TRANSFORMING TOURISM

A Quick Guide on Sustainable Procurement for Hotels and MICE in the Philippines

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INTRODUCTION TO THE GUIDE

Tourism has a key role in the post-Kyoto Protocol roadmap because of its global economic and social value, and its strong relationship with climate and importance in sustainable development. This industry is regarded to be one of the most resource-intensive hotspots, consuming key resources such as energy, water, land, and agricultural produce. The UN World Tourism Organization (UNWTO) expects this sector to achieve 1.8 billion international tourist arrivals by 2030, if not before. Aside from the increase in resource consumption, and if the tourism sector will continue its 'business-as-usual' practices, it can inflict further damage on the environment in the form of solid wastes, sewage, loss of biodiversity, and greenhouse gas emissions. As a result, climate change and unsustainable use of resources may greatly affect tourists' decisions and destinations.

Hotels and meetings, incentives, conferences, and events (MICE) businesses connect different supply chains, from food and beverages, lodging and recreation, marketing, to operations and logistics. The availability of these resources ensures the capacity of the hotel to provide comfortable lodging and amenities, prepare delectable food options, and even offer tours and cultural experiences to its guests.

As businesses recover from the impacts of the COVID-19 pandemic, it is expected that tourist arrivals, local and foreign, will continue to increase as well, and it is now essential to integrate sustainability and environmental considerations in business operations. In recent times, sustainability in the tourism value chains has been a key topic in the local and global arena.

Sustainable Consumption and Production (SCP) is essential in the low carbon development of tourism. Decoupling its growth from the high use of resources with the integration of SCP can be achieved through sustainable procurement (SP). Sustainable procurement can be strategically leveraged in the tourism sector through more responsible and circular procurement, low carbon food and beverage, energy efficient appliances, and reduction of single-use plastic purchases, among others.

The Transforming Tourism Value Chains Project developed this **Guide** to serve as a modular reference which the hotels and MICE businesses can use at any stage of developing and implementing sustainable procurement. This Guide contains the basic concepts of sustainability and green practices, the phases of how to go about implementing SP, and how to correctly identify "green" or sustainable products.

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The Problem and the Solution

Businesses can help the environment by buying environmentally-preferable products and services. In turn, the market for these products will grow, mature, and be cheaper for consumers.

Tourism is regarded as one of the most resource-intensive industries, consuming essential resources such as energy, water, land, and agricultural produce. The UN World Tourism Organization (UNWTO) expects this sector to achieve 1.8 billion international tourist arrivals by 2030, if not before.

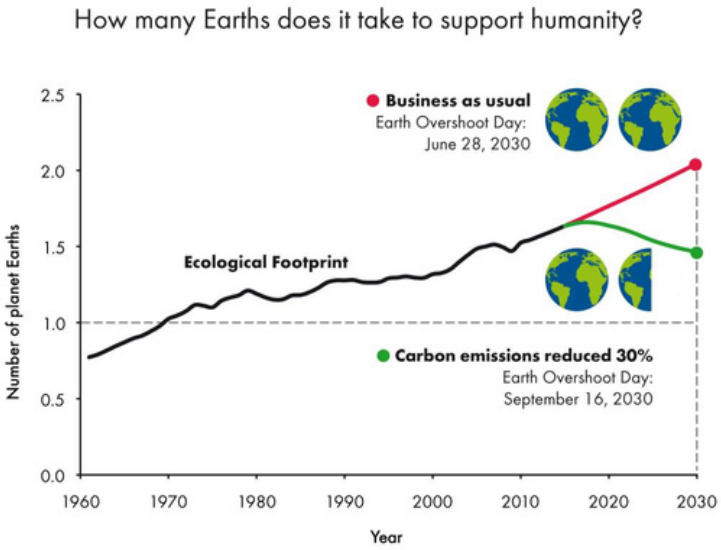
Tourism Sector Business-as-usual Scenario

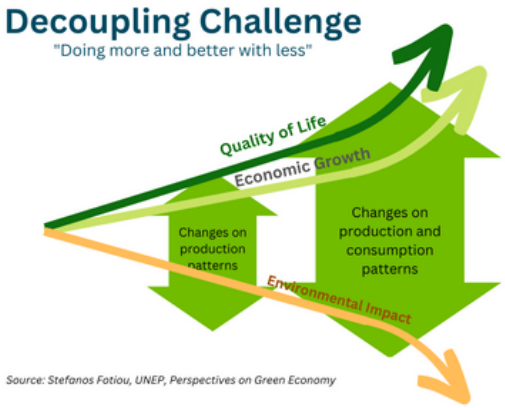
Environmental problems
- Increase in resource consumption
- Solid wastes
- Polluted water
- Loss of biodiversity
- Greenhouse gas emissions

Effect to tourists and business
- Climate change
- Pollution
- Unsustainable use of resources,
- Negative effect on tourists' decisions, destinations, and experience

Sustainable Consumption and Production (SCP)

SCP is essential in the development of low-impact tourism. Decoupling tourism growth from the high use of resources through SCP in tourism is of high priority. One component of SCP in tourism is sustainable procurement.





