



Destination Water Risk Index

Executive summary

2nd edition, March 2023



The Destination Water Risk Index (DWRI) is a joint initiative of Greenview, the Sustainable Hospitality Alliance, STR, a CoStar Group Company and Ecolab.



Executive summary

Water scarcity is a pressing issue that has consistently ranked among the top ten global risks. Hospitality businesses should take this into account in their business strategies and operations as the potential for lack of water to impact negatively on them and their communities is high.

The *Destination Water Risk Index* was created to:

- help the hotel industry **understand the water-related risks** where they are located
- **incorporate water-related risks into their strategies** to grow sustainably, responsibly and intelligently.

Four locations

have **very high** water-related risks

13%

of all destinations assessed have **very high / high** water risk

The *Destination Water Risk Index* (2nd edition) has highlighted:



90%

Middle East and Africa destinations assessed have very high / high risk



33%

Asia Pacific destinations assessed have very high / high risk



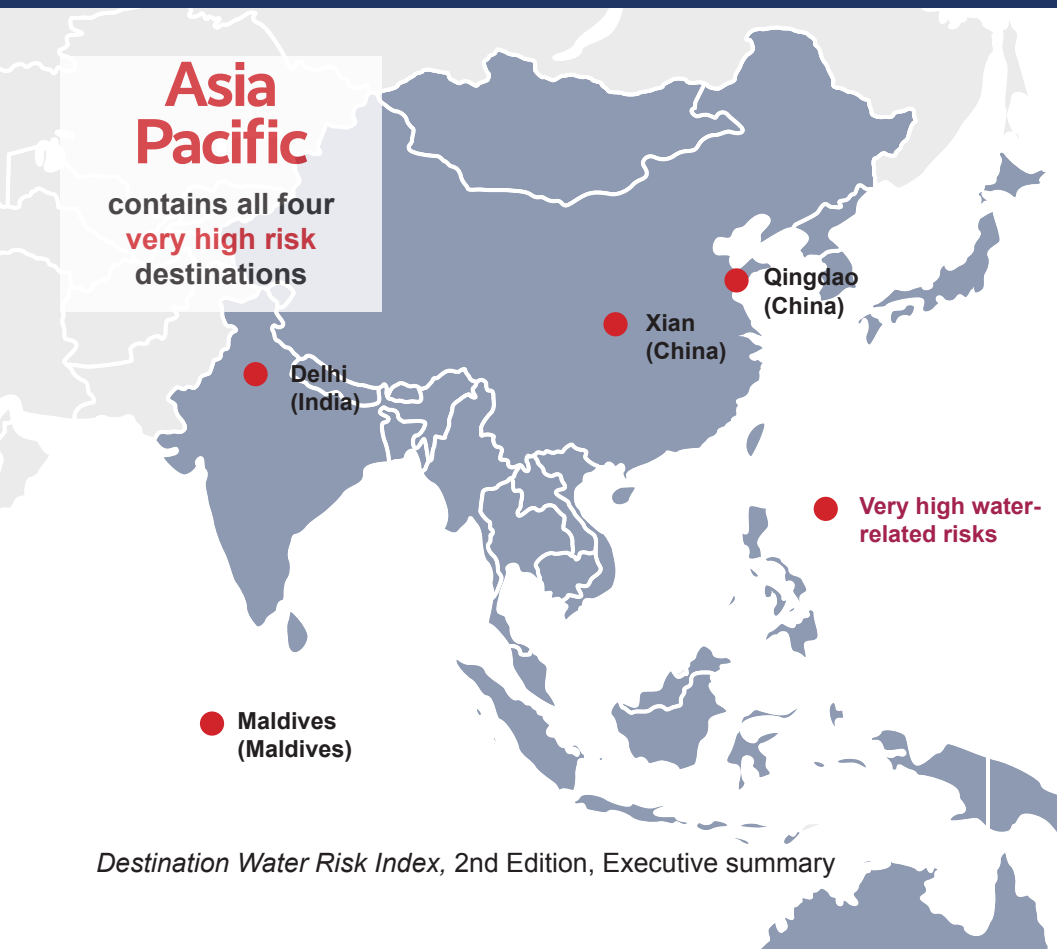
4%

Europe destinations assessed have very high / high risk



2%

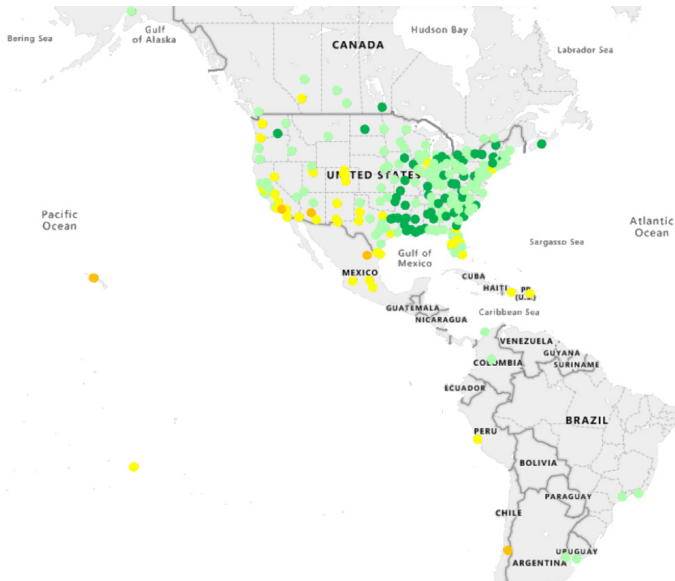
Americas destinations assessed have very high / high risk



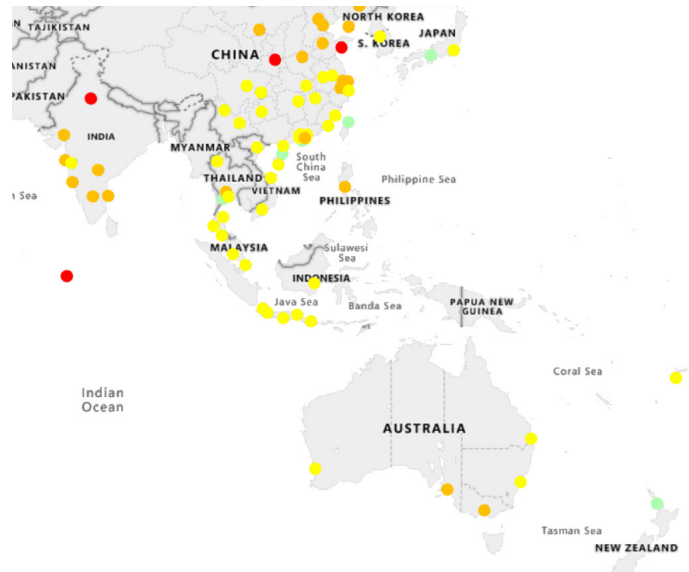
Risk by region

A total of 379 destinations across 63 countries are included in this edition. The heat maps below show the total risk score (index) by region for all destinations in the data set.

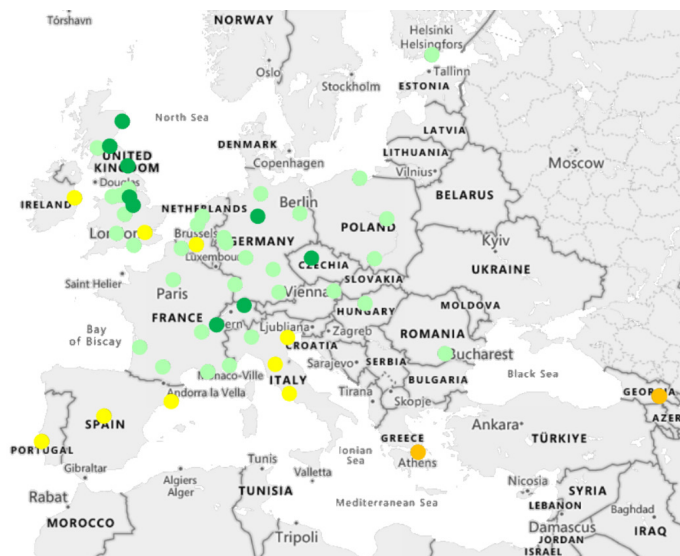
Americas (233 destinations)



