



**Safeguarding
Tourism: “Do No
Harm” & “Do Good”**

Plenary 3. Green Finance for
Sustainable Tourism

CREST SYMPOSIUM ON COASTAL TOURISM DEVELOPMENT, GRENADA, FRIDAY 11th JULY

The IDB

Latin America & Caribbean's leading source of development financing.

Objective: We support efforts to reduce poverty & inequality & bring about development in a sustainable, climate friendly-way”

How do we do this? Provide financial & non-financial resources to public & private sector in 26 borrowing countries (+ additional assistance from MIF & IIC).

What our Institutional priorities? social policies for equity & productivity; infrastructure for competitiveness & social welfare; institutions for growth & social welfare; regional competitiveness & global integration; & environmental protection, climate change, renewable energy, & food security.

Approved lending 2013: US\$14 billion (US\$230 billion since 1959).

Money is not everything: IDB provides technical assistance & support, develops knowledge products, guidance & tools.



IDB & Tourism

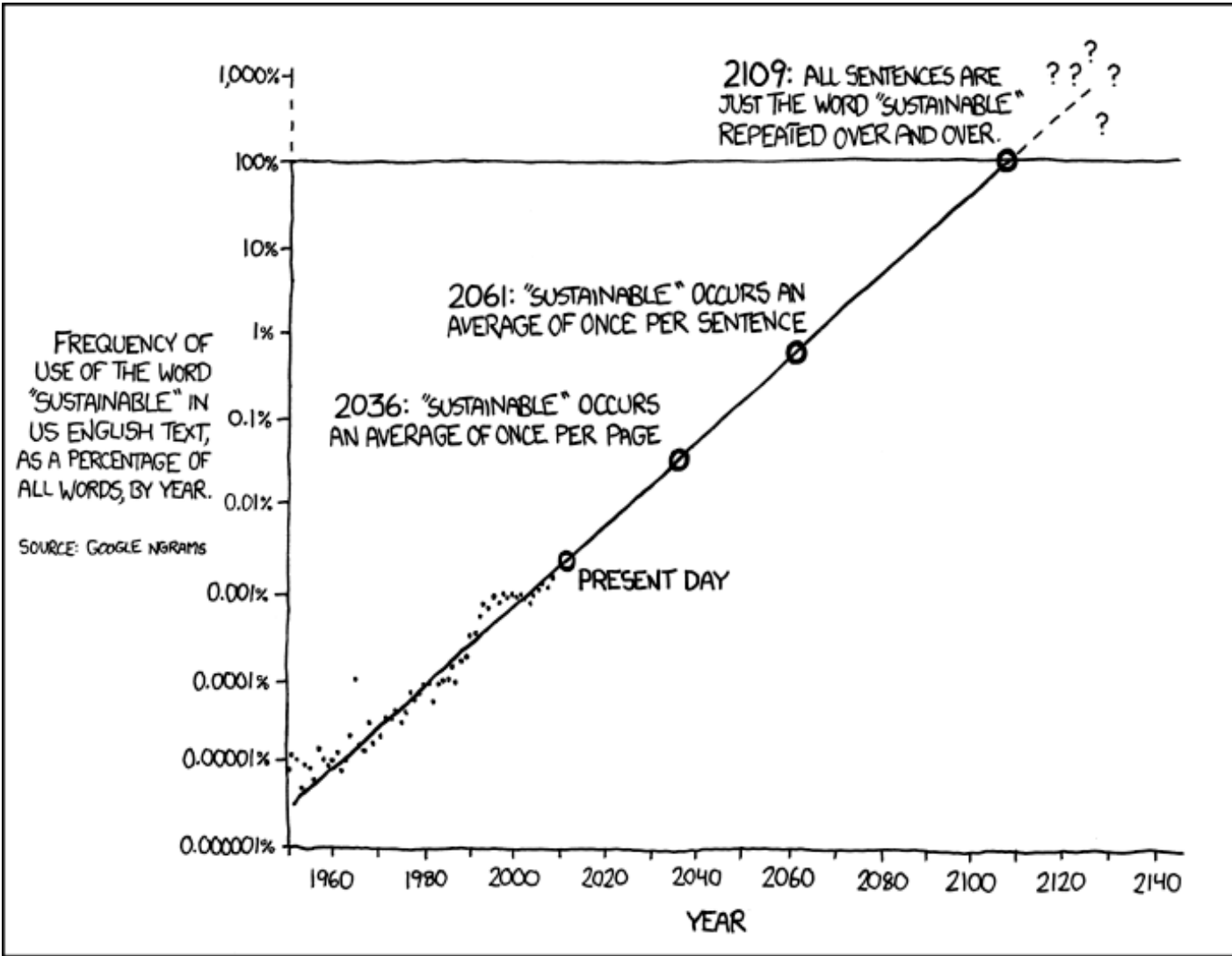
Public Sector Support (loans & grants in line with country strategy objectives):

- Belize – Sustainable Tourism Project
- El Salvador - Touristic Development of the Coastal Zone
- Barbados – Coastal Management Program
- Brazil - Prodetur

Private Sector Support (Loans, Equity, Guarantees & Grants to MSMEs (through MIF, IIC), & large corporations & projects (through IDB SCF)

- Jamaica – Kingston Business Hotel (IDB) & Montego Bay Hotel (IIC)
- Dominican Republic – Coral Gardening to Enhance Tourism (MIF)
- Regional– Caribbean Hotel Energy Action Program (CHENACT & CHENACT-AP)
- Regional - Compete Caribbean (IDB, UKAID, Canada)





THE WORD "SUSTAINABLE" IS UNSUSTAINABLE.



