



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

The Future of Tourism is Green, Sustainable and Responsible

29 Aug 2023

Anna Miller, Head of Tourism



Tourism in the Highlands and Islands

- Tourism spend of £2bn (2019), 18% of Scottish total.
- GVA for sustainable tourism in the region was over £0.5bn a year pre pandemic.
- Employment of 25,900 in 2021, 11% of regional employment
- 12% of Scottish tourism employment.
- 2,615 registered businesses in 2022 (up 3.6% from 2019)



Positive signs of recovery

- A total of **3.2 million visits** were made to Scotland by **international visitors**, spending **£3,151m**. Though visits were down 7% compared to 2019, the number of nights went up by 9% and visitor spending by 24%. Taking inflation into account, overall spend would have been up 10% compared with 2019.
- Tourism day visits in Scotland undertaken by **British residents** climbed by **12%** (compared to 2022) in the first three months of 2023, generating £1 billion of spending in the Scottish economy.
- The popularity of the **Highlands** is clear – one in four Scots identified specific holiday spots in this region (25%). Argyll and its islands, Loch Lomond and the Trossachs is the favourite of 18% of Scots, with a further 7% mentioning either the **Western Isles** or the Orkney/ Shetland.

However, sector challenges remain:

- Scottish Tourism Alliance in June found, confidence in the industry remains “fragile” as businesses continue to grapple with high costs, shaky consumer confidence, and struggle to recruit staff.
- The impact of visitor volume in concentrations – by season and/or destination – can create an imbalance between our residents, communities and our visitors

Tourism in the wider context

Research undertaken in 2022 indicates the Scottish population is concerned about:



53% the cost of living



25% climate emergency



FUEL PRICES

24% cost of fuel & energy

- 22% IndyRef2
- 16% War in Ukraine
- 14% Economy/Recession
- 12% NHS / Health Funding
- 8% Westminster politics
- 8% Brexit
- 8% Covid

Climate change is happening elsewhere...



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The threat to our destinations



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COASTAL RISK SCREENING TOOL

LAND PROJECTED TO BE BELOW ANNUAL FLOOD LEVEL IN 2030

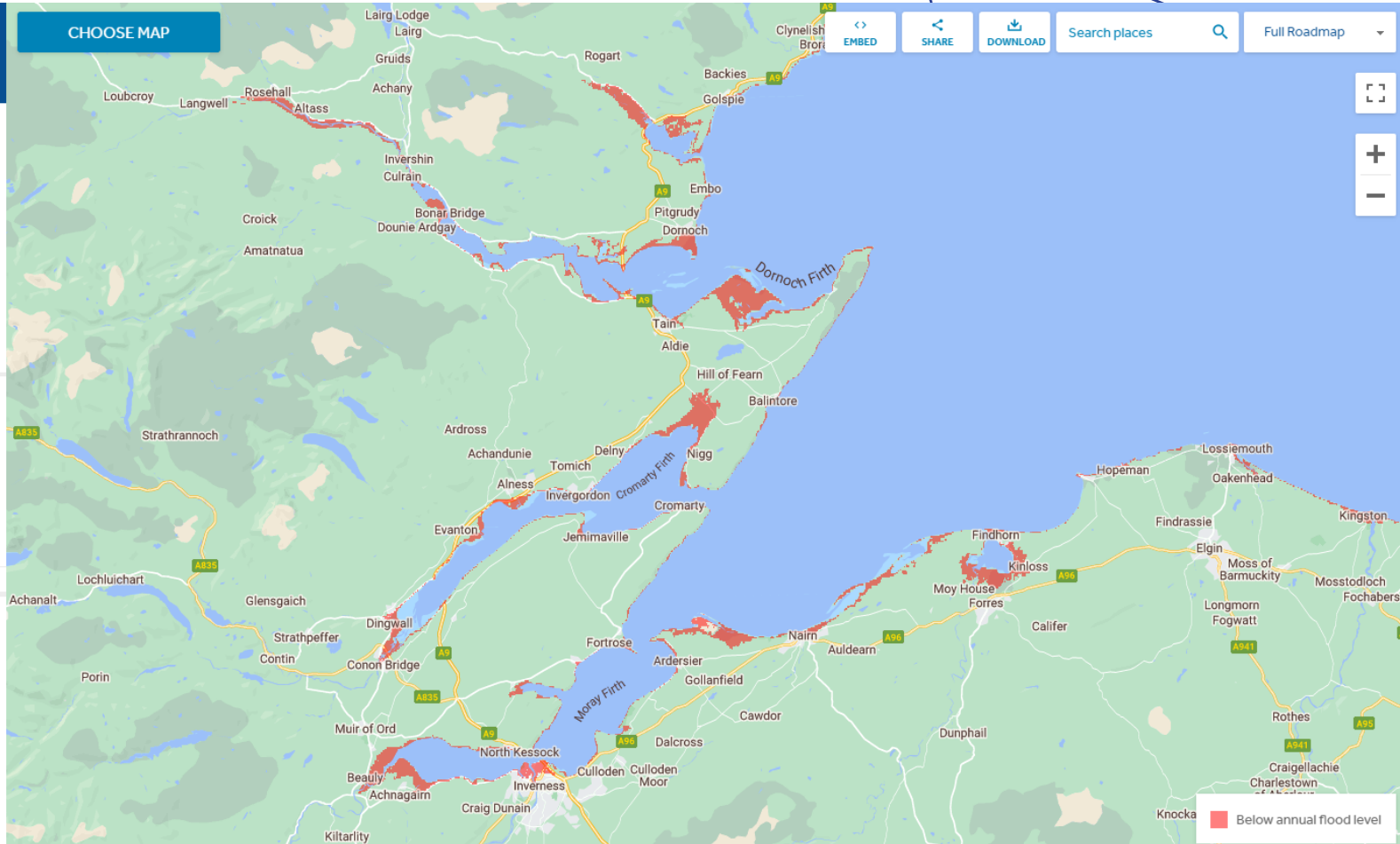
Explore sea level rise and coastal flood threats by adjusting the controls below.