Asia Pacific (75 destinations)



Europe (52 destinations)



Middle East & Africa (19 destinations)

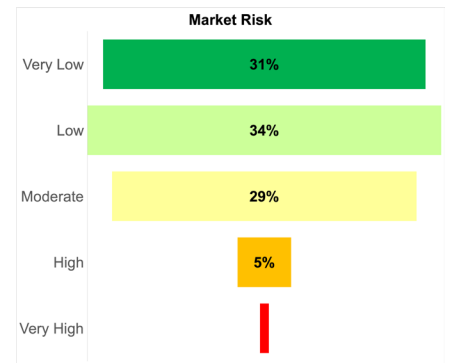
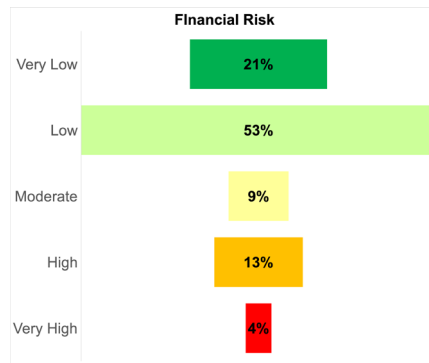
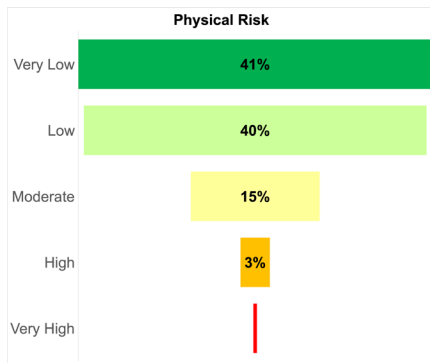


Colour code	Risk index	DWRI score threshold
Green	1 – Very low	<16.8
Light Green	2 – Low	>16.8 and <23.6
Yellow	3 – Moderate	>23.6 and <30.4
Orange	4 – High	>30.4 and <37.2
Red	5 – Very high	>37.2

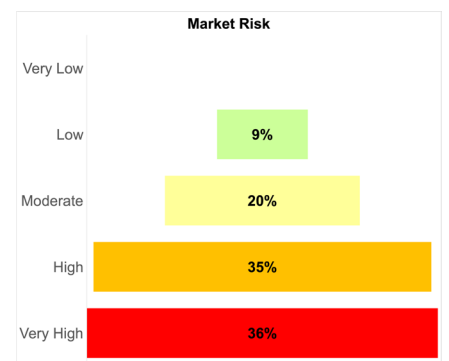
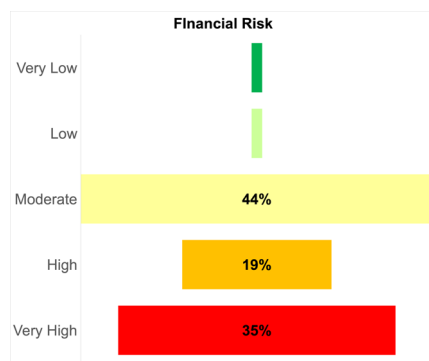
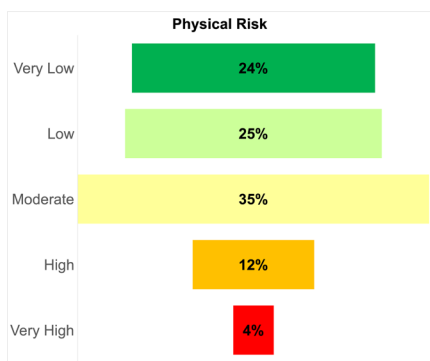
Risk by region and risk type

The following graphs show the distribution of the risk index from for each risk type within the respective regions.

