

Carbon neutrality in practice:
The Explorer Hotel Group

THE GREEN RECOVERY IMPERATIVE

Future-proofing the Hospitality Industry

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Sep. 02 2020*

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INTERNATIONALE
HOCHSCHULE

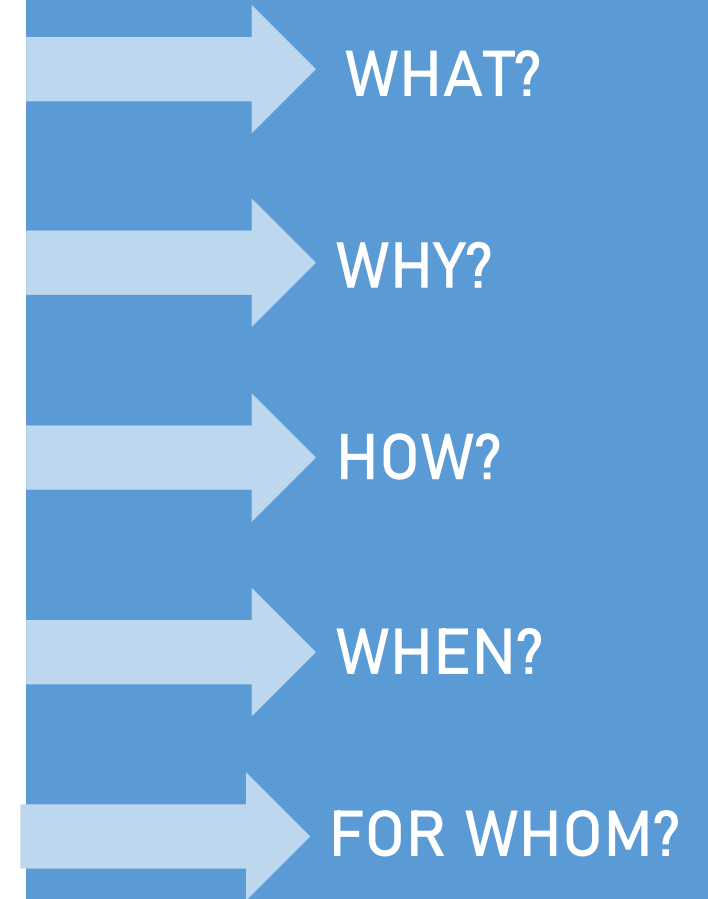
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Tourism Educators
SERVING EUROPE, THE MIDDLE EAST & AFRICA



THE GREEN RECOVERY IMPERATIVE Future-proofing

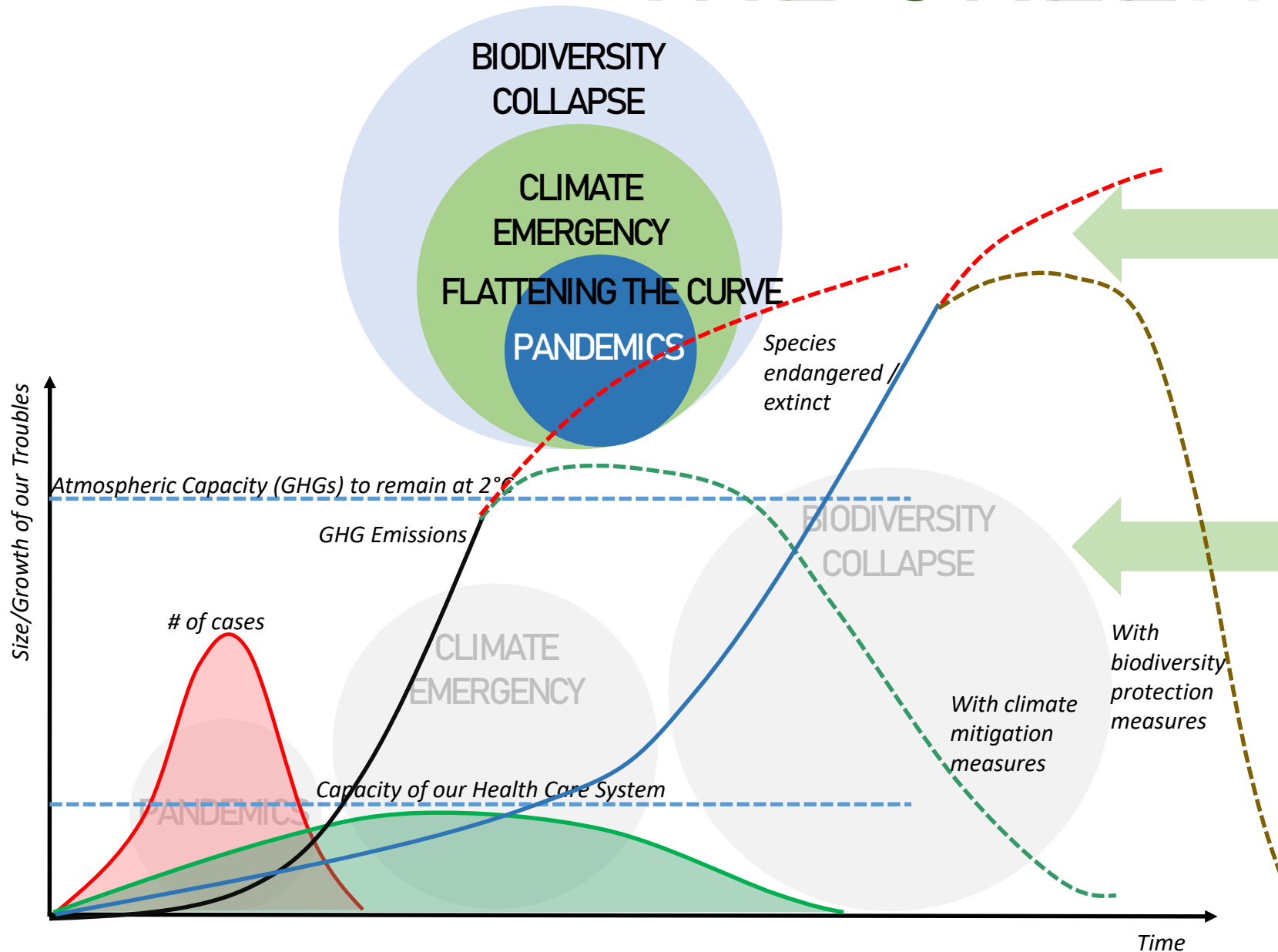
Future-proofing the Hospitality Industry

