Towards circular hospitality

Transforming the tourism system

19 January 2026

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Circle Economy has been at the forefront of the circular economy transition since 2012. Our annual Circularity Gap Report sets the standard for measuring progress and we manage the world's largest circularity database, encompassing data from over 90 nations, 350 cities, and 1,000 businesses.

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Iberostar Hotels & Resorts is the hotel division and core business of Iberostar Group, a 100% family-owned Spanish multinational with 70 years of history in tourism, with its business origins dating back to 1877.

Its portfolio features 32,000 rooms across 100 four- and five-star hotels in 13 countries, dedicated to delivering exceptional quality and heartfelt service.

At the same time, it upholds a responsible tourism model that prioritizes the well-being of both people and nature through its movement, Iberostar Wave of Change.

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Foreword

The World Tourism Organisation (UN Tourism) is proud to collaborate with Circle Economy and Iberostar Hotels & Resorts on the release of this white paper, which offers a timely and valuable contribution to advancing circular economy approaches in hospitality and tourism.

The paper highlights the central role of the hospitality industry within the tourism value chain, and its influence on how destinations manage resources, reduce waste, measure impact, strengthen local economies and respond to growing climate, environmental and supply-chain pressures. Advancing circular and regenerative practices is not only an environmental priority, but a strategic pathway to resilience, climate action, competitiveness and long-term value creation.

This work aligns closely with UN Tourism's priorities under the One Planet Sustainable Tourism Programme, which promotes circularity as a key lever to decouple tourism growth from environmental impact and accelerate systems-level transformation across destinations and value chains. It also complements our work on climate action, plastics, food systems, textiles recycling and sustainable destination management, translating circular principles and models into practical, scalable and locally adapted solutions.

We hope this paper will inspire change, and provide useful guidance for policymakers, businesses and destination stakeholders seeking to advance a more circular and resilient tourism future.

H.E. Ms Shaikha N. Alnuwais
Secretary – General
UN Tourism

Executive summary

This white paper, developed by Circle Economy and Iberostar Hotels & Resorts in collaboration with UN Tourism, identifies the key challenges hindering the transition to circular hospitality and outlines practical pathways towards a 360° circular model.

A circular economy approach presents a strategic business opportunity for the hospitality industry and the tourism system it operates in. It can lower long-term costs, strengthen supply chain resilience, enhance brand reputation, and support a new demand for more authentic and sustainable experiences. By rethinking design, procurement, and operations, hotels can also cut emissions, improve efficiency, and create opportunities for the long-term well-being of destinations and their communities.

Systemic challenges call for collective action

The paper highlights how the industry's shift from a linear to a circular model is blocked by ten major systemic challenges that require collective action beyond individual hotel efforts:

1 **Lack of waste-to-resource infrastructure:** Many destinations, especially remote or island locations, lack the necessary local facilities for effective reuse, repair, recycling or composting, hindering waste separation efforts.

2 **Regulatory barriers and missing incentives:** Circular solutions often struggle to compete with linear practices because economic incentives are misaligned or absent. Fixed waste fees, for example, do not reward prevention, reuse or recycling. At the same time, inconsistent regulations across territories mean that practices permitted in one location may be restricted in another, hampering scaling solutions across destinations.

3 **Fragmentation across the value chain:** The highly complex nature of the industry, with outsourced services and value chain actors operating in isolation, complicates alignment on resource-reduction and data-sharing, limiting the impact of individual circular efforts.

4 **Supplier readiness and innovation:** A reliance on traditional linear systems means many suppliers offer few truly circular products or services, often operating without the capacity or incentives to redesign products for a circular economy. The carbon- and material-intensive food supply chain is a prime example of this structural challenge.

5 **Short-term thinking:** Circularity is often viewed as a cost rather than a long-term strategy for resilience, efficiency, and competitive advantage. The current market structure, which fails to price in environmental and social impacts, reinforces a focus on immediate cost savings over sustainable alternatives.

6 **Workforce skill and motivation gaps:** High employee turnover and intense schedules hinder the development of a stable, informed workforce necessary to implement circular practices effectively. Success relies on sustained investment in training, clear communication of purpose, and empowerment of staff.

7 **Slow transition of guest choices:** Tourist behaviour often involves significantly higher consumption and waste generation than at home. Hotel offerings frequently fail to make sustainable choices intuitive or appealing, requiring circularity to be positioned as an upgrade rather than a compromise.

8 **Governance, data, and accountability gaps:** Circularity efforts are hampered by a lack of integrated governance, clear KPIs, and consistent metrics across the value chain, making it difficult to track progress, benchmark performance, and demonstrate the business case for change.

9 **Territorial diversity:** Effective solutions must be co-created and adapted to the unique political, geographic, and socio-economic realities of each destination. There is no one-size-fits-all roadmap.

10 **Lack of a shared framework:** The industry currently lacks a unified vision and practical, hotel-oriented framework for circular hospitality, creating uncertainty and slowing the collective momentum needed for systemic transformation.

Case study: Iberostar's journey toward circular hospitality

Building on a business case of Iberostar Hotels & Resorts' Wave of Change movement demonstrates how a company can translate ambitious sustainability goals into measurable, on-the-ground action, actively addressing many systemic challenges. This was achieved through the following actions and enablers:

- **Elimination of single-use plastics:** Achieved a single-use plastic-free customer experience by 2020 through collaboration with suppliers to redesign products, adopt bulk formats, and implement reverse logistics for packaging.

- **Data-driven waste management:** The dedicated **3R (Reduce, Reuse, Recycle) Department**, comprised of over 250 employees today, uses robust, real-time data systems, audits, and digital dashboards to monitor waste, track its downstream journey, and inform strategic decisions, resulting in a **69% reduction in waste sent to landfill** (2024 data relative to the 2021 baseline). Preliminary 2025 data indicates that diversion has now exceeded 80%, reflecting the continued scaling of initiatives.

- **Smart systems innovation:** Leveraging AI-assisted smart bins (Winnow Solutions) in over 60 hotels allows for precise monitoring and reduction of food waste, achieving a **12% reduction in the first year** of system implementation. This is complemented by local partnerships for composting, animal feed transformation, and surplus food donation.

- **Beyond waste:** The circular approach is expanding to **full-cycle water management** (desalination, greywater reuse pilots, water stress analysis), **circular construction** (Sustainable Design and Construction Manual, designing for disassembly, waste diversion in renovations), **renewable energy** (as a foundation for decarbonization), and **nature regeneration** (mangrove nurseries, coral restoration).

Iberostar's success factors include unwavering leadership commitment, investing in people (3R teams), strong supplier collaboration, and basing strategy on science and data. However, the journey confirms that structural barriers remain and cannot be overcome by individual firms alone. They require broader alignment across value chains, policy frameworks, and destination-level collaboration.

Strategic opportunities towards circular hospitality

Realising the circular economy as a long-term strategic advantage for businesses requires embedding circularity across five strategic opportunities that reinforce one another:

Circular Procurement: Redesigning supply chains to prioritise local, regenerative and low-impact materials and services.

Circular Operations: Transforming daily practices to eliminate waste, use resources efficiently, and engage staff and guests in meaningful action.

Circular Built Environment: Embedding circular principles in construction and renovation, designing buildings for longevity, reuse and low emissions.

Circular Business Culture and Guest Experiences: Making circularity visible, intuitive and desirable for guests and employees, turning sustainability into a defining part of the travel experience.

Circular Destinations: Aligning hotels, suppliers, communities and policymakers to co-create local circular systems and strengthen territorial resilience.

Together, these directions form a practical framework to help the industry move beyond incremental progress towards systemic transformation. However, scaling and sustaining circular practices requires enabling conditions that extend beyond individual businesses, including aligned governance and policy frameworks, supportive standards, innovation and collaboration across value chains, investment models that reward long-term value creation, and continuous capacity building. As such, pursuing these five strategic directions and advancing the enabling conditions will support businesses in overcoming systemic challenges.

A shared call to action

The circular economy represents a long-term pathway for the hospitality industry, and a growing number of businesses are beginning to recognise it.. Realising this potential hinges on collective action across the value chain. Circularity cannot be achieved through isolated initiatives.

This white paper is a starting point, offering a shared framework of challenges, opportunities and enabling conditions to help all actors understand their role and create the conditions for people, places and nature to thrive.

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Introduction

The hospitality industry stands at a unique crossroads. As global environmental and social pressures intensify, these challenges also create opportunities for innovation, resilience, and a fundamental redesign of the tourism system the industry operates in. The long-dominant linear model of 'take-make-waste' has shaped how hospitality uses resources and builds destinations. Its consequences are clear: vulnerable supply chains reliant on finite virgin materials, pollution from pervasive single-use products and packaging, and unsustainable tourism flows that intensify pressure on local resources, waste systems, and destinations' environmental and social carrying capacity. Yet a new model—one that strengthens competitiveness, enhances guest experiences, and safeguards the environments and communities hospitality depends on—is within reach.

The circular economy offers a practical pathway for this transformation. In hospitality, circularity reimagines how hotels design, source, and operate through three mutually reinforcing principles: cutting waste and pollution at the start, transforming waste into resources for a zero-waste-to-landfill future; keeping products and materials in use longer through innovation and efficiency; and regenerating the natural and social systems that sustain destinations.[1]

Far from a niche sustainability goal, circularity is central to long-term competitiveness. It reduces resource use and import dependence, lowers emissions, strengthens local supply chains, opens new market segments and enhances brand reputation as guests increasingly seek responsible and sustainable experiences.

Hospitality's global reach and responsibility

Hospitality—encompassing accommodation, food, and beverage services—is a central pillar of the tourism system.[2] It shapes how destinations are perceived and depends on the economic vitality and environmental health of the places it operates in. The industry contributes, directly, indirectly and through induced impacts, roughly 4% of global GDP (US$4.9 trillion in 2024) and supports around 349 million jobs worldwide.[3,4,5] Most of its environmental footprint, however, lies upstream: roughly 70% of emissions come from the production, transport, and disposal of goods and services hotels rely on. In 2023, accommodation alone was responsible for about 260 million tonnes of CO_2.[6] At the destination level, resource demand and waste generation intensify pressure on local systems, underscoring the link between tourism development, resource flows, and ecosystem resilience.

By rethinking procurement and operations, hospitality can take responsibility and unlock opportunities for its broader impact. Circular strategies make this possible: they reduce environmental harm, strengthen supply-chains, foster regional value creation, support local employment, and safeguard the natural and social capital on which tourism depends—making circularity both a responsibility and a strategic opportunity.

