

Sustainability in the Hotel Industry

JACOB GATT

This article by **Jacob Gatt** was previously submitted as part of PBL2000 last year and is being published with the author's permission. The hospitality industry faces challenges in balancing economic growth with environmental and socio-cultural sustainability amidst tourism expansion. Initiatives like the National Tourism Strategy and proposed EU legislation aim to promote this balance, exemplified by projects like the Sara Cultural Centre Hotel, emphasising holistic sustainability.

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Jacob Gatt is currently a third-year law student at the University of Malta.



Sustainability principles refer to the environmental, economic, and socio-cultural aspects of tourism development, and a suitable balance must be established between these three dimensions to guarantee its long-term sustainability.¹

1. Introduction

There has been a developing concern over the adverse effects that the environment has been experiencing, which have most notably been the result of human action. The term ‘sustainability’ has been at the forefront of debate in recent years, a term which encompasses three essential factors: the environmental, economic, and socio-cultural factors, which together ensure long-term quality of life.

In this regard, the hotel industry plays a relevant role since, as outlined by the United Nations World Tourism Organisation (UNWTO), the accommodation sector accounts for around 1% of global emissions,² and will continue to grow exponentially unless drastic measures are taken to preserve the balance of the Sustainability Principles.

2. The Exponential Increase in Tourism

Economically, the exponential increase of tourism on our islands has been wholly beneficial, so much so that there are those of the opinion that Malta depends on this industry for the upkeep of our economy, as witnessed by the economic-hit our country took with the coming about of Covid-19, which naturally decreased the number of tourists visiting our country. Nonetheless, this growth has brought about several challenges outside the remit of the economy.

These difficulties, which may initially be overlooked, are fundamental in sustaining the notion of good quality of life. Hence, even if economic growth may be robust, environmental protection may be neglected in this regard.

Here, one ought to challenge the sustainability practices which Malta is upholding, if the hospitality sector is doing enough to promote this balance and what is demanded of it, and whether a revision in current legislation is necessary for the simultaneously growing and changing sector of tourism.

¹ World Tourism Organisation 2004.

² UN Climate Change News, ‘UN Works with Global Hotel Industry to Reduce Emissions’ (UNFCCC, 31 January 2018). <<https://unfccc.int/news/un-works-with-global-hotel-industry-to-reduce-emissions#:~:text=Research%20commissioned%20by%20ITP%20highlights,tar%20into%20a%20realistic%20roadmap>> accessed December 2022.

The growing figure in tourism jeopardises the idea of sustainability, especially when development leaves an adverse implication on the depletion of raw materials.³

Naturally, the increase of tourists our islands have seen has promoted an increase of building developments in the accommodation sector, which has in turn put a strain on the environment in several ways, such as ‘**increased urbanisation, water resource use, energy consumption, and waste generation**’.⁴

Hence, it is crucial to combat this **environmental hit** on our islands via measures and mitigations which attempt to balance the scales between economic growth and environmental health. This gives rise to the query of whether hotels are being pressured enough to undertake sustainability measures or not, consequently leading to a very much one-sided economic domain.

3. The National Tourism Strategy 2021-2030

The National Tourism Strategy, implemented in 2021, places superior importance on the concept of sustainability. It stipulates that as the Maltese Islands develop over the next years, they must do so while abiding by sustainable practices.

There are a plethora of reasons why Malta’s tourism growth must be maintained hand in hand with sustainable approaches, primarily on the knowledge that natural resources are limited, and must hence be utilised with great caution.

This Strategy may be seen as a response to the constantly growing imbalance between economic and environmental importance,⁵ particularly in the realm of hospitality, wherein despite the need for our islands to attract tourists, this must be done whilst promoting all the pillars of sustainability.

3.1 PESTEL and SWOT Analysis

Within this Strategy, the tools of PESTEL and SWOT are referred to as tools that have been utilised to analyse the various factors which contribute to the tourism sector, namely the economic, environmental, social, and legal.⁶

³ Jean Luca Saliba, ‘Sustainability Assessment of Hotels in Malta’ (Bachelor’s thesis, University of Malta, 2015) 13.

⁴ *ibid* 84.

⁵ Ministry for Tourism and Consumer Protection and Malta Tourism Authority, ‘Malta Tourism Strategy 2021–2030’ (2021) <National-Tourism-Strategy-2021-2030.pdf (gov.mt)> 94.