The Hospitality Industry



THE GREEN

WHAT?



1

CRISIS OF
EARTH SYSTEMS

2

THE
ANTHROPOCENE
AND THE
GREAT
ACCELERATION

THE GREEN

WHAT?

MITIGATION

Reduce emissions to limit temperature increases to 2°C (if not 1.5°C) *Art. 2 para 1a*

ADAPTATION

Build resilience to adverse effects of climate change
e.g. Art. 6 para 6

SUPPORT

Channel finance, technology, and capacity where needed
e.g. Art. 9 para 3 / III. 54



Source: UN Sustainable Development Goals Knowledge Platform & German Development Institute (DIE)

17 GOALS
169 TARGETS
2015-2030

ITP Hotel Global
Decarbonisation Report

↓66% ►► 2030
↓90% ►► 2050

Source: <https://www.tourismpartnership.org/blog/itp-carbon-report-provides-hotel-sectors-goal-mitigate-climate-change/>

3

PARIS
AGREEMENT

ADAPTATION + MITIGATION + SUPPORT

4

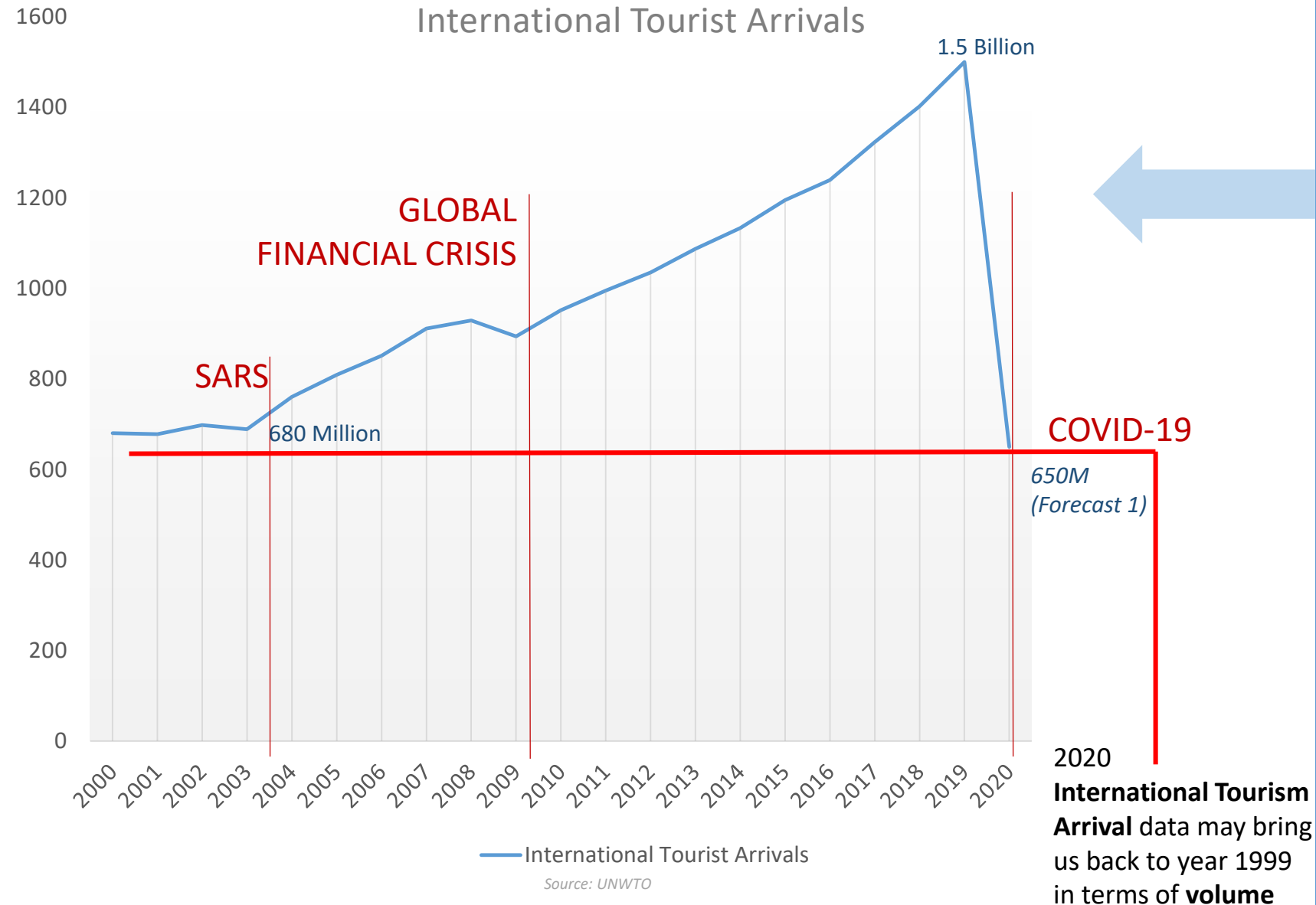
AGENDA 2030 FOR
SUSTAINABLE
DEVELOPMENT

5

SCIENCE-BASED
TARGETS

RECOVERY

WHY?