From zero-waste goals towards 360° circular hospitality

The industry's circular journey began with zero-waste initiatives focused on reducing single-use plastics and improving waste separation. Waste was a natural entry point: urgent, tangible, measurable, and easily understood by staff and guests. These efforts sparked broader initiatives: reducing resource use, improving valorisation, strengthening measurement systems, creating jobs, training staff, and embedding circular goals across organisations. While foundational, these steps represent only the beginning.

To fully realise circular hospitality, the next step is to embed circular principles across the entire value chain—from suppliers, transport providers, food producers, waste and water management services, local governments, communities, and tourists.[7] Circularity at this scale requires solutions that recognise the interdependence of these actors and the systemic nature of current challenges. No single business can transform the system alone. Collaboration is essential, uniting every stakeholder in shared solutions.

Hospitality is uniquely positioned to lead this shift.
Because hotels sit at the intersection of construction, energy, water, and food systems, they hold the power to convene partnerships that benefit not only the industry but the wider tourism system it anchors—creating destinations that are resilient, inclusive, and restorative, where every guest leaves a place better than they found it.[8] As SEGITTUR aptly states: '*The tourism sector will be circular or it won't be*'.[9] Protecting the places that sustain it is the key to securing hospitality's own future, and the circular economy offers a clear pathway to do so.[10]

However, realising this potential requires confronting the limits of current efforts. While leading hotel groups are already advancing towards zero-waste-to-landfill models, their experience shows that even quick wins require collective effort and participation of actors across the whole value chain. Many properties still operate within systems built for linearity, where inadequate infrastructure, costly alternatives, limited innovation, and outdated regulatory frameworks slow progress. At the same time, both guests and providers must embrace new cultural norms that support circular products and services. These barriers demonstrate that the transition requires more than operational improvements—it demands systemic change.

This is precisely where the urgency and value of this white paper lie: to accelerate the industry's circular transition, align stakeholders around a shared vision, and establish a common framework for collaboration and action.
It is structured in three parts, each addressing a critical dimension of the transition. The first section identifies the systemic challenges that all hospitality actors must collectively tackle, offering clarity on where interventions are most needed. The second presents Iberostar's case study, illustrating how one leading company is advancing circularity while navigating industry-wide barriers. The final section proposes a strategic opportunity framework that stakeholders across the value chain can adapt to their local contexts, helping translate circular ambition into practical, measurable action. Together, these components support a unified, industry-wide approach to building 360° circular hospitality.
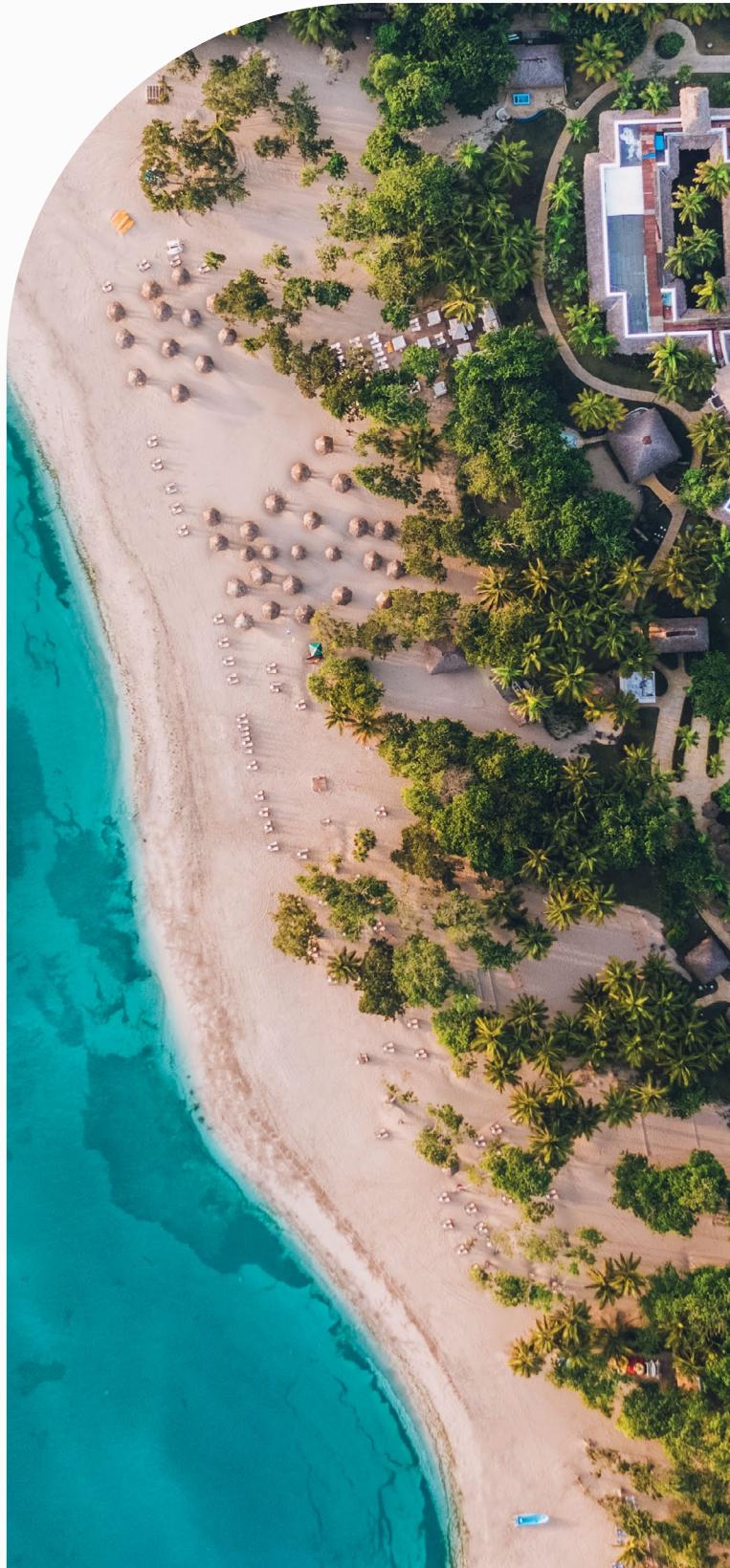
Systemic challenges to circular hospitality

Building on a detailed understanding of circularity, insights from an industry-wide workshop, and consultations with industry experts, the following section identifies the key systemic challenges shaping the industry's transition. These challenges clarify where each stakeholder—businesses, policymakers, communities, and guests—can contribute and take targeted action to advance circular hospitality.

1 Lack of waste-to-resource infrastructure

One of the most persistent barriers is the lack of facilities and systems to reuse, repair, remanufacture, or recycle products and materials, particularly in remote or island destinations. Without local capacity, even well-designed hotel waste separation systems often fail, sending materials to landfills, incinerators, or the environment.[11] Outside Europe, for example, plastic waste often has no viable recycling routes, and food waste is frequently burned or dumped where composting or redistribution is not available. Building effective waste-to-resource systems therefore requires **collective investment** in shared infrastructure, **scaled collection and processing capacity**, that can serve both the hotels and local communities.[12]

2 Regulatory barriers and missing incentives

Circular transformation in hospitality remains slow due to a lack of meaningful incentives to move away from the linear economy. Measures such as targeted tax relief, differentiated VAT rates for reused or recycled products, procurement quotas for circular goods, or regulatory pilot mechanisms are often missing, insufficient, or inconsistently applied. Instead, regulations frequently act as disincentives, creating conflicting rules that increase compliance costs and force market-specific approaches. At the global level, **trade policies and double taxation** on reused goods discourage cross-border circulation, while at the national level **health and safety**

regulations can restrict surplus food redistribution, even in food-insecure contexts. Locally, rigid waste-management fees and inconsistent regulations further weaken incentives; for example, **fixed waste fees** mean hotels pay regardless of how much waste they prevent or recycle. Overall, public policies supporting circularity in tourism remain limited, with only isolated roadmaps or industry-specific regulations, resulting in an uneven policy landscape where circular options remain less competitive.

3 Fragmentation across the value chain

Circularity in hospitality depends on coordination and shared responsibility across the entire value chain. Yet the industry remains highly fragmented: **suppliers, intermediaries, and service providers** often operate in isolation, making collaboration difficult and leading to misaligned practices.[13] For example, laundry, food supply, and cleaning services are frequently outsourced to separate contractors, each with different standards, complicating efforts to align on resource reduction. Similarly, **tour operators, online booking platforms, and destination management companies** do not consistently recognise or differentiate more sustainable offerings, which can act as a barrier to circular practices in the industry. Because circular solutions depend on system-wide collaboration, isolated efforts have limited impact. Without integrated systems, shared data, and transparent communication across the chain, individual circular actions are easily offset by linear practices elsewhere.

4 Supplier readiness and innovation

Many suppliers in the hospitality industry still operate within traditional linear systems, offering **few truly circular products and services**. For example, hotels may eliminate single-use plastics on site, yet continue to receive goods in non-returnable packaging that suppliers do not take back. This reflects limited incentives, low awareness and technical capacity, and the high upfront investment required to redesign

products and services. High costs and uncertain demand further discourage suppliers from acting, slowing the industry's transition to circularity. Food systems clearly illustrate these structural challenges. **Hospitality food supply chains** generate over **185 million tonnes of greenhouse gas emissions** each year, **nearly two-thirds of which come from sourcing alone**.[14] As agriculture remains one of the most polluting sectors globally, hospitality cannot achieve circularity while its supply chains remain carbon- and material-intensive.[15] Innovation is therefore critical, spanning advanced materials and circular design to reverse logistics and waste-to-resource systems.[16] Large hotel groups can **leverage their purchasing power to scale such solutions**, while smaller, independent hotels can contribute through agility and local collaboration.

5 Short-term thinking and the business case for circularity

Circular economy strategies in hospitality are too often seen as additional costs rather than as drivers of efficiency, resilience, and profitability.[17] Yet in a resource-constrained and risk-prone future, scaling circularity is not just good for the planet but a **core strategy for long-term resilience and competitive advantage**.[18] Many business leaders continue to assess circular practices through a short-term cost lens, reinforced by a system focused on immediate returns.[19] For example, in competitive industries like hospitality, businesses often compete on prices to attract customers.[20] As long-term environmental and social impacts are not reflected in prices, sustainable alternatives appear more expensive and linear practices seem cheaper, undermining long-term efficiency and collective value.[21] By contrast, circular practices deliver lasting value. Proven measures such as food waste reduction, water reuse and energy efficiency already show clear economic and environmental gains, while growing demand for sustainable experiences allows early adopters to capture new market opportunities.

