Procuring for Sustainable Accommodation
1. Sustainability and tourism

Sustainable Sydney 2030 is City of Sydney’s vision for a green, global and connected future. It includes bold environmental targets for the local government area:

- 70 per cent emissions reduction by 2030
- net zero emissions by 2050
- zero increase in potable water
- 90% diversion of waste.

Sydney – a leading sustainable destination

Sydney is Australia’s largest accommodation market with over 10 million visitors annually. Our local government area boasts 20,000 hotel rooms, 5,000 serviced apartment rooms and 6,000 backpacker hostel beds. There are also 45 major entertainment venues in our area.

With this scale comes substantial environmental impacts. The sector is currently responsible for 21 per cent of total greenhouse gas emissions in the City of Sydney local government area, 14 per cent of potable water consumption and 47 per cent of the city’s commercial waste¹.

The City developed the Making Sydney a Sustainable Destination Plan in collaboration with key accommodation and event stakeholders and their clients, developers, government organisations, and peak body associations. The plan maps out how together we can build Sydney’s reputation as a leading sustainable destination for leisure and business travellers.

The City of Sydney is taking action including providing grants for owners and operators to undertake environmental ratings and audits, support for building tune-ups and facilitation of the Sustainable Destination Partnership to showcase best practice and share peer learnings.

Making Sydney a Sustainable Destination shows that with collaborative effort and action the sector can reduce emissions by 61 per cent, potable water use by 9 per cent, and increase resource recovery to 90 per cent².

¹ City of Sydney Environmental Sustainability Platform
² Between 2006 baseline and 2030
Driving Demand for Sustainable Hotels

2. Ratings and positive procurement

Client demand as a game-changer

Environmental rating systems such as NABERS, Green Star and EarthCheck are important communication tools. They help visitors, building owners and operators to easily compare environmental performance.

The accommodation sector does not yet have an established ‘culture’ of obtaining year on year ratings and the bulk of hotels do not hold a current third party endorsed sustainability rating. This makes it difficult for customers to compare and reward businesses that are taking environmental performance seriously. Hotel providers tell us that they prioritise sustainability action when their customers demand it.

Client demand has driven significant environmental improvements in other sectors. When the NSW Government set energy performance standards for government tenanted office buildings, that procurement action lead to an average 35% reduction in energy use and 40% reduction in emissions over time. Changes to accommodation procurement practices could drive similar deep cuts in impacts in the accommodation sector.

Transition needs to be staged to acknowledge current low supply of accommodation with certified ratings. Use periodic Request For Proposals/Tenders for accommodation to do this.

<table>
<thead>
<tr>
<th>Time period</th>
<th>Milestone</th>
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<tr>
<td>Short term (1 year)</td>
<td>Ask if the accommodation provider holds a current environmental rating</td>
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<tr>
<td>Medium term (2-3 years)</td>
<td>Make an environmental rating a mandatory criteria for winning the contract.</td>
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<td>Longer term (3+ years)</td>
<td>Make a minimum rating (eg 4 stars) a mandatory criteria for winning the contract</td>
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The Global Business Travel Association has developed a Hotel RFP Global Form with questions on environmental impacts (such as specific carbon and water consumption measurement results) and Corporate Social Responsibility.

Sample tender clause

Our organisation is committed to environmental and social sustainability and expect our supply chain partners to demonstrate commitment to sustainability practices. Buildings which publically disclose their environmental performance are more likely to have a reduced environmental impact and have plans to reduce that further.

Is the hotel certified by a recognised sustainable certification program?*

_ Yes _ No

* You may participate in this tender without a holding a certification, but in future tenders, achievement of a certification will be scored

If yes, please name all sustainable certification programs you participate in. Examples: NABERS for Hotels, EarthCheck Certification, Green Star or other Global Sustainable Tourism Council-recognised programs.

Does your sustainable certification include a third party audit?

_ Yes _ No

Does the hotel publically disclose its rating/certification?

_ Yes _ No

3 (source: NSW NABERS Annual Report 2016/17)
3. Key ratings

Key environmental ratings and certifications used in the accommodation sector include NABERS for Hotels, EarthCheck Certification and Green Star Performance.

**NABERS for Hotels**
- Provides a simple indication of how a hotel is managing environmental impacts compared to other Australian hotels.
- Measures a hotel's operational energy and water efficiency on a scale from 1 to 6 stars.
- NABERS Energy uses 12 months of billing and meter data to calculate the total emissions in kgCO2-e. Total emissions are then compared to the predicted average emissions for a building with the same attributes such as size, climate, functions and operation.

**Amora Hotel, Sydney**
Amora is a five star facility offering luxury accommodation with 418 rooms. Their NABERS rating and recommendations report helped prioritise potential energy efficiency measures, identifying projects that would lead to an identified 10% electricity savings and 6% gas savings. The hotel has subsequently swapped out their previous lighting for LED lamps, and is installing a new room management control system that adjusts room temperatures when guest rooms are unoccupied for a length of time. Annual estimated energy bill cost savings from these projects is $39,000.

**EarthCheck Certification**
- Helps teams to measure, organise and report their environmental and social management processes across the organisation.
- Requires businesses to measure, monitor and make ongoing improvements in key performance areas such as emissions, energy efficiency, water management, social and cultural management and others.
- Accredited by the Global Sustainable Tourism Council and endorsed by the Carbon Disclosure Project.

**Radisson Blu Plaza Hotel, Sydney**
Located close to the Sydney Opera House, the 5-star Radisson Blu offers a boutique experience. Certified through EarthCheck, the hotel has saved enough energy to support 400 Australian households, enough water to fill 104,868 bathtubs and reduced carbon dioxide (CO2) emissions equivalent to taking 601 cars off the road. Achieved average annual savings of AUD$133,199.

**Green Star Performance**
- Assesses the operational performance of buildings.
- Has nine impact categories including management, indoor air quality, emissions, water use and innovation amongst others.
- Within each category are credits which address specific aspects of sustainable building.

There are currently no hotels rated with Green Star performance, however the City is supporting existing providers to achieve a rating.