



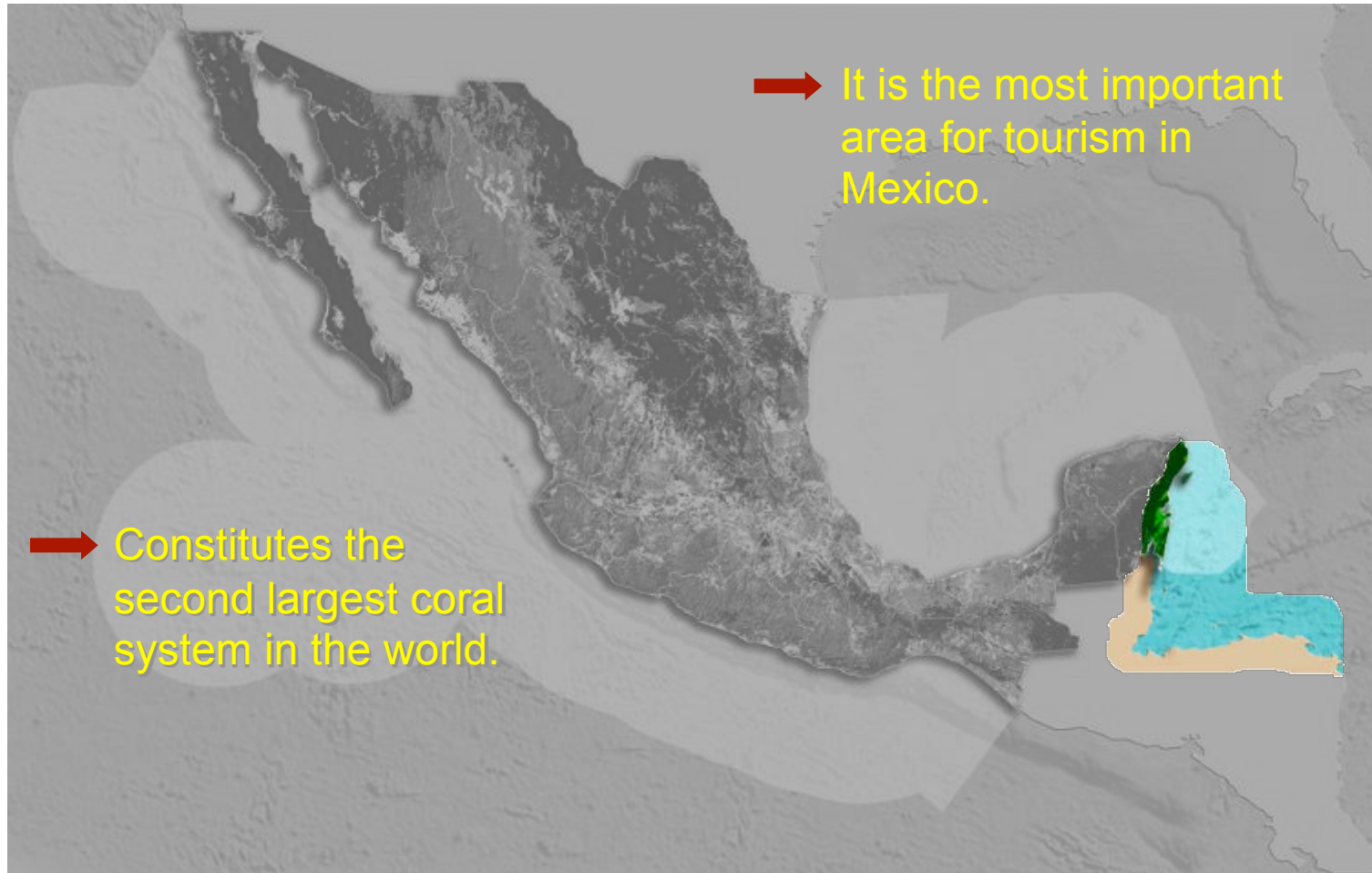
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Tourism, Trade and the Environment: Tourism and Coastal Development in the Mexican portion of the Mesoamerican Reef

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Research Questions

- Has NAFTA been a major driver in the influx of Foreign Direct Investment (FDI) into Mexico?
- Has the considerable inflow of FDI into the Mesoamerican Reef mostly derived from NAFTA - led FDI growth?
- Has the tourism-related FDI been a source of environmental stewardship in the tourism industry in the Mexican portion of the Mesoamerican reef or not?