6 Building a skilled and motivated workforce

Circular transformation in hospitality ultimately depends on the people who bring it to life—the staff implementing change day to day. Leadership vision is important, but it is employees who turn circular strategies into real-world results. Their awareness, skills, and commitment often determine whether initiatives succeed or fail.[22] A single disengaged

cleaner mixing separated waste, for example, can undo months of work. Yet many hospitality roles are characterised by high turnover, intense schedules, and temporary contracts, making it difficult to build the stable and motivated workforce that circularity requires.[23] Investing in training, clear communication of purpose, and attractive career pathways is therefore essential. **Staff must understand not only *how* to carry out circular practices, but *why* they matter**—from reducing waste and conserving resources to enhancing guest experiences. When employees feel valued, equipped, and empowered, they become powerful agents of change, driving continuous improvement in and embedding circularity into the culture of hospitality.

7 Slow transition of guest choices

Guests remain an untapped driver of circular transformation in hospitality. On holiday, tourists consume two to three times more goods and services than at home, with hotels generating an average of **1.6kg of waste per guest**[24] and consuming up to **1,500L per room** per day (five to eight times higher than local per-capita rates in water-scarce areas).[25] Food waste follows the same pattern: although hotels serve less than 0.5% of global meals, they produce **3% of global food waste**, often driven by overproduction, buffets, and limited redistribution.[26] These impacts reflect a combination of both guest demand patterns and how hotel offerings are currently designed. Despite rising awareness, guest behaviour has not shifted substantially towards low-impact travel, and hospitality offerings often fail to make sustainable choices intuitive or appealing.[27] Two key barriers persist: limited understanding of how travel choices affect local communities and ecosystems, and the perception that sustainability reduces comfort. **Circularity must therefore be designed as an upgrade, not a compromise**. Travelling itself can be a powerful influence in this direction. By redefining quality away from excess and towards authenticity, local culture and human connection, small design shifts can help integrate circular living into richer and more meaningful travel experiences.

8   Governance, data and accountability gaps

Managing circularity across a hotel's value chain is inherently complex. Operations teams already balance guest satisfaction, cost control and day-to-day challenges, while circularity cuts across all departments—from procurement to food services—and extends to suppliers and partners beyond the hotel's direct control. Coordination is further hindered by siloed relationships between public authorities, operators, suppliers and local communities. Clear objectives and consistent metrics are often lacking. Circularity is rarely embedded in KPIs, and reporting tends to focus on high-level sustainability indicators rather than operational performance. Weak standards and limited digital integration further restrict data quality, comparability and impact tracking across the whole tourism system. As a result, **hotels struggle to monitor progress, benchmark performance or demonstrate value**. Meaningful transformation therefore depends on breaking down silos and embedding shared metrics, data systems and accountability frameworks across the entire value chain.

9   Territorial diversity: one size does not fit all

The path toward circular hospitality is shaped by each destination's political, geographic, social, and economic realities, as well as the specific characteristics of its hospitality industry, such as size, ownership structure, available infrastructure and technology, staffing patterns, and guest profile. Despite these variations, the industry holds enormous potential to drive **place-based change**, provided that local communities and their knowledge are active partners in shaping solutions.[28] There are no universal roadmaps. Effective **circular solutions must be co-created, tested, and adapted to local contexts**. Cultural, geographical, and social factors often determine whether an approach succeeds or fails. Scaling circularity therefore depends on working with local stakeholders to understand environmental limits, social dynamics, and community expectations, ensuring that solutions are both technically sound and socially embraced. When local people are genuinely engaged, circular initiatives become more grounded, impactful, and resilient—delivering benefits that last for both destinations and the communities that sustain them.

10   Clear understanding and shared framework for collective action

Circular hospitality cannot advance effectively without a clear common understanding of what it entails and how it can be applied in practice. Today, many hotels, suppliers, policymakers, and communities often hold different interpretations of circularity, creating uncertainty and slowing progress. The industry still lacks a practical, hotel-oriented vision that answers fundamental questions: ***What does it mean for a hotel to be circular? What are the benefits? Which actions matter most and why?*** For many industry professionals, the circular economy remains new and unfamiliar, and the absence of clear guidance represents a collective barrier to action. A shared vision and actionable framework are therefore essential to translate circular principles into concrete steps that are relevant to hotels and destinations alike—elements that this white paper begins to provide. Meaningful progress also depends on collective learning from frontrunners who test new approaches and share insights across contexts. Their experience underscores the need for clear, practical guidance that supports the industry's transition.

This white paper contributes to that progress by outlining the systemic challenges the industry must overcome (Part I); illustrating what circularity looks like in practice—and which challenges can begin to be addressed—through the Iberostar case study (Part II); presenting a vision for circular hospitality developed through workshops and stakeholder collaboration; and offering a strategic opportunity framework that stakeholders can adapt to their local contexts to translate circular ambition into measurable action (Part III).

These icons will be used throughout the text to denote a relationship to the systemic challenges.

Leading by doing: Iberostar's journey toward circular hospitality

Iberostar Hotels & Resorts is a 100% family-owned Spanish multinational with 70 years in tourism, known for its portfolio of about **100 four- and five-star hotels across 13 countries**, many in beachfront locations. As a case study, it exemplifies how the hospitality industry can drive circularity: its Iberostar Wave of Change movement and responsible-tourism model turn ambition into action through structured internal systems, empowered teams, localised actions, and strategic partnerships. These efforts have **translated corporate goals into tangible results** across its portfolio, influencing not only daily operations and the destinations where the group operates, but also entire value chains. Crucially, these ambitions are driven by leadership convinced that sustainability is not optional but essential for the long-term survival and resilience of the business.

At a time when relatively few hospitality businesses have advanced circularity at scale, learning from frontrunners—and openly sharing their experiences—is critical. Iberostar's journey offers valuable insights into what is possible, while also revealing the structural barriers that no single actor can solve alone. The company's decision to foster this publication reflects a deliberate commitment to transparency and to driving the industry's transition toward circularity.

This case study therefore serves both as evidence of progress and as a lens on the wider industry's opportunities and constraints. It links directly to the strategic opportunity framework that follows, which aims to support actors across the value chain in adapting circular solutions to local contexts and translating ambition into measurable action. Three key drivers of Iberostar's circular transformation are examined, detailing their specific **targets**, the **actions** taken to achieve them, and how they contribute to the company's **integrated strategy**. While the focus is on achievements, these advances have required sustained effort and continue to face the systemic and organisational challenges outlined earlier.

Evolving targets for an evolving circular economy agenda

Iberostar's sustainability journey began with the Wave of Change movement in 2017, first focusing on protecting the ocean as the group recognised that safeguarding coastal health was essential to the future of the planet, the economy and the industry.

The movement quickly evolved to setting out broader sustainability targets over time: first eliminating single-use plastics in the customer journey by 2020, then aiming to reduce generation and divert all waste from landfill by 2025, and committing to carbon neutrality by 2030.

Guided by science and data, the group continues to work on these goals (and others) while looking ahead, with a 360° vision of circular hospitality that integrates circular management of materials and resources, nature-based solutions, climate action, and destination stewardship.

Phase I
(2017-2020)

Target
Eliminating all single-use plastic in the customer journey by 2020.

Action
2017 - Launch of Iberostar Wave of Change
A baseline waste assessment of sources, components and quantities of each waste stream identifies single-use plastic as an urgent pillar of work.

2020 - Signatory Global Tourism Plastics Initiative led by UN Tourism and UNEP

Outcome
Target achieved in just 18 months.

Phase II
(2020-2025)

Target
Zero-waste to landfill by 2025.

Action
2021 - Creation of 3R Department
Dedicated to embedding the "reduce, reuse, recycle" principles into daily hotel operations.

2021 - Signatory Glasgow Declaration on Climate Action in Tourism led by UN Tourism with support from UNEP

2023 - Circular Economy Roadmap unveiled at COP28[29]
This marks a strategic shift from waste management to broader circular business transformation around three pillars:

1. Evolving hotel operations
2. Contributing to resilient destinations
3. Fostering value chain partnerships

Outcome
As of 2024, the company has diverted 69% of its waste from landfill compared to its 2021 baseline thanks to over 250 employees in the 3R teams. Based on unaudited 2025 figures, this performance has now surpassed 80% diversion globally.

Phase III
(2025-2030)

Target
Carbon Neutral by 2030.

Action
2026 - Circular Economy Acceleration Plan
A co-created plan to accelerate the integration of circularity across all business areas.

Circularity is positioned as a key lever for achieving sustainability goals and a pathway for the prosperity of people, businesses, and ecosystems across all.

Outcome
Follow Iberostar's journey.

Updated results are expected in 2026.

Concrete actions translating targets into practice

Under the joint leadership of Iberostar's Sustainability Community (Wave of Change Innovation Hub), a dedicated 3R team (Reduce, Reuse, Recycle), Procurement, and Hotel Operations, the company has made significant progress toward its ambitious **zero waste-to-landfill target**. Key to this progress is Iberostar's commitment to **turning ambitions into concrete actions on the ground**. The following boxes showcase key initiatives that exemplify these efforts in practice.

The role of the 3R team, data and technology

Investing in people has been central to Iberostar's approach. Through the creation of **3R teams**—the hospitality industry's first department dedicated to eliminating waste in hotels—employees are trained and equipped with tools and data systems that ensure their work informs decision-making at higher levels. These teams collaborate across Sustainability, Operations, Product Sustainability, and Destination Stewardship, using data as a shared foundation for action. Staff collect, validate, and interpret waste data, ensuring that insights from the ground directly inform strategic decision-making.

This people-led approach is underpinned by robust data systems. Waste is measured and monitored continuously through standardized reporting and recurring audits, moving beyond the industry's estimation-based norms. A combination of digital dashboards and on-site technology enables real-time tracking, precise weighing, and categorization of materials. Iberostar traces the downstream journey of its waste: where it ends up in each destination and whether it is sorted, recycled, composted, or incinerated. This transparency strengthens accountability and collaboration with local waste providers, while also **empowering teams to work creatively with local partners to develop context-specific, scalable solutions**. By combining data-driven insight with people-centred action, Iberostar translates its zero-waste ambitions into tangible results across its destinations.

Single-use plastic-free customer experience (since 2020)

In less than two years, Iberostar managed to drastically phase out customer-facing single-use plastics through an ambitious, supply chain-wide transformation.[30] This required:

Changing products and services procured, together with suppliers

- Teams reviewed and **inventoried** over 1,000+ hotel products during the first year of the initiative to identify single-use items.

- Collaboration with **suppliers** enabled the replacement of disposable items with durable and reusable alternatives.

- **Bulk formats** were introduced for products like shampoo, conditioner, and other toiletries, maintaining quality while reducing waste.

- **Redesigned product packaging** included replacing single-use glass beverage bottles with a reverse logistics system in the Balearic Islands, and piloting large-format reusable containers for spirits, enabling circular use across the supply chain.