Global Trend

According to **UNWTO**, tourism stakeholders now have a growing consensus on how tourism resilience will depend on the sector's ability to embrace low carbon growth and reduce emissions by 50% by 2030. The Glasgow Declaration identified the pathways to low-carbon development through specific actions. Those actions will accelerate tourism's ability to transform the industry and achieve net zero as soon as possible.

Helpful Resources

UNWTO

Glasgow Declaration

Why do you need this information?
Knowing your impact can help you strategize programs to help you position your business in a competitive market. Practicing SCP can make your business economically profitable while minimizing environmental impacts and being socially equitable.

Sustainable Development

Sustainable development is the framework agreed upon by nations to secure survivability of future generations. This also serves as a guiding principle for businesses in improving their environmental performance and social impact.

Sustainable Development

Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

(from the World Commission on Environment and Development 1987 Brundtland Report, Our Common Future)

Member states adopted the 17 Sustainable Development Goals (SDGs) as their call to action "for peace and prosperity for people and the planet." The SDGs result from decades of work since the 1992 Earth Summit in Rio de Janeiro, Brazil (https://sdgs.un.org).

Sustainable Consumption and Production (SCP)

The use of services and related products, which respond to basic needs and bring a better quality of life while minimizing the use of natural resources and toxic materials as well as the emissions of waste and pollutants over the life cycle of the service or product so as not to jeopardize the needs of future generations."
Oslo Symposium, 1994

> *"The major cause of the continued deterioration of the global environment is the unsustainable pattern of production and consumption..." - United Nations Agenda 21, 1992*

*Solution: Sustainable Consumption and Production coined in 1994, now **SDG 12** - **Responsible Consumption and Production***

Helpful Resources

Global SDG Progress:
https://sdgs.un.org/goals

Philippine Progress:
https://sdg.neda.gov.ph/
https://psa.gov.ph/sdg

Sustainability in Procurement

Planet	Material source Resource-efficiency Production Waste generation
Profit	Price competitiveness Marketing value Life cycle costing
People	Corporate Social Responsibility Fair and ethical trade Inclusive design Client awareness and engagement Supply chain involvement

Why do you need this information?
SDGs can guide you in identifying your goals and targets.

Sustainable and Green Procurement

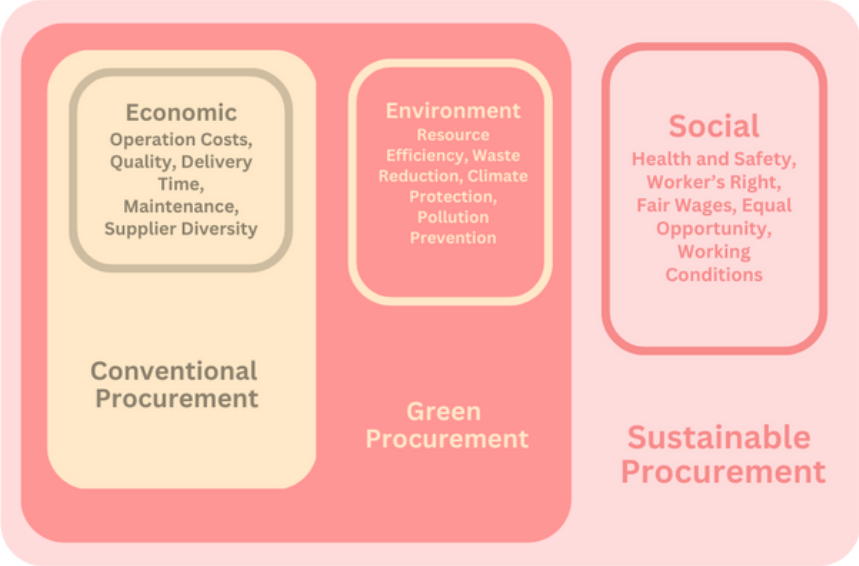
Sustainable procurement considers all three pillars of sustainability - economic, social, and environment while green procurement focuses on the product's impact on the environment and economy.

Green Procurement

Act of procuring products and services where **environmental considerations** are incorporated as a basis of decision in addition to the conventional judgement such as **price, quality, and delivery.**

Sustainable Procurement (SP)

Procurement that has the most positive **environmental, social, and economic** impacts possible over the entire life cycle.
ISO 20400:2017



Principles of Green Procurement

1. Principle 1: Considers necessity
2. Principle 2: Considers Life-Cycle of Product
3. Principle 3: Considers Supplier Effort
4. Principle 4: Acquire Environmental Information

Sustainable Procurement Principles

- Accountability
- Transparency
- Ethical Behaviour
- Full and fair opportunity
- Respect for stakeholder interest
- Respect for the rule of law and international norms of behaviour
- Respect for human rights
- Innovative solutions
- Focus on needs integration
- Analysis of all costs
- Continual improvement

Sustainable Public Procurement (SPP) Principles

Principle 1:	SPP is good public procurement
Principle 2:	SPP implementation needs leadership
Principle 3:	SPP contributes to broad policy goals
Principle 4:	SPP respects stakeholders' interests and builds on stakeholder engagement
Principle 5:	SPP implementation is based on sound organizational management principles
Principle 6:	SPP monitors its outputs and outcomes

Why do you need this information?
Green procurement can be the entry point to sustainable procurement (considering environmental aspects). Adding social requirements can be done when: the program is mature, supply is available, or a company priority.

