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#### anr@anr.is

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Atvinnuvega- og nýsköpunarráðuneytið (Ministry of Industry and innovation) Brandenburg

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# 1. Sites of Merit - Background and objectives

## 1.1 Background of the project

Between 2010-2018, there was a rapid increase in the number of foreign tourists in Iceland. Despite a temporary downturn, everything indicates that the number of tourists will continue to increase in the long term. Major steps therefore need to be taken to shape the framework of destination management in Iceland.

Model tourist sites were one of the tasks covered by the Road Map for Tourism in Iceland published in 2015. The objective of the Road Map was to lay solid foundations for the successful and sustainable development of the sector in the future. According to the Road Map, model sites need to be defined and prepared according to the best international standards. The project has since been named Varða/Sites of Merit (see 3.2.).

A project group comprising representatives from the Ministry of Industries and Innovation and the Ministry for the Environment and Natural Resources started working in April 2019. The group decided to seek advice from the **Grand Sites de France** to formulate a framework and criteria for the project. This system and label manages the development of major tourist sites in France and has been operating successfully since 2000.

The development and financing of infrastructure at tourist destinations throughout the country has been a priority in recent years with contributions from the National Plan for Infrastructure Development and the Tourist Site Protection Fund. The main emphasis in the development has been on nature conservation in light of the increased strain caused by tourism, as well as on increasing safety. There is a need to continue on that path, but to also create a platform for a new comprehensive approach, which focuses more on the value of the visitor's experience, the spirit of the sites and connections between destinations.

The Varða/Sites of Merit project is consistent with the priorities of the *Future Vision for Icelandic Tourism until 2030*, which are: to promote a unique visitor experience, environmental conservation, benefits for local communities and profitability.

The project is also in line with the priorities laid down in the Strategic National Plan for Infrastructure Development, which is valid for 2018-2029.

# 1.2 An integral approach to destination management

Today's destination management requires all aspects of sustainable development to be taken into consideration, i.e. social, environmental and economic factors. Endeavours are made to strike a balance between protection and utilisation.

The visitor's experience is mostly based on the natural and cultural values of the destination. It is therefore very important to work in a coordinated manner to enhance environmental and cultural qualities, on one hand, and the reception of guests, on the other. An integral approach of this kind requires close cooperation and consultation between the various tourism and environmental authorities, as well as other relevant bodies.

The experience also encompasses more than the natural treasure itself, and includes elements such as information about the site, the journey to and from the location, the manner in which the surrounding environment is experienced and the impressions left on the tourists' minds.

Increased emphasis on the importance of visitor management has emerged in international discussions in recent years linked to the phenomenon of overtourism. New standards in the wake of the Covid-19 pandemic have placed even greater pressure on destinations to meet the health and safety requirements of guests and prevent overcrowding.

Societal development and changes in travel behaviour also call for changes in the range of services available at destinations. The increased use of social media calls for photography spots, for example, energy transition creates the need for charging stations, and increased health and safety awareness in the wake of the Covid-19 pandemic calls for touch-free services and sanitary facilities.

The new comprehensive approach of the Sites of Merit project has the following goals:

- Conservation of nature, cultural heritage and the landscape of the area
- High quality reception of guests in accordance with site qualities
- Respect for the residents, spirit of the site and development of the area

The active participation of municipalities and other stakeholders is vital for the development of the project and the involvement of all relevant parties is expected throughout the process outlined below.

With an integral approach to destination management, development is conceived on the basis of the uniqueness of each location with a long-term plan. Such an approach encourages a proactive rather than reactive approach to destination development.

## 1.3 Objectives and vision

The objective of the project is to create a framework for the ideology of an integral approach to destination management so that the following vision can be fulfilled:

- The appeal of the destinations is safeguarded and their environmental management is exemplary, based on principles of sustainable development, so that future generations can enjoy them in years to come.
- Regional development is promoted and cooperation and coordination are encouraged. Site
  developments promote a richer experience, longer stays, and create business opportunities and
  economic benefits for the local community.

The project supports governmental policies in the fields of tourism, the environment, culture and transport, as well as innovation and e-government.

The Varða/Sites of Merit label entails recognition and confirmation of excellent destination management in accordance with the project's goals, vision, definitions and criteria. Destinations in the above sense can therefore brand and market themselves with the Varða/Sites of Merit label.

The project supports the implementation of the following UN Sustainable Development Goals (SDGs): 8 (8.9), 9, 11 (11.4), 12 (12.5 and 12.B), 13 and 15.

# 2. Definition

#### 2.1 What are Sites of Merit?

Sites of Merit are destinations in Iceland that are considered unique at national or global level. Their main attraction is their natural phenomena and/or cultural heritage monuments that form a unique landscape. They are well known and form part of the country's image.

Sites of Merit are popular destinations which tourists visit all year round. Their administration aims to ensure sustainability in all areas.