Making guest experiences circular while improving service

- Hotel **spaces and services** were redesigned so that circular systems fit naturally into the guest experience.

- Guests now enjoy the convenience of water refill stations throughout the hotels, supported by over **1,300+ purified water fountains** that have eliminated the need for single-use PET bottles.

- Everyday details in guest rooms, like **replacing plastic bags with biodegradable alternatives** where reusable options are not available, make sustainability effortless for visitors.

692 tonnes

of single-use plastics avoided after first year of implementation (relative to 2018 baseline)

How did this help overcome systemic challenges?

3 **Value chain collaboration**

4 **Supplier engagement**

Iberostar leverages strong relationships with suppliers and fosters collaborative innovation, using its purchasing power to drive the redesign of products and packaging for a circular economy.

Reducing and redefining the value of waste together with people: staff, guests and communities

To achieve its goals of zero-waste-to-landfill and reduced waste per guest per night, Iberostar combines measures such as:

Dedicated 3R Teams and data-driven operations

- Iberostar trains **over 250 employees** to manage daily waste. Using digital tracking systems and weighing tools, they monitor waste volumes and feed real-time data into dashboards that guide managers to reduce, recycle, and recover materials.

- Their audits revealed that at least **60% of hotel waste (mainly organic) can be diverted from landfill** through better infrastructure and collaboration with suppliers.

- Insights from 3R teams—covering waste categorization, quantification, segregation, and reduction—now inform strategic decisions and are linked to performance reviews and bonuses, **aligning environmental and business goals.** Each year, these efforts are reviewed and targets are updated to raise ambition and drive continuous improvement across all hotels.

Locally-driven and people-centred solutions

- Through **active listening and collaboration**, Destination Teams collaborate with local stakeholders to co-develop context-specific circular solutions, with particular attention to inclusion, skills development and participation of underrepresented groups.

- **Procurement and supplier partnerships** promote circular sourcing and reduce waste generation at its source.

Infrastructure for circular experiences

- **Expanded waste separation and collection systems** throughout different hotel departments and guest rooms enable recycling and material valorisation.

- **On-site reuse points** for items such as books, surfboards, umbrellas, diving masks, and flotation devices allow guests to share equipment. For Iberostar, these points are an opportunity to refurbish or repurpose equipment left at the hotel, reducing waste while enjoying cost-free access to high-quality amenities.

- **Guest engagement initiatives**, such as recycled-material workshops, educational performances, and accessible reuse initiatives, make sustainability an active and enjoyable part of the stay.

+80% reduction

in waste to landfill relative to 2021 (preliminary 2025 data)

How did this help overcome systemic challenges?

7 **Guest engagement:** Providing tangible incentives and adapting surrounding infrastructure encourages guests to actively participate in circular practices, making behaviour change more likely and long-lasting.

8 **Data to inform decision-making:** Investing in clear data systems and standardised metrics allows Iberostar to track progress, compare performance across properties, and guide business decisions. These tools also generate long-term cost savings by identifying efficiencies, reducing waste, and optimising resource use.

9 **Adapt to local context:** By linking circular initiatives to inclusion programmes, Iberostar generates social as well as environmental benefits.

Human–centred AI for smarter food systems

Food is a core part of Iberostar's service and the largest waste stream (around 60%), making it a critical lever for circularity. In this area, the business case is clear: reducing food waste delivers immediate cost savings while advancing climate and sustainability goals.

AI-assisted operations

- In partnership with **Winnow Solutions**, kitchens and 3R teams monitor food waste at the source using AI-assisted smart bins that can detect type and quantity of waste.

- Data informs **KPIs** for hotel directors, kitchen staff, and procurement to improve procurement, storage, preparation, and serving practices.

- Success depends on staff training and engagement, driving both operational and cultural change. A **manual of good practices** and a **food waste prevention framework** guide food management from intake to post-service, focusing on prevention, surplus revalorisation and clear monitoring metrics.

Strengthened local partnerships

- Organic waste is **composted on-site** or, where regulation permits, **transformed into animal feed** via collaborations with local farmers.

- Surplus edible food is redirected through donation **programme in destinations** including Mexico, the Dominican Republic, the Balearic Islands, and Tunisia.

- The **Lifting Up Local initiative** supports sustainable, artisanal, and locally sourced seafood, aiming for 100% responsible sourcing by 2025; already high percentages in some regions.[31]

- **Local food corners** in certain hotels promote regional products and gastronomy to guests.

Reduced food waste by 12%

within the first year of smart system implementation

- Winnow systems installed in over 60 hotels

- 260,000 kg of food waste saved in 2024 compared to 2023

- 2.65% reduction in food waste across all global operations in 2024

- 100% of organic waste into compost for two hotels in Brazil thanks to local partnerships

How did this help overcome systemic challenges?

1 **Decentralised infrastructure solutions** where centralised waste-to-resource infrastructure is lacking.

5 **Real time data to prove the business case for circularity:** Helping hotel teams collect accurate data, track waste, and make the business case tangible, linking waste reduction directly to cost savings and environmental benefits.

6 **Staff engagement and culture:** Technology alone is not enough. Investing in staff engagement and fostering a culture of circularity ensures that initiatives deliver sustained results.

9 **Community engagement and local impact:** By creating local supply chains and co-developing waste-to-resource systems, Iberostar ensures environmental gains are accompanied by social and economic benefits locally.

Beyond zero–waste–to–landfill: water, energy, built environment & nature preservation

Iberostar has been advancing its circular economy approach and is gradually expanding it to cover the full cycle of resource use—from water and construction materials to energy and natural ecosystems.

Full water cycle management

- **Internal desalination systems** reduce dependency on external freshwater sources.
- **Greywater reuse** pilots allow alternative sources of water for garden irrigation.
- **Efficiency audits** in water-intensive operations such as golf courses help pinpoint savings opportunities.
- **Water stress analysis** is underway to prioritise action in regions facing higher scarcity risks, and a new Water Stewardship framework will guide a unified management protocol tailored to each destination.
- **"Smart room" experiments** with universities are helping to track how guests use water and energy, turning behavioural insights into concrete measures that save resources without affecting guest comfort.

Circular construction by design

- **Iberostar's Sustainable Design and Construction Manual** provides over 100 measures to guide circularity and decarbonisation in hotel construction and renovation.
  - *JOIA AW:* used prefabricated systems and sustainable materials to cut waste.
  - *Waves Gaviotas Park ES:* diverted ~75% of construction waste from landfill.
  - *Selection Paraíso Lindo & Paraíso Maya MX:* reused nearly all furniture to extend its life cycle.
- Future **material passports** projects, expected to start in 2026 will allow teams to track components throughout their lifecycle, ensuring they can be recovered and reused in the future.

- **Selective demolition techniques** and partnerships with companies enable the recovery of concrete and other building materials for reprocessing.
- Wherever possible, **recycled-content or bio-based materials** are prioritised, and buildings are **designed for disassembly** so components can be repurposed.
- Each project is also used as an opportunity to advance water, energy efficiency, and decarbonisation goals alongside material circularity.

Clean power for a circular economy

- Iberostar sees renewable energy as a foundation for its circular economy ambitions. In several destinations, hotels are already running entirely on renewable sources, achieved by replacing fossil fuel systems with certified green energy, **solar power**, and **CO_2-based heat pumps**.
- **Energy efficiency upgrades**, combined with smart energy management tools are designed to pay for themselves, with some projects achieving a full return on investment in under three years, reinforcing the business case for the transition.

Nature protection & regeneration

- **Restoring natural ecosystems** is central to Iberostar's approach. The group maintains mangrove nurseries that help protect coastlines, supports dune and native plant restoration to safeguard biodiversity, and operates eight coral nurseries to rehabilitate reef ecosystems.
- In 2024, Iberostar developed a **Water Quality Protocol** to monitor and safeguard coastal ecosystems and recreational waters, setting clear standards, applying a Water Quality Index (WQI), and defining action plans to ensure compliance and protect marine biodiversity. This protocol is being implemented from 2025 onwards.

- In 2025, Iberostar created a Regreening strategy - guidelines for **sustainable management of gardens** by eradicating invasive species and introducing native and endemic species, fostering regreening action plans in hotels to reverse environmental degradation, improve biodiversity, and restore ecosystem functionality and services.

- Beyond direct restoration, Iberostar's **Destination Stewardship team** collaborates with local governments, NGOs, and communities to promote responsible tourism and foster meaningful connections with local populations. The team also works with pre-competitive partners to advance coastal restoration and expand the impact of these initiatives across the regions where the company operates.

100%

renewable energy supply achieved in Spain and Brazil

- Experiments, audits and studies conducted to identify water saving and reuse opportunities

- Increased recovery and reuse of building materials

- Active restoration of coastal and marine ecosystems

How did this help overcome systemic challenges?

1 **Localised infrastructure solutions:** In destinations with infrastructure gaps, Iberostar implements localised measures (such as water reuse systems and selective demolition) to advance circularity where centralised systems are lacking.

3 **Connected value chain from the start:** By integrating circular principles early in the design process, stakeholders across the value chain collaborate from the outset around shared objectives, technical requirements, and material choices.

7 **Guest behaviour insights:** Understanding guest behaviour enables the group to reduce water and energy use without compromising the customer experience.

8 **Integrating governance:** Coordinating water, construction, energy, and nature creates synergies that amplify circular impact across the value chain.

An integrated strategy embedding circularity across scales

Iberostar demonstrates how clear circular targets and structured roadmaps can drive transformation across and beyond hotel operations. Their approach combines data-driven management, employee engagement, and collaboration with local stakeholders to deliver context-specific solutions. Successful local initiatives are then scaled and replicated across the company's global portfolio.

Destination Stewardship team

Iberostar extends circular economy efforts to all its destinations through its **Destination Stewardship team**. The team maps stakeholders, identifies local priorities, and works with private actors, communities, and public institutions to co-develop place-based solutions. This approach has enabled partnerships with neighbouring hotels, suppliers, and service providers, advancing circular practices that no single actor could achieve alone.

Destination stewardship also means **inclusive community development**. To this end, when measures are designed, the group seeks to involve local stakeholders who can tailor the implementation process to their context and ensure that they can also reap broader benefits. These efforts position local communities not just as recipients, but as active participants and long-term contributors to scalable circular practices.

Cross-team collaboration balancing a global vision with localised action

Iberostar's operational transformation balances strategic direction with local adaptability. The Iberostar Wave of Change Hub and Product Sustainability team set the overarching circular strategy, while Operations and 3R teams translate these guidelines into on-the-ground action across hotels. Regular coordination meetings with hotel directors, housekeeping, maintenance, and procurement, as well as regional representatives, ensure effective implementation, monitoring and improvement of zero waste efforts.

