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THE COMMONWEALTH OF THE BAHAMAS

MODIFICATION OF THE PROGRAMME TO SUPPORT THE HEALTH SYSTEM STRENGTHENING OF THE BAHAMAS (BH-L1053) (5296/OC-BH)

AND SUPPLEMENTARY NONREIMBURSABLE INVESTMENT FINANCING PROJECT SPECIFIC GRANT (BH-G0004)

PROPOSAL TO MODIFY RESOLUTION DE-51/21 AND LOAN CONTRACT 5296/OC-BH

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ABBREVIATIONS	
DPH	Department of Public Health
EA	Executing Agency
EDGE	Excellence in Design for Greater Efficiencies
ESMR	Environmental and Social Management Report
ESS	Environmental and Social Management Plan
IDB	Inter-American Development Bank
IS4H	Information Systems for Health
GBV	Gender Based Violence
GDP	Gross Domestic Product
GOBH	Government of The Bahamas
LAC	Latin America and Caribbean
MOHW	Ministry of Health and Wellness
NHIA	National Health Insurance Authority
NCD	Non-Communicable Diseases
PACI	Institutional Capacity Assessment Platform
PAHO	Pan American Health Organization
PHC	Primary Health Care
PEU	Programme Executing Unit
PHA	Public Hospitals Authority
POM	Programme Operation Manual
PMH	Princess Margaret Hospital
RMH	Rand Memorial Hospital
SPF	Safeguard Policy Filter
SSF	Safeguard Screening Form
WHO	World Health Organization

PROJECT SUMMARY
THE COMMONWEALTH OF THE BAHAMAS
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(BH-L1053) (5296/OC-BH)

AND SUPPLEMENTARY NONREIMBURSABLE INVESTMENT FINANCING
PROJECT SPECIFIC GRANT
(BH-G0004)

Financial Terms and Conditions			
Beneficiary:	The Bahamas		
Executing Agency:	Ministry of Health and Wellness		
		Project Specific Grant	**Support the Health System Strengthening of The Bahamas**
Disbursement period:		4 years	5 years
Approval Currency:		Euro	U.S. Dollar
Source:		European Union Caribbean Investment Facility (EU-CIF)	IDB
Amount:	**Euros (€)**	5.210.900[(a)]	
	U.S. Dollars	5.625.900 [(b)]	40.000.000
Total Modified:	**U.S. Dollars**		45.625.900

Project at a Glance
Project Objective/Description: The general objective of the Programme to Support the Health System Strengthening of the Bahamas (5296/OC-BH) is to support the strengthening of The Bahamas Health System to meet the population's health needs. The objective of this proposal to modify the Program that incorporates supplementary financing provided by the European Union is to enhance the capacity of primary healthcare to deliver accessible and high-quality services to the population of The Bahamas.
Special Contractual Conditions prior to the first disbursement: The Executing Agency will provide evidence to the Bank's satisfaction of: (i) the assignment of the responsibilities for the execution of this modified Programme to the Programme manager, procurement specialist and financial specialist that integrate the PEU; (ii) the approval and entry into force of an updated POM, which details the guiding principles for execution and coordination of activities for the execution of the EU-CIF grant in accordance with those previously agreed upon between the Ministry of Health and Wellness (MOHW) and the Bank; and (iii) the entry into force of the project specific grant agreement between the IDB and the EU for the contribution of the EU-CIF grant. **Special Contractual clauses for execution**: The Programme will be executed in accordance with the contractual conditions reflected in Annex B of the ESMR.
Exceptions to Bank Policies: None.

Strategic Alignment			
Challenges[(c)]:	SI ☒	PI ☐	EI ☐
Cross-Cutting Issues[(d)]:	GE ☒ and DI ☐	CC ☒ and ES ☒	IC ☐

[(a)] Grant resources to be provided by the EU-CIF are subject to availability and approval by the EU. The funds will be administered by the Bank through a Project Specific Grant (PSG) that will be administered by the Bank according to Document SC-114 and under the terms of the 2020 "Framework Agreement between the Bank and the European Commission" (GN-2605-5). As contemplated therein, the commitment from the EU will be established through a separate contribution agreement (Contribution Agreement). EU resources will be available for disbursement once the Contribution Agreement has been signed between the EU and the Bank, and the funds from the EU are received by the Bank. The Bank will charge an administrative fee (2% of the PSG amount) for administration of the EU resources.

[(b)] The exchange rate used on April 12, 2022, was 0.92 Euro to one US Dollar. The EU PSG contribution payments will be made in Euros (€), and immediately converted to US Dollars when received by the Bank's Finance Department. The Finance Department will inform the Project Team of the exchange rate at which each contribution is converted.

[(c)] SI (Social Inclusion and Equality); PI (Productivity and Innovation); and EI (Economic Integration).

[(d)] GE (Gender Equality); and DI (Diversity); CC (Climate Change); and ES (Environmental Sustainability); and IC (Institutional Capacity and Rule of Law).

I. SUPPLEMENTARY EUROPEAN UNION FINANCING FOR THE PROGRAMME TO SUPPORT THE HEALTH SYSTEM STRENGTHENING OF THE BAHAMAS

A. Background

1.1 The purpose of this document is to request approval from the Board of Executive Directors for modifications to the "Programme to Support the Health System Strengthening of The Bahamas" (loan contract 5296/OC-BH) to include the non-reimbursable investment operation to complement the Programme for €5,2 million, which on April 12, 2022, was equivalent to approximately US$5,7 million, to be granted by the European Union Caribbean Investment Facility (EU-CIF).[1] The present document sets out the progress of the original Programme and justifies the reorientation of the resources. It presents the proposed changes to the original Programme regarding the components, indicators, and the EU-CIF grant budget increase.

1.2 On June 30, 2021, the Board of Executive Directors of the Inter-American Development Bank (IDB) approved the Programme to Support the Health Systems Strengthening of The Bahamas for US$40 million. On September 15, 2021, the Bahamas government signed the loan contract (5296/OC-BH), and on March 29, 2022, it fulfilled all conditions prior to disbursement. Concomitantly, on September 9, 2021, the European Union provided a positive opinion for a Caribbean Investment Facility Contribution of €5.210.900 (including fees) (Annex), which on April 21, 2022, was equivalent to approximately US$5.625.900.