1

TOURISM:
A STALLING
ENGINE

RECOVERY

100 to 200 MILLION
direct tourism jobs at risk

Source: UNWTO, Aug 2020

Loss of
US\$910 BILLION to US\$1.2 TRILLION
in exports from tourism
(international visit spending)

Source: UNWTO, Aug 2020

A lifeline for
SIDS, LDCs and many
TOURISM DEPENDENT COUNTRIES
tourism represents over 30% of exports for the
majority of SIDS, up to 90% in some cases

Source: UNWTO, Aug. 2020

Critical drop in
RESOURCES FOR CONSERVATION
of natural and cultural heritage

Source: UNWTO, Aug. 2020

WHY?

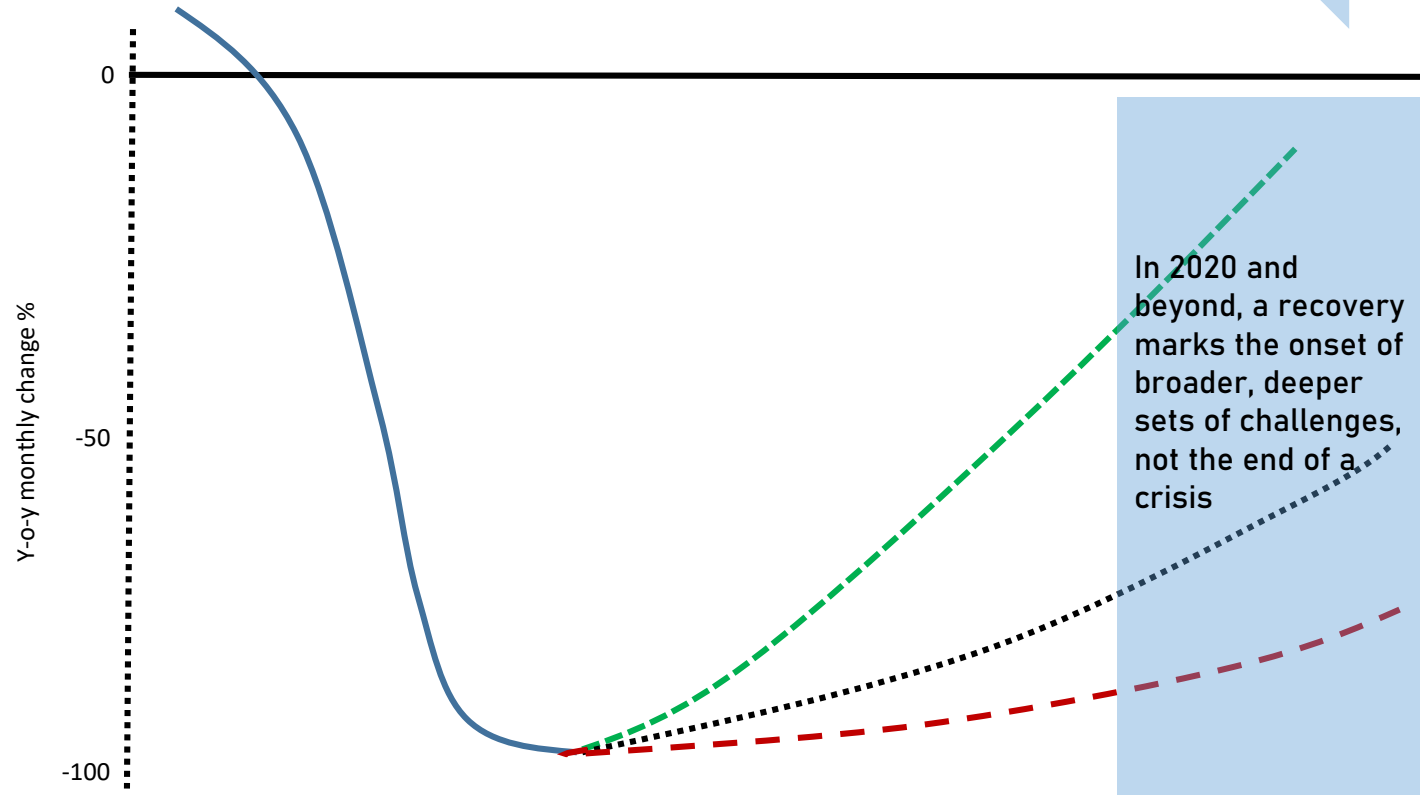
2

SHORT TERM
COVID19 IMPACTS

COST OF
STANDSTILL

RECOVERY

Various
SCENARIOS
for a gradual recovery



Source: UNWTO, Aug. 2020

WHY?