Product Life Cycle and LCA

Businesses can use life cycle perspective as one of the methods to assess potential environmental aspects of their products, services, or operations, by considering their life cycle stages from raw material acquisition to final disposal.

Life Cycle

A product's life starts from when we take materials from the earth until that material returns to the earth.

Life Cycle

Consecutive and interlinked stages of a goods or services system, from raw material acquisition or generation from natural resources to final disposal.
ISO 14044:2006

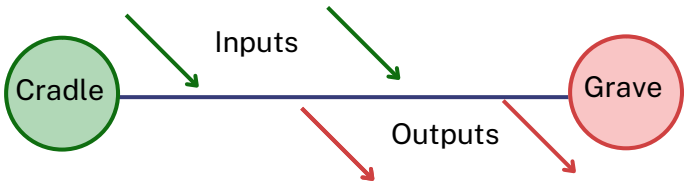
Life Cycle Assessment (LCA)

compilation and evaluation of the inputs, outputs and the potential environmental impacts of a product system throughout its life cycle.
ISO 14040:2006

Life Cycle Assessment

LCA is a technique for assessing the potential environmental aspects associated with a product (or service) by:

- Compiling an inventory of relevant inputs and outputs
- Evaluating the potential environmental impacts associated with those inputs and outputs
- Interpreting the results of the inventory and impact related to the objectives of the study



Life Cycle Perspective in Procurement

Raw Materials	Production	Use	Disposal
Are raw materials sourced sustainably?	Are the suppliers compliant with environmental laws?	How often do we have to replace it?	Are there costs in the proper disposal of the product?
Are raw materials toxic?	Are they using renewable energy?	How expensive is it to maintain and operate?	What are the possible human and environmental impacts associated with the proper disposal of the product?

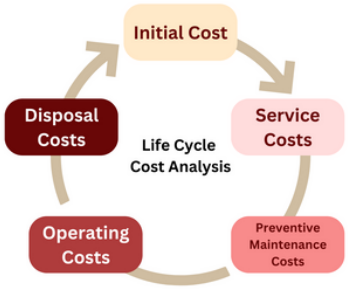
Why do you need this information?
The life cycle perspective is one method to identify product impacts and better products in implementing sustainable procurement.

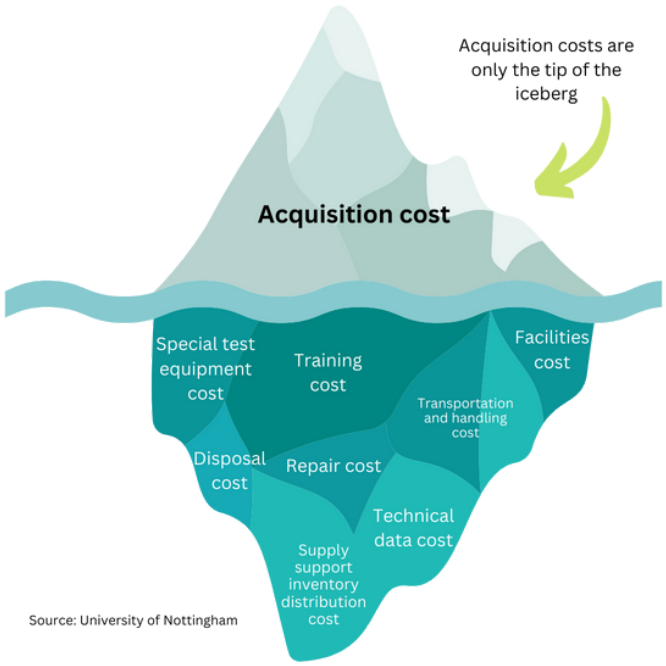
Life Cycle Cost

The price tag is just the tip of the iceberg.

Life Cycle Costing (LCC)

Method for calculating the costs of goods or services throughout their life cycle
ISO 20400:2017





Life cycle costs for the organization:

- Costs associated with a particular product over the entire life cycle, born by one stakeholder
- Includes purchase price, direct and indirect costs in using the product or service throughout its life
- The total cost of ownership

Life Cycle Costs

Acquisition	Use	Disposal
• *Purchase Price* • *Delivery* • *Installation* • *Training*	• *Electricity* • *Water* • *Consumable Supplies* • *Maintenance* • *Repair* • *Renovation*	• *Collection* • *Recycling* • *Treatment* • *Disposal*

Life Cycle Costs for the Organization
Costs association with a particular product over the entire life cycle, borned by one stakeholder.

Source: Ecoinstitute e.V.Training on LCC and Tools

Life cycle costs for Society:

- Costs associated with environmental or social impacts, monetized or non-monetized
- Examples
  - GHG emissions
  - Climate change impact
  - Pollutant emissions
  - Power generation
  - Social cost and others

Important!

When doing a life cycle cost analysis in comparing products, keep in mind these few reminders:

- **Determine the actual need.** (Ex. for printing needs, compare buying vs. renting)
- Be mindful of the ultimate **objective of the procurement** (environmental, economic, and social)
- **Do not include specific technologies.** (Ex. energy-efficient air-conditioning units)
- In calculating the LCC, **consider a time frame higher than the lifespan of any of the products.** Doing so would include the replacement cost of the more expensive purchase price.

