

# Governing Green Travel: Legal: Economic Frameworks for Sustainable Tourism

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## Abstract

Sustainable tourism refers to tourism that reduces negative impacts while enhancing benefits for natural habitats and local populations, and can be conducted perpetually without depleting the resources it relies upon. The study analyses the legal and economic aspects of green mobility, focusing on coherence and efficacy. There is too little enforcement, and coordination between institutions is inadequate. Research indicates a need for integrated models of tourism governance that incorporate legal and economic strategies. Tourism has been a major contributor to the GDP and employment growth. However, its rapid expansion has also had negative effects on the environment, leading to increased pollution and strain on natural resources. There is a need for a sustainable tourism framework to balance environmental care, social justice, and economic growth. Appropriate legal, economic and stakeholder-driven strategies to achieve sustainable tourism are fundamental and can be further integrated into integrated governance approaches.

**Keywords:** Green Travel, SDG 13, certifications, tourism, legal.

## 1. Introduction

Tourism has been boosting global GDP and employment, but it has also created significant environmental and social strains. Sustainable tourism seeks to reduce negative consequences and promote economic growth and social inclusion.<sup>1</sup> To achieve ecological protection, economic efficiency, and social equality in tourism development, policymakers need to enhance their awareness of strategies for developing smart tourism destinations.<sup>2</sup> Sustainability requires a strong governance structure, including legal laws and economic incentives.<sup>3</sup> Sustainability programs face issues such as limited enforcement, fragmented governance and insufficient stakeholder cooperation<sup>4</sup>. Emissions and resource use associated with tourism could increase if current patterns continue.<sup>5</sup> Sustainable tourism focuses on achieving the greatest economic and social benefits while minimising environmental impact.<sup>6</sup> Current governance systems have problems, including inadequate enforcement and policies that don't work together and require cooperation from all. The UN 2030 Agenda for Sustainable Development also includes the SDGs, which say “to end poverty, protect the planet and make sure everyone has a good life” by 2030.<sup>7</sup>

## 2. Objectives

1. To analyse existing legal frameworks for governing sustainable tourism.
2. To evaluate economic instruments that promote green travel.
3. To examine the effectiveness of legal economic approaches.
4. To identify challenges and gaps in current frameworks

## 3. Scope and Methodology

The current research adopts a qualitative approach, drawing on available secondary literature, and selected studies were analysed thematically to identify trends, policies, and research gaps.

#### **4. Results and Discussion**

India's sustainable tourism governance, on the other hand, is based on a strong legal framework comprising constitutional mandates, environmental regulations, sector-specific norms, and delegated legislation. Tourism activities in India are not governed by a single law but by several environmental protection laws, land-use guidelines, and regulatory notifications that work together. The Supreme Court has read Article 21 several times, including the right to life, which encompasses the right to a clean and healthy environment. Environmental governance is based on enforceable rights and principles that can be followed. Article 48A states that the government must safeguard forests and wildlife and improve the environment.

“Article 51A (g) of The Constitution of India 1950, imposes a basic duty on citizens to protect and improve the natural environment.” “Section 3(1) of the Environment Protection Act 1986” regulates the environment and is umbrella legislation that authorises the Central Government to take stringent measures for the protection and improvement of the environment. Under the same statute, section 2(2)(v) also authorises the government to restrict the location of firms or operations. Section 5 of the Act also enables the government to issue binding orders, for instance, to shut down or regulate any enterprises or activities.