Relevance

1. The most significant threats to the reef are coastal habitat destruction associated with hotel and resort development.
2. The tourism industry has been the subject of public environmental concern of the three countries that signed NAFTA.



Relevance

3. It is a common assumption that tourism has been the subject of changes in the economic rules set by NAFTA.
4. The sector has been the source of new direct foreign investment from and to all NAFTA parties since 1994.

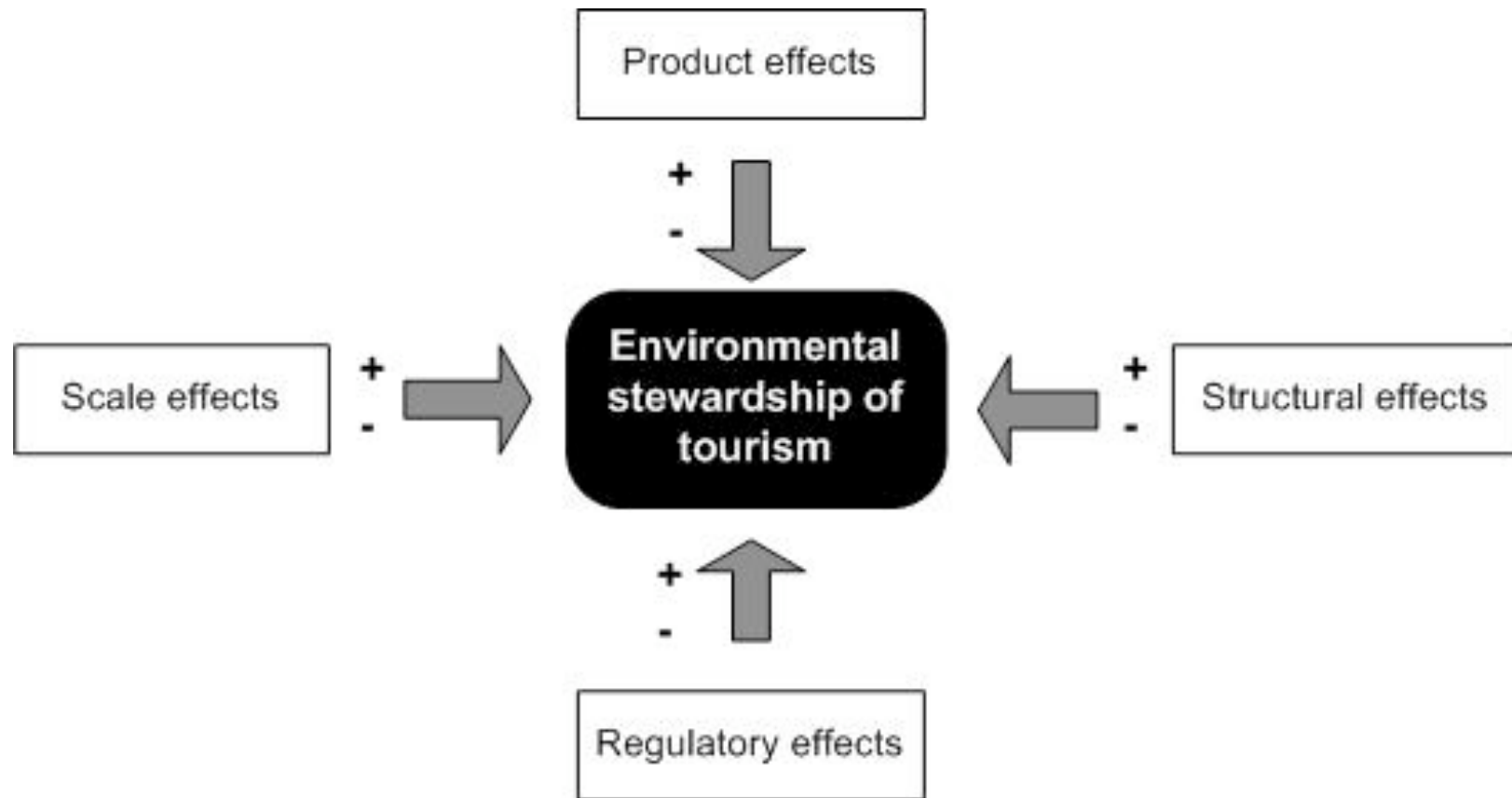


Principal Hypothesis

- The implementation of NAFTA has produced an increase in investment towards the tourism sector and in particular, towards the Mexican portion of the Mesoamerican Reef with mixed environmental stewardship implications