Why do you need this information?
LCC analysis presents the business case of SP to management. The result would show the economic and environmental savings of the better product.

Circular Economy

Pursuing circularity in business operations ensures materials are kept in the loop, minimizing the least amount of waste as possible and allows businesses to keep products, e.g. equipment, at their highest utility, value and efficiency.

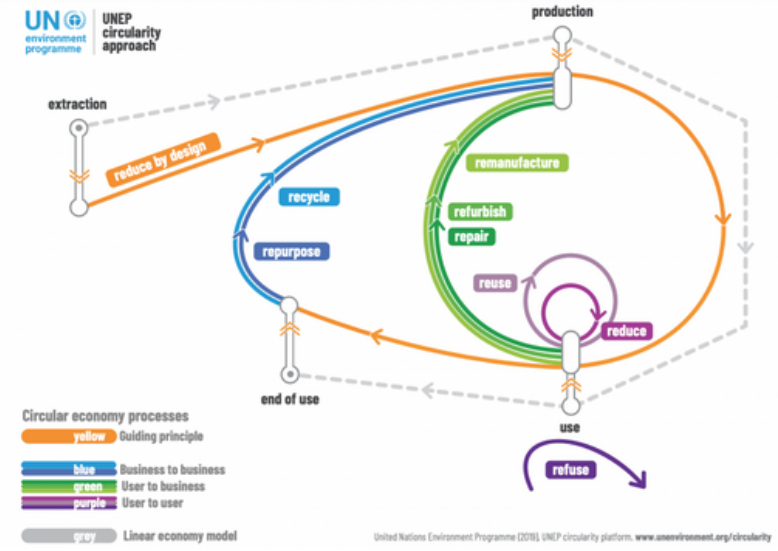
Circular Economy

An economy that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles.
Adapted from Ellen MacArthur Foundation

Helpful Resources

Transforming Tourism through Sustainable Procurement

Business strategies for extending product lifetime



The "R" Principles of Circular Economy

Adopted from the Ninth Environment for Europe Ministerial Conference Assessment Summary. 2022. Applying principles of circular economy to sustainable tourism, p 5-6.

"Reduce by design" requires using less materials per unit of production, especially virgin raw materials, from the earliest stages of product design;

"Refuse" is linked to user choices, opting to stop buying or using certain products;

"Reduce" requires people to rethink how to meet their own needs with the lowest burden on the planet and people around them;

"Reuse" refers to using a product, object or substance that is not waste, for the same purpose for which it was conceived, again, without the need for repair or refurbishment;

"Repair" refers to the fixing of a product and/or replacement of defective components, in order to make it a fully functional product to be used for its originally intended purpose. This is meant to extend the product's lifetime. A significant difference between "repair" and "refurbish" is that repairs can be carried out by different actors and may involve a change in ownership;

"Refurbish" happens during maintenance operations and seeks an overall upgrade of the product.

According to the Basel Convention Revised glossary of terms, "Refurbishment" refers to: "Modification of an object that is a waste or a product to increase or restore its performance and/or functionality or to meet applicable technical standards or regulatory requirements, with the result of making the waste or product a fully functional product to be used for a purpose that is at least the one that was originally intended.";

"Remanufacture" differs from "refurbish" as it implies a full product improvement where the complete structure of a multicomponent product is disassembled, checked, cleaned and, when necessary, replaced or repaired in an industrial process;

"Repurpose" requires the reuse of old/discarded components or materials to be adapted for another purpose (e.g., upcycling glass bottles into mugs);

"Recycle" is the last "R" and the one where the most value is lost. It refers to the relevant operations that prevent waste disposal and allow material to re-enter the loop. Recycling requires the use of expensive technology and infrastructure for processing of mixed post-consumer products or post-producer waste streams to remove impurities and improve material quality.

Ecolabels and ISO 14020 Series

Ecolabels and standards are a valuable tool in determining the environmental performance of a product.

ISO 14020 Series

Environmental labels and declaration is an environmental management tool that provides information about a product or service in terms of its overall ecological character.

The standard establishes nine (9) general principles for developing and using environmental labels and declarations.

ISO 14020 Types	Criteria Areas or Metrics	Life Cycle Consideration	3rd Party Verified	Selectivity or Differentiation
Type I	Multiple/ Life Cycle-based	✓	✓	✓
Type II	Single	✗	Preferred	✗
Type III	Multiple/ Life Cycle-based	✓	✓	✗

Adopted from ELN (2004)

Ecolabel

A patented logo for easy recognition of a product or service that meets the established environmental leadership criteria (Type 1). An impartial third party awards it.

The Global Ecolabelling Network (GEN) is the leading network of the world's most credible and robust ecolabels.
https://globalecolabelling.net/

Advantages and Disadvantages

	Type I	Type II	Type III
Advantages	• Easily identified • Quick decision • Credibility through 3rd party certification	• Market-oriented • Flexible approach to market needs • Tool for inter-business competition	• Detailed data via a common method • Credible quantitative scientific data • Decision is made by consumers (no pass - no fail system)
Disadvantages	• Only uses a symbol • No detailed information • No linking to the company's unique efforts	• Relatively low credibility • Need to face directly to the consumers (no 3rd party involved) • The claim is single issue or limited	• Complicated LCA analysis • Insufficient background data • Difficult to comprehend
Examples		C.A.F.E. Practices	

Implementing Sustainable Procurement

This section follows the model of Deming Cycle (Plan-Do-Check-Act) for a Sustainable Procurement Program. The PDCA Cycle is four-step problem-solving method for improvement popularized by Dr. W. Edwards Deming.

