

CERTIFICATION



Encouraging sustainable procurement practices through the use of third-party certification schemes

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Quick facts



Type of procurement:
use of certifications incorporating provisions on sustainable procurement practices



Year of inception: **2015**



Type of business:
Integrated Tourism Group



Organisation name: **TUI Group**



Number of staff: **70,000**

Background information

Today, travel and tourism account for 9% of the world's GDP. And it is set to grow fast: the United Nations World Tourism Organization predicts that the number of international arrivals worldwide will grow from 1.1 billion in 2014 to 1.8 billion in 2030.

The TUI Group operates in 115 destinations, works with thousands of hotel suppliers, and owns or manages over 330 of these hotels with a global portfolio of over 241,000 beds. As the world's largest tourism business, the TUI Group recognises its responsibility to pioneer and influence change for more sustainable tourism.

The challenge

Research undertaken by the Federal Ministry of the Environment in Germany in 2015 found that 61% of consumers would prefer to book a sustainable holiday. TUI Group marketing research identified a similar trend, establishing that **half of all customers surveyed would be willing to book a more sustainable holiday, if available.**

In addition, when booking holidays, the preferred accommodation drives the decision of many travellers. As hotels is a deciding factor for customers, TUI Group took up the challenge to set clear targets on improving and monitoring sustainability performance for its hotels to reduce their environmental impacts and help maximise their local economic benefits.

The strategy

Under its Better Holidays Better World 2015-2020¹ strategy, TUI Group aims to deliver 10 million 'greener and fairer' holidays annually by 2020. 'Greener and fairer' holidays are defined as holidays taken in hotels that have achieved a sustainability certification recognised by the **Global Sustainable Tourism Council (GSTC)**². **Certification is central to the TUI commitment to offer more sustainable holidays, as it offers a credible way of demonstrating efforts of hotels to address social and environmental challenges via their sustainable procurement practices.** The Global Sustainable Tourism Council Criteria and Suggested Indicators for Hotels were created to come to a common understanding of sustainable tourism, and are the minimum that a hotel should aspire to reach.

Criteria pertinent to sustainable procurement practices include:

- **Provisions related to local procurement:** when purchasing and offering goods and services, the hotel gives priority to local and fair-trade suppliers whenever these are available and of sufficient quality; the hotel regularly audits its sources of supply of goods and services.
- **Provisions related to minimising negative impacts on the environment:** preference is given to products and suppliers with environmental certification – notably with respect to wood, paper, fish, other foods, and products from the wild; The hotel carefully manages the purchasing of consumable and disposable goods, including food, in order to minimize waste – especially from plastic.

¹ More information available at: https://www.tuigroup.com/damfiles/default/tuigroup-15/en/sustainability/Reporting/TUI-Group-Better-Holidays-Better-World-strategy_EN-04acfe05d326381ea5f80b11ff49ea0.pdf

² More information available at: <https://www.gstccouncil.org/>




Not only does TUI Group promotes the wider adoption of sustainable procurement practices by encouraging its hotels to aim for a GSTC-recognised certification, **the group is also supporting the certification programme Travelife**³. The TUI Group plays an active role on the Travelife Board, and in 2014 helped to develop new, stricter criteria for the scheme.

Travelife type 1 criteria include sustainable procurement provisions such as:

- When purchasing or replacing electrical equipment, the hotel demonstrates that low energy equivalent technologies were considered;
- As a part of purchasing requirements, suppliers are informed of the accommodation's energy management policy and requested to regularly inform the hotel about their initiatives aiming at reducing their energy consumption;
- All items of equipment containing hazardous chemicals (refrigerants, coolants etc.) are identified in a register and assigned an "end-of-life plan" that commits to replacing the equipment with less harmful, more resource efficient alternatives;

Impacts

- In 2018, the number of customers staying in hotels certified by a GSTC standard increased by 11.9% reaching 9.2 million in 1,520 hotels. **In 2018, 81% of TUI hotels and resorts held a sustainability certification.** 
- In 2017, TUI conducted a data analysis of approximately 330 hotels to evaluate more thoroughly the environmental and social benefits of sustainability certifications for hotels. Compared to non-certified hotels, hotels with sustainability certifications have achieved:

- **10% lower CO2 emissions per guest night** 
- 19% less fresh water use per guest night
- **24% lower waste volume per guest night** 
- 15% less total water use per guest night
- **23% higher use of green energy** 
- 9% higher employment rate of national employees
- Higher customer satisfaction scores for accommodation overall



Lessons Learned




- ✓ Sustainability certifications for hotels help to drive sustainability performance and continuous environmental and socio-economic improvements. **Analysing the data of the certification schemes can also support hotels to monitor their business performance, and identify where improvements are required in specific destinations.**

"Through hotel certifications we aim to ensure critical sustainable procurement criteria and standards are established, monitored and reported. Examples include supporting local suppliers, purchasing low energy electrical equipment and reducing packaging via bulk buying."

- Branislav Mizenko,
TUI Group Sustainability Manager

³ More information is available at: https://www.travelife.info/index_new.php?menu-home&lang=en

For further information

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