

HOTREC's position paper on
sustainability in the hospitality sector

Towards sustainable tourism in Europe

May 2020



Key facts and figures on the European hospitality sector

- The hospitality sector is made of **2 million** businesses;
- **90%** of hospitality businesses are **micro-enterprises**;
- The hospitality sector directly employs **12,5 million** people in Europe;
- **2 million new jobs** were created between 2013 and 2017;
- With **20,2%** of workers under 25 years, the sectors fights youth unemployment;
- The sector facilitates social inclusion, with **30,2%** of workers relatively unskilled;
- Hospitality and tourism represents the **3rd socio-economic activity** in Europe;
- Nevertheless, COVID-19 hit the industry hard. Estimates point out a loss of turn-over between **80-90%** during Q1 2020. More than **6 million** jobs are at stake.

I Towards sustainable tourism in Europe

HOTREC, the umbrella association representing the hospitality sector in Europe, fully supports the widely accepted definition of sustainable development: **“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs”**.

HOTREC is therefore committed to contribute to the sustainable economic development objectives set out by the United Nation Sustainable Developments Goals (SDGs) and the 2030 Agenda for Sustainable Development, and in particular:

- **SDG 3 (Good health and well-being);**
- **SDG 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all);**
- **SDG 12 (Ensure sustainable consumption and production patterns), and;**
- **SDG 17 (Revitalize the global partnership for sustainable development).**

HOTREC believes these objectives are key to ensure Europe’s long-term sustainable growth and competitiveness. Therefore, HOTREC supports the need to promote sustainable, responsible and high quality tourism, which can only be achieved if it is based on sustainable economic growth, stability and regeneration. For this reason, HOTREC agrees to foster the following general principles:

- The preservation of the economic sustainability of the tourism industry and the recognition of its socio-economic importance in all EU Member States;
- The preservation and protection of the environment, biodiversity and the prudent use of natural resources;
- The respect of the socio-cultural authenticity of host communities and regions, the conservation of their living cultural heritage and traditional values, and the contribution to inter-cultural understanding and tolerance.

To reach these goals, HOTREC already actively engages in various activities, which help the hospitality sector to provide a positive contribution to the United Nation’s SDGs and to a sustainable tourism development:

¹ HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 2 million businesses, being 99,5% small and medium sized enterprises (90% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides almost 12,5 million jobs in the EU alone (2017). Together with the other tourism industries, the sector is the 3rd largest industry in Europe. HOTREC brings together 45 national associations representing the interest of this industry in 33 different European countries.





- HOTREC is an official partner of the **UN 'One Planet – Travel with care' programme**, a signatory of the **UNWTO global code of ethics**, an active member of the **EU Platform on food losses & food waste**; of the **EU platform for action on diet, physical activity and health** and of the **European Alcohol and Health Forum**;
- HOTREC issued **guidelines to reduce food waste and recommendations to manage food donations** in hospitality businesses;
- HOTREC issued **guidance and solutions to raise energy efficiency in the hospitality sector**;
- HOTREC published a **position paper on overtourism**;
- HOTREC holds with its trade union counterpart **EFFAT** a social dialogue since 20 years.

II HOTREC line of actions on sustainability

On the basis of the considerations above, HOTREC member associations commit to work along the following **policy lines of action**:

- The promotion of the numerous existing best practices in the hospitality sector throughout Europe. To do so, HOTREC regularly invites its national member associations to share their valuable experiences and projects with other member associations;
- The promotion of sustained, inclusive and sustainable economic growth in the hospitality sector;
- The support and promotion of good and sustainable practices, provided that the related investment required can be recovered and result in profits in the medium and long-term. In this regard, the sharing of best-practices to help hospitality businesses to measure their carbon footprint will be encouraged;
- The promotion of the use of energy efficient products and renewable energy sources, as well as of projects aimed at building capacity on energy management for enterprises, to help the hospitality sector to reduce its energy consumption and carbon footprint, in line with the objectives of the Paris International Climate Agreement and various SDGs;
- The promotion of actions to reduce food waste in the hospitality sector, in order to contribute to the EU's commitment to halve food waste by 2030 as per the UN SDG 12.3;

