SPANISH TOURIST OFFICE IN LONDON

Spain Sustainability Day

26 April 2023

The Conduit Club, London

EVENT REPORT

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Welcome from Manuel Butler, UK Director of the Spanish Tourist Office in London
Manuel opened the summit saying that he hoped the event would draw on the special relationship between the UK and Spain to advance sustainability and create important dialogue between the countries and a **channel for transferring knowledge**. He said that there are many initiatives in Spain – especially at the local level – that are not well known in the UK, and conversely, he considers that the **British sector as leading the way in Europe on sustainability**, yet he suggested that perhaps the Spanish travel sector is not fully aware of this.

Foreword by Miguel Sanz Castedo, General Director, Turespaña
Miguel demonstrated how all levels of administration (national, regional, local) need to put their money where their mouth is. He said that **€ 3.4 billion from the EU Next Generation funds has been allocated towards the sustainable transformation of tourism**. This includes a sustainability framework for destinations to apply for funding in line with the Spain's sustainable objectives. He said that funds are being used over the last two years (and for the next three years) to provide €500 million for the maintenance and preservation of national heritage sites, and that €220 million has been allocated for energy efficient and circular economy projects in the private sector (such as changing windows in hotels to increase energy efficient and implementing electric car charges in hotels). Additionally €220 million has been allocated for the Balearics and Canaries for the environmental management of beaches, for waste management projects, sustainable transport and mobility projects, renovation of outdated infrastructure, reinforcement of public services in areas of high concentration of visitors, education and training (especially of young people), and the development of new projects and services that have come about because of new technologies and trends in consumers. Spain has solid credentials to build on regarding sustainability, for instance more than 50% of Spanish electricity from renewables, and Spain has the largest high-speed rail network in Europe and second in the world (after China), so it's possible to move around the country with a very low carbon impact, and there are more areas of natural parks per inhabitant than any other country.

Panel 1: ***Decarbonisation – The Transition to True Net Zero***

Moderator:
Richard Hammond, Executive Producer, Green Traveller Productions
Panellists:
Susan Deer, Director of Industry Relations, ABTA
Natalia Bóveda, Marketing Executive, Costa del Sol
Graeme Jackson, Head of Strategic Partnerships, The Travel Foundation

Graeme Jackson (The Travel Foundation-TTF) was keen to emphasise that "**transformation is the key word**" as based on today's scenario, tourism will not hit the interim 2030 target of halving emissions. He set out a **decarbonisation strategy for tourism** based

on the recent report produced by TTF, which demonstrates a pathway for tourism to reach Net Zero that he said can only come about through huge investment and **policy change**.

> "*We need massive mobilisation of innovation, investment, and policy to support the transformation that the tourism needs to achieve*"
> Graeme Jackson, Head of Strategic Partnerships, The Travel Foundation

Susan Deer (ABTA) talked about the need for **education and training** and how breaking down jargon is vital. She said that there is a lot the travel industry can learn from other industries regarding sustainability and that driving talent in this area could mean recruiting skills from other industries.

She explained that ABTA's membership is varied and includes large operators, cruise operators as well as small travel agency businesses that can often feel detached from having any control over carbon emissions of the big players. She said that they can at least have control over what they do in their own businesses, such as over their choice of suppliers and how the communicate with their customers and ABTA has done a lot of work to educate small businesses on this. Also, last year ABTA worked with Deloitte to produce a **Climate Action Handbook** aimed at leaders in the industry to guide them on what they can do regarding making their businesses and operations more sustainable.

Natalia Bóveda (Costa Del Sol) talked about the value of using big data and reporting mechanisms for visitors and industry partners to understand the carbon impact. She talked about the need for season extension and engaging with local communities.

The panellists agreed how collaboration between destinations is essential to reach shared goals Susan said: "We are all driving towards the same goals. **You can collaborate with other destinations**, learn from them, and still have your unique perspective on it."