Phase 1 Getting Started (Plan)

Include sustainable procurement as part of the strategic plan of the organization.

The Sustainable Procurement Program has to be supported by the following:

- Policy
- Leadership structure
- Relevant stakeholders
- Action plan
  - Targets
  - Key actions
  - Timeline
  - Roles and responsibilities
  - Budget
  - Other resources
- Risk assessment and management

What are possible areas for training?

- SCP Concepts
- Quality management systems

What do you need to take note of?

- Current practice
- Organization VMG
- Organization Values
- Status Assessment

What are the results of Phase 1?

- SP Policy
- SP Strategy
- Action Plan

Sample SP Team Structure

Department	Tasks
Top Management	Directing the goal of the programme, managing risks, and provision of resources
Procurement Department	Product specifications and purchasing
Finance and Administrative Department	Financial allocations and contracts
Human Resource Department	Training and knowledge management
Quality and Compliance Department	Standards and quality management
Environmental Department (Pollution Control Officers)	Technical guidance to the task force and certification of green procurers
Marketing and Communications Department	CSR and promotion and advocacy

Helpful Resources

Environmental Management for Hotels - The Industry Guide for Sustainable Operations

Why do you need this information?
Set up the organization to ensure the stability of the SP initiative. For a successful kick-off, pilot the implementation, then proceed with full implementation and sustaining the SP program until it is systemic in the company culture.

Phase 2

Action Plans (Do)

After forming your team, you can then identify priority products that are the most impactful, considering economical, environmental and social aspects, through several studies such as value chain mapping and market study.

2.1 Identifying Priority Products

Why?
In the first cycle of the sustainable procurement (SP) process, start with a few products or services (or just 1). Then add products in the next cycles. This will minimize the risk of the SP as obstructive to your operations.

How?
Know your most impactful product purchased - economical (highest cost), environmental (ecology), social (effect on the health of guests and employees, community).

Studies that may be conducted:

- Cost analysis
- Value chain mapping
- Hotspots analysis
- GHG Monitoring Results (e.g. Resource Efficiency Tool)

Helpful Resources

2.2 Market Study

Why?
Changing products to be used in your operations may include scouting for other brands/model/services that can provide you with the most benefit economically (through the product life cycle) and contribute to your environmental and social objectives. A market study can minimize the risk of not finding the right product for you. This study can provide you insights if your suppliers are ready to provide you with what you need.

How?
Knowing updated information about the product technology or formulation.

Interviewing current and prospective suppliers about efficient, safe, local products, keeping in mind the life cycle of the product.

Studies that may be conducted:

- Market Readiness Study (ex. Local Market Readiness Study for Sustainable Procurement of Selected Products in the Philippine Hospitality Sector)

Phase 2

Action Plans (Do)

Concretize your sustainability objectives by including green specifications in your bids and contracts with suppliers. This will ensure gradual procurement of sustainable products, services and works in the future.

2.3 Writing of Green Specifications

Why?

Including sustainability specifications with your quality requirements ensures embedding SP into your operations. The contract or bid documents with sustainability requirements and specifications clearly state your objectives and conditions to your suppliers and for reporting purposes.

How?

- Be based on environmental and scientific information
- Take into consideration the life cycle of the product
- Can follow existing national and local regulations and company policies
- Be easy to understand and applicable to the market
- Have periodic revisions or updates on specifications based on monitoring and evaluating the SP program
- Identify the specifications and their verification methods

Studies that may be conducted:

- Criteria or green specifications development

2.4 Inclusion of Contracts

Why?

Contracts or bids enable the purchase of sustainable products, services, and works, ensuring alignment throughout the product's life.

Determine the product requirements aligned with your company's environmental goals, product life cycle considerations, and social impact, and communicate this to your possible suppliers.

It will also provide information about the product's specifications and delivery requirements, value for money, and fitness for purpose, increasing procurement efficiency and effectiveness.

How?

- Specify what you need.
- Specify your sustainability objectives.
- Specify your sustainability requirements throughout the product life cycle.
- Identify possible proof of compliance or verification.

Documents needed:

- Bidding or tender document or specification document

Phase 2

Action Plans (Do)

Implementing your action plan on sustainable procurement requires the active involvement of and collaboration from your suppliers and your employees.

2.5 Suppliers

Why?

- Collaborative activities with suppliers ensure green practices in the supply chain (e.g., tree planting, livelihood assistance, waste management, and after-sales retrieval, energy conservation)
- Support in developing and producing green products
- Monitoring the supply chain's green practices, tendering performance, and compliance with the company's sustainable procurement program
- Support supply chain capacity-building on sustainability
- Risk management, dispute settlement, or conflict reduction methods

How?

- Awareness sessions, capacity building, or training for suppliers to make them understand your SP initiatives
- Collaborate with your supply chain and scientific institutions to develop innovative products or services
- Conduct open dialogue with your supply chains, such as focus group discussions or forums.