Hotel managers are empowered to adjust measures to local conditions, adapting to infrastructure, regulations, and cultural differences. Continuous feedback allows local teams to share insights back to headquarters. This two-way model links internal transformation and destination-level engagement, allowing initiatives to be tested locally and scaled flexibly across destinations.

A few illustrative examples

Tunisia

Through partnerships with NGOs and local farms, Iberostar has developed shared solutions for plastic and organic waste, including recovery systems and food waste used as animal feed. These initiatives extend beyond Iberostar properties to other hotels in the destination, supporting collective circularity and rural livelihoods, and are being explored for replication in regions facing similar infrastructure gaps.

Mexico

Iberostar developed a Zero Waste Guide to help hotels start waste reduction from scratch, grounded in local regulations and designed as a replicable roadmap for the wider industry.[32] Moreover, the *Tejedoras de Sueños initiative* (launched in 2025) repurposes used staff uniforms into bags and other products sold in hotel shops, creating income for a local collective of single mothers while diverting textile waste.

Brazil

In Brazil, the group went further by co-financing new waste-to-resource infrastructure with local waste providers, a necessary investment that enabled Iberostar to reach its zero-waste-to-landfill goal in the country.

Spain

In the Balearic Islands, Iberostar's collaboration with Fundació Deixalles links circular economy activities with social inclusion by creating stable employment for vulnerable groups in material recovery, reuse and recycling, demonstrating how circular strategies can generate quality jobs for people at risk of social exclusion.

Learnings from Iberostar's journey

Iberostar's experience demonstrates what is possible when circularity is embedded as a non-negotiable feature of the business model. Looking ahead, several **key takeaways** can be extracted from their journey so far.

Success factors

✓ **Ambition drives transformation even without perfection.** Ambitious, time-bound goals act as powerful drivers of innovation and accountability, even when achieving some targets requires systemic transformation beyond the hotels. Iberostar's pursuit of reducing waste generation, zero-waste-to-landfill, and carbon neutrality, among many other targets, has propelled the group's progress far beyond what conservative planning would yield.

✓ **Starting with clear priorities and gradually increasing complexity.** Iberostar began by focusing on the most pressing issues—plastic, waste, and emissions—allowing the company to concentrate its efforts and build momentum in the early years. Over the years, the group's circular economy agenda consolidated and became increasingly ambitious in both scope and ambition, tackling more complex challenges across destinations and departments.

✓ **Circularity is not a project; it's a business opportunity.** Embedding it across operations, governance, and destination-level planning, turns circularity as a strategic pathway for driving innovation, and long-term business resilience—strengthening supply chains, generating jobs, diversifying income streams, and increasing destination resilience.

✓ **Learning, adapting, and scaling across different contexts.** Rather than replicating a fixed model, Iberostar focuses on testing, learning, and adapting solutions across destinations and departments. The willingness to evolve based on tangible results—not waiting for perfect solutions—has been key to scaling circular action across a diverse portfolio.

✓ **The power of people.** Sustained circular change depends on trained, motivated teams—from 3R and Destination Stewardship teams, from operations to procurement and hotel leadership—who turn strategy into consistent, day-to-day practice.

✓ **Responsible leadership beyond compliance.** Iberostar is embracing its role not just as a hospitality provider, but as a steward of the places where it operates. By building local alliances, co-investing in infrastructure, and supporting community inclusion, the company hopes to encourage greater responsibility while generating value beyond its operations.

✓ **Technology, data and measurement.** Robust, auditable data systems, real-time dashboards and standardised waste and performance metrics are essential for tracking progress, proving the business case, and scaling what works across diverse destinations.

Challenges and limitations

Iberostar's transition toward circularity has been marked by substantial progress, but also by significant challenges—both systemic and internal. Many reflect broader hospitality industry realities, including limited waste-to-resource infrastructure in some destinations, fragmented regulations, and supply chains that are not yet ready to deliver circular products and services at scale. In certain locations, zero-waste-to-landfill goals are still constrained by local treatment facilities, and reusable packaging models are limited where long-distance imports dominate. The financial case for circularity also remains complex, as returns on investment depend on infrastructure, scale, and implementation timelines. Internally, the group faces the challenge of adapting operational routines, engaging third-party managed hotels, and overcoming initial concerns about the impact of circular measures on guest satisfaction and service standards. Guests themselves are not always fully onboard, making engagement and communication a critical part of the transition.

As highlighted by Iberostar's case study, some of these barriers have been successfully addressed through targeted, place-based action, but others persist and continue to shape the pace of progress. Iberostar's experience shows how much a single company can advance circularity in practice, yet it also underscores that achieving 360° circularity across the industry will depend on systemic conditions: supportive infrastructure, enabling regulations, and innovative solutions that go beyond individual hotels. Certain challenges can be tackled internally, but many require coordinated action along the value chain and across the wider ecosystem.

In this context, the next section of this white paper fosters collaboration by pinpointing strategic opportunities that hospitality actors can implement, while also identifying the key enablers outside the industry that can accelerate circular transformation. **Developed through engagement with stakeholders across the value chain, these opportunities are intended to guide businesses, policymakers, and partners in translating them into concrete projects and initiatives that are adapted to local contexts.**

Strategic opportunities towards circular hospitality

What does a circular hospitality industry look like?

Our vision is a **circular, resilient and responsible** hospitality industry where everyone—from CEOs to frontline staff, across companies, guests, local communities, and public authorities—comes together as a motivated and connected group, taking **collective action** to drive systemic change.

We see circularity as a powerful means to help **people, businesses, and the planet prosper,** transforming tourism for long-term sustainability and strengthening the vitality of destinations. Through collaboration, education, innovation, reimagined guest experiences, and a commitment to responsible practices and regulatory compliance, we aim to create lasting net positive economic, social, and environmental impacts that empower communities and inspire a thriving future for the industry.

★ Strategy & governance

★ Finance & investment

★ Policy & standards

⦿ Circular Destinations — 5

✓ Circular Procurement — 1

★ Capacity building & education

♡ Circular Business Culture and Guest Experiences — 4

Circular Operations — 2

STRATEGIC OPPORTUNITIES

★ Innovation & technology

🏢 Circular Built Environment — 3

★ Collaboration

KEY ENABLERS

The biggest opportunity for the hospitality industry is to adopt an integrated circular economy approach across the entire business model and its value chain, engaging destinations. Circularity is indeed not an end in itself but a means to achieve broader system transformation, helping hotels deliver on the industry's ambition: strengthening connections with destinations, supporting local economies, and bringing guests closer to the culture and character of the places they visit.

Realising this potential requires pursuing **strategic opportunities** that embed circularity across operations, procurement, buildings, guest interaction, and collaboration with suppliers and destinations. At the same time, it also depends on **enabling conditions**—governance, policies, partnerships, infrastructure, and incentives—that make these opportunities feasible and scalable. Together, these components form a practical blueprint for circular, resilient, and responsible hospitality.

The resulting framework offers guidance and inspiration for hotels, supporting industries—from food systems to the built environment—and entire destinations. Adaptable to different contexts and anchored in a shared vision, it also gives hotels actionable insights, inviting core departments (kitchen, bars, housekeeping, maintenance, and management) to rethink how to do more with less, extend the life of resources, minimise waste, and improve everyday operations for the benefit of the business and its surroundings.

Beyond providing guidance, it is an invitation:

• To rethink entrenched linear practices,

• To reflect on local potential, and

• To act together to unlock strategic opportunities for circular transformation.

In doing so, the blueprint channels the insights and aspirations of all those who shaped it, translating a collective vision into tangible pathways capable of delivering meaningful outcomes for businesses, communities, and the destinations they serve.

How the framework was developed: a collaborative and research-informed methodology

The blueprint and vision presented in this paper are the outcome of a structured, research-informed, and truly collaborative journey—one that brought together hotel groups of all sizes, impact-driven foundations, regulators, and circular economy practitioners to collectively confront the systemic challenges facing the hospitality industry. Through a co-creation workshop held in September 2025, participants from across the value chain openly explored what a circular hospitality industry means for them, and define what strategic opportunities mean in practice, surfacing concrete
levers for change that reflect both the realities of businesses and the long-term needs of destinations.

These insights were refined and validated through further research and continuous dialogue, ensuring that the final blueprint is not just technically sound but also rooted in the lived experiences, ambitions, and commitments of the industry itself. It represents a rare moment of collective alignment in which businesses, foundations, and policymakers chose to bridge silos and begin building the shared vision the industry has long lacked.

Circular Procurement

Strategic opportunity 1

In a circular hospitality industry, procurement is no longer a behind-the-scenes task—it is a visible commitment to responsible practices. Applying lifecycle thinking and cascading circular criteria turns purchasing into a strategic lever for sustainability and innovation. Embedding these principles into procurement and partnerships strengthens business resilience and competitiveness: anticipating regulatory changes such as single-use plastic bans, reducing exposure to volatile material markets, and minimizing operational risks. Sourcing durable, sustainable materials also enhances brand reputation, conveying quality and care to guests. At a wider scale, destinations and their public and private partners can use procurement to drive demand for circular solutions, making innovative products more accessible and affordable, while supporting suppliers in their transition from linear to circular business models.

Why does this matter for business?

🏆 **Business resilience**

📈 **Market creation and innovation**

♡ **Brand differentiation**

What does this mean in practice?

1.1. Rethinking product procurement decisions

Procurement should include **circular criteria that follow a cascading decision tree** to deliver products and solutions that meet business needs while minimising harm at each step, both at global and local levels. This approach can be presented through the following key areas of work:

- **Refuse or rethink** products to avoid unnecessary items, prioritising bulk purchases, minimal packaging, or alternatives such as water fountains to replace single-use plastics.

- When single-use items are unavoidable, select **regenerative** options like biodegradable or compostable materials, or processes that restore natural resources.

- **Reduce** material intensity by prioritising durable and repairable products, and selecting **reusable** solutions such as glass containers or refillable toiletry dispensers further extend product lifecycles.

- Ensure **recyclability** enables responsible end-of-life management.

By systematically applying this cascading criteria alongside conventional business criteria, procurement decisions become a powerful lever for embedding circularity into operations without compromising performance or value—especially when supported by internal circular procurement protocols tailored to key business categories to guide day-to-day practice.

1.2. Innovative service and systems

Circular procurement goes beyond choosing better products. It also involves implementing business models and operational solutions that keep resources in use as long as possible.

- **Product-as-a-service models** such as leasing furniture and appliances, HVAC-as-a-service, or "pay-per-lux" lighting ensure that hotels only pay for outcomes while suppliers retain responsibility for maintenance, repair, and end-of-life management.