Section 24 of the Water (Prevention and Control of Pollution) Act 1974 also controls water pollution and states that no one may deliberately discharge harmful or toxic substances into a stream, well, or sewer. Under Section 25 of the Act, one must obtain permission from the government before starting work. Section 21 of “The Air (Prevention and control of Pollution) Act, 1981” regulates air pollution and stipulates that an industrial plant cannot operate in a region unless it obtains authorization from the State Pollution Control Board. Section 2 of the “Forest Conservation Act 1980” restricts the diversion of forest land, and forest land can be used for anything other than forest uses without the prior consent of the Central Government. Section 35 of the “Wildlife Protection Act, 1972” addresses biodiversity conservation and the establishment of national parks. The Coastal Regulation Notification 2011 deals with coastal tourism and limits tourism activities within certain distances from the coastline. The notification divided coastal areas into four groups: CRZI, II, III, and IV, based on how sensitive the ecology is and how development is currently happening. Under Para 7 of the notification, certain activities are restricted in ecologically sensitive coastal regions<sup>8</sup>. The Environmental Impact Assessment Notification 2006 is an important part of the EPA, which manages sustainable tourism. It required large tourism-related projects, such as hotels, resorts, airports, and infrastructure, to obtain environmental clearance before they were built or operated.<sup>9</sup>

#### **Sustainable Tourism Certification and Eco Labels**

Eco-labels and certifications for sustainable tourism are important tools for encouraging environmentally friendly behaviour, particularly in the tourism industry. Environmental certification systems can be established to control the ecological impacts of tourism and lend legitimacy to enterprises that claim to be sustainable.<sup>10</sup> Eco labels can serve as potent marketing tools, and their legitimacy is highly contingent on rigorous verification procedures and stakeholder confidence.<sup>11</sup> There is a requirement for consumer knowledge regarding eco-labels and certifications.<sup>12</sup> In suitable tourism, eco labels and certification systems are significant tools for governing; they work best when people trust them, know them and have backing from institutions. Certifications have benefits for the environment, the economy, and the company's reputation, but they also have drawbacks, including high costs, a lack of standards, and limited knowledge. The future viability of eco labels depends on how well they combine environmental, social and economic sustainability

#### **Green Finance and Suitable Investment in Tourism**

One of the sectors of the economy that has experienced the most rapid expansion is the tourism industry. It helps the economy to grow, creates jobs, and allows people to learn about and share their cultures. This industry also harms the environment by releasing carbon, depleting resources, and disrupting ecosystems. The idea of green finance is long-term investment, reduced emissions, and the use of resources.<sup>13</sup> Green money is important because it funds eco-friendly infrastructure, renewable energy, and the management of sustainable destinations. Combining green finance with tourism can help achieve long-term sustainability goals and align with global guidelines on climate change mitigation and sustainable development.<sup>14</sup> Green finance includes green bonds,

sustainable loans and climate funds, which help projects that are good for the environment. Green finance can reduce environmental risks and make ecosystems more sustainable through targeted investments. More money for the economy is there when tourist development follows the principle of sustainability.<sup>15</sup> Green bonds can be increasingly utilised to pay for eco-friendly infrastructure, such as low-carbon transit systems and sustainable resorts

### **Carbon Pricing in Tourism**

Carbon emissions are one of the best ways to fight climate change, and carbon taxes and emissions trading systems are meant to make environmental costs part of the economy and encourage people to live in ways that don't harm the environment. People choose low-carbon options to reduce their environmental impact, and carbon pricing has significant effects on travel demand, destination competitiveness, and sustainable growth in the tourism industry. Carbon Pricing refers to policy instruments which assign a cost to carbon emissions to incentivise emission reductions. The two main forms are carbon taxes, which impose a fee per unit of emissions, and Emissions Trading Systems, wherein emission allowances are traded in a market. And henceforth, these mechanisms aim to correct market failures by incorporating environmental externalities into economic decision-making.<sup>16</sup> Carbon Pricing affects tourism through increased costs, which influence tourist behaviour and demand patterns. Carbon pricing affects tourism by increasing travel costs, which in turn influence tourist behaviour and demand patterns. Carbon taxes can reduce tourism demand, particularly for long-haul destinations where transportation costs are a significant component of total travel expenses. Tourism demand is relatively price-inelastic, such that moderate increases in costs may not drastically reduce travel demand.<sup>17</sup>

Carbon taxes can reduce tourism-related emissions while affecting tourism demand, suggesting carbon pricing can achieve environmental goals without severely harming the tourism industry.<sup>18</sup>