Graham pointed out that inn 2019 **long haul travel** (return trips over 16,000 Km) made up just 2% of trips but if this sector continued to grow, it is forecasted to quadruple **by 2050 contributing over 41% of the total carbon emissions of all trips**, so he questioned whether continuing to grow the long haul travel sector was a strategy that would fit with long term sustainable transformation of tourism. He also said that tourism can act as a catalyst for some of the low carbon technological solutions currently available that aren't being rolled out quickly enough, such as renewables and electrification.

Graham referred to several organisations that are helping guide the industry on sustainability. **The Future of Tourism coalition** was established during the pandemic by TTF (with other NGOs and third sector organisations working in tourism globally) to create 13 guiding principles for what the future of tourism should look like. He said that Málaga is the first destination the coalition is going to be working with and so it will be headquartered there. He also referred to the Necstour who are working as a hub for Climate Action Plans, and he also referenced the **Glasgow Declaration**, which launched at COP in Glasgow and now has over 1,000 signatories who have committed to producing Climate Action Plans. He also mentioned that TTF has been working with Visit Scotland on its **Climate Action Plan**, which he said is due out imminently. In summary, he said many of these initiatives provide their

information as open source, free for others to us and draw upon, he said this collaboration and sense of a collective effort to achieve the sustainable transformation of tourism was “super important”.

Keynote speaker: Thomas Power, Co-founder & CEO, Pura Aventura

Why now is the time for action

Thomas introduced his talk by saying he didn’t want to show the latest statistics on climate change released in the sixth interim report from the IPCC (Intergovernmental Panel on Climate Change), because “frankly, it’s just terrifying”. Instead, he said he wanted to focus his speech on how to motivate customers to think differently about their holidays. He emphasized how the “**Say-Do” intention-action gap** in travel is greater than in any other part of our lives and that there is dissonance in the language of sustainability used by the industry with what consumers want to hear. "Holidays don't look like homework, when we talk about sustainability, consumers are hearing fear, guilt, concern".

He doesn’t think consumers are going to demand sustainability, but rather it is a case of shifting the focus from demand to supply; that the industry has to lead on promoting sustainability in a way this is more engaging with customers by talking about what is beautiful and unique: “about amazing places to stay, about going to places they never knew existing or had never heard of (that are actually only in Spain)”.

He “could not think of any other destination that is better placed to do this”, because of the variety of landscapes in Spain, the variety of culture, food, and the quality of accommodation, infrastructure, and the rail network. He concluded by saying **the transformation to a more sustainability industry that needs to happen is a great business opportunity for the industry, to seize the momentum and passion for sustainability in a way that is compelling for visitors**.

Panel 2: *Creating better places to live in, to work in, as well as to visit*

Moderator: Richard Hammond, Executive Producer, Green Traveller Productions
Panellists: José Guillermo Díaz Montañés, Honorary Chairman ITH/President Thinktur
Diego Otero, Member of the Executive Council, Galician Tourism Cluster/Galicia Destino Sostenible
Hazel McGuire, UK General Manager, Intrepid Travel
Matt Callaghan, Director of Customer & Operations, Easyjet Holidays

Diego Otero began the panel discussing how tourism can support other sectors. He cited the local fishing

industry as an example: it's an opportunity for visitors to get closer to local people and communities.

Matt Callaghan acknowledged the work the organisations such as Intrepid have done over many years and said how Easyjet Holidays, which launched in 2019, is focused on how to make **sustainable tourism mainstream**. He highlighted the value of **extending the season** and the impact this has on local communities, and referred to research it has carried out with students from Oxford University on the value of **extending into the shoulder seasons in destinations in Spain**. Working with TTF, it conducted 'materiality assessments' that attempted to understand the key issues and opportunities for 'real world change', and one of the key outcomes of that work was to look at food waste. Last month it launched a pilot programme with one of its hotel partners in the Canary Islands using artificial intelligence to understand the amount of food waste in the hotel for it to reforecast and optimise its food ordering. He also announced that Easyjet Holidays is also soon to work with the Global Sustainable Tourism Council (GSTC) to sponsor training on sustainability for local hoteliers, particularly owner-managed properties. He concluded by summarising that there are three pillars to its work: education, collaboration, and implementation of sustainability.

