

PMR Public Report

Operation Number	BH-U0001	Chief of Operations Validation Date	05/08/23						
Year- PMR Cycle	Second period Jan-Dec 2022	Division Chief Validation Date	05/08/23						
Last Update	05/03/23	Country Representative Validation Date	05/16/23						
PMR Validation Stage	Validated by Representative								
Basic Data									
Operation Profile									
Operation Name	Building a Social and Inclusive Blue Economy in The Bahamas	Loan Number	5484/OC-BH						
Executing Agency	MINISTRY OF FINANCE	Sector/Subsector	PRIVATE FIRMS AND SME DEVELOPMENT-BUSINESS CLIMATE AND COMPETITIVENESS						
Team Leader	PRATS CABRERA, JOAN ORIOL	Overall Stage	Disbursing (From eligibility until all the Operations are closed)						
Operation Type	Guarantee	Country	Bahamas						
Lending Instrument	Policy-Based Loan	Convergence related Operation(s)							
Borrower	THE COMMONWEALTH OF THE BAHAMAS								
Environmental and Social Safeguards									
Impacts Category	B13	Was/Were the objective(s) of this operation reformulated?	NO						
Safeguard Performance Rating		Date of approval							
Safeguard Performance Rating - Rationale									
Financial Data									
	Total Cost and Source					Available Funds (US\$)			
Operations	Original IDB	Current IDB	Local Counterpart	Co-Financing / Country	Total Original Cost	Current IDB	Disb. Amount to Date	% Disbursed	Undisbursed Amount
BH-U0001	200,000,000	200,000,000	0	0	200,000,000	200,000,000	-	0.00%	200,000,000
Aggregated	200,000,000	200,000,000	0	0	200,000,000	200,000,000	-	0.00%	200,000,000
Expense Categories by Loan Contract (cumulative values)									

Please note that inactive indicators and outputs are not displayed; totals in the actual cost table may not match the sum of the cost of the outputs displayed, due to the cost of inactive outputs.

RESULTS MATRIX

General Development Objectives

General Development Objectives Nbr. 1: Promoting a more productive and healthier ocean

Observation:

Indicator		Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2036	
1.0	Annual Average of weekly wage per worker of firms operating in the blue economy (as a ration over the minimum weekly wage	Ration	2.07	2019	2024	P	2.15
						A	-

Details

Means of Verification: National Insurance Board (NBI) administrative records

Observations: The indicator seeks to measure if by 2024 the average weekly wage per worker of Blue Economy firms, relative to the weekly minimum wage is at least 5% higher than the value observed in 2019. The baseline was computed using an extended definition of Blue Economy (M&E) and administrative records of the NIB. The target is projected based on the accumulated real growth rate projected by the IMF for the country for the period 2021-2024 (19%) assuming that one fifth of that projected growth will be induced by productivity gains thanks to the reforms and translated into wage increases in the Blue Economy sector. The evaluation will be based on a before and after comparison of the indicator.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator			
Indicator		Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2036	
1.3	Ocean Health Index	Index	83.5	2019	2024	P	85.5
						A	-

Details

Means of Verification: Ocean Health Index (OHI)

Observations: The indicator seeks to measure if by 2024 the Ocean Health Index is at least 2.4% higher than the value observed in 2019. The OHI assess the current status and likely future state of ten public goals for ocean systems (M&E). The baseline was taken from the OHI 2019 dataset and the projection assumed an increase of 10% in three goals affected by the reforms promoted by the program (coastal protection, clean waters and livelihood and economies)

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator			

RESULTS MATRIX

Specific Development Objectives

Specific Development Objectives Nbr. 1: Promoting MSME's business recovery in the Blue Economy and prospecting investment projects suitable for Blue Bond financing

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
1.0	Average annual employment of MSMEs beneficiaries of the SBDC's fishing and farming and standalone grant II and III programs operating in the Blue Economy sector (ratio vis a vis the average for control units)	ratio	1	2020	P	1.3	-	1.3
					A	-	-	-

Details

Means of Verification: SBDCs Administrative Records

Observations: The indicator seeks to measure if by 2024 employment of Blue Economy MSMEs beneficiary units is at least 15% above that observed in comparable non beneficiary units. The baseline value underlying the ratio (3.1) was computed with administrative records of the SBDC (M&E). The target is projected based on the accumulated real growth rate projected by the IMF for the country for the period 2021-2024 (19%) assuming that 3/5 of that projected growth will be induced by labor growth (applicable to the average control and beneficiary firm) and that on top, beneficiaries would register a 30% growth (to take the average employment per Blue Economy firm to pre pandemic levels). The evaluation will be based on double differences with propensity score matching.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
1.3	Number of investment projects suitable for Blue Bond financing	Number	12	2020	P	15	-	15
					A	-	-	-