The first aim of carbon pricing is to reduce emissions, and it does so by making carbon-intensive activities more expensive. Technological improvements and behavioural changes are required to ensure that carbon pricing also incentivizes energy efficiency and behavioural practices.<sup>19</sup>

Economic incentives that enhance the cost of operations that consume a lot of carbon are the driving force behind changes in enterprises that are involved in tourism. Businesses are more likely to embrace environmentally friendly practices, such as energy-efficient technologies, renewable energy sources, and minimizing waste and recycling, when they are offered incentives to do so. The tourism industry has a large carbon footprint, and the construction of environmentally friendly infrastructure requires substantial investment. This is made easier by the availability of economic incentives.<sup>20</sup>

## **5. Limitations and Research Gaps**

The limitations are that the research relies on secondary sources and focuses on India's legal system. The research gaps found were a lack of standardised metrics and indicators to evaluate whether green tourism policies achieve sustainability outcomes. Limited research on cost-effectiveness and the trade-off between sustainability investments and economic returns in tourism. There is a lack of studies on how sustainability policies affect informal tourism economies, especially in developing countries. Lack of studies on how sustainability policies affect informal tourism economies, especially in developing countries. There is a significant lack of research on standardised sustainability measurement frameworks, cost-benefit analysis of green policies, and the role of informal sectors.

## **6. Conclusion**

For sustainable tourism, there are no universally applicable solutions. Instead, we need a set of tools and holistic policy measures, such as regulation and price. Multi-level governance is required because global and national norms must respond to and adapt to local activities. Carbon can achieve emissions reductions in tourism without reducing travel. It is essential that people adopt green finance to promote sustainability. If certifications are backed

by official accreditation, they yield the best results. Financial tools can be used in various ways to influence people's sustainable behaviour. A carbon tax, incentives for renewable energy and green investments, eco-taxes, and certification as a sustainable tourist destination are among them. Tourism is an expansionary force; it contributes to the economy through employment and awareness of other cultures. This expansion, however, has a negative impact on the environment and society in various ways, including rising carbon emissions, resource depletion, and ecosystem stress.

Carbon pricing makes companies more inclined to invest in energy-saving technologies, renewable energy and waste systems. This uses the pricing mechanism, making doing business more expensive. Green Finance facilitates sustainable loans, climate funds and green bonds for green and eco-friendly tourism projects and infrastructure. They not only minimize environmental risks but also enhance the economy's overall sustainability by fostering tourism's development according to environmental concerns. The incorporation of green financing into tourism governance can be considered a progressive approach that effectively integrates tourism development with environmental protection. Although there are possibilities of economic instruments, are there challenges in implementing them? It is obvious that there is a lack of standardisation & coordination: eco-certification and eco-labelling programmes are well known for their criteria, credibility and recognition, making them less effective & at the same time confusing for consumers. Fairness and inclusivity in carbon pricing can have a larger impact on the income of poorer countries and travellers. There can be other increases in travel spending and income redistribution.

Consumer awareness and acceptability of holistic, integrated and new approaches, and having a complete governance mechanism. Commitment, creativity and collaboration are required at all times. The governance of green travel and the successful application of sustainable tourism practices is essential; a wide variety of legal, economic and institutional instruments must be used. A common policy approach, with environmental regulations linked to economic instruments, would improve the system for promoting sustainable tourism. Offering tourism businesses any incentive to undertake business with them, whether this is in the form of low interest loans, tax breaks, or subsidies, is a good reason provided by banks and government. Establishing clear national and international criteria and introducing third party checking procedures would make things transparent and make eco-labels demonstrate the application of eco-friendly practices. People who work on governance of sustainable tourism are important and need to work together, but better and more useful solutions could be found. When well executed and promoted, rural tourism initiatives can serve as a catalyst for economic growth by creating employment opportunities for young individuals. It retains the capacity to tackle challenges like as poverty, women's empowerment, and the enhancement of the economic standing of rural populations. Tourism stands at a pivotal juncture, and the actions implemented now will determine the future of the industry. The sustainability of enterprises within the tourism ecosystem is jeopardized without ongoing governmental assistance.

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