Hazel Plush agreed with Thomas Power that **sustainability needs to be built into experiences** rather than create a need or desire from customers. She said that philosophy is central to what Intrepid does, providing great experiences that are sustainable experiences, with support for local communities at its heart. Hazel referred to a body of work Intrepid is doing with the EU-funded organisation MEET – developing sustainable tourism itineraries in a network of protected areas in the Mediterranean, including Croatia, Greece and soon to be launched in Spain. Hazel talked about the value of **looking at holidays through a different lens and the need for a multi-layered approach as an alternative to the traditional fly and flop holiday**. She said sustainability isn't just about carbon and offsetting, it's about the experience. She talked about how tourism companies can support social enterprises as part of their programmes – helping raise the profile of important issues and generate sources of income. Hazel referred to the work of the Intrepid Foundation which not only provides a means for guests to donate to local charities, but it also actively seeks to works with local social enterprises to add them to its supply chain.

> "*Sustainability isn't just about carbon and offsetting, it's about the experience*"
> Hazel McGuire, UK General Manager, Intrepid Travel

Hazel gave the example of *Seven Sisters* in Nepal where Intrepid customers visit to take part in cooking classes with local women, which provides income and employment for disadvantaged women in the community, *Education for All* in Morocco where one of the mothers comes and gives a talk to Intrepid's customers about the importance of efforts to help provide an education for women in some of the more remote places in Morocco, such as the Atlas Mountains. Both examples not only benefit the communities in which the tours operate but also provides customers with an amazing experience to meet, hear from and interact with people from the local social enterprises.

Hazel also encouraged travel in non-peak season for families, as a sustainability measure allowing people to travel more sparsely around the year. Hazel said Intrepid were not just looking at expanding the season into shoulder seasons but also into winter months for Spain, Portugal, Italy, and Morocco.

The **circular economy** was central to José Guillermo's contribution to the discussion. He mentioned the example of the Balearic Islands as a leading example of circular economy leadership with a law in place to ensure that all the hotels within the archipelago have a circularity plan.

The panel also touched on technology as an aid to sustainable transformation - looking at elements such as food waste to help reinforce and reforecast food ordering.

Keynote speaker: Pedro Saura, President, Paradores
Achieving a greener future for the hotel sector

Pedro Saura said that Paradores has five key aims, to:

- **Reposition tourism** at the vanguard of high-quality, sustainable tourism.
- **Recover and maintain assets** of historical-artistic heritage.
- **Preserve** the environment and biodiversity of its natural spaces for the enjoyment of the public.
- **Revitalise** local activity.
- **Integrate** the historic and artistic national heritage.

Pedro explained that 70% of the Paradores are in towns and cities with less than 35,000 inhabitants, thereby contributing to the diversification of the local area, 100% of the electricity consumed by its hotels comes from renewable energy sources, and that it is part of the "One Plastic" initiative of the UNWTO (World Tourism Organization). He also referred to the fact that 75% the total carbon emissions in tourism comes from the transport sector, and he said that it should be a focus of the industry to address. He cited several areas where this can be tackled, including using greener vehicles, installing charging points and cycling infrastructure, using suppliers that provide locally sourced products, as well as decarbonising buildings through energy efficiency, use of renewable energy and the digitisation of energy consumption control. He also mentioned the important of the circular economy, particularly regarding waste management, water recycling systems and the protection of the environment and biodiversity. As a public company, Paradores is "**contributing to sustainable tourism by choosing quality over quantity and increasing the productivity of what we do**".

Panel 3: *Going Green – The Future of Sustainable Transport*

Moderator: Richard Hammond, Executive Producer, Green Traveller Productions
Panellists: Teresa Parejo, Head of Sustainability of Iberia
Cait Hewitt, Policy director, Aviation Environment Federation
David Martín, MD Nuevos Productos y Trenes Turísticos, Renfe
Jane Ashton, Director of Sustainability – EasyJet

Jane Ashton gave a short review of EasyJet's holistic approach to its sustainability strategy across three pillars of the environment, pioneering future travel, and driving positive change through society. She pointed out that the economical, fiscal, and social benefit of aviation are significant and explained how their forensic focus looks at how to reduce the impact today for a better tomorrow, including the reduction of carbon intensity, citing that over the past 20 years, it has improved its carbon efficiency per passenger kilometre by over a third.