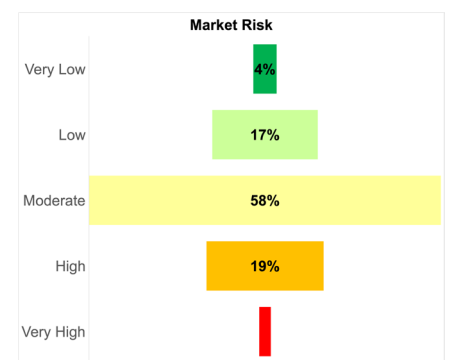
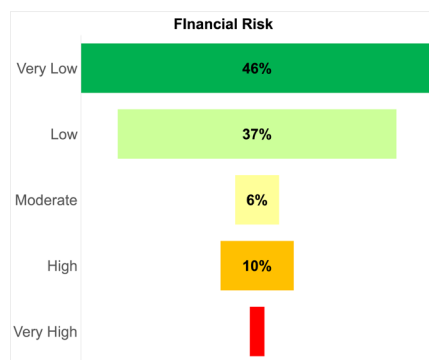
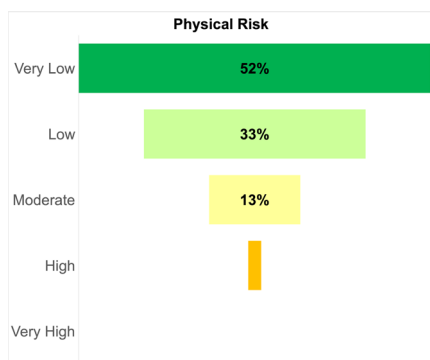
Americas (233 destinations)



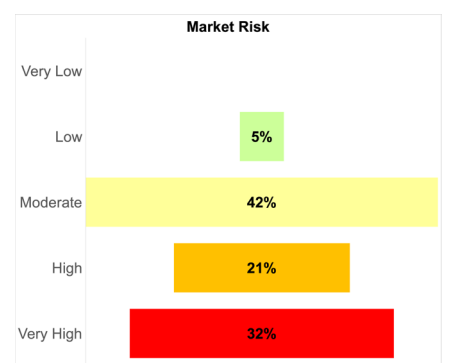
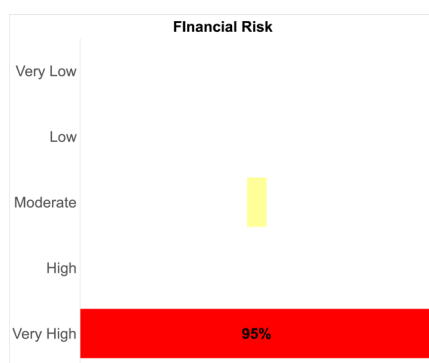
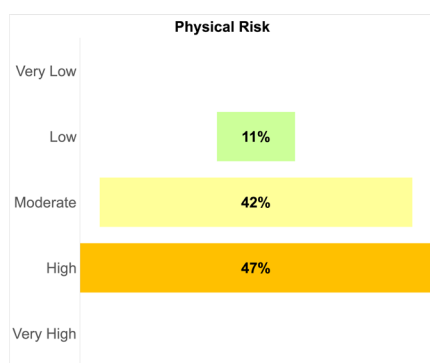
Asia Pacific (75 destinations)



Europe (52 destinations)



Middle East & Africa (19 destinations)



Physical risk: quantity of available water, whether too little or too much.

Financial risk: potential impact of water risk on revenue and operating costs.

Market risk: impact of tourism market conditions on water risks.