Details

Means of Verification: IDB prospection study

Observations: The indicator seeks to measure if by 2024 the number of identified investment projects suitable for financing through Blue Bonds proceeds is at least 20% above the level observed in 2020. The baseline value was taken from an identification report produced as part of the preparation work of this PBG based on investment needs identified to strengthen the Marine Protected Areas system (M&E). The evaluation will be based on a before and after comparison of the indicator

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

Specific Development Objectives Nbr. 2: Promoting digitalization in the Blue Economy

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
2.0	Annual revenue from flat fishing licences and permits issuances	Thousand US\$	104	2019	P	154	-	154
					A	-	-	-

Details

Means of Verification: Department of Marine Resources

Observations: The indicator seeks to measure if by 2024 the annual revenue from flat fishing licenses permits issuance will increase at least in 50%. The baseline was taken from The Bahamas National Budget. The target was taken from official preliminary revenue forecasts (M&E).

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

Specific Development Objectives Nbr. 3: Improving the resilience of the blue economy through improved climate risk management in coastal and offshore areas

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
3.0	Risk Management Index	Index	32.22	2020	P	35.41	-	35.41
					A	-	-	-

Details

Means of Verification: IDB RMI report

Observations: The indicator seeks to measure if by 2024, the RMI increased at least 10%. The RMI is one of the indicators developed by the IDB in the field of disaster risk management. This indicator provides an overall/comprehensive rating from 0 to 100 on the progress of various specific activities needed to reduce disaster risks. The baseline was taken from the 2020 updated RMI report. The target was projected considering that if all the Policy Commitments that are necessary to achieve a Climate Resilient Blue Economy are achieved (Indicators 2.6-2.10 included in the Policy Matrix), the RMI value will improve by 0.88 points (M&E). The evaluation will be based on a before and after comparison of the indicator

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

Specific Development Objectives Nbr. 4: Promoting better management (certification, traceability and protection) of marine resources

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
4.0	Score of Principle 1 “Target Species” evaluated to maintain the certification of Bahamas spiny lobster against the MSC standard	Score	83.3	2019	P	84.2	-	84.2
					A	-	-	-

Details

Means of Verification: Annual audit reports requested by The Bahamas Marine Exporters Association (BMEA)

Observations: The indicator seeks to measure if by 2024 the score of principle 1 observed to maintain the Marine Stewardship Council (MSC) certification of Bahamas spiny lobster will be at least 84.2. Principle 1 is a weighted average of two outcome indicators (stock status and stock rebuilding) and four management indicators (harvest strategy, harvest control rules and tools, information and monitoring, and assessment stock of status). The baseline was taken from the MSC first surveillance audit report 2019. The target was projected considering that the conditions stipulated in the report to achieve the target values for compliance with certification by 2024 are fulfilled (M&E). The evaluation will be based on a before and after comparison of the indicator

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
4.3	Illegal, Unreported and Unregulated (IUU) Fishing Index	Index	2.09	2018	P	1.97	-	1.97
					A	-	-	-

Details

Means of Verification: Poseidon Aquatic Resource Management Limited and the Global Initiative Against Transnation

Observations: The indicator seeks to measure if by 2024 the IUU will decrease in at least 5%. The Index provides a measure of the degree to which states are exposed to and effectively combat IUU fishing. The Index provides a score between 1 and 5 (1 being the best, and 5 the worst), measured as an arithmetic mean of 40 indicators grouped in coastal, flag, port and general (M&E). The baseline was taken from the 2019 IIU Fishing Index Report and the target was projected by reducing the scores for two flag indicators and one general indicator to be potentially affected by the reforms on legal fishing enforcement

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
4.4	Marine and coastal environment protected areas (% of total marine and coastal environment areas	%	10	2018	P	20	-	30
					A	-	-	-

Details

Means of Verification: The indicator seeks to measure if by 2024 the score of principle 1 observed to maintain the Marine Stewardship Council (MSC) certification of Bahamas spiny lobster will be at least 84.2. Principle 1 is a weighted average of two outcome indicators (stock status and stock rebuilding) and four management indicators (harvest strategy, harvest control rules and tools, information and monitoring, and assessment stock of status). The baseline was taken from the MSC first surveillance audit report 2019. The target was projected considering that the conditions stipulated in the report to achieve the target values for compliance with certification by 2024 are fulfilled (M&E). The evaluation will be based on a before and after comparison of the indicator

Observations: The indicator seeks to measure if by 2024 the % of protection of the marine and coastal environment of The Bahamas will be at least 20%. The baseline was taken from the Marine Protection Plan for expanding The Bahamas Marine Protected Areas Network (BNT, 2018). The target is based on the commitment to the Caribbean Challenge Initiative (CCI) to effectively conserve at least 20% of the near-shore marine resources across The Bahamas. The evaluation will be based on a before and after comparison of the indicator.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