⁶ *ibid* 20.

These tools help in extracting information on any opportunities or threats⁷ that our country has faced in respect of this sector, aiming to maximise the ability to live sustainably. In a review of the previous National Tourism Strategy of 2015-2020, it was outlined, regarding the accommodation sector, that the ‘Legislative framework is in need of urgent update in view of the widening gap between existing definitions and market realities’.⁸ This is evidence of the rapidly increasing tourism development in Malta, which requires updated legislation and not outdated law.

This latter point was in fact highlighted under the PESTEL Analysis, which outlined that ‘Legislative framework is moving much slower than industry development so that increasing areas of tourism activity are not covered by legislation or regulation.’⁹

Under Strategy 15, ‘Tourist Accommodation’, the main objective is, put succinctly, that ‘Malta needs the right accommodation for its tourism needs and not to simply attract tourism for all the accommodation made available’, reiterating the importance of keeping in mind the crucial balancing of the three sustainability principles.

4. Proposal for a revision of EU legislation on Packaging and Packaging Waste

The European Commission in recent months submitted a proposal regarding new EU-wide rules, focusing on the growing issue of waste. A particularly relevant proposed change of the ‘EU Legislation and Packaging and Packaging Waste’,¹⁰ is the restriction of unnecessary packaging and the promotion of reusable and refillable packaging solutions.

Enforcing such amendments would naturally aid EU Member States to reach their goals in respect of the European green deal, which also helps tackle sustainability.¹¹

Commissioner for Environment, Oceans, and Fisheries, Virginijus Sinkevičius remarked that these new rules shall make the notion of ‘Sustainable Packaging’ the norm in the EU, and that ‘more sustainable packaging and bioplastics are about new business opportunities in the green and digital transition, about innovation and new skills, local jobs and saving for consumers’.¹²

It is important to note that in the achievement of what the proposed

⁷ *ibid.*

⁸ *ibid* 12.

⁹ *ibid* 21.

¹⁰ Proposal for a Regulation of the European Parliament and of the Council on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC.

¹¹ *ibid.*

¹² *ibid.*

changes entail, its objectives ultimately lie in the interests of all the parties involved. This is because, businesses, in particular within the accommodation sector, in implementing such measures would not only be contributing to the environment by reducing waste but also reducing costs of ‘virgin materials’,¹³ hence satisfying more than one pillar of sustainability.

The aspect in the proposal, most particularly directed towards the hospitality sector, is the banning of ‘single use packaging for fruits and vegetables, miniature shampoo bottles and other miniature packaging in hotels’.¹⁴ Moreover, whilst in certain circumstances, or concerning hotels of a certain level, the use of virgin materials is preferred, in general, it should appeal to most accommodation businesses, particularly smaller ones, where by going an extra step the benefit will be both economic and environmental.

Naturally, such amendments, if approved and put in place, will lead to a positive, sustainable change in regard to how accommodation businesses go about serving their customers.

5. ECO Certification

Under Regulation 6(5)(a) of the Tourism Accommodation Establishments Regulations, for a hotel licence to be acquired, it is necessary that ‘the property conforms to the requirements of the Eco Certification Scheme as established by the Authority’.¹⁵

The Malta Tourism Authority, through its ‘ECO Certification’ plan, aims to ensure the balance between the three pillars of sustainability within the accommodation sector in the Maltese Islands.

Initially, the national scheme was primarily based on the promotion of sustainability, solely concerned with the environment in hotel establishments, however, today this has evolved into a scheme that also promotes economic and socio-cultural sustainability.¹⁶

Due to the recent changes regarding the ECO Certification criteria, it is important to ensure that such places of accommodation are in fact up to date with the most recent obligations. As a corollary, audits are conducted biennially,¹⁷ to ensure that procedures are implemented in conformity with the current law.

¹³ *ibid.*

¹⁴ *ibid.*

¹⁵ S.L. 409.04.

¹⁶ John Magri, ‘The Malta Eco-Certification Scheme: Promoting Sustainability in the Accommodation Sector’ (Sustain Europe, 1 June 2017) <<https://www.sustaineurope.com/the-malta-eco-certification-scheme-010620172.html>> accessed December 2022.

¹⁷ ‘Eco Certification’ (Malta Tourism Authority) <<https://www.mta.com.mt/en/eco-certification>> accessed December 2022.