- **Shared-use models, reusable packaging schemes**, and **reverse logistics systems** further reduce waste and encourage continuous resource loops.

- **Maintenance and renovation services.** Prioritise refurbishment, repair, and modular upgrades over full replacement of furniture, equipment, or fixtures.

These innovative service solutions can improve operational efficiency, optimise resource use, and enhance the guest experience.

1.3. Sourcing locally and responsibly

Through procurement, hotels and resorts hold a unique opportunity to champion local circular markets by sourcing from nearby artisans, farmers and community businesses. This approach strengthens local economies, shortens supply chains, and creates meaningful connections between guests and destinations, offering experiences rooted in local culture and heritage. **Yet, local sourcing must be approached responsibly—operating within the ecological and social capacity of each destination.** By doing so, hotels reinforce the resilience and vibrancy of local communities, fostering collaborations that benefit people, nature, and the hospitality experience alike.

How will this help overcome systemic challenges?

3 **Creating connected and localised value chains**

By adopting shared-use models, product-as-a-service contracts, and reverse logistics, circular procurement helps reduce fragmentation across the value chain. By linking previously disconnected actors—hotels, suppliers, and local service providers—it creates continuous loops of materials, services, and information that reduce fragmentation and improve efficiency.

4 **Building long-term partnerships**

Circular procurement encourages hotels to strengthen long-term relationships with suppliers by progressively integrating circularity criteria into the value chain, while co-investing in and co-creating circular solutions.

8 **Improve data and accountability**

Circular procurement contributes to closing governance and data gaps by promoting the collection and analysis of product lifecycle data—including reuse potential, repairability, and end-of-life pathways. This enables informed decisions, measurable impact, and accountability across the supply chain.

9 **Adapt to local contexts**

Circular procurement responds to territorial diversity challenges by promoting an understanding of local ecosystems and social conditions to ensure sourcing respects the capacity of each destination and aligns with local expertise.

Who should collaborate to seize this opportunity?

Hotel management & procurement teams: Set circularity goals, define product specifications, manage supplier partnerships, and monitor impact.

Suppliers: Co-create and co-invest in circular products and services offerings; share lifecycle and end-of-life data to monitor impacts.

Guests: Use zero-waste products and services and provide feedback to support improving them.

Local producers & communities: Build resilience in destinations by supplying products responsibly, protect ecosystems, create jobs and livelihoods, and support circular and culturally authentic experiences for guests.

Industry associations: Share best practices, provide training, and facilitate collaboration across the value chain, reinforcing the business ecosystem.

Universities & NGOs: Measure local ecological and social carrying capacity, provide the knowledge base to inform responsible sourcing, and guide circular strategies.

Circular Operations
Strategic opportunity 2

Circular operations embed circularity as the core principle of all departments and functions to transform hospitality from the ground up. Circularity is one of the organising principles of service delivery, shaping how hotels run kitchens, maintain facilities, and design and manage accommodation services and amenities to deliver memorable guest experiences. Operations are designed to eliminate waste and pollution while keeping products, materials, and resources in continuous use—from energy and water to food, furniture, textiles, and other materials, products, and services. This approach redefines operational excellence by linking environmental stewardship with business efficiency, resilience, and guest satisfaction.

Why does this matter for business?

Reduce resource use

Boost staff engagement

Elevate guest experience

What does this mean in practice?

2.1. Do more with less

Circular operations are also about **rethinking the traditional ways of doing business**—from cleaning and cooking to gardening and maintenance—together with the teams involved, to find innovative ways of delivering the best guest experience with fewer virgin resources and materials. Simple interventions, such as minimizing linen changes, streamlining menus, and designing functional spaces, can lower resource use without affecting the quality of the guest experience.

Smart design also enables operational efficiency, helping to reduce material and energy consumption in day-to-day activities. It means focusing on simplicity, functionality, and reducing unnecessary materials, creating calming, uncluttered spaces that highlight quality over quantity. By combining **waste reduction at the source** with **collaborative innovation** and **local production**, these strategies strengthen efficiency, resilience, and guest satisfaction, demonstrating care, attention to detail, and a high-quality hospitality experience where sustainability and comfort go hand in hand.

2.2. Repair and reuse

Moving beyond the linear "buy-use-discard" model, circular operations **extend the life** of products, equipment, and spaces. Hotels **renovate only when necessary** and **refurbish what can be saved** with careful attention to detail. Everyday objects, even something as simple as an umbrella, are **retained, repaired and shared** through dedicated guest spaces, fostering long-term sense of community and connection to the hotel. In this way, circularity also embraces local identity: employing local artisans and artists to fix and design décor, ensuring that each property stands out, **showcasing the culture, craftsmanship, and character of the surrounding community**, while offering guests connection to different ways of life.

2.3. Closed-loop solutions

Circular hotels process what they can locally, keeping materials, water, and energy in use for as long as possible. This includes **on-site renewable energy generation, reusing greywater and rainwater**, capturing **waste heat**, and **composting** organic materials. They also prioritise upcycling solutions, partnering with local groups to **give materials a second life**, for instance, turning old uniforms or linens into products the hotel can reuse or resell, or that generate income for community initiatives.

For materials that cannot be processed on-site, hotels can **co-invest in infrastructure** to manage waste locally, such as wastewater treatment plants, advanced sorting systems, or mobile waste units that help maintain circular flows even in remote locations. Achieving these outcomes requires **training staff** to see discarded materials as potential value, and using **creativity** and **knowledge of the local context** to rescue and redirect resources in ways that strengthen both the hotel and the community.

How will this help overcome systemic challenges?

1 **Less reliance on external waste systems**

Reducing, reusing, and repairing keeps materials in use, lowering waste sent to external infrastructure. While co-investing in shared resource systems (waste treatment, composting, water reuse) benefits the broader destination.

5 **Long-term cost reductions**

Reducing energy, water, and food use, sharing or refurbishing equipment, and valorising waste lowers expenses and financial risks.

6 **Staff are the circular champions of circular operations**

Reducing, reusing, and repairing rely on staff. Training in composting, garden management, furniture refurbishment, and material repurposing builds skills, motivation, and retention, improving hospitality as an employer.

7 **Guests engaged through experience**

Shaping low-impact experiences and visible circular practices can improve service quality for guests while engaging them, raising their awareness, and turning them into active participants in the transition. Reshaping the environment around guests creates the conditions that naturally encourage sustainable behaviour.

Who should collaborate to seize this opportunity?

Water & energy providers: Supply renewable energy and efficient water systems.

Staff: Run circular operations daily—reuse, repair, compost, refurbish.

Guests: Follow low-impact practices and engage with shared resources.

Waste managers & recyclers: Sort, compost, and recover materials locally.

Local artisans & communities: Repair, upcycle, and add cultural value.

Local and national authorities: Align regulations and co-invest to support local infrastructure.

Circular Built Environment
Strategic opportunity 3

A circular built environment in hotels envisions the selection of sites and the creation of physical spaces that are designed, managed and renovated to maximise longevity, resource efficiency, and the use of sustainable, secondary materials. By prioritising durable, adaptable structures and sourcing renewable or secondary materials as close as possible, hotels minimise environmental impacts while safeguarding the value of their assets over time. This approach transforms hotels into regenerative infrastructure, capable of evolving with changing guest needs, building functions, and operational demands without unnecessary demolition or waste.

Why does this matter for business?

Extend asset life

Resilience and future-proofing

Premium, flexible spaces

What does this mean in practice?

3.1. Lock in circularity in buildings from their design

Hotels should be planned as long-lasting, adaptable spaces that can evolve with changing guest needs or building function and operational demands, reducing the need for demolition or wasteful interventions over time. Design strategies should anticipate renovation, expansion, and repurposing, ensuring that the built environment remains functional and valuable across decades.

Key circular and regenerative principles applied in this context include:

- **Nature-integrated site selection and design:** Create spaces that are visually appealing and harmoniously integrated with the surrounding environment.

- **Bioclimatic design:** Integrate natural ventilation, daylighting, optimised building orientation, renewable energy generation and water efficiency to reduce energy and water demand, while creating visually appealing, nature-integrated spaces.

- **Design for disassembly:** Enable future reuse or recycling of building components.

- **Modularity and adaptability:** Allow spaces to be easily reconfigured, expanded, or relocated to meet evolving needs.

- **Longevity and durability:** Extend the life of assets through resilient materials and construction.

- **Retrofit and upgradeability:** Enable incremental improvements over time.

Practical approaches of some of these principles include **modular hotel rooms** that can be easily reconfigured, expanded, or relocated to meet changing occupancy patterns, and **passive design strategies** such as optimised natural ventilation, daylighting, and building orientation to minimise heating, cooling, and artificial lighting needs.

3.2. Renewable and sustainably sourced building materials

Choosing materials that are renewable, sustainably sourced, or made from recycled content reduces reliance on virgin materials, which often have high environmental and carbon impacts. Practical applications in hotels include using **FSC-certified timber** or **exploring reclaimed wood** for flooring, furniture, and wall panels; **recycled metals** for structural elements and fixtures; and **biobased insulation or finishes** with lower environmental footprints.

3.3. Reconversion of use and value retention

Rather than building new, prioritising **refurbishment** and **modernisation** of ageing building assets as a default approach extends these assets' lifetimes, reduces embodied carbon, and maximises the use of existing structures. For this, the use of **digital product passports and building information modelling (BIM)** is key, as these tools allow tracking the quality and condition of each material used in hotels' buildings.

Circular demolition, selective deconstruction, and careful **monitoring of waste generated** during construction and renovation work enable the reuse or recycling of materials that still hold value, either within the hotel or in nearby construction projects. Importantly, this approach ensures that if a hotel closes or relocates, it leaves behind a functional, adaptable, and sustainable space that can be reused, supporting the long-term health and resilience of the destination.

How will this help overcome systemic challenges?

1 Enable material reuse

Designing hotels for disassembly and modularity allows building components—room pods, furniture, and panels—to be reused or recycled on-site or nearby, reducing reliance on external waste-to-resource infrastructure.

2 Navigate regulatory differences

Modular and adaptable designs allow hotels to adjust building components—like energy systems, insulation, or interior layouts—to better align with differing local codes and sustainability requirements, reducing the need for full reconstruction while supporting regulatory compliance.

4 Stimulate supplier innovation

Predictable demand for modular, upgradeable, and flexible building systems—like plug-and-play HVAC, modular kitchens, or refurbishable furniture—encourages suppliers to innovate and provide circular-ready solutions.

9 Adapt to local contexts

Adaptable, durable, and modular design lets hotels integrate seamlessly into different environments—historic centres, coastal zones, or dense urban areas—ensuring buildings support the local identity and ecosystem while maintaining long-term value.