Jane acknowledged that transformational change is required, and said it is increasingly confident that for **short haul travel hydrogen will be used from the mid 2030s**. She talked about looking forwards the future and driving positive change in society with an ambition to deliver 78% carbon emission intensity reduction by 2050. Over 80% of EasyJet's customers are travelling for leisure and so it is looking to optimise the contribution leisure travel can have on the ground – to local economies, communities, societies, and the environment.

Jane said that over the past two years, EasyJet has been working on its Net Zero Pathway working with its strategy teams, finance teams, regulatory teams to model a decarbonisation pathway to 2050. She said it's very much a live piece of work, working with the **Science Based Targets** initiative to develop the **Aviation Sectorial Decarbonisation Approach** (SDA) who validated EasyJet's interim target (Jane said it was one of only a handful of airlines worldwide to have had a validated target) and they are now looking to implement and operationalise that.

Jane also touched on legislation and how this is required to drive the production of Sustainable Aviation Fuel (SAF). She acknowledged that "SAF is not a panacea", it still emits carbon through the tailpipe and the amount of food stock available to produce enough SAF for increasing demand remains to be seen. Furthermore, she said that the pace of production of SAF has been fast enough; she said that it was 11 eleven years when TUI (where she then worked) flew the first flights out of the UK on SAF, from Birmingham to Tenerife, but there isn't significantly more SAF being used than there was back then. However, she does think that this could change dramatically given the EU's recent confirmation of legislation about the mandates for SAF – that all airlines operating in the EU will need to **use 2% of SAF from 2025 onwards**, **which will raise in increments to 70% by 2050.** That confirmation of legislation will drive SAF production quite swiftly – Jane said that there was a similar swift update in the maritime industry once similar legislation had been confirmed for that sector.

Jane said that for **short haul aviation (which globally accounts for 50% of all aviation's impacts**), there are positive developments especially in hydrogen - with more ground and rig tests planned over the next few years. EasyJet has been working with Airbus "to shape ambitions" and she expects **small hydrogen planes to be operating in the next few years** (Jane referred to Norway's target that by 2030 all its domestic flights will be flown on zero emissions aircraft) and Airbus to have larger operations by 2035. Jane thinks that we'll start seeing hydrogen being used on small 19-seater planes on sub-regional routes in the next few years, while Airbus are working on 100-200 seater planes that will run on hydrogen but for that to be up and running by 2035 will require huge investment in renewable energy (for them be powered by green hydrogen) as well as huge changes at airports – Jane said that EasyJet and Airbus are currently with airports around the world to make that happen. However, Jane pointed out that she thought that while hydrogen is the mid-term solution for short haul flights, SAF will be more applicable to long haul.

Teresa Parejo (Iberia) pointed out that while the notion of sustainable aviation is a difficult one, it is not impossible. She said: "We want a world with sustainable aviation not a world without aviation", pointing out how aviation accounts for 2 to 3% of global emissions – "which doesn't mean it shouldn't

be taken seriously" but "we cannot simplify a complex problem". However, she was less optimistic than Jane Ashton about the rolling out of hydrogen planes and the vast change that will be required for airport infrastructure. She said that **80% of emissions come from long haul and it's not possible to fly long distances with hydrogen**, so she thinks the focus should be on reducing long haul's emissions. She said that SAF has been proven by scientists as a way that "we can decarbonise up to 90% of the life cycle of activity".

> "*We want a world with sustainable aviation, not a world without aviation*"
> Teresa Parejo, Head of Sustainability of Iberia

In answer to a question from Ted Wake of Kirker Holidays in the audience regarding connectivity of rail and airline networks, Teresa called for better hub in Madrid that would connect the high-speed trains with the airlines, connecting short haul with long haul.

Cait Hewitt said that her organisation has become less compromising over the years, because as the warnings from scientists about climate change have become more alarming, **the emissions from aviation** should have been falling. Instead, **they have been growing year on year** (until the pandemic) while government policy targets have become more challenging – initially targets in the UK committed to 60% emits cut cross the economy, then 80% and now **the current target is 100% reduction by 2050**. She said that meanwhile in aviation, "every option for cutting emissions is still scarcely off drawing board or it faces fundamental problems in terms of scalability".

