

The Inter-American Development Bank (IDB) Sustainability Scorecard for Private Sector Tourism Projects



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IDB TOURISM SUSTAINABILITY SCORECARD

Key Facts

1. Launched in May 2009 by the Structured and Corporate Finance Department (SCF) following expansion of its mandate, with the aim of setting up an efficient selection process and creating a portfolio of showcase projects.
2. Its purpose is three-fold: to assess the sustainability of financing requests, to prioritize those with potentially positive impacts, and to guide/encourage developers to formulate more sustainable projects.
3. 52 criteria with performance indicators covering all sustainability dimensions+cumulative impacts on the destination+real estate activities.
4. Private sector tourism projects should maximize benefits for the local community and the environment, and minimize potential negative impacts.
5. First instrument of its kind among International Financial Institutions and commercial banks + “regional public good.”
<http://www.iadb.org/tourismscorecard/index.cfm?lang=en>

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Structure

- ❑ The Scorecard has 52 criteria organized into six sections:
 - A. Effective Sustainable Management Practices
 - B. Socioeconomic benefits and impacts
 - C. Cultural heritage benefits and impacts
 - D. Environmental benefits and impacts
 - E. Cumulative impacts of the project on the destination
 - F. Real estate activities associated with the project

- ❑ Each criteria can have up to 6 possible performance indicators

KEY FOR PERFORMANCE INDICATORS	SIGNIFICANCE
Excellent	Net Positive Impact
Good	Probable Positive Impact
Satisfactory	Neutral Impact
Potentially Hazardous	Of Concern to IDB and should be justified or corrected
Unacceptable	Should be addressed and corrected before requesting IDB financing
N/A	Criterion is not applicable

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What it looks like

II. TOURISM ACTIVITIES

A. The project has established or will establish effective sustainable management practices.

A.1. Sustainability management system

[clear](#)

A.1.1. The company has established a sustainability management system for the design, construction, and operational phases of the project that takes into account environmental, sociocultural, quality, health, and safety issues. 


A sustainability management system has been designed and will be communicated to designers, builders, and employees.

Concrete steps have been taken towards designing a complete sustainability management system, including policy, goals, and budget.

No steps have been taken towards designing a sustainability management system, or it will omit some issues (environmental, sociocultural, quality, health, and safety) or project phases (design, construction, and operation).

No sustainability management system will be created.

A.2. The company is in compliance with all relevant international or local legislation and regulations (including, among others, health, safety, labor, and environmental aspects). [clear](#)

A.2.1. The company has assembled a list of all relevant legislation and regulations in a form that can be consulted easily by those executing or managing the project. 

The compilation of legislation is complete and is available in digital form for easy distribution (CD or equivalent), as well as in notebook or book form for field use.

The compilation of legislation is complete and is available in either digital or printed form, but not both.

The compilation omits important legislation.

The company has not put together a compilation of relevant legislation and regulations, or it is unavailable for distribution.

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How to use it

1. By Developers, Hoteliers, and other Stakeholders:

- Online access to the Scorecard and its “Users’ Guide” at <http://www.iadb.org/tourismscorecard/index.cfm?lang=en>
- Fill it out completely, marking an indicator for each listed criterion. Then submit to the IDB, prior to applying for financing.
- Scorecard does not provide a score but rather generates a “color map” of performance indicators. -Aspects of concern should be addressed by developer before requesting review by IDB.

2. By the IDB:

- During project development, screening, or initial analysis, and then again throughout due diligence and investment approvals.

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Results at a glance

RESULTADOS DE LA FICHA DE EVALUACION

I. DATOS BASICOS DEL PROYECTO

Nombre del proyecto

Nombre:
COCOBOLO LODGE

Fecha de la Solicitud:
May 15, 2009

Patrocinio del proyecto

Ubicación del proyecto

Costo del proyecto

Capital:
20 millones

Monto solicitado al BID:
20 millones

Otro financiamiento:
10 millones

Costo total del proyecto (indique moneda):
50 millones

Componentes y actividades que se proponen

Empleos generados

Categorías de los indicadores de desempeño

Excelente

Bueno

Satisfactorio

Potencialmente riesgoso

Inaceptable

N/A

RESULTADOS POR AREA

II. ACTIVIDADES TURÍSTICAS

A. EL PROYECTO HA ESTABLECIDO O ESTABLECERÁ PRÁCTICAS EFECTIVAS DE GESTIÓN SOSTENIBLE

A.1. Sistema de gestión de la sostenibilidad

A.1.1. La compañía ha establecido un sistema de gestión de la sostenibilidad para las fases de diseño, construcción y operación del proyecto, que tiene en cuenta los aspectos medioambientales y socioculturales, y también los relacionados con la calidad, la salud y la seguridad.

Se han tomado medidas concretas para el diseño de un sistema completo de gestión de la sostenibilidad, incluidas políticas, metas y presupuesto.