Conceptual Framework

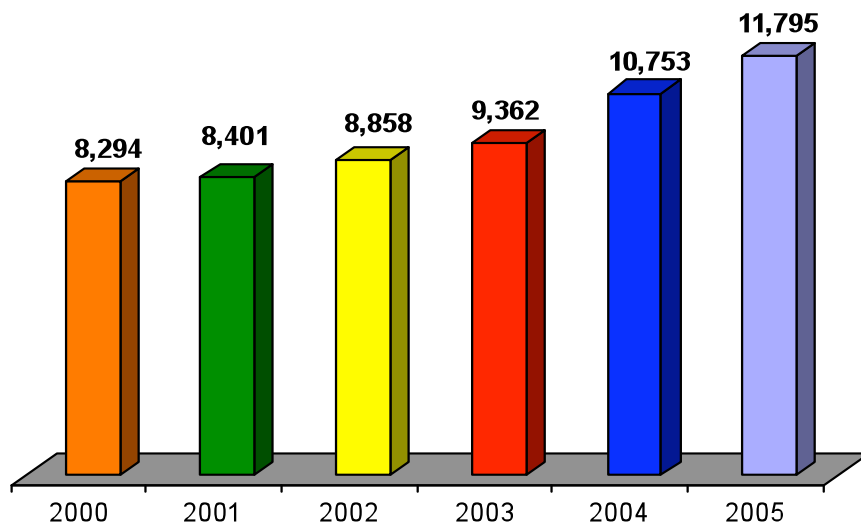


Methodology

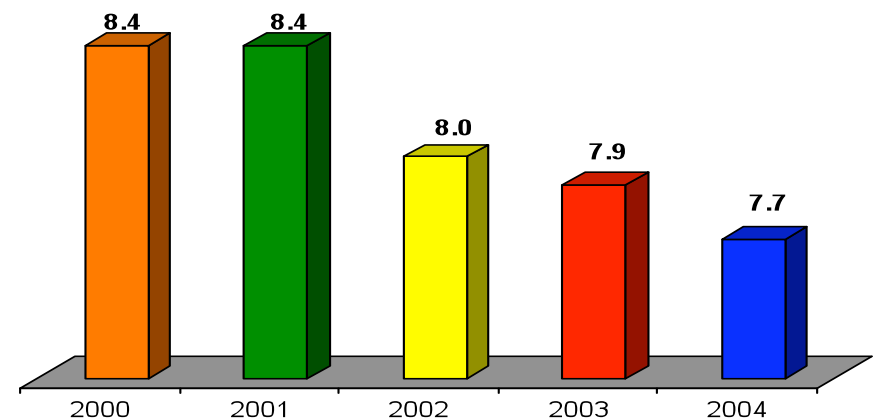
- Trade and Environment Reviews using OECD framework
- Description of FDI and tourism growth statistics after NAFTA
- Relationship between FDI and tourism development
- Assessment of environmental policy tools and tourism development