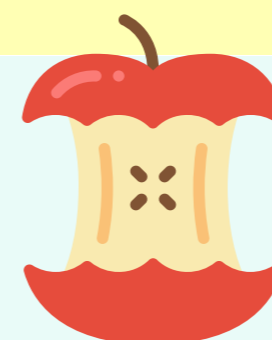
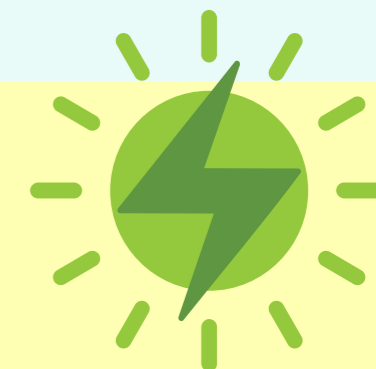
- The promotion of the regional agricultural products and the enhancement of the relation between tourism, local agriculture and culture;
- The promotion of sustainable water resource use and waste management, both in pursuing new business developments and in their daily operations;
- The promotion and development of skilled labour through training and career development;
- Consider entering into partnerships at EU/international level to promote sustainability measures in the sector.

HOTREC's top 4 line of actions on sustainability



The support and promotion of **good** and **sustainable practices**.

The promotion of the use of **energy efficient** products and **renewable energy sources**.



The promotion of actions to **reduce food waste** in the hospitality sector.

The promotion and development of **skilled labour** through training and career development.



III General principles on governance & sustainability: consultation and multi-stakeholder dialogue and initiatives

HOTREC believes that sustainable tourism development requires the **informed participation of all relevant stakeholders**, as well as strong **political leadership**, to ensure wide participation and consensus building. HOTREC also believes that multi-stakeholder dialogue, stakeholders consultation and the active involvement of all concerned parties are a necessary pre-requisite to ensure effective public policy actions related to sustainability.

Therefore, HOTREC calls on the EU institutions to **consult and actively involve the hospitality industry in all European Union policy and legislative initiatives related to sustainability likely to impact hospitality and tourism**, to ensure that the specific needs of the industry are duly taken into account. HOTREC also considers that sustainability is a collective responsibility that does not solely lie with businesses, but equally with consumers and governments, including local authorities.

IV Public funding is needed to boost tourism businesses' investment capacity

HOTREC points out that the sustainable use of resources in the tourism industry necessitates **real incentives, especially financial, for both the industry and the consumers** to facilitate a shift in their practices and together achieve sustainability. Over recent years, the number of consumers of hospitality services looking for a more sustainable tourism experience has increased exponentially. Businesses are willing to

respond to this demand. They are increasingly taking actions through many operational changes in their processes to raise their sustainability. HOTREC and its national associations strongly encourage such actions. However, to achieve the goals set in the SDGs and international climate commitments, this sustainability shift also requires important investments, which many tourism SMEs, and in particular micro-enterprises, cannot afford, due to low profit margins and difficult access to finance. This is the case for instance for investments related to energy efficiency in hospitality buildings, use of sustainable energy, eco-renovations, installation of electric car recharging infrastructure or use of the most recent green technologies.

Therefore, HOTREC calls on EU institutions to provide the necessary funding and other financial incentives to hospitality businesses, to help them to fulfil the sustainability objectives in line with the SDGs. **A Strategic investment plan on tourism SMEs is needed to help them invest in sustainability**, in order to deliver a positive long-term and sustained impact on the reduction of the businesses' greenhouse gas emissions, especially taking into account the effects of the COVID-19 crisis in the sector.

HOTREC also points-out that there is an important skills shortage in the sector, which slows job creation in the sector and limits its potential to provide a fully inclusive growth. To overcome this challenge, EU institutions and public authorities should provide funding to develop training and upskill the workforce.