Who should collaborate to seize this opportunity?

Architects & designers: Embed circularity from the start; design for disassembly, modularity, and longevity.

Builders & contractors: Train their staff to implement design-for-disassembly, modular construction, and selective deconstruction.

Hotel management & procurement: Set circularity targets for buildings, define specifications for upgradeable or modular components, coordinate refurbishment, and set lifecycle expectations.

Material suppliers: Provide sustainable, high-quality materials sourced as locally as possible, supporting circularity and minimizing transportation impacts.

Waste management & recycling industry: Collect, sort, and recover materials; provide logistics for reuse and secondary material markets; transform hotel deconstruction or renovation waste into inputs for other industries.

Authorities & regulators: Set standards and codes that support circular buildings, provide incentives for modular or upgradeable infrastructure.

Industry associations, research institutions & NGOs: Offer guidance, training, tools, and platforms for innovation; facilitate cross-industry collaboration and knowledge sharing.

Circular Business Culture and Guest Experiences

Strategic opportunity 4

Hotels must shape experiences that put people at the centre of the transition, empowering leaders, workers and guests as catalysts for circular change. The industry can evolve into the stage for cultural transformation, embedding circularity in the hotel experience. **Guests and staff** alike experience and learn new ways of living sustainably, circularity is no longer an individual behaviour effort, but a natural, convenient and rewarding process in the daily experience. Building this sense of community is key, and it offers opportunities to strengthen guest loyalty, employee engagement, and a greater social impact.

Why does this matter for business?

⭐ **Enhanced brand experience**

🎓 **Upskill and retain talent**

♡ **Delight and inspire guests**

What does this mean in practice?

4.1. Leadership change

For the hotel industry to truly embody circularity, it must be **embedded as a non-negotiable feature of the business model**. Change must be driven from the top—CEOs, boards, and general directors— and cascade across all levels, including managers and operational staff. Leadership is responsible for setting an example, aligning incentives, and ensuring that sustainability is not perceived as an optional add-on, but as a driver of efficiency, resilience, and long-term prosperity of the business in a changing industry. Strategic levers such as banks and investors can make circular practices indispensable by requiring sustainability, risk, and circular economy criteria for financing or coverage, prompting companies to integrate these principles into their core operations.rate these principles into their core operations.

4.2. Empowering employees as drivers of change

Employees are the everyday ambassadors of circularity. By investing in quality and inclusive jobs, hotels can ensure staff have access to adequate training in circular skills and practices tailored to hospitality. In certain destinations, employees may encounter circular practices—such as waste separation or recycling—for the first time at the hotel, since such habits and infrastructures are not always present outside the workplace. This positions **hotels as environments for cultural transformation**, where staff can learn, apply, and eventually carry forward new ways of working and living. Recognition is a critical part of this process: small gestures should be **recognised and celebrated** alongside larger achievements. Feedback grounded on evidence and data, visible recognition of positive results, and clear communication about impact all help motivate employees, build pride, and promote a **culture of shared responsibility**.

4.3. Positive narrative for guests: creativity and education

Circularity should be seamlessly integrated into the guest journey, using **visible, creative**, and **rewarding solutions** without compromising comfort, health, quality, or experience. Hotels can articulate a strong, positive narrative that **blends rational actions with emotional resonance**, highlighting how circularity can be broken down into small simple everyday actions, but also as a broad system transformation which is essential for long-term prosperity and well-being.

Practical applications include visible circular design in facilities, better and more durable products, curated local experiences, children's activities, and leisure offers with a circular purpose (e.g., tours in food cooperatives, repair workshops, beach clean-ups, etc.). Crucially, tourism activities should connect guests with local culture, traditions and heritage. Well planned activities that respect the visitors load capacity and support authentic experiences with a low impact behaviour, can reduce pressure on popular landmarks and help visitors engage meaningfully with local culture. Communication should remain light, inspiring, and playful to spark behavioural change without moralising.

How will this help overcome systemic challenges?

5 **Making circularity a non-negotiable integral part of the business model**

Reframing sustainability as a driver of efficiency and resilience helps overcome short-term thinking and convinces investors and boards of the urgency for change.

6 **Upskill and motivate staff**

Training, recognition, and clear processes build a skilled, engaged workforce, reduce turnover, and foster commitment to the hotel's circular mission.

7 **Influence guest behaviour**

Designing fun, engaging, and educational experiences guides guests toward sustainable practices, making low-impact behaviour easy and appealing.

8 **Strengthen governance and accountability**

Embedding circular practices across all departments and partners breaks down silos, aligns operations, and ensures consistent governance and accountability.

Who should collaborate to seize this opportunity?

Hotel owners, CEOs, and executive roles: Set the vision, embed circularity in business models, and allocate resources to enable behavioural and operational transformation.

Hotel directors and managers: Operationalise the vision, adapt strategies to local contexts, and communicate circular practices to staff.

Employees: Implement circular practices daily and shape guest experiences with authenticity and engagement.

Guests: Co-create circularity by adopting sustainable behaviours, embracing new experiences, and rewarding hotels with circular practices.

Tourism intermediaries: Align offerings, packages, and promotions with circular practices to support hotel sustainability efforts.

Circular Destinations

Strategic opportunity 5

In a circular industry, hotels align their operations with place-based responsible practices that protect ecosystems, preserve cultural heritage, and strengthen the connection with local communities. Driving the quality and resilience of destinations becomes a critical opportunity for long-term success in the hospitality model and of tourism systems more broadly, particularly in destinations where tourism contributes a significant share of GDP and the local economy depends on the industry's performance. Hotels and hospitality businesses can act as stewards of their locations, collaborating with local communities, peers, and partners to create responsible destinations that thrive environmentally, socially, and culturally.

Why does this matter for business?

- **Strengthen community trust**
- **Protect and enhance natural assets**
- **Promote and use new available solutions**

What does this mean in practice?

5.1. Improve offerings by integrating local economies

Hotels can become key drivers of local prosperity by embedding themselves in the cultural and economic fabric of their destinations. This includes **leveraging and respecting the unique character of each place**, harmonizing with local architecture, integrating local culture into food, product offerings, and décor, and promoting local heritage responsibly. It can also mean **operating differently throughout the year**. Hotels can also operate differently throughout the year; during low-demand periods, spaces can host conferences, cultural events, or community activities, creating value for residents and local businesses.

5.2. Protect and regenerate natural ecosystems

Circular and regenerative destinations require hotels to **move beyond mitigation toward net-positive contributions** to the natural environment. This can include investing in **restoration and regenerative initiatives** tailored to local ecosystems, such as reforestation, wetland restoration, or sustainable agriculture.

Efforts should be science-based and tracked through robust monitoring and third-party certification to ensure credibility and enable decision making. Replication is critical: hotels can **co-develop best practice guidebooks** with local stakeholders and peers/competitors, sharing them across destinations and with guests to amplify impact. By investing systematically in surrounding natural capital, hotels protect the assets that underpin long-term viability, build resilience, and create value that extends far beyond their walls.

5.3. Strengthen communities and societies

Responsible destinations emerge when hotels actively engage with local communities. This includes:

- Creating **inclusive employment opportunities** for all types of profiles by offering fair wages, training, and recognition. Hotels can professionalize entry-level roles while improving circular practices.

- **Investing in grassroots initiatives**—such as community recycling, repair, and upcycling programmes—strengthens social capital and keeps value within the community. Circular solutions are most effective when co-created with local actors, tailored to each destination, and once established, elements can be replicated in other contexts.

- **Collaborating with local municipalities** ensures that hotel operations respect local priorities and development plans, aligning circular practices with the community's goals for the future. By embedding themselves in local networks and fostering trust, hotels build social capital, support resilient livelihoods, and create tourism systems that benefit both operators and the communities they serve.

How will this help overcome systemic challenges?

4 **Navigate regulations locally**

Collaborating with local authorities and other hotel groups allows hotels to co-develop practices that fit specific jurisdictions, reducing risks from fragmented or conflicting regulations.

5 **Shift to long-term value**

Investing in ecosystem restoration, cultural heritage, and community resilience reframes circularity as strategic, long-term value rather than short-term cost, anchoring hotel operations sustainably in their destinations.

9 **Adapt to local contexts**

Working closely with communities ensures circular strategies are locally relevant, socially accepted, and environmentally effective, respecting territorial, cultural, and social diversity.

Who should collaborate to seize this opportunity?

Hotel owners & directors: Commit to long-term regeneration and implement place-specific practices that align profitability with environmental, social, and cultural stewardship

Private sector & investors: Co-develop circular products, services, and systems while providing the financial backing needed to enable circular transitions and foster prosperity.

Local authorities: Monitor impacts, set incentives, regulations, and steering conditions to support circular development.

Local communities: Contribute cultural knowledge, skills, and resources, ensuring tourism strengthens livelihoods and preserves heritage.

Destination Management Organisations (DMO): Provide coordination platforms and bring stakeholders together to ensure balanced, sustainable destination development.

Civil society & international agencies: Bring neutrality, technical expertise, and global influence to support strategy development, partnerships, and the scaling of circular economy initiatives.

Key enablers

This paper outlines strategic opportunities for hotels to use circularity as a pathway to a more sustainable future. However, overcoming the systemic barriers identified requires action beyond individual businesses. Enablers are the conditions that allow circular practices to emerge, scale and endure across the industry.[33]

⭐ Strategy & governance

Circularity must be embedded in core business strategy, decision-making and operations. This requires aligning planning, investments and performance evaluation with long-term transformation goals. Strong **internal governance** ensures accountability across departments, clear roles, and robust data and reporting systems. **External governance** engages employees, local actors and smaller businesses to align hotel operations with local rights, environmental protection and destination-level priorities. The hospitality industry can support this by integrating circular objectives into corporate strategies, governance structures and KPIs, and by actively engaging destination-level governance processes.

⭐ Policy & standards

Supportive regulation and industry standards are critical to enable circular practices. **Policies at global, national and local levels** should remove barriers and incentivise circular solutions, including harmonised waste management, low-carbon technologies and responsible sourcing. Importantly, **hotel classification and quality standards** must evolve so that circular practices are recognised rather than penalised, allowing sustainability and competitiveness to reinforce one another. Hotels and hospitality associations can contribute by providing evidence from practice, engaging in policy dialogue and advocating for standards that better reflect circular performance.

⭐ Innovation & technology

Circular hospitality depends on **both technological and social innovation**, supported by collaboration across the value chain. High-tech solutions (e.g. AI-enabled food waste monitoring or predictive inventory management) can optimise resource use, while low-tech, locally adapted approaches (e.g. composting or waste cooperatives) enable circularity in destinations with limited infrastructure and create opportunities for

guest participation. The hospitality industry can act as a testbed for innovation by piloting solutions, sharing data and scaling proven approaches across destinations and supplier networks.

