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MARKET REPORT

HVS Monday Musings: Sustainability in the Hotel Industry is Crucial to Combat Climate Change

NOVEMBER 21, 2021

As they recover from the COVID crisis, the tourism and hospitality industries, which are not only victims of the climate disaster but also big emitters and contributors to global warming, have the chance to take up climate action to move toward a greener, more sustainable future.

Extreme weather, rising sea levels, melting glaciers, storms, and cyclones across the world are undeniable proof of climate change's pervasive influence, which has resulted in massive social and economic losses in recent years. India has not been immune, with devastating floods, cloudbursts, and landslides wreaking havoc in numerous states this year alone. International organizations and governments from all over the world have recognized the crisis and are working together to reduce the impact and safeguard the environment for future generations. At the recently concluded COP 26 UN Climate Change Conference, India, too, vowed to become carbon-neutral by 2070, a target that will necessitate unprecedented collaboration between stakeholders across industries, including tourism and hospitality.

The tourism and hospitality industries are not only victims of the climate crisis, which is altering ecosystems and increasing the risk of natural disasters, putting tourist destinations in jeopardy, but they are also major emitters and contributors to global warming. As a result, at COP26, the United Nations Environment Programme (UNEP) and the World Travel and Tourism Council (WTTC) released 'A Net Zero Roadmap for Travel and Tourism' that outlines goals for the tourism industry to become net-zero by 2050 and has already received over 300 signatories.

Even before COVID, the Indian hospitality industry was already stepping up its efforts to reduce and eliminate single-use plastic, as well as shifting to greener alternatives, as the new age traveler gave sustainability a thumbs up. The sole bright spot during the pandemic was the favorable environmental impact; according to a recent study, the COVID-19 pandemic resulted in a 9% drop in fossil carbon dioxide emissions in India in 2020, the first in four decades. Therefore, as the industry continues its recovery from the COVID crisis, it has an opportunity to accelerate climate action and move toward a greener, more sustainable future.





Source: Freepik

One of the main barriers to the industry adopting environmentally friendly practices so far has been the greater upfront capital expenses associated with putting these measures in place, which may not seem desirable, especially given the current state of the sector. However, these efforts, which range from the fundamentals like employing energy-efficient lights, low-flow fixtures, automatic faucets, recycling water, and trash segregation to motion sensors, solar and renewable energy, can actually help save expenses and boost the bottom line. It will also help strengthen the property's brand image in the long run, creating a crucial competitive advantage. Hoteliers should also accelerate the adoption of sustainable design practices and focus on using locally produced, eco-friendly building materials for developing hotels, as an increasing number of eco-friendly travelers will prefer to stay at hotels championing green practices in the post-COVID world.

On its part, the government should introduce meaningful policies and incentives that encourage the private sector to embrace sustainable measures quickly. The state tourism boards can assist by implementing effective destination management systems through advanced reservation apps and daily visitor limits, among other measures, to reduce overcrowding. The government should also build infrastructure and improve last-mile connectivity to other underdeveloped and unexplored tourist destinations in the country to reduce over-tourism at popular places. The government, the private sector, and all other tourism stakeholders should make a concerted effort to implement all possible measures to convert climate-change-related ambitions into reality, as mere lip service is no longer enough.