HOREC also proposes that a **budget line dedicated to tourism** is introduced in the Multiannual Financial Framework in order to for the sector to be able to implement the aforementioned sustainable proposals.

V Consumer awareness on sustainable practices

The creation of a large market for sustainable tourism and hospitality products and services should work as a powerful incentive for businesses to adopt quickly sustainable practices. Despite growth in consumer demand for a more sustainable tourism experiences, sustainability is not (yet) the key driver for consumers choice of tourism products and services. Boosting consumer awareness about sustainability in tourism and hospitality should be seen by public authorities as a key priority to create/boost such a market.

HOTREC calls on public authorities to take measures to educate consumers to adopt sustainable behaviours when using hospitality services, as sustainability addresses them in the same way, as it does to businesses. Awareness raising campaigns should therefore be addressed to both entrepreneurs and consumers.

Overall, sustainable tourism should maintain a high level of tourist satisfaction and ensure a meaningful experience to tourists, raising their awareness about sustainability issues and promoting sustainable tourism practices from them.





VI HOTREC position on various sustainability-related matters

Food waste

In line with its relative (small) share of food waste in the food chain, hospitality has a role to play to contribute to the goal of halving food waste by 2030, as per SDG 12.3. HOTREC calls on public authorities and stakeholders to cooperate in order to support actions to reduce food waste in the hospitality sector and to implement the [EU recommendations for action in food waste prevention](#) adopted by the EU Platform on food losses & food waste.

Overtourism

Overtourism is a complex and rapidly evolving issue. It is infused with emotive sentiments over the rights of visitors vs. the rights of local people, and global trends vs. local habits. The hospitality industry strongly contributes to sustain, as an integral part of the global travel and tourism sector, the local eco-system by providing jobs and growth and therefore strongly and positively impacts life and society. HOTREC is committed to dialogue with relevant public authorities to develop sustainable tourism and considers that measures to tackle future overtourism must be fair and proportionate in order for the industry to keep playing its economic and social role (i.e. by creating tens of thousands of jobs every year). HOTREC calls on public authorities to consider positively its [five policy recommendations for policy and decision-makers](#).

Environmental and ecolabels

HOTREC is favourable to the use of environmental labels for tourist accommodation services and restaurants, provided that they are always voluntary, focused on a consumer oriented approach - so that consumers are equally involved- and of course industry driven. HOTREC also considers that when existing labels work well and are recognised by consumers, public authorities should avoid creating new labels, as proliferation lead to confusion. Therefore, HOTREC does not favour the extension of the EU ecolabel to restaurant services, as there are already well functioning labels in this field.

Concerning environmental labels in the hotels sector, HOTREC considers that:

- The Green Key and EU ecolabel are two examples of robust and well-run schemes that should be further promoted by the EU and the sector itself;
- The EU should find efficient ways to incentivise a positive market reaction from consumers upon the use of such labels by hotels, as currently, consumers do not yet change their consumption behaviours/choices in favour of hotel services bearing these labels.

Tackling the carbon footprint of the hospitality sector

The hospitality sector in Europe has already undertaken strong efforts to raise resource efficiency and reduce its greenhouse gas emissions. This means that in terms of overall environmental and carbon footprint, the hospitality sector performs far better than the Short Term Rental sector. This gap will actually grow, as the hospitality sector is committed to further reduce its carbon footprint.

To this aim, HOTREC:

- Calls on the widespread use of the **HOTREC guidance and solutions to raise energy efficiency in the hospitality sector** or of similar guidance by its member associations;
- Supports the deployment of simple carbon measurement tools for the hospitality sector such as the Hotel Carbon Management Initiative developed by the **International Tourism Partnership** and **WTTC**;
- Calls on (EU/National) public authorities to promote 'green leases' and Energy Performance Contracts as new business models to enable higher energy efficiency and reduced greenhouse gas emissions in the hospitality sector;
- Promotes voluntary efforts to communicate hotels efforts to reduce their carbon footprint;
- Calls on the EU to improve access to finance / loans for eco-renovation in the hospitality sector and to lift regulatory barriers to such renovations;
- Calls on the EU to ensure that the EU Green Deal financial investment and renovation wave will be used to support renovation of buildings in small hotels and to incentivise energy audits.