3

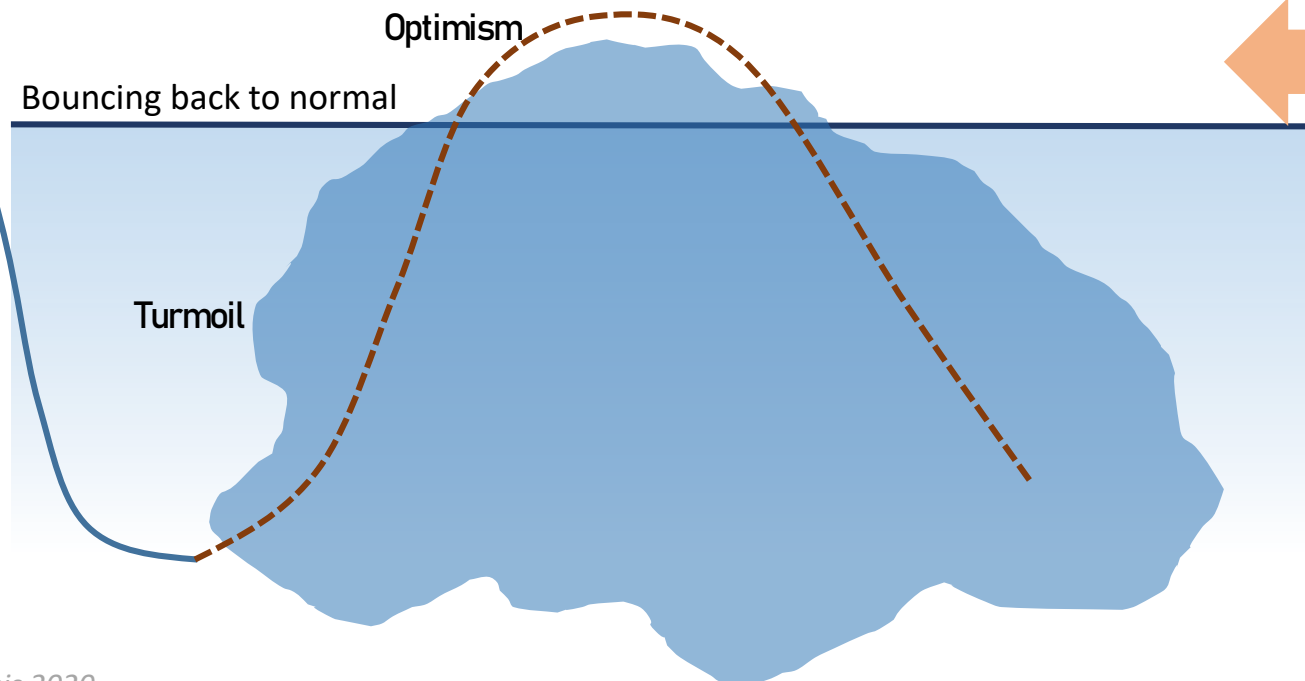
QUANTITATIVE
SCENARIOS

WHAT KIND OF
RECOVERY IS
REQUIRED TO
TACKLE THE
GREEN
CHALLENGES?

IMPERATIVE

“It is **imperative** that we **rebuild** the **tourism** sector in a **safe, equitable** and **climate friendly** manner”

UN Secretary-General Antonio Guterres, 25 Aug. 2020



HOW?

1

BEYOND
STIMULATING
ECONOMIC
GROWTH

2

ABOVE AND
BELOW THE
SURFACE

HOW TO
BOUNCE
FORWARD?

IMPERATIVE

HOW?

Control costs via

UTILITY SAVINGS

Increase revenue through

**REDUCING
REPUTATIONAL RISKS**

Benefit from

INCENTIVES

Increase value through

CERTIFICATION

Seek

**GREEN FINANCE
Mechanism**

↓20%

RFPs
FTs

Carrots
& sticks

ADR,
micro

ESG-
linked
loans

3

GREEN
RECOVERY
TACTICS:
INTERNAL

INTERNAL

EXTERNAL

POLICIES

Source: ITP & IFC, March 2020; The Business Case for Sustainable Hotels

IMPERATIVE

HOW?

“You never change things by fighting the existing reality.
To change something, **build a new model that makes
the existing model obsolete**”

Buckminster Fuller, Architect and systems theorist

Reboot using **NANOTOURISM**

Source: Gregoric & Dekleva, 2014

‘Feast of Fields’

‘TOYT’ (Tourist in Your Own Town)

Workshops (On-, Offline)

Neighbourhood Stays

Rent-a-Chef; Rent-a-Professional

Office floors

Implement circular approach via **REGENERATIVE TRAVEL**

“When the new **normality** returns,
it shouldn’t come at the
expense of sustainability.”

James Thornton, CEO, Intrepid Travel

Roots in Regenerative Development

Regenerative Agriculture

Addressing impacts holistically

Including externalities of operations

‘Economy of meaning’

4

GREEN
RECOVERY
STRATEGY:
EXTERNAL

INTERNAL

EXTERNAL

POLICIES

IMPERATIVE

“We must target public spending on **green, labour intensive projects** which have **far more bang for their bucks than tax cuts**”

Joseph Stiglitz, economist and Nobel laureate

FIVE POLICIES
with high potential
on both
economic multiplier and
climate impact metrics