1.3 **Request from the Government of the Bahamas (GOBH).** The GOBH requested the IDB to modify the Programme to Support the Health System Strengthening of The Bahamas (5296/OC-BH) to (i) include the complementary funds from the EU-CIF grant financed by the European Union-Caribbean Investment Facility (EU-CIF). The EU-CIF grant will provide additional funds to reinforce the infrastructure and medical equipment of the primary healthcare (PHC) facilities; (ii) to reallocate the resources among the loan components to increase the investments in prioritized PHC clinics (Annex).

1.4 The original Programme, which the Ministry of Health and Wellness (MOHW) is executing, has a general objective to support the strengthening of The Bahamas health system to meet the population's health needs. The specific objectives are to: (i) integrate primary and secondary care services that the Department of Public Health, Public Hospitals Authority, and National Health Insurance Authority deliver; (ii) improve access, coverage, and quality of community and ambulatory services through a person and community-centered model of care; and (iii) increase the efficiency of health services.

1.5 **Implementation status of the Programme.** On March 27, 2022, the Programme reached eligibility, and the Project Executing Unit completed the planning process for Programme execution on June 10, 2022. The Programme has three components. (1) Improvement of the delivery of the healthcare model;

[1] The EU-CIF is a European Union regional financing blending facility aimed at mobilizing resources for development projects by combining grants from the European Development Fund with other resources, such as loans, to leverage additional financing and achieve investments in infrastructure.

(2) Enhancement of the capacity for provision of primary care; and (3) Modernization of the health information system. The status of execution of each of the components is the following:

1.6 Component 1. Improvement of the Delivery of Healthcare Model. This component has ongoing activities in keeping with the planned outputs. The MOHW is updating the evidence-based clinical protocols and care pathways and implementing in-service training programs for NCDs as part of its ongoing programs. In addition, the MOHW is about to complete the compendium of quality-of-care indicators for chronic patients that will support the creation of the quality assurance system for NCDs. Moreover, the technical cooperation ATN/OC-18693-BH supports the design of the strategy to integrate primary care services that focus on the reorientation of the current model towards a person-centered care model, including the health services for gender-based violence victims.

1.7 As for advancements in Component 2 Enhancement of the Capacity for Provision of Primary Care, to date, the MOHW completed the initial PHC infrastructure situational analysis and selected the PHC facilities that will be built and retrofitted. The MOHW prioritized PHC clinics with the worst conditions due to aging or damage caused by hurricanes and floods. It also considered the current unmet demand for health services in the Family Islands, which justifies expanding the infrastructure and upgrading medical equipment, thus moving to a more complex PHC facility setup.[2]

1.8 Regarding Component 3 Modernization of the Health Information System, up to now, the MOHW has integrated the Information Systems for Health (IS4H) Initiative action plan. This initiative will: (i) accelerate the introduction of digital health technology to modernize the health information system, including the electronic health record and managerial information; and (ii) support the delivery of telemedicine services.

1.9 **Description of the proposed modification.** The modification of the Programme redistributes the resources of components 1 and 3 for the sum of US$6,612,000. It also includes the EU-CIF grant for approximately US$5,298,816 (this amount excludes the Bank's fee); The EU-CIF grant will increase the investments in PHC clinics' infrastructure and medical equipment in congruence with the priorities established by the MOHW to enhance its capacity to deliver PHC services in the Family Islands. Furthermore, the modification allocates more funds (US$750.000) for the administration and other costs. The amendments prompted the adjustment of the indicator's design that will accurately measure the achievement of results at the end of the Programme. Consequently, there are (i) changes in the impact indicators; (ii) changes in the outputs; and (iii) budget redistribution among the components.

1.10 There are no changes in the general objective of the Programme, and the specific development objectives remain as presented in the original version.

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[2] The MOH classifies its facilities in three levels: Level I facilities provide advanced PHC services including basic hospital care. Level II facilities provide intermediate PHC services comprising outpatient care, emergency care, laboratory, and pharmacy. Level III facilities deliver PHC essential services such as treatment for common illnesses, outpatient curative care, maternal and childcare, and immunizations.

1.11 **Changes in the impact indicators.** The modification requires changes in the results matrix (Annex II). Table 1.1 details the changes in the impact indicators. The indicator mortality rate of cardiovascular diseases (CVD) was removed. The justification for eliminating this indicator is as follows: the reduction of cardiovascular mortality results from the combined effect of: (i) population-wide policies (i.e., tobacco taxation); (ii) individually targeted (i.e., obesity reduction) public health interventions to reduce CVDs risk factors; (iii) the impact of specific programs and interventions to strengthen PHC, hospital, and emergency services for patients with acute cardiovascular events, such as acute myocardial infarction, and other complex cardiovascular conditions; and (iv) interventions in PHCs to improve access and quality of care for CVDs. The Programme focuses on the latter. The main interventions that this Programme is financing strengthen access and quality of care for NCDs, mainly hypertension and diabetes in PHC clinics. Hence, the impact indicators related to the Programme's expected benefits are increase in the proportion of patients with controlled blood glucose and blood pressure and reduction in avoidable hospitalizations. Thus, the current program's effect on reducing CVDs mortality, without other public health interventions to reduce risk factors, and activities to strengthen acute CVDs care, is not expected to be observed. The modified results matrix (Annex II) has the three impact indicators that remained. These indicators are sensitive to PHC interventions that improve access and quality of care: percentage of hypertensive patients with blood pressure controlled, percentage of patients with diabetes with blood pressure controlled, and ambulatory care sensitive hospitalizations.

1.12 **Changes in the specific development objectives indicators.** The indicator "coverage of screening for renal complications in diabetes patients" was eliminated because the information and measurement of this indicator are within the indicator "compliance rate with referral guidelines for NCDs." The guidelines are a set of clinical care decisions that health personnel should follow with NCD patients. Screening for renal complications is within this set of decisions. Also, the indicator percentage of victims of domestic violence will include those persons receiving in-person and telehealth counseling services. The rationale for merging these indicators is that in the original version of the results matrix, the expected proportion of victims of domestic violence receiving in-person and virtual services was duplicated, which reduced the possibility of attaining the desired goal. (Table 1.1).