[DETAILS AND LIMITATIONS](#)

YEAR
2030

[CHANGE OTHER SETTINGS](#)

[Video Tutorial](#)



Visitors are choosing green



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31% looking for accommodation that is sustainable



61% choosing places to eat that source local food and drink

65% looking for authentic experiences

Scotland's strategies and policies



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“75% emission reduction by 2030 and Net Zero by 2045”



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CONTENT



**TOURISM UNITES BEHIND THE GLASGOW
DECLARATION ON CLIMATE ACTION AT COP26**

National Strategy for Economic Transformation



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Figure 1: Our Vision, Ambition and Programmes of Action for Scotland's Economy by 2032

Vision

A Wellbeing Economy:
Thriving across economic, social and environmental dimensions.

Ambition

Fairer

Ensuring that work pays for everyone through better wages and fair work, reducing poverty and improving life chances.

Wealthier

Driving an increase in productivity by building an internationally competitive economy founded on entrepreneurship and innovation.

Greener

Demonstrating global leadership in delivering a just transition to a net zero, nature-positive economy, and rebuilding natural capital.

Programmes of Action



Entrepreneurial People and Culture



New Market Opportunities



Productive Businesses and Regions



Skilled Workforce



A Fairer and More Equal Society



A Culture of Delivery



Scotland Outlook 2030



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“Scotland’s tourism sector will make a full contribution to our national ambition to become a net zero society by 2045”



Our mission

Together we will grow the value and positively enhance the benefits of tourism across Scotland by delivering the very best for our visitors, our businesses, our people, our communities and our environment.

HIE's Strategy 2023-28



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A UNIQUE OPPORTUNITY FOR THE REGION

- World-renowned tourism, natural landscapes and rich cultural assets.
- Significant opportunities for tourism businesses to take climate action and develop the region as a leading low carbon destination.
- Strong foundations on which to further develop community-led tourism and support community wealth building.
- The region's Gaelic language and heritage is engaging and authentic and is an economic, social and cultural asset.
- Visitor spend and tourism related employment sustains rural communities and contributes to the wellbeing of those who live, work and study in the destination.