A.2. La compañía cumple puntualmente con toda la legislación y las reglamentaciones internacionales o locales pertinentes (con respecto, por ejemplo, a asuntos de salud, seguridad, trabajo y medio ambiente).

A.2.1. La compañía ha preparado una lista de toda la legislación y reglamentaciones pertinentes en un formulario que pueden consultar fácilmente los que ejecutan o administran el proyecto.

RESULTS OVERVIEW

Excellent

Good

Satisfactory

Potential risk

Unsatisfactory

N/A

- A.3. Personnel training in sustainability.

A.3.1 A program will be designed and budgeted for periodic training of all personnel regarding their role in the management of environmental, sociocultural, health, and safety practices.

- A.4.3. Impact of the project on the natural, cultural, historical, or archeological surroundings will be assessed.

- A.4.6. Design and construction of buildings and infrastructure will provide access for persons with disabilities.

- B.1. The company will actively support initiatives for the development of social and community infrastructure including, among others, education, health, and sanitation facilities.

- B.3. Local residents are or will be employed in the operation of the business.

- B.5. The company will offer an opportunity for local small entrepreneurs to develop and sell sustainable products and services that are based on the area's nature, history, and culture (such as food and drink, crafts, performance arts, agricultural products, nature tours, horseback riding, transportation services, guides, etc.).

- B.7. The company will implement a policy against commercial exploitation, particularly of children and adolescents, including sexual exploitation.

- A.1. Sustainability management system

A.1.1. The company has established a sustainability management system for the design, construction, and operational phases of the project that takes into account environmental, sociocultural, quality, health, and safety issues.

- A.2. The company is in compliance with all relevant international or local legislation and regulations (including, among others, health, safety, labor, and environmental aspects).

A.2.1. The company has assembled a list of all relevant legislation and regulations in a form that can be consulted easily by those executing or managing the project.

- A.4. Buildings and infrastructure will be located, designed, and built sustainably.

A.4.1. Design and construction of buildings and infrastructure will comply with local zoning requirements.

- A.4.4. Land rights and property acquisition are legal and comply, where applicable, with local communal rights, as well as those of the IDB indigenous and involuntary

- A.4.2. Design and construction of buildings and infrastructure will comply with natural protected areas, historical, or archeological site requirements.

- B.2. Local residents are or will be employed in construction of the project.

- B.10. Employees will be paid a living wage.

- D.1.6. Golf courses will be designed in conformity with Audubon Signature Program (ASP) for Golf Courses or equivalent, in order to reduce water consumption and contamination, as well as protect biodiversity.

- D.2. REDUCING POLLUTION

D.2.1. Greenhouse gas emissions from all sources controlled by the business will be measured, and procedures implemented to reduce and offset them as a way to achieve climate neutrality.

- D.2.2. Sewage will be treated effectively and effluent monitored continuously.

- A.2.2. The company will obtain all required licenses and permits.

- B.6. A code of conduct for activities in indigenous and local communities will be developed, with the consent of, and in collaboration with the community, as well as in conformity with IDB indigenous policy guidelines.

- D.3.4. The business will contribute to the support of biodiversity conservation, including protected areas and areas of high biodiversity value.

- D.2.7. The business will implement practices to reduce garbage collection, pollution from lightroad maintenance, etc.) will not exceed the capacity determined by local, regional, or national authorities in physical development plans, master plans, and tourism zoning regulations.

- E.4. Projected requirements for municipal services and infrastructure (water, sewage, police, etc.) will not exceed the capacity determined by local, regional, or national authorities in physical development plans, master plans, and tourism zoning regulations.

- F.2. All real estate sales, transfers, and rentals will be registered locally and at true market value.

- F.4. Houses, condominiums, and apartments, when they are part of a tourism development, will pay taxes and fees for municipal services regardless of whether they are primary or secondary homes.

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SCF Financial Instruments

1. A/B Loans
2. Partial Credit Guarantees
 - 25 to 40% of the project cost*
 - Market price*
 - Extended terms*

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Project Eligibility Criteria

- Sustainability (Scorecard)
- Development impact
- Financial additionality
- Climate change
- Social inclusion
- Public Private Partnerships (PPP)
- Consistency with national strategies and priorities.

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CONCLUSIONS

1. Dissemination & next steps

- The IDB Sustainability Scorecard for Private Sector Tourism Projects is designed to be a living tool, so we invite all tourism stakeholders to send their comments/suggestions on this tool at SCF@iadb.org
- Ongoing public consultation process with stakeholders in Latin America and the Caribbean, including Regional Consultation Workshops (Mayakoba, Mexico 12/2009; Negril, Jamaica 02/2010)
- Scorecard 2.0

2. Challenges ahead

- The major challenge is to keep up with innovation and best practices of LAC's private sector in sustainable tourism, so as to keep the scorecard relevant and design better projects.



Thank you!

For further information, please visit
<http://www.iadb.org/tourismscorecard/index.cfm?lang=en>

and/or contact:

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