1.13 The indicators number of male and female beneficiaries of new and retrofitted clinics with enhanced resilience to natural hazards and climate change was merged into one indicator. Still, the analysis will be conducted stratifying by male and female beneficiaries. Also, the final goal of this indicator was adjusted. The increase in PHC clinics also expands the expected population coverage to receive services at these facilities (Table 1.1).

Table 1.1. Changes in the impact and specific development objectives indicators

	Unit of measure	Baseline value	Original target	Modified target	Eliminated	Modified
Impact indicators						
Mortality rate of cardiovascular disease	Mortality rate per 100,000	To be defined by the MOHW	20% relative reduction		X	
Specific Development Objectives indicators						
Coverage of screening for rena complication in diabetes patients	Percentage	65%	80%		X	
% of victims of domestic violence receiving in-person counselling services	Percentage	To be confirmed by the MOHW	70%		X	
% of victims of domestic violence receiving tele-health and in-person counselling services	Percentage	To be confirmed by the MOHW	70%			X
Number of female beneficiaries of new and retrofitted clinics with enhanced resilience to natural hazards and climate change	Number	37,989	39,870		X	
Number of beneficiaries of new and retrofitted clinics with enhanced resilience to natural hazards and climate change	Number	74,488	78,177			X

1.14 The output indicators remain as the original version; however, the targets have been modified. The annual targets of indicators 1.1 Number of clinical protocols and pathways distributed, 1.2 Number of NCDs processes of care updated and implemented, and 1.3 Number of in-service training programs, were reorganized in congruence with planned activities. However, the final targets of these three outputs remain as in the original version. The additional funds from the EU-CIF grant and the reallocation of resources among components allowed the MOHW to increase the number of PHC clinics to be retrofitted and built. Consequently, the indicator 2.1 Number of existing PHC clinics with infrastructure upgrades completed and with EDGE certification[3] rose from 4 to 9. Indicator 2.2 Number of new primary care clinics constructed with EDGE certification grew from 5 to 9, Indicator 2.3 Number of new and retrofitted clinics with new furniture supplied and indicator 2.4 Number of primary care clinics with new medical equipment increased from 9 to 18. Table 1.2 summarizes the changes in the products (for the complete detail of the changes in the original results matrix, see Annex II).

[3] EDGE is a green building certification system created by the IFC, a member of the World Bank Group, that focuses on making buildings more resource efficient. This certification will require clinics to incorporate energy and water efficiency measures and climate-resilient design. EDGE enables design teams and project owners to assess the most cost-effective ways to integrate energy efficiency and water-saving options into their buildings. It offers a certification process that quantifies the measures' impact and estimates savings and profits. Certification is initiated at the early design stage when details of the project enter the EDGE software, and green options are selected. The project must reach the EDGE standard of a 20% improvement in energy, water, and materials as measured against local construction practice. When achieved, the project is registered for certification.

Table 1.2. Changes in the outputs of the results matrix

Outputs				
Components	Original target	Modified target	Eliminated	Modified
Component 1: Improvement of the delivery of healthcare model				
1.1 Number of clinical protocols and pathways updated and distributed	15	15[a]		X
1.2. Number of NCDs processes of care updated and implemented	15	15[a]		X
1.3 Number of in-service training programs for healthcare workers and allied health personnel implemented	9	9[a]		X
Component 2: Enhancement of the capacity for provision of primary care				
2.1 Number of existing primary care clinics with infrastructure upgrades completed and EDGE certification	4	9		X
2.2. Number of new primary care clinics constructed with EDGE certification	5	9		X
2.3 Number of new and retrofitted clinics with new furniture supplied	9	18		X
2.4 Number of primary care clinics with new medical equipment supplied	9	18		X
[a] The modification consists in the adjustment of the annual targets. The final targets remain unchanged ¶ 1.23 to 1.25 describe the changes in more detail				

1.15 Redistribution of the budget. The proposed changes (¶1.9 to ¶1.14) indicate that the funding of the original Programme should be redistributed, as is presented in Table 1.3. The MOHW expressed the intention of improving the infrastructure of more PHC clinics than those included in the original plan. Thus, it requested to reallocate the funds among the components, increasing the amount assigned to Component 2 and reducing the funds for components 1 and 3. It was possible to agree on the reallocation of the resources because the MOHW has ongoing activities to enhance PHC, reorganize primary and hospital health care services, and introduce the digital health information system through the ongoing IS4H initiative.

1.16 As for Component 1, the MOHW will use existing resources and activities to complement the execution of this component. The MOHW (OEL#4) confirmed that Component 1 would benefit from national funds and existing arrangements, such as the Climate Change and Health grant financing enhanced services protocols. Therefore, the MOHW will implement an efficient strategy to accomplish the number, type, and scope of protocol enhancements and improvements articulated in component 1 while reducing costs. Moreover, the MOHW is receiving PAHO's technical support for this component. The PAHO Strategic Plan reflects the increase in the availability of technical assistance to countries in the region in a few areas – including gender-based violence and the management of non-communicable diseases. The technical support will expand the MOHW's ability to reach more health workers and community stakeholders of the health system to ensure the successful implementation of updated clinical protocols and health personnel training programs and to modernize the processes of care. The costs associated with the procurement of skilled specialists have been reduced due to the availability of consultancies that facilitate the completion of strategies.

1.17 Regarding Component 3, it is feasible for the MOHW to reduce the funds for this component. The MOHW received the hardware that had been delayed because of hurricane Dorian and engaged with telecommunications providers for discounted

rates for internet connectivity. Other MOHW agencies are undertaking digital improvements that will be align with the Programme. With the change in Government administration in October 2021, there was a recommitment to use an electronic health record system (eClinical Works) that the Government already engaged through a substituent agency – the National Health Insurance Authority – without any additional external evaluations. Also, the technical cooperation Funds associated with BH-T1083, along with funds from the Pan American Health Organization, were expended to engage an ICT specialist who performed a validation of the Ministry's community clinics' needs concerning the digital health records. The consultancy also examined how eClinical Works system could meet those needs. There was good alignment between the functionalities in the review. This activity provided the basis for the MOHW to directly engage the provider to forecast the need for a broader discussion on the implications that bulk purchasing of licenses will have on the costs associated with each provider having access to the software. These two activities are projected to result in significant cost savings for Component 3.