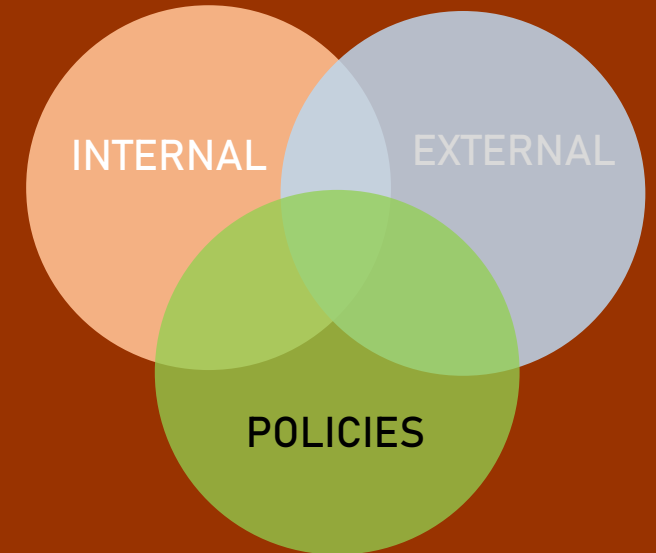
- clean physical infrastructure
- building efficiency retrofits
- investment in education and training
- natural capital investment
- clean R&D

Source: Hepburn, C., O’Callaghan, B., Stern, N., Stiglitz, J., and Zenghelis, D. (2020). Will COVID-19 fiscal recovery packages accelerate or retard progress on climate change?’. Smith School Working Paper 20-02.

HOW?

5

GREEN
RECOVERY
STRATEGY:
POLICIES



IMPERATIVE: SIDS

HOW?
*A GLOBAL
SOUTH FOCUS*

“The COVID-19 crisis is a watershed moment to align the effort of **sustaining livelihoods** dependent on tourism to the SDGs and ensuring a **more resilient, inclusive**, carbon neutral, and resource efficient future.” *UN, August 2020, p.4*

international arrivals dropped by 47 % in the first four months of 2020 (world: 44 %)

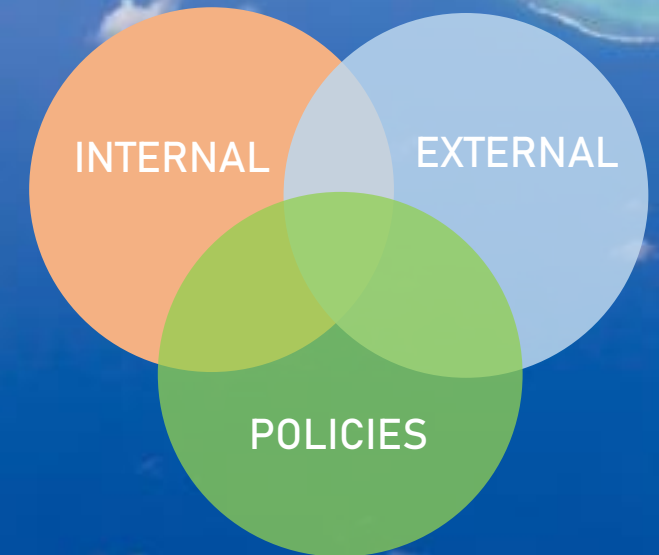
Source: UNWTO, Aug 2020

limited (gov't) resources, small domestic market, high poverty levels, reliance on imports & foreign aid, fragile environments and remoteness

Source: UNWTO, Aug 2020; Pratt, 2015

tourism dominated by Global North
tourism industry

E.g.: Mowforth & Munt, 2016; Hall & Tucker, 2004; Crick, 1989; Britton, 1982



IMPERATIVE: SIDS

HOW?
*A GLOBAL
SOUTH FOCUS*

SHORT/MID-TERM - “Try to survive”

- Understand pre-COVID-19 markets
- Focus on risk-tolerant segments & high-value customers

LONG TERM “Close loops & diversify”

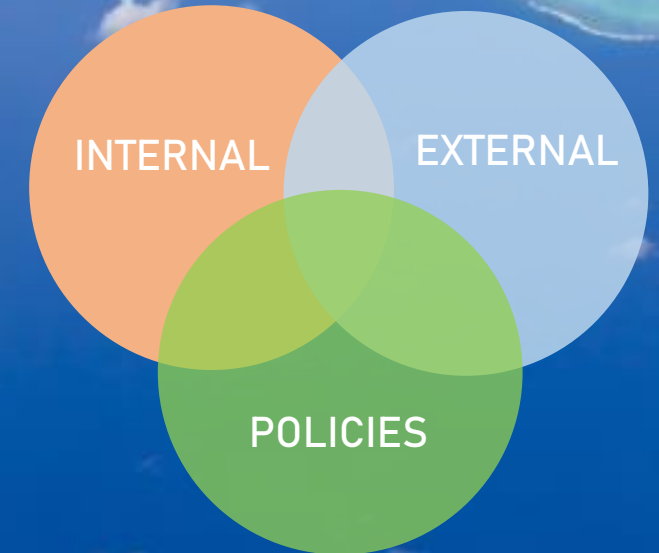
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- Strengthen smallholder farming & local food chains
- Strengthen land rights / customary land tenure of indigenous communities