REALISING THE OPPORTUNITY

- Support the sector to transition to net zero and ambition to be a recognised **sustainable visitor destination**.
- Contribute to strong place-based tourism partnerships with industry, communities and the public sector to manage **investment and destination planning**.
- Work with partners to **address labour market issues, embedding fair work, investing in skills** and contributing to population attraction and retention.
- Increase the **adoption of advanced technologies and digital** to improve operating efficiencies and increase innovation.
- **Develop strong and capable leaders with an entrepreneurial approach** to capitalise on emerging trends and new market opportunities.



HIGHLANDS AND ISLANDS ENTERPRISE

STRATEGY

2023-28



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HIE's support for tourism

- In 2021-22, HIE approved a total of £13,147,051 towards tourism development.
- This compares to an average of £6.3m prior to the pandemic and £45m in 2020-21 (which included additional covid response budget from S.Gov)
- Compared to other sectors tourism received - by some margin - the highest value of approvals. Food and Drink made up £6.1m approved funding and Technology and Engineering £3.1m.
- 27% of HIE's tourism approvals in 2021-22 were in 'fragile areas'.
- 70% of approvals were made to micro organisations (1-9 employees) and only 1% to large (>249 employees).
- 25% of HIE's tourism approvals were towards Social Enterprises.
- Infrastructure investment was the highest proportion of approvals at £7.3m.

Supporting tourism projects and climate action

In 2022 HIE invested £1.47m 'Net Zero Funding' across 16 individual projects supporting both tourism recovery and progress towards net zero.

Fair Isle Bird Observatory - HIE awarded £2.35m (including £200k net zero funding) towards total projects costs of £7.4m for the rebuild. Aim to create a sustainable and energy efficient building, using power from the island's community-owned renewable energy grid as well as from the building's own solar panels.

Nevis Range - £4m project to transform Nevis Range visitor facilities and base station with £800k investment from HIE (including £500k net zero funding). Creating up to 50 new jobs, carbon neutral – ev points, hydro power, local supply chains.



Working with Partners – Destination Net Zero




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Research and Insights

- Scottish Baseline Emissions
- Industry Research
- Net Zero events
- DNZ Action plan




Awareness and Engagement

- On-line NetZero Portal [Visitscotland.org](https://visitscotland.org)
- Climate Action Guidance
- Best practice case studies



Supporting Places

- Recharge in Nature
- Destination Climate Action Leaders
- Community EV charge points



Supporting Businesses

- EV Charge Point support
- Hospitality Zero- food waste
- Sustainable Certification

Supporting Community Tourism



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“Recognises that true sustainability comprises of more than economic return and instead equally considers the social impacts (positive and negative) that tourism brings. This approach is necessary to establish a tourism economy that is sustainable and bespoke to each of our unique places and communities so that they may thrive to their fullest potential.”

Skift Take

How can the tourism industry strengthen its relationship with communities?
Simple: it needs to embrace the fact that it's the communities who invite stakeholders in, and who give them a seat at the table, not the other way around.

— Dennis Schaal, Skift

Supporting Community Leaders



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Communities Leading in Tourism programme launched in 2020. To date delivery has reached 64 individual leaders from across the Highlands and Islands.



**COMMUNITIES
LEADING IN TOURISM**

A personal development programme to support leaders in community organisations involved in tourism.

The banner features a scenic background of a coastline with mountains under a purple and blue sky. The text is overlaid on a yellow and teal geometric design.

SCOTO Scottish Community Tourism

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SCOTO is supported by HIE

The block contains the SCOTO logo (Scottish Community Tourism) and the HIE logo (Highlands and Islands Enterprise) with their respective Gaelic names. It also includes a statement that SCOTO is supported by HIE.

Supporting Community Infrastructure for Tourism



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- £1.6m was approved across the HIE region for community-led tourism visitor infrastructure (e.g. building adaptations, improving outdoor visitor facilities, e-bike projects, accommodation for visitors and workers).
- Ten EV installations led by community groups were supported 2022.
- Rural Tourism Infrastructure Fund - launched by the Scottish Government in 2018 and managed by VisitScotland. So far, £18m awarded to 74 projects across rural Scotland. Attracted £11m into HIE region over 50 different projects. HIE has supported at least £773k of match funding to date.





Thank you
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