1.18 The EU-CIF grant prompted the MOHW to include more PHC clinics in the Programme, which in turn requires to increasing the resources for the administration and other costs responds to the need for additional funds for these activities because the project will expand its scope.

Table 1.3 Proposed distribution of the resources (US$)

Component	Originally approved	Proposed modification	EU-CIF grant funds	Difference available for modification minus proposed modification
Component 1. Improvement of the delivery of healthcare model	8.000	4.410		(3.590)
Component 2. Enhancement of the Capacity for Provision of Primary Care	20.000	25.862	5.029	10.891
Component 3. Modernization of the Health Information System	10.000	6.978		(3.022)
Administration and Other Costs	2.000	2.750	.229	2.979
Total	**40.000**	**40.000**	**5.258**	

1.19 **Execution and administration.** The MOHW will continue as the executing agency and it's established Project Executing Unit will be responsible for the administration of the Programme, which comprises the loan 5296/OC-BH and the EU-CIF grant. The PEU's responsibilities include planning, budgeting, accounting, procurement, social and environmental safeguards, monitoring, and reporting program implementation progress. The PEU staff will be supported by a consultant to assist in the administration of the EU-CIF funds. The terms and fiduciary policies of the loan contract 5296/OC-BH remain unchanged.

B. Justification

1.20 **Justification and strategy.** The rationale for this request for modification by the borrower to the Bank is as follows: The COVID-19 pandemic had severe economic effects in reducing the fiscal space and curtailing further investments to improve supply capacity to deliver PHC services. The Government of The Bahamas prioritized most resources for the pandemic response; it temporarily repurposed health personnel, medical equipment, and health facilities for COVID-19 cases.

For instance, it transformed a polyclinic in southern New Providence into a 10-bed negative pressure COVID-19 Care Centre. This facility remained a COVID-19 treatment center from 20th April 2020 to 31st October 2021. The clinic's conversion allowed for the management of COVID-19 patients and disrupted PHC services in New Providence. Reallocating health personnel and repurposing facilities allowed the MOHW to effectively manage the public health emergency. However, it also strained further its capacity to provide PHC services and widened previous deficiencies. Before the pandemic, the population had limited access to PHC services due to geographic barriers and the inadequate conditions of PHC clinics and medical equipment. Moreover, the social distancing measures, lockdown, curfews, also affected the demand for PHC services. Therefore, the MOHW request to reallocate the resources of the loan is justifiable and allocate the EU-CIF grant funds to strengthen the facilities and renovate the medical equipment. Moreover, the modernization of the model of care for NCDs patients and the introduction of digital health technology, including telemedicine services, will facilitate access and increase coverage in more Family Islands.

1.21 Concerning the original amount of the loan (US$40M), the EU-CIF grant which according to the exchange rate of April 12, 2022, it was equivalent to approximately US$5.2M represents 13.2% of the total funds. The EU-CIF grant will complement the loan's funds for the construction, and supervision of two (2) new facilities, retrofitting of three (3) existing ones, and the procurement of medical equipment.

1.22 **Coordination with other IDB projects in The Bahamas.** The MOHW has embarked on essential upgrades to public health and PHC services; with IDB support, it will invest the sum of US$60 million during the next four years through two investment loans that complement each other. In more than fifteen years, the MOHW has not invested in this scale to strengthen and modernize its public health and PHC services. First, in December 2020, the Board of Directors approved the investment loan 5179/OC-BH to support the response to the COVID-19 pandemic. That investment loan reinforces the response leadership at the country level, improves case detection and monitoring, interrupts the chain of transmission, and improves the capacity for service delivery for COVID and non-COVID patients. Through that loan, the IDB supports the current response to the COVID-19 pandemic and increases the country's public health capacity to handle future health emergencies. Second, in June 2021, the Board of Directors approved the current loan, which corresponds to the Programme that is being modified, 5296/OC-BH. This Programme enhances the PHC infrastructure, digital health system, and care processes. Both loans have a synergic effect in bolstering public health and PHC services and set the foundations of a resilient health system. In parallel, the technical cooperation Reinforcing the Health System of The Bahamas to Respond to the Health Needs of the Population (ATN/OC-18693-BH) is funding three activities: (i) The development of the services for victims of domestic violence; (ii) the design criteria for the PHC clinics to be climate-resilient and adaptable to respond to public health emergencies while sustaining an uninterrupted provision of essential health services; and (iii) The gap analysis of digital health normative instruments and the drafting of recommendations on the legislative and policy mechanisms required to enable digital health effectively.

1.23 **Coordination with other multilateral or donor agencies and partners.** The Pan American Health Organization (PAHO) provides the MOHW with technical support, supplies, and equipment to expand its health services and digitalize the health

information system. During the COVID-19 pandemic, the MOHW received PAHO's support to bolster its capacity for epidemiological surveillance, laboratory tests, contact tracing, and case management. Regarding the digitalization of healthcare services, PAHO partnered with the MOHW to develop and implement the Information Systems for Health Initiative (IS4H), which includes the implementation of the digitalization of the health information system and the introduction of telemedicine services in PHC facilities. In 2021, the Multilateral Investment Guarantee Agency (MIGA) of the World Bank Group approved a guaranteed loan to support the Public Hospital Authority. Its objectives are to: (i) expand service capacity; and (ii) enhance the diagnostic capabilities and modalities of care provided by the Princess Margaret Hospital and Sandilands Rehabilitation Centre. The IDB has been in regular collaboration with PAHO representatives and digital experts, with whom all digital health interventions for loan 5179/OC-BH and the current Programme are being coordinated. In addition, the IDB has been in communication with MIGA to articulate both institutions' efforts to strengthen both hospital services and primary care services. The convergence of efforts to reinforce public health actions to respond to the pandemic and enhance public health, primary care, and hospital services will support the MOH's efforts to improve access and quality of PHC services.