Source: Scheyvens et al., 2020; Laeis, 2019; Berno, 2011; Rhiney, 2008

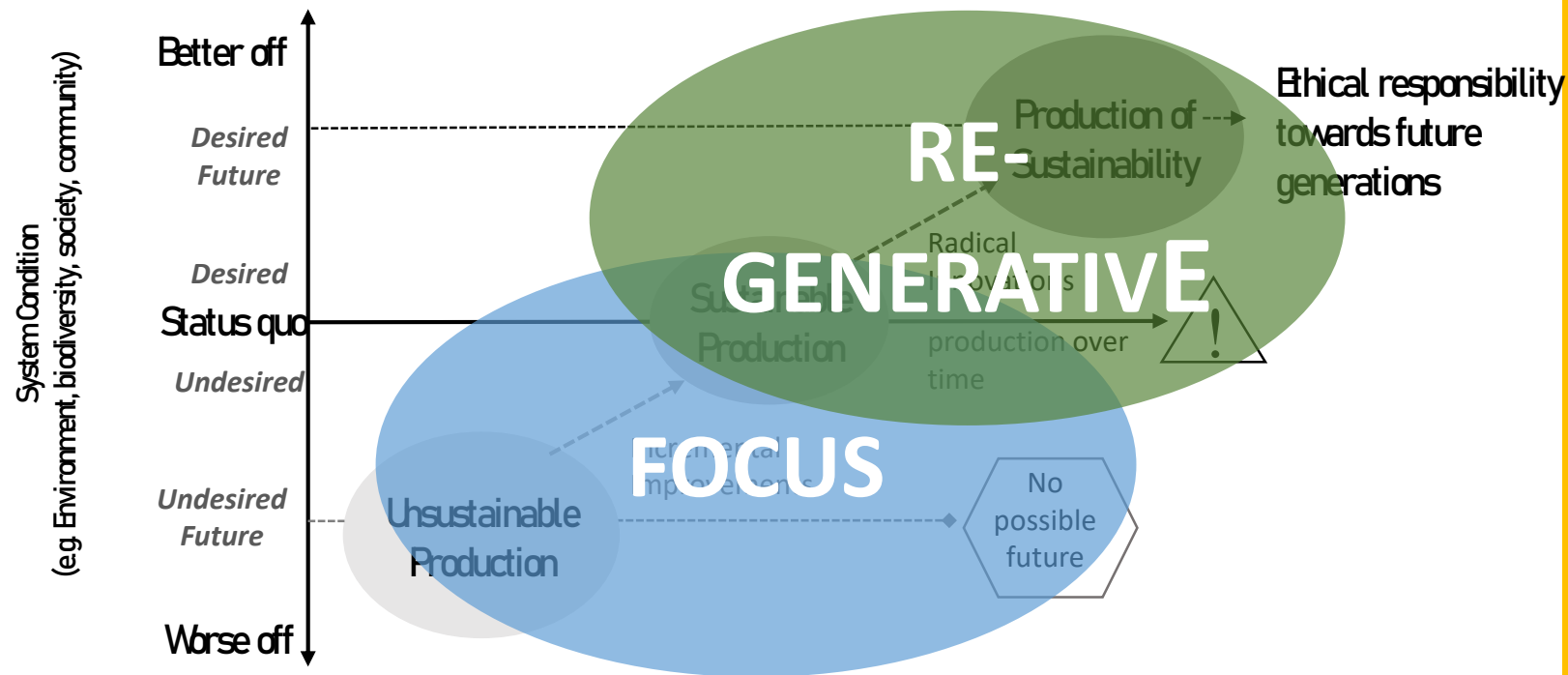
- Carefully assess options of *Blue Economy* and *Digital Innovations*
- Re-skill workers

Source: Bennett et al., 2019; Murphy-Braynenand & Thurman, 2019



FUTURE-PROOFING

WHEN?



Source: Legrand, W., Cavagnaro, E., Schønrock Nielsen, R. & Dubrocard, N. (2020). Sustainability without Limits – Strategic and Operational Innovations in the Hospitality Industry, in Gardini, M., Ottenbacher, M.C., & Schuckert, M. (Eds.) Routledge Companion to International Hospitality Management, Oxford, Routledge. 161-172.

THE HOSPITALITY INDUSTRY

FOR WHOM?

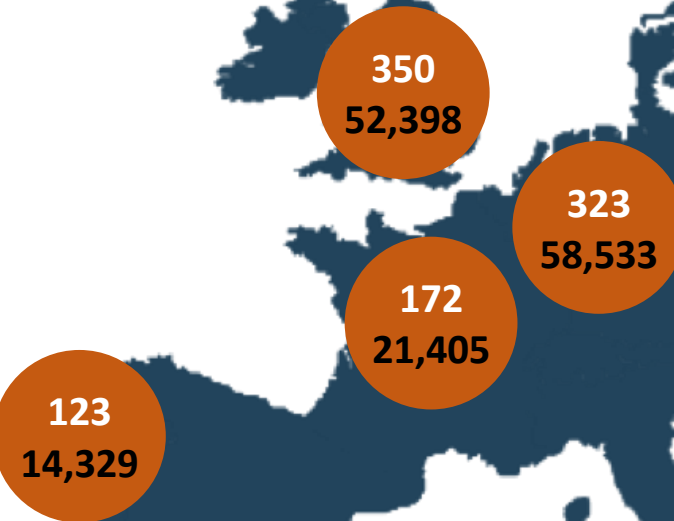
HOTEL INDUSTRY PIPELINE EU

Q2 of 2020: Still expanding despite COVID-19

Near record high of 1,851 projects and 295,038 rooms

Under Construction

Hotels
Rooms



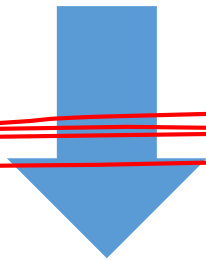
	Under Construction	Next 12 Months	Early Planning	Open Q1
Projects/Hotels	929*	477	451	35
Rooms	149,637*	75,818	69,583	5,998

* All time high

Source: Lodging Econometrics

KEY QUESTION

How do we create a hotel, which is kind to the **environment**, healthy to its **workers**, pleasing to its **guests**, efficient for the **operators** and profitable to its **owners**?