⭐ Collaboration

Scaling circular solutions requires coordinated action across actors:

- **Private sector:** Hotels, suppliers and peers can co-develop products, systems and shared logistics, using pooled procurement to shift markets.
- **Public–private:** Collaboration with authorities helps align regulations with operational realities and co-create enabling conditions.
- **Community:** Partnerships with local organisations and social enterprises integrate local knowledge, strengthen governance and generate local economic value.

Hotels can leverage their position as anchor institutions to convene partners, align incentives and foster long-term collaboration across the tourism value chain.

⭐ Capacity building & education

Lasting change depends on people. Training staff, engaging guests and sharing knowledge across hotels and partners helps embed circular practices into everyday operations. Peer learning and experience-sharing allow solutions to be adapted to different contexts, fostering collective responsibility and scalable impact. The hospitality industry can invest in **continuous training, guest engagement and peer-learning platforms** to normalise circular practices across roles, functions and destinations.

⭐ Finance & investment

The transition from linear to circular models requires investment frameworks that recognise long-term risks and value creation. This includes integrating circular criteria into lending and investment decisions, raising awareness among financial institutions, and connecting investors with circular hospitality initiatives. **Redirecting capital towards circular solutions** strengthens resilience and accelerates innovations with lasting economic and environmental returns. Hotels can support this shift by demonstrating bankable circular projects, sharing performance data and engaging financiers early in the design of circular investments.

Call to action

Fostering the integration of circularity into business models, value chains, and destinations represents one of the greatest opportunities for the hospitality industry. Yet seising this opportunity requires more than individual efforts: it demands coordinated, coalition-based action that aligns local innovation with global ambition.

We call on the global hospitality and tourism community—hotels, suppliers, local authorities, investors, educators, NGOs, and guests—to come together to drive circular transformation. Hospitality has unparalleled influence over destinations, livelihoods, and ecosystems. With this comes responsibility: sustaining communities, natural resources, and cultural heritage is both a moral duty and a business imperative. The linear "take–make–waste" model is no longer viable, and circularity must be embedded across operations, supply chains, and community engagement.

Circular transformation cannot succeed in isolation. Systemic challenges—such as fragmented supply chains, limited waste valorisation infrastructure, regulatory misalignment, and slow behavioural shifts—block widespread transformation. Individual initiatives, like Iberostar Hotels & Resorts' waste reduction, 3R teams, and destination stewardship, show what's possible, but real impact requires coordinated action.

Locally tested pilots can demonstrate what works, generate insights, and build confidence. Their true value emerges when scaled and coordinated across networks of hotels, suppliers, authorities, and communities, creating systemic change that strengthens destinations, supports local economies, enhances guest experiences, and preserves natural, social, and cultural capital. **Collaborative coalitions are essential to embed circularity into the industry's DNA.**

Now is the moment for action. The strategic opportunities in this paper provide a blueprint for embedding circularity across operations, procurement, buildings, culture, and community engagement. Stakeholders—from hotel operators and suppliers to policymakers, investors, and communities—must work together in coordinated coalitions to experiment, share knowledge, and co-develop solutions that are socially inclusive, environmentally effective, and economically viable.

By aligning local innovation with systemic action and scaling what works across networks, the industry can turn circular ambition into tangible, lasting impact. This paper is a catalyst: contribute your expertise, join forces, and help build a circular, resilient hospitality industry that creates long-term value for destinations, communities, and the planet.

Glossary

360° Circular Hospitality: a holistic and fully integrated approach to the circular economy in the hospitality industry where every stage of the hotel life cycle; from design and construction to operations, procurement, food and beverage, guest services, and collaboration with destinations ; is aligned with circular principles. It implies that no aspect of hotel activity remains linear or disconnected; material, energy, and service flows are continuously cycled, while collaboration with guests, suppliers, and local communities ensures that value is regenerated for both natural ecosystems and society.[34]

Compostable, biodegradable and bio-based plastics: These are alternative plastics designed to reduce dependence on fossil resources and minimize environmental impact. Biobased plastics are made partly or entirely from biological materials but are not always biodegradable. Biodegradable plastics can break down under specific conditions, while compostable plastics (a subset of biodegradable ones) decompose in industrial composting facilities.[35]

Composting: controlled biological decomposition of organic materials, in the presence of air to produce a humus-like substance. It is a natural recycling process that turns organic waste into a useful soil conditioner, through methods such as mechanical mixing and aeration, using aerated composting chambers, or forming open-air piles that are regularly turned to maintain airflow and promote decomposition.[36]

Destination stewardship: is the collaborative management of places to ensure that tourism actively contributes to their long-term health and resilience. It integrates environmental protection, community well-being, cultural preservation, and economic vitality through partnerships between hotels, local communities, governments, and other stakeholders. At Iberostar, this approach aligns corporate strategies with local priorities, addressing challenges such as waste, water, and climate risks while fostering regenerative destinations that benefit both people and nature.[37]

Food systems: includes all elements and activities involved in producing, processing, distributing, consuming, and disposing of food, as well as their environmental, social, and economic outcomes. It connects people, resources, and institutions that together shape food security, nutrition, and sustainability.[38]

Hazardous waste: refers to waste materials that, due to their chemical reactivity, toxicity, explosiveness, corrosiveness, radioactivity, or other hazardous properties, pose or are likely to pose a risk to human health or the environment.[39]

Linear economy: often characterized as the "take–make–waste" model, is an economic system in which natural resources are extracted, transformed into products, and ultimately disposed of as waste, driving environmental degradation and global challenges. In contrast, the circular economy seeks to address these limitations by designing out waste, extending the use of products and materials, and regenerating natural systems.[40]

Local and proximity products: are goods produced, processed, and consumed within a defined geographical area, characterized by short value chains and close relationships between producers and consumers. They are central to the proximity economy, which promotes local production and consumption loops, reduced transportation distances, and stronger community relationships. In the context of local food systems, these products contribute to sustainable development by supporting regional economies, enhancing food security, and reducing environmental impacts.[41,42]

Organic waste: refers to biodegradable materials of biological origin, such as food and kitchen waste, and garden or park waste generated by households, restaurants, and food processing activities. When properly managed, organic waste can be converted into valuable resources such as compost or biogas. However, when disposed of in landfills, it decomposes anaerobically and releases methane, a potent greenhouse gas that contributes significantly to climate change.[43]

Regenerative approaches to tourism: is designed to generate net-positive outcomes for destinations, rather than simply reducing harm. It goes beyond sustainable and responsible tourism by actively contributing to the renewal and flourishing of social-ecological systems. Regenerative tourism emphasizes place-based approaches, deep community participation, ecosystem restoration, cultural stewardship, and transformational visitor experiences. It is not yet a universally defined concept, but scholarship consistently frames it as a shift from "doing less harm" to "leaving places better than they were found," requiring improving environmental and community well-being.[44]

Recovery VS Recycling: Recovery refers to operations that extract value from waste by enabling it to serve a useful purpose, either through material reuse or energy generation, thereby reducing the need for virgin resources. Recycling is a specific form of recovery that involves reprocessing waste into new products, materials or substances for the same or different purposes, excluding energy recovery.

Resilience: refers to the capacity of systems, businesses, and communities to anticipate, absorb, adapt, and transform in response to shocks or disruptions, such as climate change, resource scarcity, or global crises, while maintaining essential functions and creating long-term value. For the hospitality industry, resilience means designing hotel operations and supply chains that are less vulnerable to external risks by reducing dependence on finite resources, diversifying supply, implementing circular solutions such as waste reduction and resource efficiency, and collaborating with local communities.[45]

Science Based Targets (SBT): are greenhouse gas reduction goals defined and validated by the Science Based Targets initiative (SBTi), a global partnership. The initiative provides companies with methodologies and guidance to set targets aligned with the latest climate science and the objectives of the Paris Agreement. In the hospitality industry, adopting SBTs signals a verifiable commitment to reducing emissions across hotel operations, supply chains, and guest-related activities, ensuring that corporate decarbonisation strategies align with limiting global warming to well below 2°C, with efforts toward 1.5°C compared to pre-industrial levels.[46]

Scope 1, Scope 2, Scope 3 emissions: under the Greenhouse Gas (GHG) Protocol, emissions are classified into three categories. Scope 1 emissions are direct emissions from a hotel's operations, such as fuel combustion for heating and cooking, operation of company vehicles, or fugitive refrigerant leaks from cooling systems. Scope 2 emissions are indirect emissions from the generation of purchased electricity, heating, cooling, or steam consumed in hotel facilities, covering major energy uses like lighting, air conditioning, and refrigeration. Scope 3 emissions are all other indirect emissions occurring in the hotel's value chain, including purchased goods and services (such as food, beverages, and textiles), business travel, employee commuting, guest transportation, waste disposal, and activities of leased assets, investments, or franchises.[47]

Single-Use Plastics (SUPs): are products made primarily from fossil fuel–based chemicals and designed to be used once and then discarded, such as cutlery, straws, cups, and food containers. They are problematic because they are used briefly but persist in the environment for centuries, contribute to marine and terrestrial pollution, and are often difficult to recycle.[48]

Waste: refers to any substance or object that the holder discards, intends to discard, or is required to discard under national law. It encompasses materials that have reached the end of their intended use and require management.[49]

Waste disposal: includes the collection, sorting, transport, and treatment of waste, as well as its storage or tipping above or below ground. It also covers transformation operations necessary for the re-use, recovery, or recycling of materials, ensuring the safe and controlled management of waste to prevent environmental harm.[50]

Wastewater: is water that has been used and is no longer suitable for its original purpose due to contamination by domestic, industrial, or commercial activities. It includes water discharged from households, businesses, and institutions, which may contain organic matter, chemicals, or other pollutants. Graywater, refers to wastewater from showers, baths, galleys, laundries, sinks, and similar sources. Blackwater, by contrast, is sewage generated from toilets and urinals.[51]

Water stress: arises when water demand surpasses the available supply within a given period or when water quality is too poor for its intended use. It results in the degradation of freshwater resources, reflected in reduced availability (such as over-exploited aquifers and depleted rivers) and declining quality due to pollution, eutrophication, or saltwater intrusion.[52]

Zero-waste-to-landfill: refers to the goal of diverting all solid waste away from landfills through permitted and environmentally sound practices such as waste avoidance, reduction, reuse, recycling, composting, and energy recovery. It involves managing waste in accordance with the waste hierarchy and local regulations, ensuring that only authorized waste managers and processes are used. While commonly adopted as a sustainability benchmark the specific interpretation of the term may vary depending on organizational and regulatory contexts.[53,54,55]

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