1.24 **Strategic alignment.** The proposed modifications of this Programme are consistent with the Second Update of the Institutional Strategy (AB-3190-2) since they are aligned with the development challenges of Social Inclusion and Equality by improving the delivery of healthcare services and by expanding coverage, access, and quality of health care. The proposed modifications are also aligned with the cross-cutting themes of: (i) Gender equality since it will implement innovations in health care for domestic violence victims as described in subcomponent 1.2. These innovations are consistent with the Gender Action Plan for Operations 2020-2021 (GN-2531-19); and with (ii) Climate change by strengthening the resilience of clinics to natural hazards and climate change. Additionally, the Programme's proposed modifications are aligned to the Corporate Results Framework 2020-2023 (GN-2727-12) through the indicators on beneficiaries receiving health services and on beneficiaries of enhanced disaster and climate change resilient facilities. According to the Joint Multilateral Development Bank (MDB) approach to climate finance tracking, 44.47% of the total IDB funding of the original approved Programme is directed toward climate change mitigation and adaptation activities. Thus, it contributes to the IDBG's climate finance goal of 30% of approvals by the year 2021 (OEL#2). The proposed modifications to the Programme do not change the value of climate finance to avoid double counting. Also, the Programme's proposed modifications are consistent with the Health Sector Framework Document (GN-2735-12) lines of action that address fiscal and financial sustainability. It contributes to reducing the health sector fragmentation. Also, it addresses the line of action that improves the organization and quality of healthcare service delivery and supports health care services integration by enhancing the coordination between primary and secondary care levels and accelerating the introduction of digital health technology. The proposed modifications are also aligned with the Country Strategy's objective to strengthen institutional capacity for the digital government (GN-2920-1) and with the cross-cutting issues of: (i) data, since it will improve the collection, dissemination, and availability of data in the health sector; and (ii) gender, because it reinforces the capacity to provide health care to domestic violence victims. The Programme is also in line with the IDB Vision 2025 because

it promotes social development, particularly related to the pillars of digital health, gender and climate change.

C. Description of the modified Programme

1.25 **Objective.** The general objective remains in its original version: To support the strengthening of The Bahamas Health System to meet the population's health needs. Also, the specific objectives of the program remain unchanged and are the following: (i) integrate primary and secondary care services that the Department of Public Health (DPH), Public Hospitals Authority (PHA), and National Health Insurance Authority (NHAI) deliver; (ii) improve access, coverage, and quality of community and ambulatory services through a person and community-centered model of care; and (iii) increase the efficiency of health services. The modifications to the components and costs of the Programme are described below:

1.26 **Component 1: Improvement of the Delivery of Healthcare Model (US$8 million to US$4.4 million).** This component will finance the same activities as defined in the original proposal. It will (i) reorganize the provision of primary and hospital care; (ii) implement a person and community-centered model of care, which also includes providing healthcare services for Gender-Based Violence (GBV) victims; and (iii) standardize the quality of care for chronic patients. The original products of this component will require fewer resources than those previously estimated. In this regard, the original products stand as previously planned: (i) designing and renewing evidence-based clinical protocols and care pathways; (ii) update of NCDs' processes of care; (iii) in-service training programs; (iv) integration of a community centered- model of care; (v) health networks with in person- and telemental health services for victims of domestic violence; (vi) primary care clinics with services for victims of domestic violence; (vii) development of a compendium of quality of care indicators for NCDs; and (viii) quality assurance system for NCDs.

1.27 **Component 2: Enhancement of the Capacity for Provision of Primary Care (US$20 million to US$30.9 million).** The MOHW requested to redirect some resources from Components 1 and 3, including most of the EU-CIF grant funds to Component 2. This decision expands the original products. It will finance the construction of nine (9) PHC clinics, the retrofitting of nine (9) PHC clinics and the upgrade of the building where the MOHW will relocate the National Reference Laboratory. This component will still finance the procurement of new medical equipment, such as basic medical devices, diagnostic devices, equipment for emergency care, dental and preventive care, and six ambulances. Also, this component includes the procurement of furniture for the PHC clinics, the EDGE certification, and the maintenance plan. The MOHW prioritized aged PHC clinics vulnerable to environmental hazards, lacking maintenance and outdated medical equipment.

1.28 **Component 3: Modernization of the Health Information System (US$10 million to US$6.9 million).** This component will finance the same activities as in the original proposal, which consists of the digitalization of the health information and management systems of MOHW. This component will require fewer resources from the loan than estimated since there is a complementary effect from the loan 5179/OC-BH in execution and from the ongoing activities that the MOHW is carrying out to implement the IS4H initiative. In this regard,

the original products stand as planned, although there is an expansion in their scope from 54 to 85 PHC clinics, which include: (i) the implementation of the IS4H team; (ii) 85 PHC clinics with internet connectivity;[4] (iii) end-user services for 85 clinics; (iv) implementation of the health information exchange platform; (v) implementation of the business intelligence platform; (vi) implementation of the electronic health record in 85 clinics; (vii) implementation of the cybersecurity framework; (viii) development of cybersecurity policies; (ix) implementation of a program to protect health information; and (x) implementation of the IS4H National Strategic Plan.

1.29 **Administration and Other Costs (US$2.0 million to US$2.9 million).** The modified Programme will increase the funding for the planning, execution, monitoring, and audit activities of the Programme. The budget for this component increases since the Programme Executing Unit (PEU) will require additional resources for field visits to the 12 islands and supervising the health facilities and will administer the EU-CIF grant. The additional funds will support the consultants and specialized technical services to underpin the implementation of the Programme, its impact evaluation, and the implementation of the ESMP.

1.30 **Beneficiaries.** The Programme will facilitate the expansion of the coverage of PHC services for the population. In the original version of the Programme, it was estimated that about 60,000 people would benefit after improving the infrastructure of nine clinics. The increase from 9 to 18 PHC clinics with climate resilience and energy efficient measures, including reinforcing the medical infrastructure furniture and new medical equipment, will facilitate access and improved services to approximately 74,500 people living in eleven Family Islands. The reallocation of the National Reference Laboratory to an upgraded facility will benefit 220,000 people. The introduction of the digital health technology in 85 clinics will improve healthcare quality for the total population in The Bahamas, 349,939 persons.

D. Key Results Indicators

1.31 The modified Programme's results matrix (Annex II) considered the proposed changes to update the expected impacts, specific development objectives, and outputs. The impact indicators will track progress in increasing the proportion of patients with diabetes and hypertension under metabolic control and reducing ambulatory care-sensitive hospitalizations. These indicators measure the combined effect of the PHC services improvement reliably. The upgrades of PHC services will be measurable in access and quality of care after implementing healthcare workers' training programs and modernizing clinical protocols and care processes by introducing a person- and community-centered care model. Also, the outcomes will be tangible after investing in infrastructure, medical technology, and digital health technology, such as electronic health records and telemedicine services.