Specific Development Objectives Nbr. 5: Reducing marine pollution

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2024	2036	EOP 2036
5.0	Clean Waters Index	Index	62	2019	P	68	-	68
					A	-	-	-

Details

Means of Verification: Ocean Health Index

Observations: The indicator seeks to measure if by 2024 the Clean Waters Index is at least 10% higher than the value observed in 2019. The CWI is one of the ten indices that compound the OHI. The CWI assess the current status and likely future state of water contamination by chemicals, excessive nutrients (eutrophication), human pathogens and trash. The baseline was taken from the OHI 2019 dataset and the projection assumed an increase of 10% (which is equivalent to closing half of the gap with respect to the global average value of the indicator). The evaluation will be based on a before and after comparison of the indicator.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

RESULTS MATRIX

OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

Component Nbr. 1 Promoting a More Productive Ocean

				PHYSICAL PROGRESS	FINANCIAL PROGRESS
	Output	Unit of Measure		EOP 2036	EOP 2036
1.01	Fishing and Farming and Standalone Grant II and III programs to support MSMEs (including MSMEs in the Blue Economy), in operation	# of operational programs	P	3	10,000,000
			P (a)	3	10,000,000
			A	-	-
1.02	Prospection study to identify investment projects creating the path for financing through Blue Bonds, started2	# of started prospection studies	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.03	Regulatory framework to enhance digital payments, drafted and consulted with stakeholders3	# of drafted and consulted regulatory frameworks	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.04	Jurisdiction and conservation amendment for fisheries resources, enacted	# of enacted amendments	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.05	Electronic system for issuance of fishing permits (flat fishing), in operation5	# of operational systems	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.06	First phase of the Port Digitalization Project, launched7	# of launched projects	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.07	Upgrade of the Building Code by the MoPW, incorporating: (i) coastal climate hazards (storm surges and floods) into the planning process; and (ii) nature-based infrastructure, launched9	# of approved official processes	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.08	CPU to promote the development of coastal infrastructure (including green infrastructure) within the MoPW, started10	# of created Units	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.09	Activities for mangrove restoration in high priority family islands (Andros and Grand Bahamas), by the MoPW to promote nature-based solution, started11	# of approved plans and budget	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.10	Diagnosis of the level of disaster risk management governance from the MoDPR for an effective implementation of climate change adaptation and disaster risk management policies, completed12	# of completed diagnosis	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
1.11	Indicative List of Climate and Disaster Relevant Activities, necessary to adopt the Climate Disaster Tagging Budget for MoDPR by the MoF, prepared13	# of operational tracking mechanisms	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-

Component Nbr. 2 Promoting a Healthier Ocean

				PHYSICAL PROGRESS	FINANCIAL PROGRESS
	Output	Unit of Measure		EOP 2036	EOP 2036
2.01	Pilot for the use of Vessel Monitoring System, started14 (as part of the implementation of only certain aspects of the Fisheries Act 2020)	# of started pilots	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
2.02	Fisheries regulations, including prohibition of harmful substances, measures for protection of marine species and regulation of commercial fishing, drafted (as part of the implementation of only certain aspects of the Fisheries Act 2020)	# of drafted regulations	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
2.03	Maritime Security Plan to enforce legal fishing by the Royal Bahamas Defense Force, approved	# of approved plans	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
2.04	Audit of the Marine Stewardship Council Certification for The Bahamas Spiny Lobster Fishery, finalized,16	# of finalized audits	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
2.05	MPAs, approved and published	# of approved and published MPA	P	96	10,000,000
			P (a)	96	10,000,000
			A	-	-
2.06	Business Plans for community-based Conch management, created172	# of created plans	P	2	10,000,000
			P (a)	2	10,000,000
			A	-	-
2.07	Marine Cleanup Plan of marine debris from Hurricane Dorian (including the establishment of debris transfer and management stations), started18	# of started plans	P	1	10,000,000
			P (a)	1	10,000,000
			A	-	-
2.08	Cruise ships regulation for reduction of waste and pollution in the oceans, drafted	Regulations	P	1	20,000,000
			P (a)	1	20,000,000
			A	-	-

Total Cost			
	Total Cost	P	200,000,000
		P (a)	200,000,000
		A	0

No information available for this section

RISKS AND PLANNED RESPONSES

Risk ID	Risk Status		Risk Taxonomy
1	Inactive		Economic and Financial Environment
	Response Actions		
	1	Management Strategy	Status

Risk ID	Risk Status		Risk Taxonomy
2	Inactive		Technical Design
	Response Actions		
	2	Management Strategy	Status

IMPLEMENTATION STATUS AND LEARNING

Lesson Learned - Categories
Legal aspects and public processes