Sites of Merit can be places where substantial infrastructure is already in place. At such locations, there may be limited opportunities to change what has already been done, as well as established patterns in travel behaviour. There may be considerable economic interests, which have developed over a long period of time. It can therefore be more challenging (technically, financially and culturally) and time-consuming to develop them as Sites of Merit.

On the other hand, Sites of Merit can be places where limited or no infrastructure is in place. These places offer opportunities to steer development towards sustainability from the earliest stages and to build a diversified experience that is in tune with the spirit of the site.

The criteria set out below define the Sites of Merit label. Places that are to become Sites of Merit must fulfil or work systematically towards these criteria. The criteria need to be adjusted to the circumstances of each site so that they can help each Site of Merit achieve its own unique position.

#### 2.2 Criteria for Sites of Merit

#### Management and supervision

The site has a designated entity which is responsible for its supervision and whose role it is to fulfil, implement and monitor the criteria discussed in this policy. Emphasis is placed on maintaining and strengthening the site's environmental and cultural-historical qualities and boosting service - and experience quality.

The site is designated as a focal point in the region's destination management plan and defined as a tourist destination in the master/local plan.

A policy or plan is in place, which covers issues concerning management, conservation, safety, business activities and reception of guests at the site, as well as procedures and year-round services to enforce it. The policy or plan is made in accordance with official policies and plans relating to the development of destinations, such as government tourism policy, regional destination management plans, the National Plan for Infrastructure Development and conservation and management plans. Companies with local operations, both those with fixed operations on-site and other businesses that sell services to tourists linked to the destination, shall preferably adhere to established quality standards and/or environmental certification and have a valid safety plan.

#### Transport and accessibility

An efficient transport system shall be in place, both to the site and within it. The condition of connecting roads shall be good and serviced all year round. Road signs to and from the site shall be clear and marked, among other things, with a brown colour (according to international standards). Sign-posted lay-bys shall be in place at panoramic viewpoints.

The location and design of the car park shall not detract from the experience of the site. The needs of different groups (e.g. people with disabilities and families with children) and various modes of transport (e.g. driving, walking and cycling) shall be taken into account and separated so that safety is ensured. Facilities for charging electric vehicles shall be provided where possible.

Access for people with disabilities to the main attractions of the site and its main services shall be ensured as much as possible.

It is preferable that visitors be able to travel to and around the site, and between sites if applicable, by public transport.

Rules regarding the movement of helicopters, drones and other manned and unmanned vehicles around the site must be observed with a view to, among other things, minimising any disruption to the experience of visitors and wildlife.

#### Data collection

Decisions regarding the management and development of Sites of Merit are, as far as possible, based on reliable and current data. Regular data collection includes real-time visitor counts, condition assessments and risk assessments. Visitor surveys should also be conducted at regular intervals, as well as examinations of travel behaviour, such as stay duration and route choice, and regular discussions should be held with stakeholders. A Site of Merit strives to be a smart destination that uses the latest technology to the best of its ability.

#### Education and information

Education and the provision of information shall be exemplary. It shall cover practical issues, such as safety, codes of conduct, the expected duration of stays and services available, as well as information on elements such as the nature (wildlife, plant life, geology), history and culture of the area.

Educational material and information is presented digitally on the Varða/Sites of Merit website to enable guests to prepare their visit before arriving at the site. On-site educational material and information is provided with signs and markings in accordance with official guidelines for signage at tourist sites and nature reserves. The information needs of different groups of guests are taken into account as much as possible, without becoming excessive.

Endeavours are made to ensure the all-year round presence of a supervisor or ranger who can provide visitors with information and training as needed.

#### Environment

The environment of the site shall be exemplary. It shall score high in condition assessments carried out at regular intervals. The preservation and interpretation of the site's natural and cultural heritage shall be outstanding and visitors' experience of these elements shall live up to or exceed their expectations.

Climate change adaptation shall be considered if applicable, i.e. the potential impact of climate change on the destination.

Efforts are made to reduce greenhouse gas emissions and promote a circular economy through, for example, recycling, the installation of charging stations, minimisation of plastic packaging and combating food waste.

#### Infrastructure

The infrastructure shall be sound, well kept, and blend in nicely with the landscape so that nature can be enjoyed. Man-made environments shall be kept to a minimum to prevent unnecessary visual pollution and infrastructure should be as reversible as possible. Infrastructure shall be designed with the safety of guests in mind, and shall facilitate a smooth flow of traffic, a positive experience for visitors and encourage responsible travel behaviour. User-centred design shall be the guiding principle.

It should be borne in mind that the location and design of infrastructure can be part of the experience, such as access to the site and the path from the car park to the attraction.

Facilities for staff and equipment required for the site shall be available.

Waste disposal and sewerage shall be well taken care of. Garbage shall be sorted and sent for recycling. The quality of drinking water shall be guaranteed, and fire protection, such as hydrants, shall be in place. Water and energy savings shall be taken into account in the design of the infrastructure. Electricity shall be ensured as much as possible and vehicle charging facilities shall be in place.

The digital infrastructure shall be exemplary. A high-speed internet connection shall be available if possible, as well as a guest network.

