

Press release

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DESTINATION WATER RISK INDEX HIGHLIGHTS REGIONAL WATER RISKS TO SUPPORT THE HOSPITALITY INDUSTRY TO GROW SUSTAINABLY

Hospitality sector highlights destinations facing high water-related risks, particularly noting Delhi, the Maldives, Qingdao and Xian.

Net Positive Hospitality pathway provides framework to combat issue and future-proof sector.

A global water risk analysis for tourism is unveiled today, ranking destinations around the world in terms of high to low risk with Asia, the Middle East and Africa showing the highest concentration of those at risk of water related issues in the near future.

Launched today at the <u>UN Water Conference</u> in New York, <u>The Sustainable Hospitality Alliance</u> (the Alliance) along with Greenview have developed the second edition of the **Destination Water Risk Index** in a bid to prioritise action within the hospitality sector on destinations facing high water-related risks (including water scarcity) and to future-proof the industry.

The index, which was created with the support of STR, a CoStar Group Company, and Ecolab, helps the hotel industry understand the water-related risks where they are located, incorporate them into their strategies and so grow sustainably, responsibly, and intelligently.

The report includes guidance and tools to help businesses within the industry ensure future prosperity by taking action now against water-related risks. The index is one part of the Alliance's wider vision of Net Positive Hospitality to create a prosperous and responsible global hospitality sector that gives back to the destination more than it takes and ultimately ensures the survival and continued growth of the industry.

Water scarcity is a pressing issue, particularly at a regional level, that has consistently ranked among the top ten global risks. As reported by the World Resources Institute, a quarter of the world's population already face "extremely high" levels of water stress, and this leaves them highly vulnerable to the impact of drought or increases in water use. Lack of water may severely affect businesses and local communities in a variety of ways, including increased costs of water and food, political and economic instability, reputational loss, and a reduction in revenue.

Risks assessed in the research include the physical risks of too much or too little water, the financial risk to businesses and the impact of tourism market conditions on water risk.

A total of 379 destinations across 63 countries were assessed and included in this edition of the *Destination Water Risk Index*. Water consumption within the industry is high and the potential for lack of water will impact negatively across the high-risk regions highlighted. The risk analysis reveals that there are four locations with very high water-related risks including;



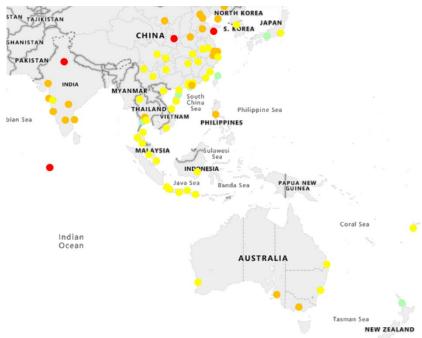
- o Delhi (India)
- Maldives (Maldives)
- Qingdao (China)
- Xian (China)

13% of all destinations assessed globally have very high or high water risks, with the majority being within the Asian, Middle East and African regions. This breaks down to 90% of destinations evaluated in the Middle East and Africa and 33% of destinations assessed in Asia Pacific. The results also show that Europe and the Americas both contain destinations with high water risk.

Glenn Mandziuk, CEO of the Sustainable Hospitality Alliance comments; "Our vision of Net Positive Hospitality encourages every part of the hospitality industry to understand the interconnectedness of people, planet, place and prosperity, and ensure they are contributing towards a better future for all, as well as ensuring the survival of businesses within the sector. Water stress presents a key example where hotels need to strongly consider how their future developments, operations and even supply chain choices have very real consequences on the resources of the local populations where they are based. Incorporating water stewardship strategies into corporate plans will not only ensure sustainable growth and prosperity of the industry, but will make a positive impact for the long-term health of our communities and people. The launch of our latest Destination Water Risk Index, along with the guidance on how this data can incorporated into strategic plans, I hope will be welcomed by the sector as we support and guide the industry on addressing and acting on this pressing problem."

"The threat of water scarcity is no longer a distant concern—it's a business reality that demands attention, especially given the projected growth of our industry. We are excited to be part of this project and lend our expertise and data synergies. Our goal is to help hotels and destinations better understand the risks associated with water scarcity and provide actionable recommendations on how to mitigate those risks. This report is a valuable tool for anyone looking to make progress on their sustainability journey." Eric Ricaurte, CEO of Greenview.





25 destinations across Asia Pacific have a very high or high water risk



17 destinations across Africa and the Middle East have a very high or high water risk

Owners within the sector are encouraged to make water stress a key factor in their planning and development process for destinations with moderate and higher-risk levels. This includes destinations in India, Australia, China, the US, and several others across the Middle East, Europe and Africa. Building design should incorporate high-efficiency water systems (such as low-flow showers, toilets, taps, etc.) and water-saving features (such as an automatic rigid pool cover, automatic sprinklers etc.).



Operators are advised to regularly monitor water consumption and an action plan for improvement is essential, particularly in destinations with High and Very High risks in metrics including baseline water stress, water intensity litres per OCRM, and population.

The hospitality industry has developed a programme for hospitality businesses to take into account this pressing issue within their operations. Earlier this month the Alliance launched its latest Pathway to Net Positive Hospitality, a live resource and guidance to help both owners and operators understand and manage their impact, including water use, in a more sustainable manner. The guidance sets out the key ambitions and milestones combined with tools and resources to support the implementation towards Net Positive Hospitality.

Read the full Destination Water Risk Index here.

Watch the UN Water Conference here.

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Notes to Editors

About the Sustainable Hospitality Alliance

The Sustainable Hospitality Alliance brings together hospitality industry leaders and strategic partners to address key challenges affecting the planet and its people, local destinations and communities. They develop practical free resources and programmes to create a prosperous and responsible hospitality sector that gives more back than it takes.

The Alliance currently has over 30 members which have a reach of 7 million rooms and include world-leading hotel companies including Choice Hotels, Marriott International, Hilton, IHG, Hyatt and Radisson Hotel Group as well as regional brands and other stakeholders in the hospitality value chain.

Their network also includes other parts of the hospitality value chain, including owners, investors and suppliers, to further drive joined up action on sustainability, and accelerate the industry on the path to net positive hospitality. For more information, please visit: www.sustainablehospitalityalliance.org.