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17 October 2025

Committee Secretary

Joint Standing Committee on Trade and Investment Growth

PO Box 6021  
Parliament House  
CANBERRA ACT 2600

Dear Committee Secretary

**Submission to the Joint Standing Committee on Trade and Investment Growth  
Inquiry into Creating Sustainable Economic Growth in Rural and Regional Australia**

**About Ecotourism Australia**

Ecotourism Australia is a non-government, not-for-profit organisation, established in 1991, that promotes and supports Australia's visitor economy through building capacity and actively promoting sustainable tourism operations and systems. We are recognised as the credible, national peak body for eco and sustainable tourism in Australia; and have an international reputation for setting the best practice standards in sustainable tourism.

Our foundational program – ECO Certification – was the world's first national ecotourism certification program. We have some 2500 certified accommodation, tours, attractions and experiences in our ECO, Sustainable Tourism, Climate Action, and Respecting Our Culture Certifications. In 2018, we launched the ECO Destination program to support regions across Australia with their commitment to sustainable and responsible tourism management practices. There are now 14 certified destinations across Australia, with a key priority of Ecotourism Australia's to support regional tourism and regional destinations. This destination program ensures a region-wide commitment to sustainable tourism, requiring support from both the Local Government Association and generally the Local or Regional Tourism Organisation and is aligned to international destination management principles.

In 2022, we launched a new Sustainable Tourism program, including a new Sustainable Tourism Certification, recognised as global best practice, to support non-nature based tourism operators; and a pre-certification benchmarking tool in the Strive 4 Sustainability Scorecard with founding

partner Tourism Australia, to support and recognise the broader tourism industry for their commitment to sustainable tourism.

Ecotourism Australia's certification programs are acknowledged and recognised globally. Our Green Travel Guide is our consumer-facing website that features all our certified operators and destinations across Australia to provide assurance to travellers seeking validated sustainable experiences.

Ecotourism Australia has global partnerships, working with the United Nations Educational, Scientific and Cultural Organisation (UNESCO), UN Tourism, Green Destinations (an international organisation for sustainable destination development) and the newly launched Tourism Sustainability Certifications Alliance; and key partnerships in the Asia-Pacific region including with WWF-Australia, Parks Australia and the Great Barrier Reef Marine Park Authority (GBRMPA).

### **Creating Sustainable Economic Growth in Rural and Regional Australia**

Ecotourism Australia welcomes the opportunity to contribute to the Parliamentary Inquiry into creating sustainable economic growth in rural and regional Australia.

Regional tourism plays a vital role in Australia's economic and social fabric through driving local employment, supporting small businesses, and strengthening both community and national identity. Sustainable tourism, in particular, provides a pathway for regional and rural businesses to achieve long-term growth while preserving the environmental and cultural assets on which their communities depend.

This submission addresses the second term of reference for the inquiry: *to identify opportunities to promote and support Australian rural and regional small and medium businesses in domestic and international markets through enhanced branding, labelling and certification of products and services.*

Our submission highlights the critical role of sustainability certification, branding, and labelling in supporting small and medium-sized tourism enterprises (SMEs) in regional Australia to compete effectively in domestic and international markets. By investing in recognised certification programs and aligning Australia with global sustainability standards, the Government can empower regional tourism operators to attract investment, enhance brand reputation, and appeal to high value travellers.

### **The Role of Certification, Branding and Labelling**

Certification and branding are powerful tools for rural and regional SMEs to build recognition and resilience in competitive markets. A national sustainability certification standard would provide clarity, prevent greenwashing, and ensure consistent recognition across industries.

Strong sustainability certification also reinforces tourism’s social licence to operate, ensuring regional tourism development earns and maintains the trust of local communities.

Currently, there is no formally recognised national sustainability standard for the tourism industry in Australia. While credible programs exist, they operate alongside unverified “accreditation” schemes, creating confusion for operators and consumers alike. This is particularly challenging for regional SMEs that often lack access to trusted information and resources to determine which programs are valid.

The absence of an official standard also undermines consumer confidence. As demand for sustainable travel grows, many businesses have adopted marketing terms such as “eco”, “green”, or “sustainable” without credible evidence to support those claims. The unregulated use of these terms creates an uneven playing field, penalising genuine certified operators and misleading consumers.

At Ecotourism Australia, we receive regular correspondence from our certified operators confused as to why competitor businesses, who are not certified, are allowed to operate under names that imply that they are (such as eco-cabin, eco stay, eco hotel etcetera).

Australia should regulate the use of the word “eco” and related descriptors, ensuring that only businesses independently certified against a recognised sustainability standard can make these kinds of claims.

To address growing concerns about misleading environmental claims, the European Union has adopted the *Empowering Consumers for the Green Transition Directive*, which Member States must implement by 2026. The Directive will require that environmental and sustainability claims made in consumer marketing are clear, evidence-based, and capable of verification. It will apply across all goods and services, including tourism. EU research indicates that over half of current “green” claims are vague, exaggerated, or unsubstantiated. Under the new rules, businesses will be prohibited from using generic environmental terms (such as “eco-friendly” or “sustainable”) or displaying sustainability labels unless these are supported by recognized certification schemes or established by public authorities.

For Australian regional tourism operators marketing to European travellers or participating in export markets, alignment with these global standards will be essential. Although certification is not yet mandatory, operators already certified through globally recognised programs—such as **Ecotourism Australia’s ECO and Sustainable Tourism Certification**—are well positioned to meet the forthcoming EU requirements. There are only two certification schemes in Australia operating to recognised international standards (Ecotourism Australia and EarthCheck).