GREEN RECOVERY IMPERATIVE

The green recovery imperative is based on the concept that both climate change mitigation and environmental protection should be prioritized to help economies recover

THE GREEN RECOVERY IMPERATIVE

Future-proofing the Hospitality Industry

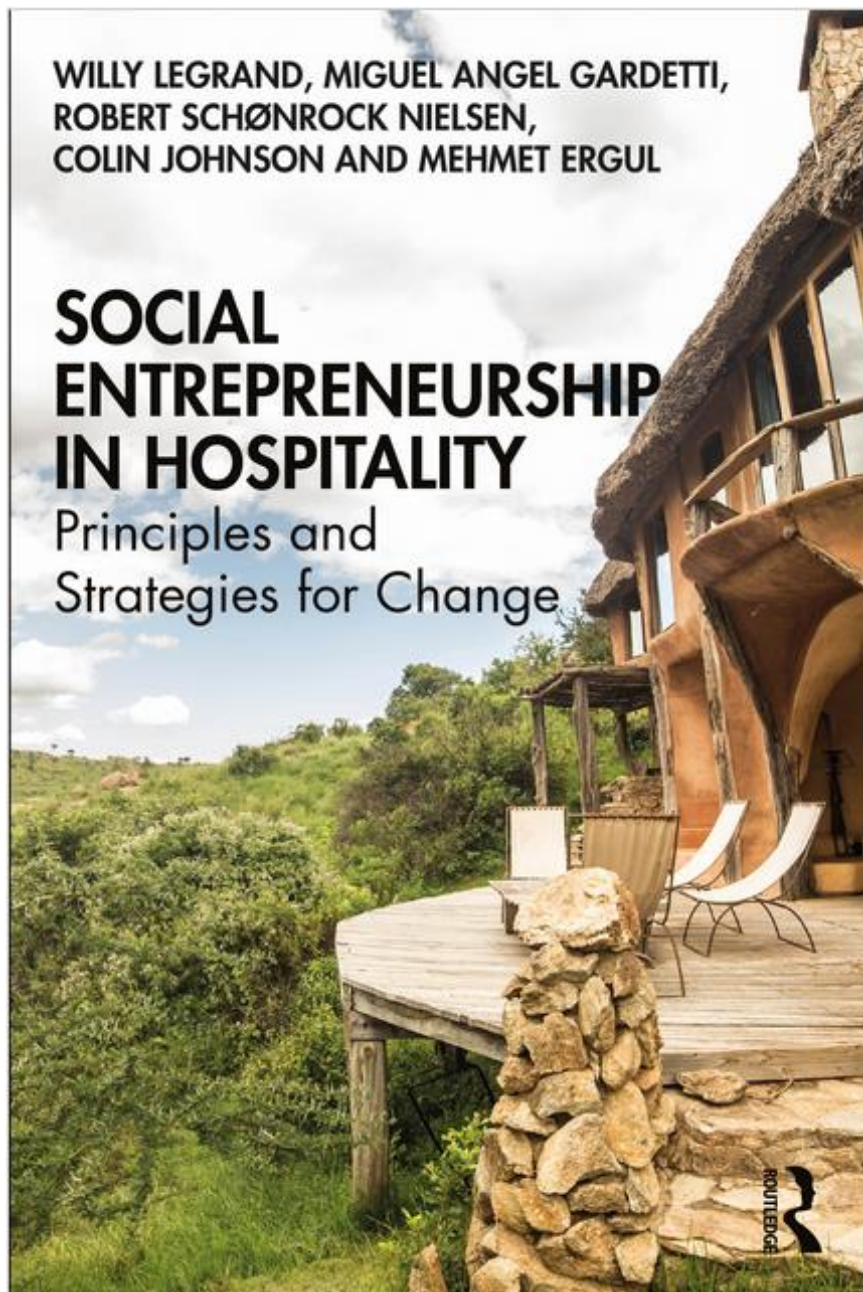
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*Chumbe Island Eco-Bungalows
living in the open with a near
zero environmental impact
(Photo Credit: Peter Bennett)*