Sustainability at the IDB:

Maximizing positive environmental & social outcomes while minimizing risks & negative impact to natural & human capital.

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“Do no Harm” & “Do Good”

“Do No Harm” (Minimum “Sustainability” Criteria)

All IDB financed projects (public & private sector) must meet with a set of environmental & social safeguards, as well industry standards, which are largely consistent among MFIs.

- ◆ Compliance with national legislation & international treaties
- ◆ Environmental & social assessment
- ◆ Environmental & social management
- ◆ Consultation with potentially affected stakeholders
- ◆ Critical natural habitats & cultural sites
- ◆ Indigenous peoples
- ◆ Hazardous materials
- ◆ Pollution prevention & resource efficiency
- ◆ Disclosure
- ◆ Resettlement

ENVIRONMENTAL IMPACT ASSESSMENT



“Let’s just approve it and see what happens.”

What we
require:
appropriate
environmental
& social
assessment,
including
meaningful
consultation



“Have you got an Environmental
Impact Statement for that castle, son?”

“Do Good” (Prioritization of Sustainable Projects)

It is not enough to “do no harm”

- What are the positive environmental & social impacts of the project as designed?
- What is the potential additional development impact (non-financial additionality) through IDB involvement?
- What is the replicability of innovation?

IDB supporting priority lines of action, in line with strategies on Sustainable Infrastructure, & Climate Change prevention & adaptation & DRM, as well as special programs such as Biodiversity Platform & Sustainable Cities Initiative:

- Support & develop innovation applicable to the tourism sector (LEED, GSTC, Envision, new technologies);
- Improve inclusion of, and benefits to, vulnerable groups & local communities in tourism development & chains;
- Strengthen environmental standards, management & governance in tourism development.



The Tourism Scorecard

- The scorecard allows an assessment of sustainability issues of (private sector) projects that request IDB financing & subsequent prioritization.
- Based on the Global Sustainable Tourism Criteria.
- Scorecard assessment areas:
 - Effective sustainable management practices;
 - Maximize social & economic benefits to local community, to cultural heritage & environment, & minimize possible negative impacts
 - Minimize possible negative cumulative impact on tourist destination.
- Addresses both “do no harm” & “do good.”
- Tool is available publicly.



B. THE PROJECT WILL MAXIMIZE ITS SOCIAL AND ECONOMIC BENEFITS FOR THE LOCAL COMMUNITY WHILE MINIMIZING NEGATIVE IMPACTS.

B.1. The project will present its proposed plans to the local community, these will include the project's scope, location, stages, needs for skilled labor, job opportunities at the project's various stages and in the long-term, as well as how the community can prepare in order to receive the greatest benefit possible from the project's activities.

- 18 months before it is actually underway, the project will present a complete set of its proposed plans to the local community.
- The project will present a complete set of its proposed plans to the local community 12 months before it is actually underway.
- The project will present its proposed plans to the local community less than 12 months before it is actually underway, and/or these plans will be incomplete.
- The project will be started with only partial information about its plans having been previously presented to the local community.
- The project will begin without having previously presented its plans to the local community.

N/A: There is no nearby community.

B.2. The activities of the project will not jeopardize the provision of basic services – such as water, energy, or sanitation – to neighboring communities, and if possible, will improve them.

- The increased capacity for municipal services (water, sewage, electricity, and solid-waste disposal) that the project requires for operations will be financed by the b project with no cost incurred to the municipality or nearby community.
- The increased capacity for basic services that the project requires for its operations will be financed in part or wholly by the local government, but this increase will not produce negative impacts on the municipality or nearby community.
- It has not been determined whether the increased capacity for basic services that the project requires for its operations will produce negative impacts on the provision of these services to the nearby community.
- The provision of basic services that the project requires, especially water, will jeopardize the availability and provision of these services to the nearby community.
- The provision of basic services for the project will produce negative impacts on municipal finances in terms of installation or operating costs.

N/A: There is no nearby community, and no municipal services will be provided.

Information, Tools & References

- [IDB Safeguard Standards](#)
- [World Bank Safeguards](#)
- [IFC Performance Standards](#)
- [IFC Environmental, Health & Safety Guidelines for Tourism & Hospitality](#)
- [IDB Tourism Scorecard](#)
- [IDB Environmental & Social Analysis for Small Hotels & Resorts](#)
- [IDB Environmental & Social, Health & Safety Management Systems for Small Hotels & Resorts](#)
- [IDB Coastal Setbacks in Latin America and the Caribbean: A study of Emerging Issues & Trends that Inform Guidelines for Coastal Planning & Development](#)
- [Compete Caribbean](#)
- [IDB Biodiversity & Ecosystem Services Platform](#)
- [Multilateral Investment Fund \(MIF\)](#)
- [Sustainable Cities Platform](#)



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