Tackling the overall travel and tourism sector's carbon footprint

Currently two major sources of carbon emissions in the travel and tourism sector are linked to air travel and cruiseships. HOTREC promotes reasonable steps to ensure reduction of these emissions.

Concerning air travel carbon emissions, strong improvements in aviation emissions already materialised thanks to sustainable fuels and innovation, resulting in a sharp reduction of net emissions per passenger per kilometre. Moreover, aviation emissions are currently largely regulated by the ETS scheme, which allow to compensate these emissions, while further emission reduction efforts are considered under the ETS. HOTREC welcomes such efforts and calls on their continuation.

As an increased taxation of air travel is often considered in Europe, HOTREC recalls the following:

- Tourism is a strong provider of growth and jobs and often relies on air travel for cross-border tourism. Strong increases in taxation of air travel may have a strong negative impact on tourism and the local economy in the Member States. Caution and proportionality are therefore needed;
- A high number of local destinations in Europe with low connectivity are highly dependent on air transportation (e.g. islands). Any policy aiming to raise air travel taxes should consider to differentiate between destinations with and without alternatives to air transportation.

Concerning cruise ship activities, they are often an important part of the tourism landscape in many local destinations and contribute positively to the tourism economy. However, the fast growth of this sector is often matched with a fast and disproportionate growth of emissions which has become an important part of the emissions in the tourism sector, while raising concerns about overtourism in some local destinations.





To address this issues, HOTREC calls on all parties to:

- Promote on-shore charging stations for cruiseships as an efficient solution to reduce emissions from cruiseships and the tourism sector;
- Promote the possibility for local destinations to apply, when necessary, sensible and proportionate ceilings on local visitor capacity from cruises to be agreed through dialogue among all parties in each destinations.

Single Use Plastics (SUPs)

As provided by [Directive 2019/904](#), the hospitality sector will progressively phase-out plastic straws, cutlery and plates, as there are currently safe alternatives to these items available on the market (though more costly). However, there are no safe alternatives to food containers (for immediate consumption) and to some beverage cups, leaving no choice to hospitality businesses but to use them for the time being. HOTREC welcomes that these items are not banned by Directive 2019/904 and encourages the European Commission to explicitly mention in its upcoming guidelines that all types of such food containers (e.g. French fries containers, meal boxes, plastic wraps) are indeed covered by part A of the annex to the Directive (therefore not subject to a ban but to national measures to reduce their consumption). Public authorities should also incentivise research on safe and affordable alternatives.

Coastal and maritime tourism

Coastal areas attract more than one third of all tourism businesses in Europe. Nevertheless, coastal tourism faces several challenges, namely seasonality (with packed destinations during high season, and businesses closing down during the low season), lack of accessibility, skills shortage and sustainability. As a response, HOTREC proposes to face overtourism by extending the season all year long, by stimulating the performance and competitiveness of the activity through the creation of network, by responding to insularity through national and regional strategies, by promoting skills and innovation while strengthening sustainability overall.

HOTREC position paper on "[Coastal Tourism: challenges & opportunities](#)"

Active inclusion of migrants in the labour market

HOTREC and its trade union counterpart EFFAT support the programme to boost labour inclusion of migrants in the hospitality sector, as put in place in Austria, Denmark Germany, Italy, Sweden and other countries. HOTREC and EFFAT will keep gathering and disseminating such best-practice examples to their members.

Towards sustainable tourism in Europe

Consultation & multi-stakeholders dialogue

- Informed participation of all relevant stakeholders
- EU institutions to involve & consult the industry in EU policy & legislative initiatives related to sustainability



Public funding

- Real, financial incentives needed from both the industry & the consumers
- Need for a strategic investment plan on tourism SMEs to help invest in sustainability



Consumer awareness

- Creation of a large market for sustainable tourism and hospitality products as a powerful incentive to adopt sustainable practices



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