Tourism contribution to the national economy



a. Revenues

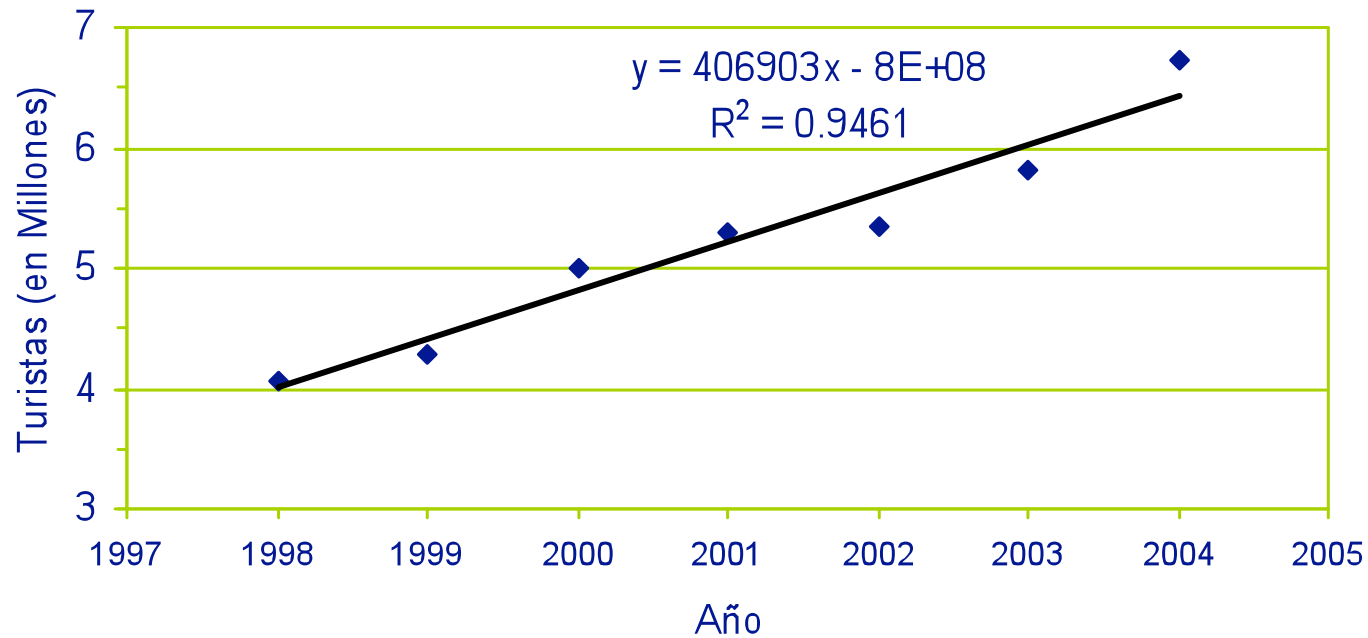


b. As percentage of the GDP