2.6 Employees

Why?

Employees require specific knowledge and skills to implement sustainable procurement.

How?

- Identify the SP process specific to your organization.
- Identify the required skills to accomplish each activity.
- Develop or incorporate the training or capacity building required in the organization's training plan.
- Provide training to responsible personnel

Documents needed:

- Systematic Training Plan

Phase 3

Monitoring & Evaluation System (Check)

Any kind of plan or program should frequently be monitored to check if progress is being achieved or not. Evaluation of each aspect of the procurement plan can help improve future programs.

Monitoring & Measuring

Why?

- Good to know how the stakeholders in the value chain are engaged
- **"What gets measured gets managed"**. To measure improvement in the system
- To provide scientific data for a more informed decision

How?

- Measure according to the plan and objectives.
- Some **indicators** include the following:
  - **Procurement Management** (e.g., percentage of SP products bought, rate of training for staff conducted)
  - **Supplier Management** (e.g., allocation of supply chain with green practices, the portion of suppliers capacitated on SP)
  - **Team Management** (percentage of clients who bought SP products, percentage of clients capacitated on SP)
  - **Environmental Performance** (energy, water, and waste reduction)
  - **Social Impact** (employee health and safety, work-life balance)
  - **Economic Benefits** (company savings, profits from sustainable products)
- **Sources of information** may come from
  - Financial records
  - HR feedback and evaluation
  - Resource Efficiency Tool and other environmental monitoring tools
  - Purchasing records

Evaluating

For more practical information on Monitoring and Evaluation, please refer to Appendix A.

Why?

- To determine if on target based on the plan
- To determine benefits gained
- To see if the SP policy and plans were effective and applicable
- To assess if risks were prevented or mitigated

How?

- Now it is time to review the results. Then, report the results.
- Discuss the results with the team and management

Phase 4

Moving Forward (Act)

Once interventions have been identified in the Monitoring and Evaluation phase, the whole cycle may then be repeated with these improvements.

Why?

- Phase 4 is identifying the next course of action on how to improve the SP programme.

How?

- Identify the next action plan based on the results, conclusion, and recommendations.
- Identify room for improvement.
- Document.
- Then repeat phase 1.

Identifying Green Products

A product can be green in multiple ways and similar products can be considered as "green" differently.

Samples of green or sustainable attributes

Product Specific

- Renewable material
- Packaging materials
- Upgradeable
- Disassemblability
- Recyclability
- Durability
- Energy and resource Efficiency
- Assistive products
- Inclusive products (e.g. designed for everyone)

Process Specific

- Use of renewable energy
- Absence of hazardous byproducts
- Greenhouse gas emissions
- Closed-loop manufacturing facility
- Fair or ethical trade

Manufacturer Specific

- Lack of environmental violations
- Credible Environmental Management System
- Public environmental/ social reporting procedures
- Mechanism for engaging stakeholders
- Absence of ongoing protests
- Product of the local community; provides employment opportunities
- Observes gender and race equality

Life Cycle Perspective

Product Design

Does the design minimize life cycle costs?

Are there product features that add cost without adding sufficient value?

Was it designed to be inexpensive to maintain and operate (e.g. easy to upgrade, energy and water-efficient)?

Was the product designed for the environment (e.g. easily recycled, upgradeable, careful use of safe materials)?

Raw Materials

Are our suppliers getting the best price for their raw materials?

Are there hidden disposal or compliance costs associated with the materials they are using?

Are the raw materials being sourced sustainably?

Are safer raw materials available?

Manufacturing

Are cost-saving features available?

- Productivity improvements
- Efficient use of raw materials
- Energy- or water-efficient production methods
- Opportunities to use waste products as an input to another supplier?

Is the supplier/facility ISO 14000 certified?

Have they been reported for any environmental validations

Are they using renewable energy?

Do they publish a CSR report?

Packaging & Distribution

Is the distribution system efficient and operating at best practice?

Has the supplier made plans to mitigate rising fuel prices (e.g. prepared to improve fuel efficiency or switch to alternative fuels)?

Are the supplies adhering to WMT's sustainable packaging guidelines (i.e. minimizing packaging and using appropriate materials)?

Use/Reuse

How often do we have to replace it?

How expensive is it to maintain and operate?

What are the greenhouse gas emissions associated with product use (e.g. energy efficiency)?

What risks does the product pose to human health or the environment?

End of Life

What are the costs to properly dispose of the product?

What revenue streams are available by properly recycling or donating the product?

What are the possible human health and environmental impacts associated with proper disposal of the item?

Consumer Information

Labels and Logos that will help you identify environmentally-preferable products.

Environmental Labels and Declarations

Involves the practice of labeling products and services based on a wide range of environmental considerations (e.g., hazard warnings, certified marketing claims, and information disclosure labels).

A label can be:

Mandatory or voluntary

Level of verification

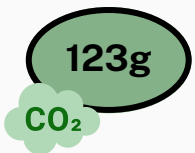
Self-declared (first party) | Third-party verified

Sectoral application (single or multiple)

Forestry | Multiple products

Coverage of issues

Information | Comparison | Leadership



Type of information transmitted

Multiple | Single

...and can be

- a statement,
- symbol or graphic on a product or package label,
- in product literature,
- in technical bulletins,
- in advertising or
- in publicity,
- amongst other things.