1.32 **Economic viability.** The economic analysis was updated taking into consideration the proposed changes. The economic rationale for the proposed actions is based on the averted human capital loss and the public health budget savings. Improvements to the delivery of care model (Component 1) will facilitate attaining

[4] The decision to increase from 54 to 85 clinics will allow the MOHW to speed up the digitalization of the health information system and health care services in all PHC clinics of the public healthcare system. The MOHW considered the feasibility of the connectivity and the implementation of the EHR, given the country's geographical conditions.

efficiency gains in the public health system, particularly regarding primary care. Building nine new clinics as part of enhancing the capacity for the provision of primary care (Component 2) will seek to improve the population's health averting the loss of human capital. Finally, introducing the digital health information system (Component 3) will help to improve healthcare processes (e.g., service access, diagnosis, and treatment), resulting in public health budget savings. Based on the foregoing, a cost-benefit analysis was carried out, estimating a net present value (NPV) of US$37.1 million and a benefit to cost ratio of 1.17 in the base scenario, which considers a discount rate of 3%, suggesting that the proposed actions are economically beneficial. Additionally, a sensitivity analysis was conducted by varying the cost and effectiveness of the interventions.

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing Instruments

2.1 The total cost of the modified Programme is US$45.669.648. The IDB loan provides US$40.000.000, and the EU-CIF grant will provide US$5.669.648 (according to the exchange rate of April 12, 2022). The investment loan is financing the improvement of the delivery of care model, enhancing the capacity to provide healthcare by upgrading the PHC infrastructure and medical equipment, and modernizing the health information system by introducing digital technology. The EU-CIF grant, in turn, will provide additional funds for the expansion of the infrastructure and medical equipment in PHC clinics. The disbursement period for the loan and EU-CIF grant is four years from the signature date of the non-reimbursable investment financing operation agreement.

Table 2.1. EU-CIF grant - Budget (millions)

Category	€	US$ equivalent
Component 2: Enhancement of the capacity for Provision of Primary care	4.658	5.029
Administration and other costs (communication and visibility plan)	.211	.228
Bank Administrative Fee	.341	.368
TOTAL	**5.21**	**5.625**

Table 2.2. EU-CIF Grant - Disbursements (€)

Source	Year 1	Year 2	Year 3	Year 4	Year 5 (Forecast balance)	TOTAL
Amount	.592	1.37	2.10	1.1	.057	5.21
%	11.4	26.4	40.3	21.9	5.0	100.00%

2.2 Based on the previous section, the proposal is to modify the Programme costs in all the components pursuant to the Borrower's request. Table 2.3 shows the budget for the modified investment loan (5296/OC-BH), including the complementary financing from the EU-CIF.

Table 2.3. Combined Budget - US$ (millions)

Components	Original	Modified	EU-CIF grant	Total modified	%
Component 1: Improvement of the Delivery of Healthcare Model	**8.000**	**4.410**		**4.410**	**9.7**
Subcomponent 1.1 Reorganization of primary and hospital care	2.900	1.750		1.750	**3.9**
Subcomponent 1.2. Implementation of a person and community-centered care model	2.500	1.800		1.800	**3.9**
Subcomponent 1.3. Standardization of the quality of care	2.600	0.860		0.860	**1.9**
Component 2: Enhancement of the Capacity for Provision of Primary Care	**20.000**	**25.862**	**5.029**	**30.891**	**68.3**
Subcomponent 2.1. Strengthening of the physical infrastructure	17.995	23.182	4.011	27.193	**60.1**
Subcomponent 2.2. Upgrading of medical equipment	2.005	2.680	1.018	3.697	**8.2**
Component 3: Modernization of the Health Information System	**10.000**	**6.978**		**6.978**	**15.3**
Subcomponent 3.1. Integration of digital health information initiatives	1.376	**3.703**		3.703	**8.1**
Subcomponent 3.2 Modernization of the flow of information	1.467	**1.620**		1.620	**3.6**
Subcomponent 3.3 Implementation of IS4H	7.057	**1.285**		1.285	**2.8**
Subcomponent 3.4. Training needs and recruitment requirements	0.100	**0.370**		0.370	**0.8**
Administration and other costs	**2.000**	**2.750**	**0.229**	**2.979**	**6.6**
Project auditing	0.180	0.180		0.180	**0.4**
Project executing unit	1.520	2.300	0.101	2.401	**5.3**
Impact evaluation	0.300	0.270		0.270	**0.6**
Communication and visibility plan			0.127	0.127	**0.3**
Subtotal EU-CIF			**5.258**	**5.258**	**11.7**
Bank Administrative Fee			**0.368**	**0.368**	**0.8**
Total	**40.000**	**40.000**	**5.625**	**45. 625**	**100.0**

B. Environmental and Social Safeguard Risks

2.3 The loan modification will not change the socio-environmental Category “B” of the Programme because the loan and the EU-CIF grant will finance the same type of activities and infrastructure; thus, the same socio-environmental impacts are expected. However, the number of clinics that will be built or retrofitted increased from nine (9) to eighteen (18). The works will also include retrofit the building where the MOHW will reallocate the National Reference Laboratory. The Environmental and Social Assessment (ESA) and the Environmental and Social Management Plan (ESMP) were updated to incorporate the total number of new facilities to be constructed or renovated. The ESA and ESMP screened the sites of the new clinics to understand their socio-environmental impacts and design measures for disaster resilience. A meaningful consultation public process was carried out for those new sites. The participants' main comments and questions were related to the health services they require, such as healthcare for obesity and NCDs. Also, participants expressed the need to upgrade the substandard facilities and move forward with the construction and asked how the MOHW considered managing medical waste. The main results indicate that the Programme is vital for

the public and has ample stakeholder support given the critical need for healthcare services. Participants expressed satisfaction since the new facility that has been long promised will come to fruition. Also, there will be an exclusion clause to avoid resettlement or impacts on critical natural habitats or Category “A” projects. The loan modification will not change the Disaster and Climate Change Risk category (High) since the expected hazard exposure and criticality conditions are the same. The Disaster Risk Narrative (part of the Climate Change Annex) has been updated to reflect the changes in the scope of the Disaster Risk Assessment (DRA) and the Disaster Risk Management Plan (DRMP) that will be prepared for all the clinics included in the Programme.