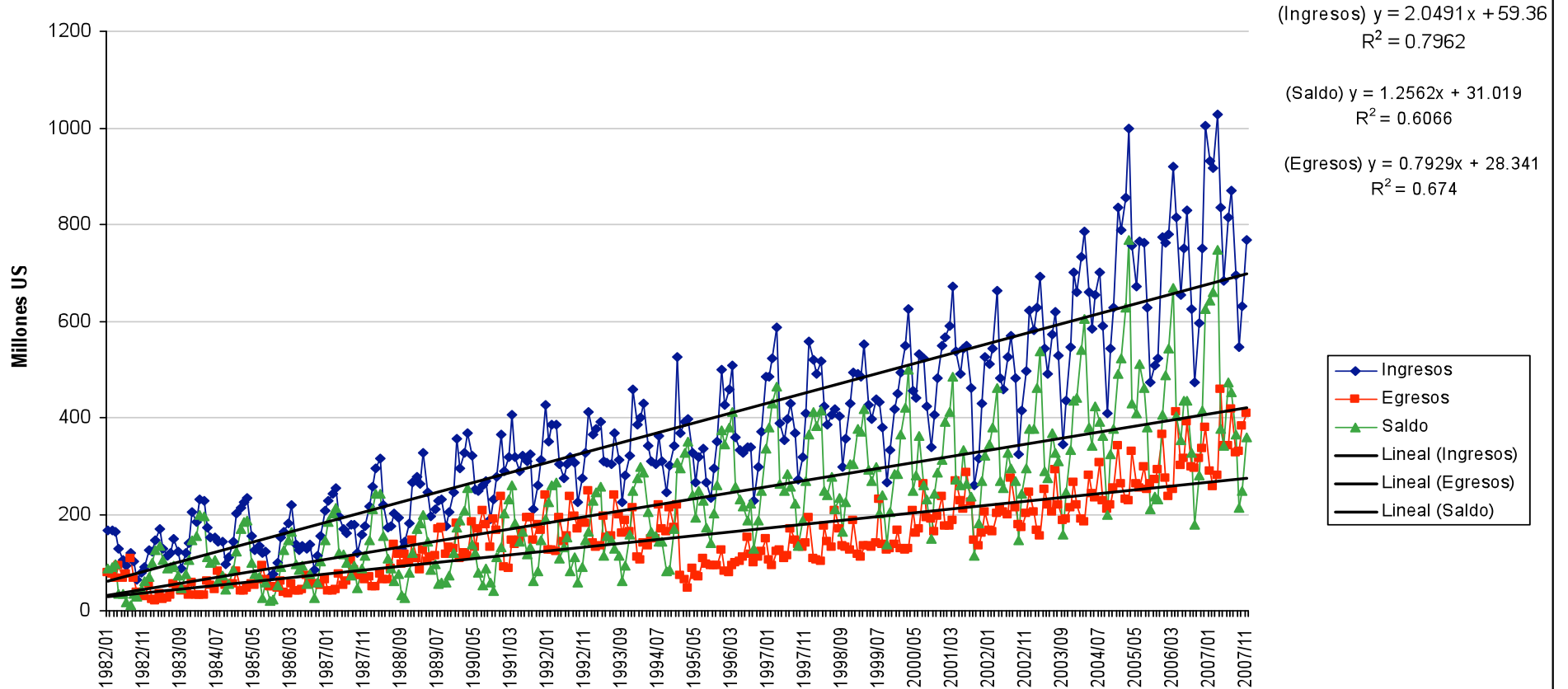


Tourism development in the Mexican portion of the MAR

Afluencia turística al estado de Quintana Roo
(Sin pasajeros de cruceros)