The MTA document, ‘ECO Certification Requirements’, lists the criteria for ECO Certification. The mandatory criteria must be complied with, while only a mere 50% of the voluntary criteria is to be met,¹⁸ for the establishment to be certified.

6. The New European Bauhaus Initiative

The New European Bauhaus Initiative, which fosters the environmental, economic, and cultural pillars of long-term sustainability, was introduced by the European Commission in 2021. Through innovative planning and architecture, this initiative seeks to encourage more eco-friendly, yet socially inclusive forms of living.

The principal aim of this initiative is sustainable development without neglecting the aesthetic components and values relating to the culture of that community. Furthermore, through this initiative, a link is created between public authorities and the people of the community, helping to eliminate any sort of ‘elitist top-down approach.’¹⁹

In this manner, social inclusiveness stands at an all-time high, and the values of such an initiative would be of great benefit if applied in terms of the hospitality sector. This year, the EU Parliament discussed this initiative and embarked upon achieving its objective, primarily focusing on establishing a much-improved quality of life through ‘healthy and affordable living spaces’.²⁰

However, for EU Member States to achieve as much as possible the potential that this initiative holds, there needs to be an increased awareness thereof, and subsequently, its implementation into national policy. In this regard, the synchronisation of the New European Bauhaus (NEB)²¹ within EU law would ensure its implementation.

In hindsight, this initiative embodies the fact that sustainability is not based solely on environmental protection awareness, but in addition to this, the promotion of socio-cultural values which exist in a particular area. Hence, it displays the importance that buildings should not strive to be either of these two, but rather aim to be both environmentally and culturally friendly.

A building recognised by the New Bauhaus Initiative as a project embodying the values of sustainability is the ‘**Sara Cultural Centre Hotel**’,

¹⁸ ECO Certification Requirements (Malta Tourism Authority) <<https://www.mta.com.mt/en/file.aspx?f=32860>> accessed December 2022.

¹⁹ Rudolf Kolbe, ‘What is the New European Bauhaus and how is it inspired by the 1919 movement?’, (Open Access Government, 9 May 2022) <<https://www.openaccessgovernment.org/new-european-bauhaus-eesc-committee/135145/>> accessed December 2022.

²⁰ European Parliament Resolution 2021/2255INI of 14 September 2022 on the new European Bauhaus [2022] C 125/56.

²¹ New European Bauhaus <https://new-european-bauhaus.europa.eu/index_en> accessed December 2022.

7. The Sara Cultural Centre Hotel

This recently developed hotel embodies what the New European Bauhaus initiative aims to create or inspire, on the road to positive sustainability.

The primary objective in terms of sustainability was to build the hotel on the foundation of timber, consequently reducing emissions throughout the building's lifespan.²² Hence, by using timber as a material, the hotel simultaneously acknowledges Skellefteå's historic timber tradition and the local timber industry, therefore not solely striving to be environmentally friendly but embracing cultural tradition too.²³

It is also interesting to note the manner in which the planning of the hotel was decided. This included a democratic process, wherein locals were invited to vote and comment on the proposals regarding this building,²⁴ further promoting social values.

From this it is manifest that, in the building of this hotel, the outcomes which the NEB initiative desires were wholly promoted, in all stages of development. Moreover, all three pillars of sustainability were applied.

In showcasing the importance of this balance, it has been outlined how this process, or at least a similar one, may be possible in the Maltese Islands, especially in the hotel sector, to guarantee long-term sustainability. Moreover, the Sara Cultural Centre Hotel shows how a country can successfully attract tourists while concomitantly promoting all the pillars of sustainability, and it is for this reason that this hotel serves as a great example for the future development in the accommodation sector.

8. Conclusion

The exponential increase in Malta's tourism industry has led to some major challenges in respect of maintaining sustainability standards in the hospitality sector. Moreover, it is also apparent that despite the fast-developing sector of tourism, there have been recent initiatives and proposals to help counter such challenges, which aim to strike the perfect balance between the three pillars of sustainability, rather than focusing on only one, to guarantee long-term sustainability.

²²European Union, 'Sara Culture Centre' <<https://2023.prizes.new-european-bauhaus.eu/application/34747>> accessed December 2022.

²³ *ibid.*

²⁴ *ibid.*



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