ISO 14020:2000

Environmental Label or Environmental Declaration

Claim which indicates the environmental aspects of a product or service.

Ecolabel

Refers to the Type 1 environmental label. A patented logo for easy recognition of product or service that met the established environmental leadership criteria. It is awarded by an impartial third party.

Some questions to ask to verify if the label or statement is credible:

- What is the environmental benefit of the product based on the label?
- Is the impact addressed relevant to the product?
- Is there a documented basis or criteria for having the label or statement?
- Who decides on awarding or putting on the label or statement?

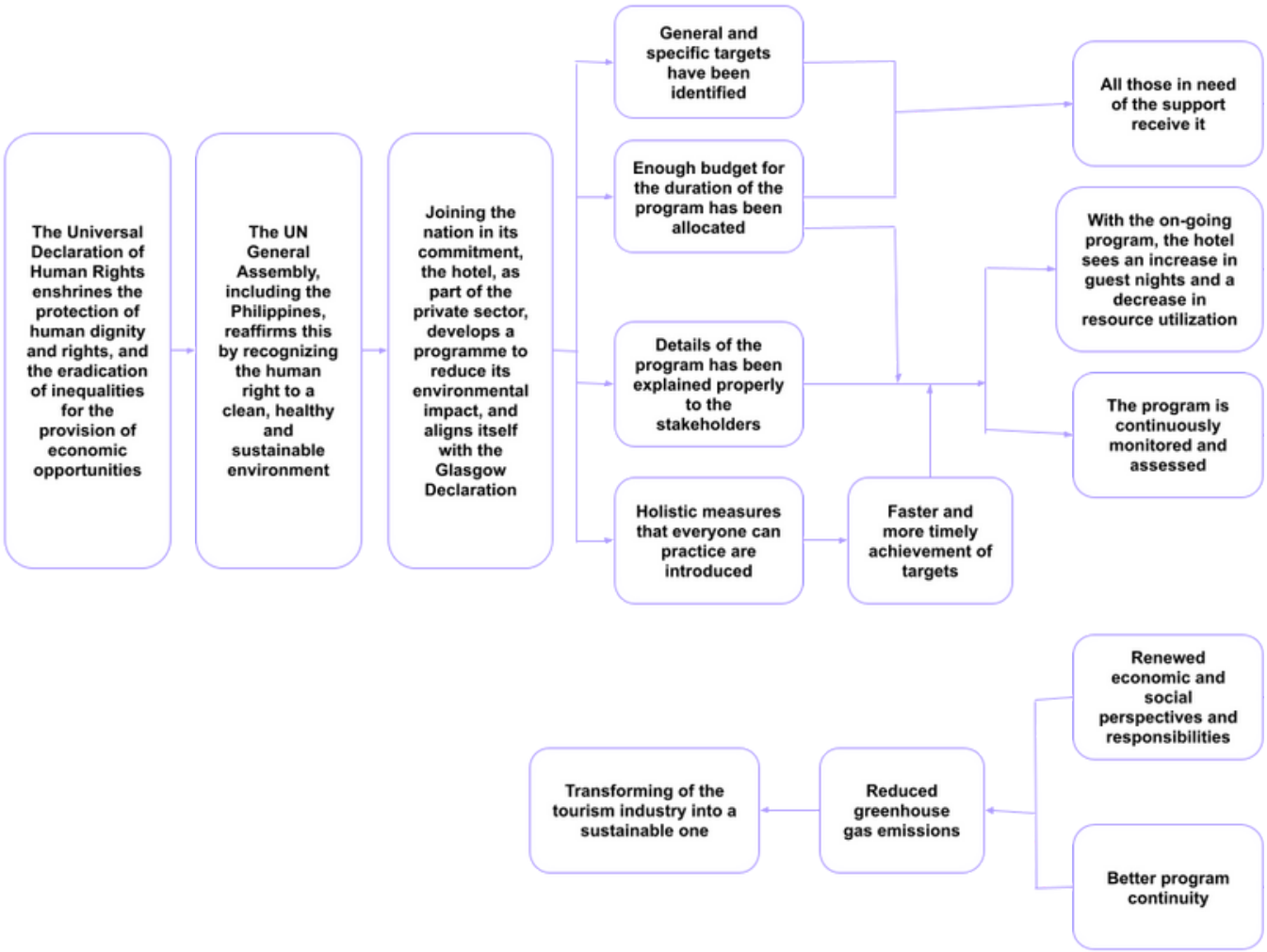
Appendix A. Strengthening the monitoring practices

After creating the implementing mechanisms of sustainable procurement for the business, another important aspect to ensure the longevity and improvement of this is setting up a monitoring and evaluation system, which can be strengthened through capacitating staff and communicating to key stakeholders.

Communication and Capacity Building

Monitoring and evaluation plays a vital role in the program's success. Developing a program theory is simple way to conceptualize what needs to be done properly by hotels and MICE to monitor and evaluate their sustainability initiatives for continuous implementation or modification. This considers the entire process from the guiding policies to the intended results.