Cait said that the aviation industry "**is currently nowhere near where it needs to be**" and that "anyone offering sustainable tourism in Spain should not be transporting people by air". She described sustainable aviation as "an aspiration, not a reality", and said that there are huge uncertainties over whether it can be delivered by 2050. She also questioned the effectiveness and challenges of SAF, that electric planes are likely only going to be able to be used for short routes for the foreseeable future. **She said that hydrogen seems more promising, especially for short haul trips from the UK to destinations such as Spain**, but she said that we're still in the R&D phase of developing hydrogen powered flights and in order for it to be rolled we'd need new planes and new airport infrastructure, and that green hydrogen requires a lot of renewable energy, which is already going to be in great demand, "so we need to be honest about scalability and cost".

> "*Sustainable aviation is an aspiration, not a reality*"
> Cait Hewitt, Policy director, Aviation Environment Federation

Cait acknowledged that "there is no doubt that flying brings great benefits, but if those benefits come at the expense of a liveable planet, particularly for the world's poorest people who will never get on a plane, then that cost is too high." Cait added that she thinks that it's great to hear the optimism for lower carbon planes, but she thinks we should be equally optimistic for **social change on moving to a lower carbon lifestyle in general**.

David Martin (Renfe) agreed with Teresa that airlines and railway operators need to work together more and collaborate on multi-modal initiatives, though he called for legislation from the European

Commission to ensure a level playing field among the increasing number of rail operators in Europe. He said there's a danger that with the increased competition it will become even harder to book a train across Europe than it currently is. **The liberalisation of the railways in Europe has meant there is increased competition** of other rail companies with Renfe; for instance, on the route between Madrid and Barcelona, Renfe is now competing with two operators, as well as with airlines and BlaBla cars. He referred to the successful introduction two years ago of low-cost rail services for those who can't afford high-speed rail prices as an alternative to driving, as well as it's initiative to offer free tickets for commuter and regional trains as well as 50% discount on certain high-speed services, which over 1.5 years increased traffic by over 40%, bringing more residents into the public transportation system. He also talked about the progress of the high-speed networks throughout Spain that has been developed over the last 25 years: there are now over 4,000 kilometres of high-speed lines, about 45 cities are connected by train journeys of less than 2.5 hours, and many can be reached within 1 hour from Madrid.

The discussion ended with Jane discussing some of the **legislation that's on the horizon** that will impact the move to a more sustainable aviation sector. She said that they'd like to see any regulation linked to carbon and inclusive of all carbon; for instance, **Air Passenger Duty isn't currently linked to carbon**, it's a per passenger tax, while the **Emissions Trading Scheme excludes long haul**, so a huge amount of emissions from aviation is excluded from that. She'd also like to see more **transparency on carbon data**, per person per kilometre, so she'd welcome a framework that recognises this, particularly with regard those airlines that are regularly renewing their fleet. In answer to a question from the audience about when this might be, Jane answered that the organisation Travalyst is working with the meta engines and the EASA ecolabel (European Union Aviation Safety Agency) to establish more accurate load factor information, airline configuration and data feeds from the airlines. She added that the UK's Civil Aviation Authority has also just consulted on it, so Jane said she is confident we'll see more accurate information forthcoming in the next couple of years.

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Summary

- The industry, public and private sectors must all work together collectively to create transformation change, not as competitors, but sharing insights stimulating dialogue.
- Acting now is a necessity but also a business opportunity.
- The industry needs to be ambitious, imaginative, bold, and radical to meet the challenges of transforming the sector.
- Sustainability needs to be built into immersive experiences so that they are appealing to holidaymakers – and this needs to be led by the industry from the supply side, not by meeting demand from consumers (which has yet to be proven)
- The industry needs more carbon literacy and education (as part of societal change).
- The industry needs legislative change and support to drive the transformation.

Event Photos

A selection of the event's photo can be found here:

socialnewsroom.spain.info/spain-sustainability-day-image-gallery