C. Fiduciary Risk

2.4 The fiduciary risks remain the same, no additional risks were identified. The assessment of the executing agency's fiduciary capacity is Medium, considering that the Ministry of Health and Wellness had created a dedicated PEU to manage the operation BH-L1055 (5179/OC-BH) and has a Programme Operation Manual (POM). The same structure will be strengthened to execute the EU-CIF grant and the POM will be updated. Continued training is provided primarily by the Country Office to enhance the fiduciary capacities of the team. A plan has been prepared to mitigate the risks related to the fiduciary capacity. It includes actions to facilitate the interaction with the MOHW, prepare the technical requirements, TOR for the procurement activities, and train the PEU procurement staff on IDB's procurement policies, and additional requirements stemming from the EU-IDB Contribution Agreement.

III. Implementation and Management Plan

A. Summary of Implementation Arrangements

3.1 **Execution and administration.** The MOHW continues as the EA, which already established a PEU responsible for administering the loan 5296/OC-BH. This PEU will also administer the supplementary funds. The PEU’s responsibilities will continue unchanged (see ¶3.2) and include planning, budgeting, accounting, procurement, social and environmental safeguards, monitoring, and reporting Programme implementation progress. The PEU staff[5] will include an additional financial assistant to support the EU-CIF grant management. Also, the PEU will contract specialized external consultancies, individuals, and firms to prepare the plans to retrofit existing clinics, build the new ones, supervise construction, and define the technical specifications and procurement for new medical equipment and digital health information system. The MOHW’s technical, procurement, and financial team will work closely with the PEU staff to benefit from knowledge transfer and capacity building.

3.2 Specific responsibilities of the PEU remain unchanged as in the original project and comprise all activities for Programme execution, including: (i) serving as project liaison with the Bank; (ii) preparing, submitting, and implementing the

[5] The PEU comprises the Project Manager, financial officer, procurement officer, financial assistant, procurement assistant, civil engineer, monitoring and evaluation expert, administrator, communication officer, and coordinators of Component 1 and Component 2.

Annual Operating Plans (AOP) and financial plans; (iii) drawing up budgets and disbursement requests; (iv) preparing and updating the Pluriannual Execution Plan (PEP), AOP, Procurement Plan (PP), Risk Matrix (RM), and the Project Monitoring Report (PMR); (v) financial administration of the Programme according to accepted accounting principles and presenting audited financial statements; (vi) carrying our procurement processes that result in the timely acquisition of high-quality products and that comply with both the policies of the Bank and those of the GOBH; (vii) ensuring the consistent alignment of Programme activities with expected results as well as periodic data collection to enable the monitoring of the indicators included in the RM; and (viii) presenting semi-annual progress reports and annual progress reports linked to the calendar year. All the aforementioned activities will have to take into account the additional EU requirements as stipulated in the Supplementary Agreement.

3.3 The Project Steering Committee (PSC) with representatives from the MOHW, DPH, NHIA, PHA, and MOF has the same responsibilities and functions as the original project. It will oversee the coordination mechanisms to facilitate the Programme's implementation. The Committee's specific responsibilities are the provision of the required inter-institutional coordination and collaboration and the general oversight of the Programme to ensure coherence and coordination in project implementation among the different stakeholders. The PEU will operationalize the decisions from the PSC. The updated project operating manual will describe the responsibilities of the PSC and the PEU, also considering the EU-CIF grant requirements.

3.4 **Special contractual conditions prior to the first disbursement of the Programme resources**. **The EA will provide evidence to the Bank´s satisfaction of: (i) the assignment of the responsibilities for the execution of this modified Programme to the Programme manager, procurement specialist, and financial specialist that integrate the PEU**, necessary to assure the EA is in a position to execute the operation once disbursement occurs**; (ii) the approval and entry into force of an updated POM, which details the guiding principles for execution and coordination of activities for the execution of the EU-CIF grant in accordance with those previously agreed upon between the MOHW and the Bank; and (iii) the entry into force of the project specific grant agreement between the IDB and the EU for the contribution of the EU-CIF grant.** The second condition is necessary to ensure that the POM provides the guidelines for the execution of this operation, including specific EU requirements and the conditions applicable to this operation. The third condition is necessary, given that the Bank will not have availability of the EU resources until such a project specific grant agreement between the EU and the Bank is signed.

3.5 **Special contractual conditions for execution. The program will be executed in accordance with the contractual conditions reflected in Annex B of the ESMR**.

3.6 **Procurement.** The applicable procurement policies will be the Bank's policies for the procurement of goods and works (GN-2349-15) and for the selection and contracting of consultants (GN-2350-15), in accordance with the 2020 Financial Framework Partnership Agreement which establishes the following exceptions (approved by the Bank under document GN-2605-5, 4.14 and 4.15) to such policies, in order: (i) to allow goods, works or services originating from or rendered

by nationals from IDB non-member countries be eligible for procurement activities to be financed with resources contributed by the EC under the FFPA, provided that the country of origin of the goods and the nationality of the suppliers, contractors and service providers is recognized as eligible by the EU under its applicable regulations. The EC publishes the list of eligible countries (or any updates thereto) as an annex to the "Practical Guide to Contract Procedures for EU External Actions" (PRAG), which is available on its Internet website[6]; (ii) to extend the retention period of project documentation required for executing agencies and the Bank, from three years to five or more years[7]; and (iii) to recognize EU Restrictive Measures as an eligibility requirement to prevent awarding contracts to entities, individuals or groups of individuals subject to restrictive measures and identified in the list available at http://www.sanctionsmap.eu/.

3.7 **Other EU requirements.** The Beneficiary shall execute a Communication and Visibility Plan, in order to publicize the fact that the Project has received funding from the EU. In addition to Bank eligibility rules, expenditures financed by EU resources shall meet specific EU criteria set forth in the Contribution Agreement. If the EU determines that the resources of their EU Contribution have been unduly paid or incorrectly used by the Beneficiary, the Executing Agency or their contractors, the EU may recover such funds from the Bank, who will, in turn, have the right recover them from the Beneficiary.