The Australian Government has demonstrated commitment to sustainable tourism through initiatives such as Austrade’s National Sustainability Framework for the Visitor Economy and the Sustainable Tourism Toolkit. However, feedback from rural and regional SMEs shows that confusion remains about what constitutes credible certification and best practice. Businesses

want to do the right thing but lack clear guidance on which standards are internationally recognised, independently audited, and trusted by markets and consumers.

Establishing a nationally recognised sustainability certification standard would bring consistency, credibility, and coherence to the tourism sector. It would enable regional operators to compete fairly, gain recognition for their sustainability performance, and give travellers confidence that “eco” and “sustainable” tourism claims are genuine.

### **Opportunity for tourism in regional Australia**

Sustainable economic growth for tourism businesses in regional Australia requires a balance between environmental protection, cultural preservation, and market competitiveness.

Recent data indicates that the lion’s share of international visitor spend and nights remains concentrated in capital cities, illustrating a major growth opportunity for regional Australia. The latest data from Tourism Australia indicates that 63 per cent of total international and domestic visitor spend was recorded in capital cities and the Gold Coast, leaving only 37 per cent in regional areas.

At the same time, traveller preferences are shifting, while international regulations are also changing. There is growing evidence that consumers actively seek sustainable, authentic experiences, with 83% of travellers saying sustainable travel is important to them (Booking.com Sustainable Travel Report, 2025). Certification and labelling are key mechanisms for regional SMEs to differentiate their products, communicate credibility, and participate in a global value chain built on trust.

By supporting regional SMEs to achieve certification, the Government can help shift part of that tourism spend to our regions, boosting visitation to inland, nature-based and remote destinations, with the added benefit of easing pressure on more visited sites.

### **Recommendations**

#### **a) Formal Recognition of a National Sustainability Certification Standard for Tourism**

Adopt a globally recognised national standard for sustainability certification in Australia, aligned with the United Nations Sustainable Development Goals and credible international frameworks. Recognition should extend to certification programs that meet global best practice—such as those endorsed by Travalyst and Booking.com. Ecotourism Australia’s programs already meet these criteria, providing a strong foundation for national adoption.

Alongside environmental certification, a national approach to measuring tourism’s social impact would provide the data needed to demonstrate how tourism enhances community wellbeing and resilience.

**b) Regulation of Sustainability Claims and the Term “Eco”**

Introduce regulation to restrict the use of the words “*eco*”, “*green*”, “*carbon neutral*”, and similar descriptors to businesses that hold independently verified certification. This would align Australia with the EU Consumer Directive, ensuring truth in advertising and preventing misleading environmental claims.

**c) Alignment with Industry and Regional Needs**

Ensure that the national certification standard reflects the diversity of the tourism sector, with pathways designed for small operators, agritourism providers, and Indigenous and nature-based tourism ventures in regional and remote areas. Flexible frameworks and accessible tools should be developed to ensure rural operators can participate fully. Frameworks should be co-designed with regional communities to ensure that the standard not only meets environmental benchmarks but also contributes to measurable social value and community wellbeing.

**d) Prevention of Greenwashing**

Governments and industry bodies should clearly distinguish between certification (independently audited programs) and self-assessment tools or frameworks. Only third-party verified certifications should be recognised in marketing and government programs to maintain credibility and consumer confidence.

**e) Establish a National Sustainable Tourism Certification Support Program to subsidise the cost of certification and provide tailored assistance for small and medium tourism enterprises in regional and rural Australia.**

While many operators are committed to sustainability, the upfront cost of certification and independent auditing can be a barrier, particularly for small, family-run businesses in regional areas. To address this, the Government could implement a targeted grants initiative, modelled on the highly successful Austrade Caravan Parks Grants Program, to help tourism operators achieve ECO or Sustainable Tourism Certification.

That program, with \$10 million in federal funding, provided grants between \$10,000 and \$100,000 to assist caravan park operators to upgrade their infrastructure. It achieved strong uptake, rapid delivery, and measurable regional impact, demonstrating that modest, well-structured grants can deliver outsized economic and sustainability outcomes across dispersed small business sectors.

A similar co-investment model for sustainable tourism could offer grants or rebates to offset certification and audit costs for eligible regional tourism businesses; provide tailored training to help operators meet and maintain certification standards and could prioritise First Nations tourism enterprises, agritourism providers, and operators in disaster-affected or remote regions.

This initiative would build a stronger network of certified, export-ready regional tourism businesses, helping them to attract environmentally conscious visitors, meet emerging international regulatory requirements, and contribute to Australia's green economy transition.

### Conclusion

By recognising and investing in credible sustainability certification and branding programs, the Australian Government can accelerate green growth in regional economies. Certification empowers small businesses to improve resilience, reduce emissions, and demonstrate world-class standards that attract environmentally conscious travellers. A national approach to sustainability certification will enhance the competitiveness of Australian rural and regional businesses while delivering enduring social, cultural, and environmental benefits. Additionally, recognising and reporting on tourism's social impact — from improved community wellbeing to cultural preservation — will ensure regional tourism delivers enduring value for both residents and visitors.

Thank you for your time and consideration.

Yours sincerely,

A solid black rectangular box used to redact the signature of Elissa Keenan.

Elissa Keenan

Chief Executive Officer