustainability, if fees are acceptable marketing of quality seal 	
Threats	<ul style="list-style-type: none"> political interference possible budget constraints undermine long-term sustainability 	<ul style="list-style-type: none"> method lacks uniformity throughout the country political interference likely lack of credibility potential corruption 	<ul style="list-style-type: none"> conflict between business leaders 	<ul style="list-style-type: none"> micro and small operators may not afford to pay fees 	
Summary	<ul style="list-style-type: none"> “soft” implementation of standards 	<ul style="list-style-type: none"> “inconsistent” standards 	<ul style="list-style-type: none"> “unstable” system and not inclusive enough 	<ul style="list-style-type: none"> “strict, but costly implementation of standards 	



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Weaknesses	<ul style="list-style-type: none"> DOT lacks staff capacity DOT staff lacks auditing competency bureaucratic attitude 	<ul style="list-style-type: none"> LGU lacks staff capacity LGUs lack auditing competency Inefficient LGU lacks resources 	<ul style="list-style-type: none"> Lack of personnel Limited resources Not representative of micro & small enterprises 	<ul style="list-style-type: none"> relatively expensive (commercial rates) 	<ul style="list-style-type: none"> lack of personnel may require the formation of a specialized "tourism grading council"
Opportunities	<ul style="list-style-type: none"> affordable, because of government funding 	<ul style="list-style-type: none"> linkage with business permit and licensing system 	<ul style="list-style-type: none"> self-regulation self-policing 	<ul style="list-style-type: none"> professional auditors business opportunity long-term sustainability, if fees are acceptable marketing of quality seal 	<ul style="list-style-type: none"> broad-based system ability to enforce standards ability to enforce certification
Threats	<ul style="list-style-type: none"> political interference possible budget constraints undermine long-term sustainability 	<ul style="list-style-type: none"> method lacks uniformity throughout the country political interference likely lack of credibility potential corruption 	<ul style="list-style-type: none"> conflict between business leaders 	<ul style="list-style-type: none"> micro and small operators may not afford to pay fees 	<ul style="list-style-type: none"> potential conflict between DOT and private sector (tourism congress)
Summary	<ul style="list-style-type: none"> "soft" implementation of standards 	<ul style="list-style-type: none"> "inconsistent" standards 	<ul style="list-style-type: none"> "unstable" system and not inclusive enough 	<ul style="list-style-type: none"> "strict, but costly implementation of standards 	<ul style="list-style-type: none"> "balanced" system with checks and balances

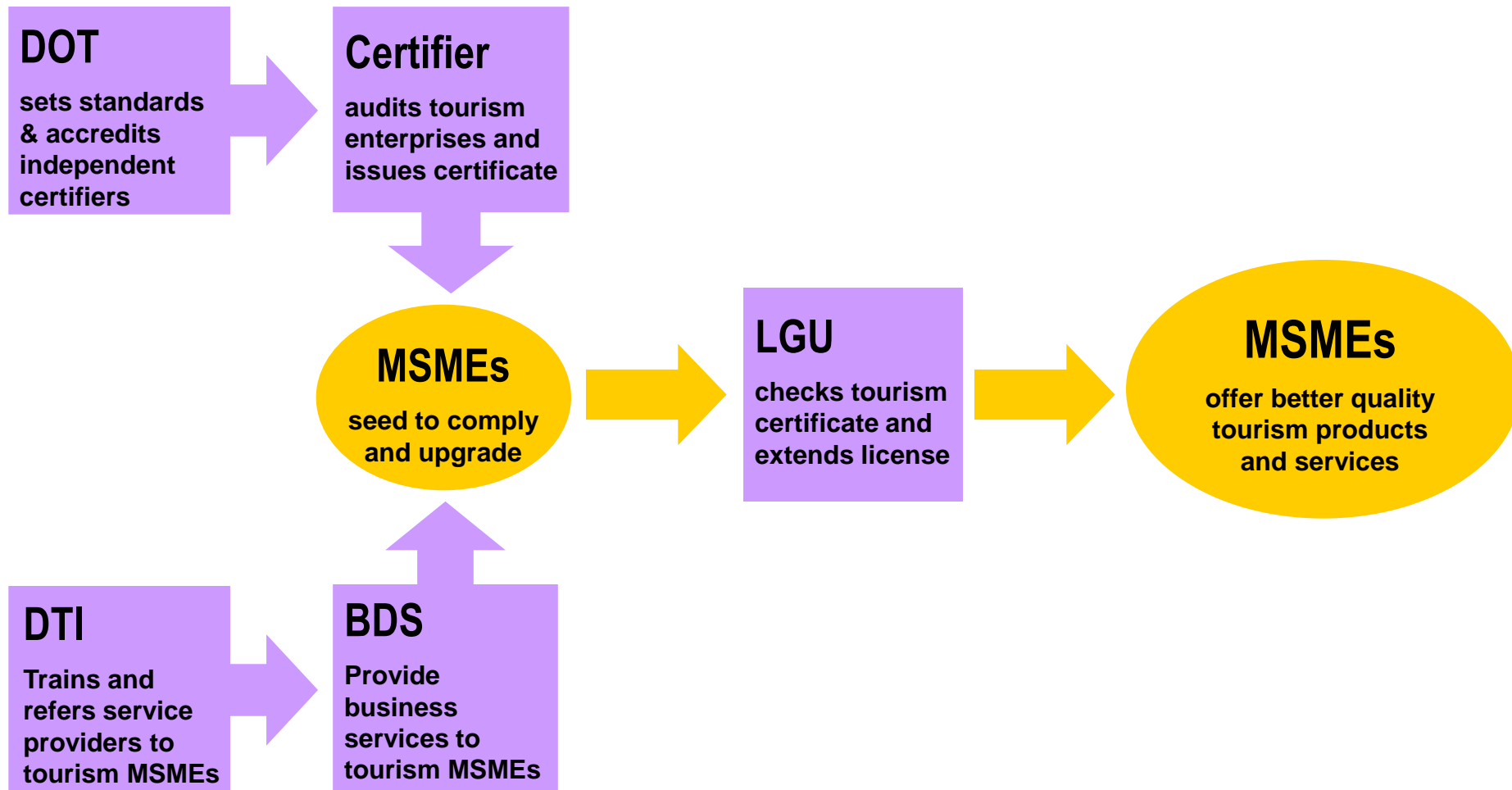


Implementation

- **DOT published the new Tourism Standards and Accreditation System** in May 2012.
- **Capacity building** of assessors, tourism enterprises, regulators (DOT and LGUs)
- DOT to **assign a third-party (private sector) certification agency** to implement the standards system.
 - **Initially, certification will be offered on free (subsidized) basis;**
 - **after 2012 fees shall be charged** to cover the costs.
- DOT negotiates with **LGUs to link tourism accreditation to BPLS.**
- DTI and BDS providers to **assist tourism MSMEs in preparation for quality audits**



Elements of a successful Tourism Standards and Certification System





Questions or comments?

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