#### Safety

There shall be a safety plan for the site. According to the draft policy on safety at tourist destinations until 2015, such a plan should include an education plan, a prevention plan, and a response plan that addresses the following issues:

- Staff and guests shall be informed about the safety of the site and the main risks.
- A risk assessment shall be conducted on a regular basis and plans for improvements made.
- A plan shall be in place on how to respond to accidents at the site or disasters in its vicinity.

#### Services

A Site of Merit shall have basic amenities for guests, such as toilets, parking, footpaths and information, operated all year round, as well as other relevant services, according to needs and circumstances.

The health and safety of guests shall be ensured insofar as possible through, among other things, touch-free services and sanitary facilities.

The needs of various groups (e.g. people with disabilities and families with children) shall be taken into account as far as possible in the provision of basic services and the planning of the site with regard to accessibility and distances and the diversity of experiences.

Suitable locations for taking photographs shall be defined and marked.

Efforts shall be made to stimulate the senses (sight, hearing, smell, taste and touch) to enhance the visitors' impression of the site.

#### Visitor management

Visitor management measures are applied at the site through, among other things, information provision, infrastructure design, electronic registration or other types of measures. They help to make the flow around

the site as balanced as possible in terms of time and space and to create sufficient space for activities, with health and safety and the visitor experience in mind.

Visitor management measures are based on defined criteria regarding the length of stay, visitor count, environmental assessment of the site and the visitor experience.

The application of visitor management measures varies in accordance with each site, in consultation with stakeholders and other nearby destinations, if applicable.

#### Financial sustainability

The site shall have or expect to obtain resources at its disposal to ensure the long-term maintenance, development and supervision of the site.

Guests are allowed to donate freely to the site.

Financial contributions to a Site of Merit, such as from public grants and voluntary contributions, shall be transparent, i.e. tourists and the public shall be informed of how the money is spent.

Sites of Merit do not finance their development, operation or maintenance with income from direct or indirect advertising, sponsorship, financial contributions from companies or charity grants from the business community.

#### The experience of locals

The local community's experience of a Site of Merit shall be positive and is surveyed regularly.

Locals have the opportunity to be involved in the development of the area through, for example, consultation meetings or digital media.

There shall be a general consensus regarding the organisation of various activities in the area, such as the reception of tourists, forestry, agriculture, outdoor activities and cultural activities. Other activities in the area ideally support the destination.

The management, supervision and environment of the site shall strive to have a positive impact on the local community. On-site services also benefit the community and generate employment opportunities.

#### Guest experience

The management, supervision and environment of the site shall aim to create a comprehensive sense of place.

At a Site of Merit, the guest experience shall be positive and is surveyed regularly.

Destinations should ideally use electronic registration for visits. In doing so, it is possible to manage access to and around the site, disseminate information to tourists before their arrival, such as about peak hours, weather forecasts and road conditions, as well as provide information on how to maximise the experience of the site and available services, conduct surveys after the visit, etc.

# 3. Procedure and label

#### 3.1 Procedure

In the development of a Site of Merit, the procedure is articulated in the following phases:



- 1. Site applies for membership
- 2. Project management board examines the application
- 3. Project management board approves site into project
- 4. Workshop held
- 5. GAP analysis, based on available data such as visitor counts, the characteristics of the area, recreational features and accessibility, is conducted
- 6. Strategy and future vision of the site and action plan are proposed, along with a budget and time plan
- 7. Statement of commitment signed
- 8. Action plan implemented
- 9. A performance evaluation of the implementation of the action plan is usually carried out within two years or in accordance with the time-frame in the action plan
- 10. Board decides on whether to grant a licence to use the label
- 11. Label implemented
- 12. Workshops with designated Sites of Merit run once a year
- 13. Revision carried out three years after the granting of the label.

The nature of the challenges and measures from the GAP analysis vary in accordance with the circumstances of each site.

#### 3.2 The label

An application has been submitted for the Sites of Merit label to become a registered trademark. The Minister of Tourism grants permission for the use of the label when a performance evaluation has been carried out for the site and its outcome is considered satisfactory.

The validity period of a license to use the label is three years at a time. At the end of that period, a reassessment will take place. If the result is considered satisfactory, the validity of the license shall be renewed for a further three years. The extension of a permit may be refused if the result of the reassessment is not considered satisfactory.

The supervisor of the Site of Merit is responsible for the implementation and correct use of the label. Use must be in accordance with the brand manual.





# 3.3 Harmony with other public policies

Care shall be taken to ensure that the implementation of Sites of Merit procedures are consistent with other policies and laws of the state and municipalities. Examples include: the National Plan for Infrastructure Development, the Nature Conservation Act, conservation and management plans, tourism policy, strategic regional plan, destination management plans, regional plans of action, the Tourist Site Protection Fund Act, national planning strategy and UNESCO criteria.

This is to promote the synergy of actions based on different plans, data sharing and the synergistic effect of technical implementations and financing, i.e. to avoid duplication.