Tourism Trade Balance



NAFTA and FDI

FDI flows into Mexico (billion USD) from the period 1984-2005

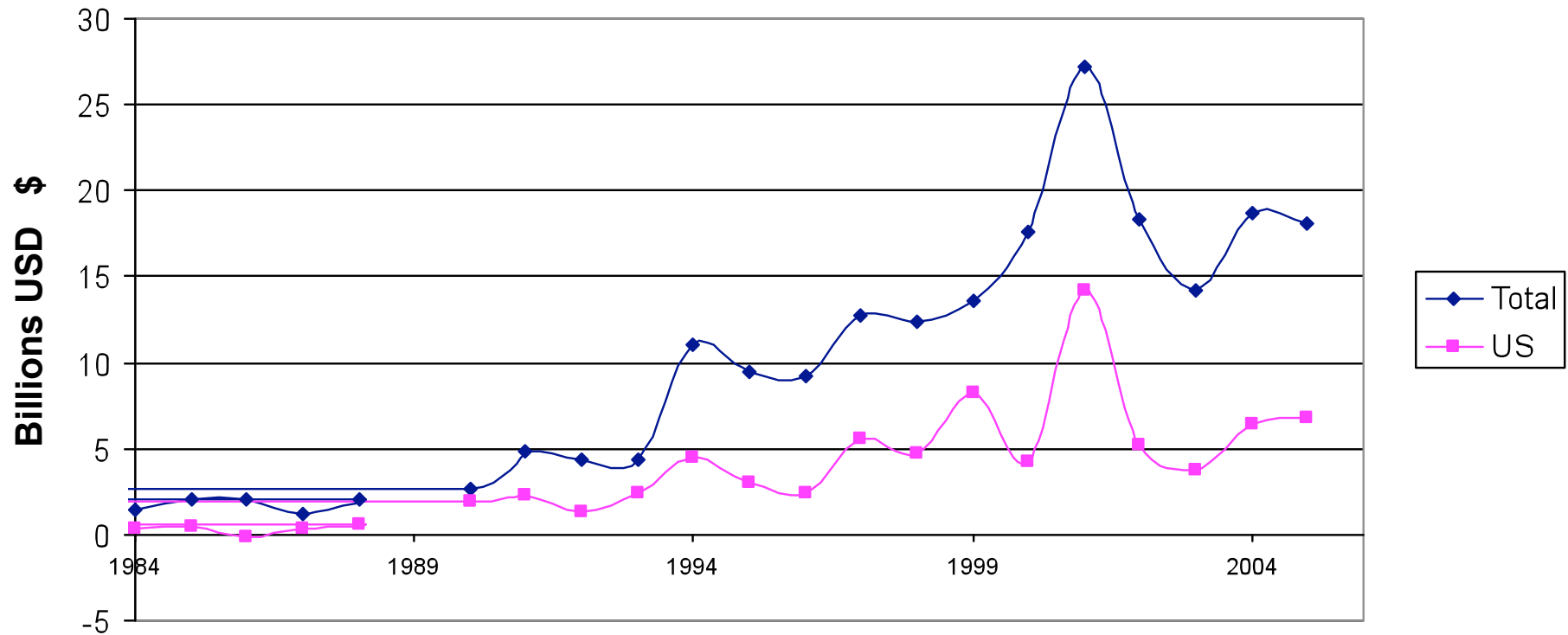


Table 2. FDI inflows into Quintana Roo 1994 - 1998. USD Million

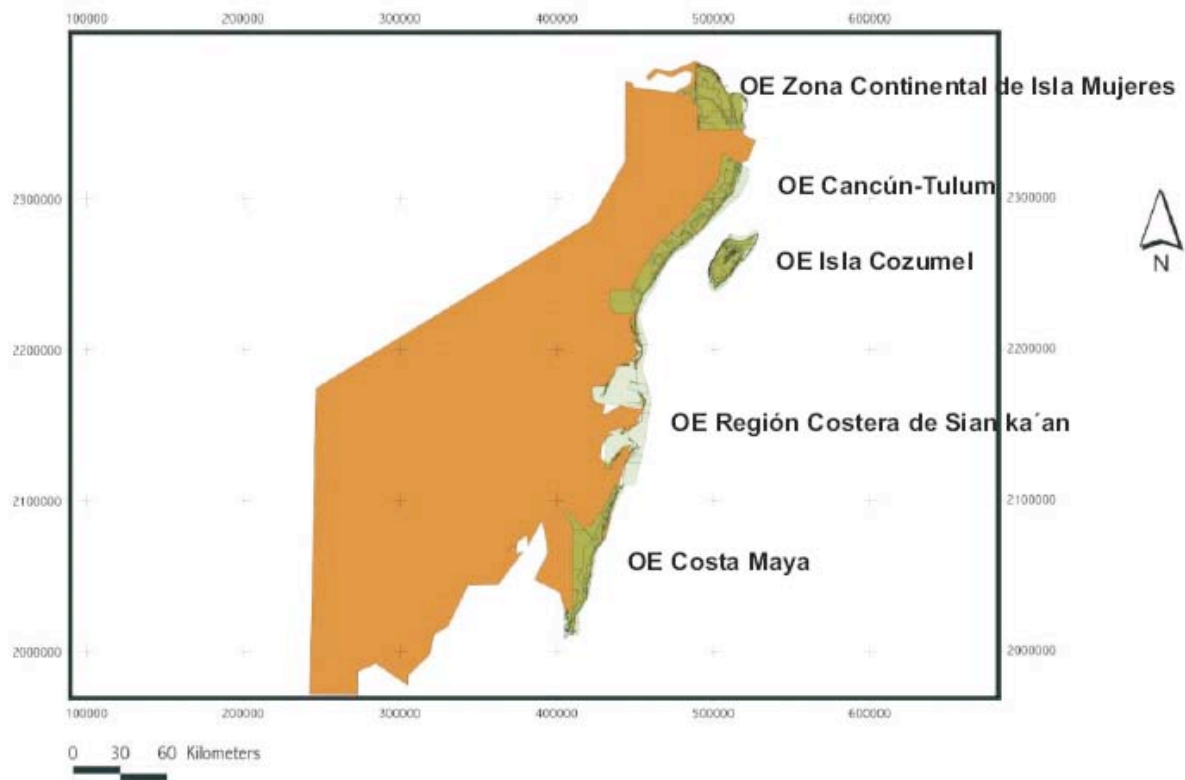
Year	94	95	96	97	98	99
Quintana Roo	39	18	15	60	16	3