Sample Program Theory for Communication and Capacity Building



In coming up with a suitable monitoring and evaluation framework, hotels and MICE may also formulate questions which will determine the effectiveness of their sustainability efforts. Those questions must consider the following characteristics:

- Will be likely agreed upon by stakeholders
- Practical
- Useful

Likewise, in answering their evaluation questions, the proposed indicators should:

- Be meaningful, fit for purpose, and easy to understand
- Have a track record, have been successfully field tested, and will be reviewed over time
- Initially be limited in number so that the monitoring plan is realistic and can be implemented, building on these over time
- Be achieved through data that can be collected and quantified in a meaningful way
- Have relevant baseline data, if use of the indicator involves measurement of relative change

Some learning strategy recommendations for the effective communication of sustainability efforts and the capacity development of those directly involved in the hotel's or MICE's operations:

- *Creation of an online database of monitoring and evaluation reports or findings.*
- *Improvement of social media presence and interaction*

Appendix B. Sustainable Procurement of Air Conditioners and Cooling Equipment

As extracted from the Local Market Readiness Analysis of the Transforming Tourism Value Chains Project.

Key Environmental Issue

Energy saving in air conditioners is a primary concern since air conditioners take up a large proportion of the energy consumption of a building. Every refrigerator, supermarket case, and air conditioner contains chemical refrigerants that absorb and release heat. Refrigerants, specifically **chlorofluorocarbons (CFCs)** and **hydrochlorofluorocarbons (HCFCs)**, were once key culprits in depleting the ozone layer until the 1987 Montreal Protocol phased these out. Their replacement chemicals, primarily hydrofluorocarbons (HFCs), have no deleterious effect on the ozone layer, but their capacity to warm the atmosphere is **one thousand to nine thousand times greater** than that of carbon dioxide, depending on their exact chemical composition.

Sustainable Procurement Approach

The primary environmental criterion for air conditioners and cooling equipment is energy efficiency. At the same time, transparency and fair trading practices is the foremost social consideration. As for the economic criteria, it is more important to have qualified local after-sales service providers than locally manufactured equipment.

Air Conditioners and Cooling Equipment
Sample Specifications

Please download the Local Market Readiness Analysis for the full list of possible specifications and other product groups.

Sustainability Aspect	Sample Specifications	Means of verification (short and medium term)
Environmental Criteria	**Energy efficiency** DOE labeled three stars or higher Conform to the rules of PNS 396-2 energy efficiency factor and labelling requirements	EER labelling on products
	Type of refrigerant R410A (84% of market) but switch to R32 (2% of market) in future purchases as it becomes more available	Identification of the refrigerant in product specifications
	End of life disposal Manufacturer gives end-of-life instructions for disposal 75% of product by weight must be recyclable	• Product specifications • Manufacturer must publicly provide instructions for disposal
Social Criteria	**Transparent and fair-trading practices**	• Sustainability Report • Personal verification of buyer • Or ecolabel
	Consumer education programs	• Self-declared in social media and website posts, news articles and press releases; Company profile or annual report; • Instruction manual with section on correct environmental use
	Engagement with community (corporate social responsibility or CSR)	• Self-declared in social media and website posts, news articles and press • releases; Company profile or annual report
Economic	**Qualified local companies provide after sales service**	Product specifications; Manufacturer must publicly provide instructions for after-sales service
	Financial state of supplier	Annual report and financial statements
	Locally manufactured or assembled	Product specifications

Appendix C. Sustainable Procurement of Packaging Products

As extracted from the Green Choice Philippines Ecolabelling Criteria for Packaging Products.

Key Environmental Issue

The global waste crisis has become one of the many issues worldwide in an age of climate change. The widespread use and disposal of packaging materials across the globe pose severe challenges to the environment, especially the oceans. **8 million tons of plastic are thrown in the sea every year.**

Sustainable Procurement Approach

The primary environmental criterion for packaging is the potential of reducing and/or reusing of packaging materials. At the same time, provision of clear information about the disposal options makes it easier for consumers to contribute to the recyclability or at least proper disposal of materials. These applies to primary, secondary, or tertiary packaging made of any material.

Sustainability Aspect	Sample Specifications	Means of verification (short and medium term)
Environmental Criteria	**Option for reduced packaging materials** Supplier offers reduced packaging material or other options of delivery to reduce packaging.	Delivery or packaging options with approximate amount to be used.
	Use of reusable packaging Supplier offers reusable, refillable, or returnable packaging.	Delivery or purchase options to reuse packaging materials.
	Use of recyclable Supplier eliminates the use of problematic materials by using recyclable materials or those with an established recycling program) or materials with recycled content.	Proof of recyclability or materials are accepted by local junk shops or waste recycling companies.
	Use of biodegradable packaging Supplier eliminates the use of problematic materials by using recyclable (with an established recycling program) or biodegradable packaging products, or materials with recycled content.	Test for biodegradability from a credible source'
Social Criteria	**Information** Provision of information about the reuse or disposal of the materials.	Sample of information or actual information provided
	Fair labor practices Supplier provides mandatory benefits to employees. Support does not practice child labor.	Reflected in the company policies
Economic	**Support local** Use of packaging products using indigenous materials from local communities.	Can be validated on the field

Contact

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