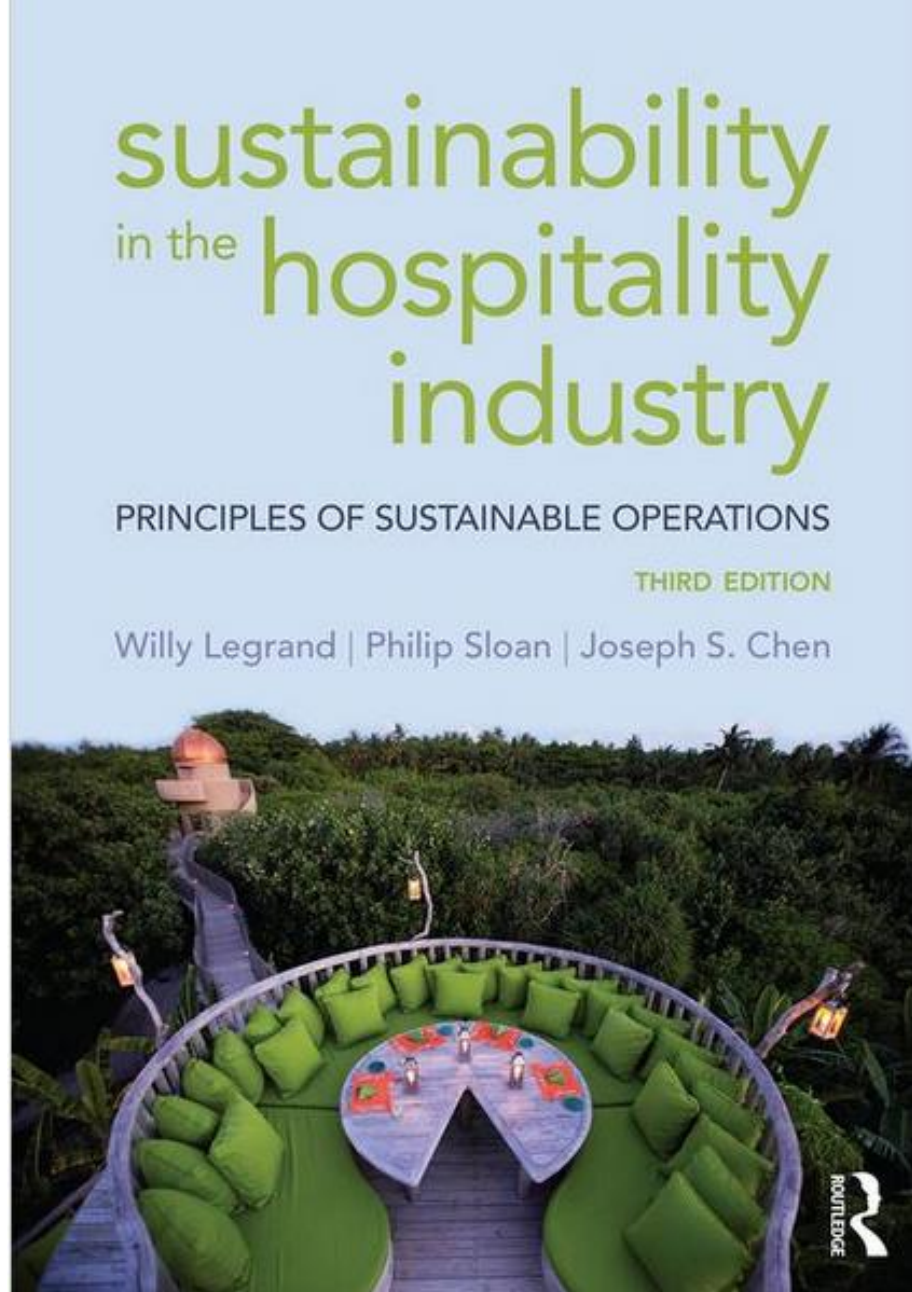


WILLY LEGRAND, MIGUEL ANGEL GARDETTI,
ROBERT SCHÖNROCK NIELSEN,
COLIN JOHNSON AND MEHMET ERGUL

SOCIAL ENTREPRENEURSHIP IN HOSPITALITY

Principles and
Strategies for Change

Global release: November 2020



sustainability in the hospitality industry

PRINCIPLES OF SUSTAINABLE OPERATIONS

THIRD EDITION

Willy Legrand | Philip Sloan | Joseph S. Chen

4th Edition: Fall 2021

Textbook, slides, exam question, case studies, lecturer's material

hospitalitynet™

<https://www.hospitalitynet.org/>

Sustainability in Hospitality



The Future of Sustainability Certification: Micro-Certification?

Over the past 20 years, the hospitality industry has experienced a continuous increase in various 'stamps of approval', especially at the sustainable front. A few large certification bodies with extensive criteria catalogues dominate the market but hoteliers and consumers

VIEWPOINT 14 experts shared their view



Hygiene and Sustainability: How to make both work?

Just when it seemed as if single-use plastics were slowly becoming a thing of the past, COVID-19 hit the industry. The second half of 2019 had seen more and more industry leaders making public pledges to abandon a product group that had become the infamous

VIEWPOINT 17 experts shared their view



COVID-19: A stress test for sustainable development in hospitality?

"Covid 19 is climate change on warp speed" (Wagner, Mar. 10, 2020). The current pandemic has catastrophic consequences on the hospitality sector. The ways the industry currently deals with the crisis (for example, see: COVID-19 - Survival Guide for the Hospitality

VIEWPOINT 12 experts shared their view



Sustainability Gives Hotels An Edge In The War For Talent. Or Does It?

The hospitality industry has long been suffering from failing to attract and bind talent. The labour turnover rate is shocking. According to the U.S. Bureau of Labor Statistics, hospitality employees quit their job two to three times more often compared to other industries.

VIEWPOINT 12 experts shared their view



How can sustainability be communicated beyond clichés and greenwashing?

Both clichés and greenwashing are amongst the biggest traps to fall into when communicating sustainability. A "let's save the world" claim and tacky towel policy stickers are superficial and unappealing and could be a turn-off to the small group of environmentally and socially

VIEWPOINT 21 experts shared their view



Hotel Sustainability: Top 3 Technologies to Implement in 2020

There seem to be two schools of thought in regards to achieving greater sustainability. One is based on a behavioural change to tackle societal and environmental challenges. More precisely in managing resources with moderation, restraint, and constraint (i.e.

VIEWPOINT 21 experts shared their view



Who makes hospitality sustainability happen: Governments, Industry, Consumers?

What (or who) helps hospitality companies improve faster? Consumer-led campaigns on plastic straws have pushed many hospitality companies to consider alternatives or simply ban single-use plastics. So far, however, the vast majority of guests still choose their hotels

VIEWPOINT 12 experts shared their view



Climate Emergency And The Hospitality Industry: Are We On Track?

The hotel industry must reduce its greenhouse gas (GHG) emissions per room per year by 56% by 2030, and 90% by 2050 (see ITP, 2017). However, looking at 10 of the largest hotel companies, only one sets a goal that is in line with the science-based targets.