Source: Secretaría de Economía. Dirección General de Inversión Extranjera



Environmental Impacts

- Land use planning



Environmental Impacts

- Protected areas



Total contribution from tourism to Protected Areas in the Yucatán Peninsula
(Total amount in USD and relative as percentage of total revenues in Quintana Roo state)

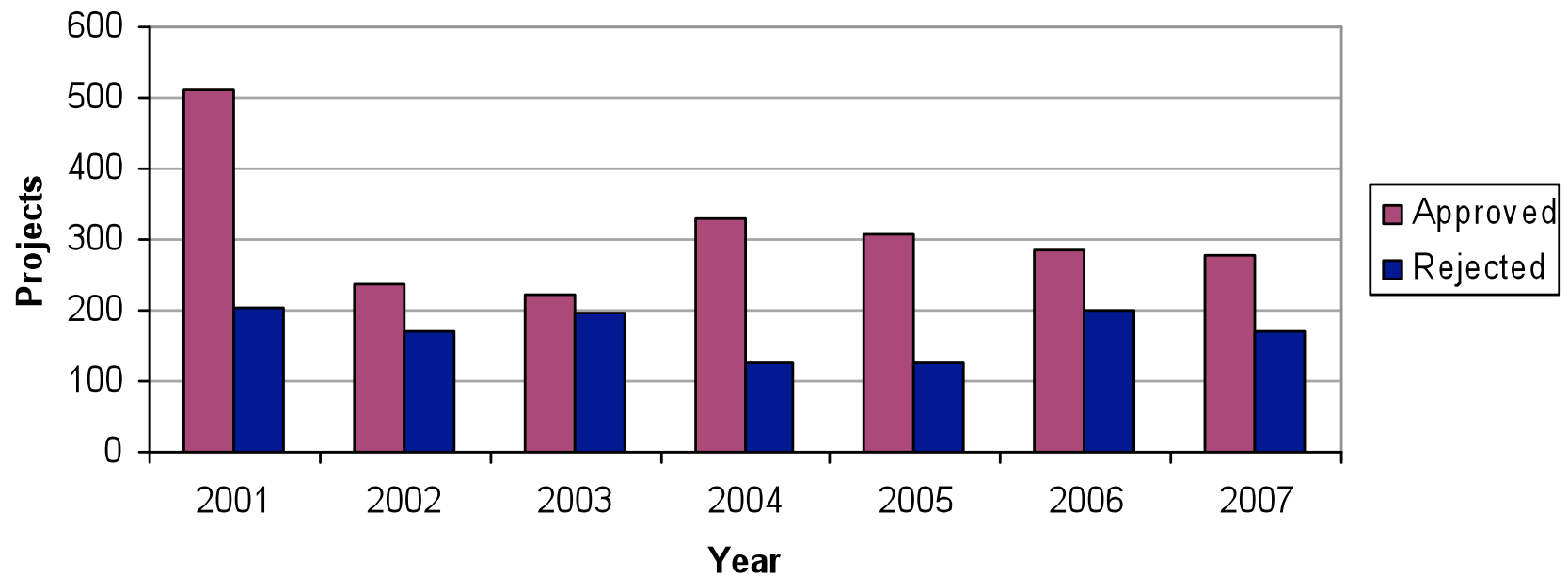
Year	\$ USD (a)	as % of tourism revenues (b)
2002	1,264,098	0.037 %
2003	2,115,498	0.056 %
2004	2,607,596	0.063 %
2005	2,191,022	0.058 %
2006	1,909,234	0.048 %



Environmental Impacts

- Environmental Impact Assessment

Figure 7. EIA approved and rejected in Mexico



Good EIA practices

- Cancún 3rd Phase



Conclusions

1. There is a positive relationship between NAFTA, FDI and Tourism Development in the Mexican portion of the MAR.
2. There is a positive relationship between NAFTA and the creation and use of environmental policy tools in Mexico.



Conclusions

3. However, the use of existing environmental policy tools have yet to achieve their potential positive environmental implications; given mostly to lack of institutional capacity.
4. In general, the urban tourism-related infrastructure does not respect the structure and functions of the ecosystems of the area.
5. It is possible to identify severe environmental damages in the area attributed to tourism development infrastructure.



Conclusions

6. There are very few and limited environmental positive impacts as a result of tourism growth in the Mexican Portion of the MAR.





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