3.8 Regarding financial management, the Bank will provide advance funds according to Programme liquidity needs substantiated by its current and anticipated commitments for a period of not less than 90 days and no more than 180 days. The PEU will control the utilization of the advance of funds and limit expenditure to planned and eligible activities, and it will maintain records of financial transactions in accordance with Bank fiduciary policies. The availability of EU resources by the Bank is linked to reporting and EU instalment payment requirements as defined in the Contribution Agreement.

3.9 **Auditing.** The PEU will be responsible for submitting the following documents to the Bank: (i) Annual Audited Financial Statements (AFS) of the Programme and internal controls report to be submitted within 90 days after the close of each fiscal year; and (ii) final audited financial statements, to be submitted within 90 days after the final disbursement date of the Programme.[8] The audit of the Programme activities and financial statements must be conducted by an independent external audit firm acceptable to the Bank and contracted by the EA with resources from the investment loan. The preparation of the AFS will be performed in compliance with the Bank's guidelines (OP-273-12) and terms of reference for external audits and applicable EU requirements. The fiscal year will be from July 1st to June 30th.

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6 Follow this link to access the Practical Guide to Contract Procedures for EU External Actions (PRAG). https://ufmsecretariat.org/wp-content/uploads/2012/09/ePrag-en-2019.0.pdf.

7 Documentation shall only be retained after the period of five years if, before the expiration of such period the Bank is notified of an on-going audit, verification or investigation by the European Anti-Fraud Office (OLAF), or a claim directly related to the activities financed by the EU.

8 The Bank will submit the annual AFS to the EU within 120 days of the close of each fiscal year and the final AFS, within 120 days of the final disbursement date.

B. Summary of Arrangements for Monitoring Results

3.10 The EA will be responsible for implementing the Monitoring and Evaluation plan (REL#2) and referring mainly to the results and outputs indicators of the Results Matrix.

3.11 The Monitoring of the Programme will employ the standard Bank instruments: (i) PEP and AOP; (ii) PP; (iii) Results Matrix; (iv) PMR; and (v) audited financial statements and internal control report. These instruments were updated to reflect the proposed changes. They should include a description of the physical and financial execution of activities in the corresponding period and the relevant issues relating to implementation, risks, mitigation measures, and environmental and social safeguards. The EA will present semi-annual progress reports through the PEU within thirty (30) days after the end of the corresponding semester.

3.12 **Evaluation.** The evaluation will focus on measuring the impact of the synergy of the investment loan and the EU-CIF grant on improving PHC services' performance by modernizing the care model, updating health personnel, strengthening the infrastructure, and implementing the IS4H initiative. The evaluation was updated in accordance with the proposed changes. It will measure whether the primary care services can provide continuous and coordinated high-quality care to NCDs patients. The improvement of performance will translate into a reduction of the rates of ambulatory care sensitive- conditions. Therefore, the evaluation will measure the impact of the Programme on avoidable hospitalizations using the model of differences in differences, which compares treatment units with units not treated with data from before and after the implementation. The evaluation expenses will be covered entirely by the IDB loan.

IV. PROJECT TEAM RECOMMENDATIONS

4.1 Based on the information in this document, and in light of the fact that the supplementary financing was not specifically envisaged in the loan proposal for 5296/OC-BH originally approved by the Bank's Board of Executive Directors; that said financing will be administered by the Bank through a PSG; and that modifications need to be made to the loan 5296/OC-BH as a result of that financing, the project team recommends that the Board of Executive Directors, based on the provisions of document DR-398-19 (Regulations of the Board of Executive Directors of the Inter-American Development Bank) and paragraph 6 of document CS-3953-4 (List of Matters that Can be Considered by the Board via Short Procedure), approve by short procedure the modifications described in this document, and that it approve the resolution attached to document with a view to amending Resolution DE-51/21 of June 30, 2021, and supplementing the financing envisaged therein with the additional financing from the EU.

4.2 The team also recommends that the Board authorize the President of the Bank or such representative as he shall designate, in the name and on behalf of the Bank: (i) to take the necessary actions for the Bank to administer the supplementary financing of up to €5.210.900 provided by the European Union, which includes the Bank's administrative costs, as established in this document; (ii) to enter into such agreement or agreements as may be necessary with The Bahamas, as beneficiary, for the purpose of granting it the supplementary financing chargeable

against the EU contribution, with a view to executing the activities envisaged in this document; and (iii) to take such additional steps as may be necessary for execution of the programme chargeable to the resources of the supplementary financing under item (i) of this paragraph 4.2.

4.3 The corresponding modifications will be reflected as applicable in an amendment to loan contract 5296/OC-BH.

Development Effectiveness Matrix		
Summary BH-L1053 - BH-G0004		
I. Corporate and Country Priorities		
Section 1. IDB Group Strategic Priorities and CRF Indicators		
Development Challenges & Cross-cutting Issues	-Social Inclusion and Equality -Gender Equality and Diversity -Climate Change	
CRF Level 2 Indicators: IDB Group Contributions to Development Results	-Beneficiaries receiving health services (#) -Beneficiaries of enhanced disaster and climate change resilience (#) -Agencies with strengthened digital technology and managerial capacity (#)	
2. Country Development Objectives		
Country Strategy Results Matrix	GN-2920-1	Strengthen Institutional Capacity for Digital Government
Country Program Results Matrix		The intervention is not included in the 2022 Operational Program.
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		Evaluable
3. Evidence-based Assessment & Solution	9.5	
3.1 Program Diagnosis	2.5	
3.2 Proposed Interventions or Solutions	3.5	
3.3 Results Matrix Quality	3.5	
4. Ex ante Economic Analysis	10.0	
4.1 Program has an ERR/NPV, or key outcomes identified for CEA	1.5	
4.2 Identified and Quantified Benefits and Costs	3.0	
4.3 Reasonable Assumptions	2.5	
4.4 Sensitivity Analysis	2.0	
4.5 Consistency with results matrix	1.0	
5. Monitoring and Evaluation	10.0	
5.1 Monitoring Mechanisms	4.0	
5.2 Evaluation Plan	6.0	
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood	Medium Low	
Environmental & social risk classification	B	
IV. IDB´s Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Financial Management: Budget, Treasury, External Control. Procurement: Information System.
Non-Fiduciary		
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project	Yes	0

***Evaluability Assessment Note:** This project is a modification of the loan approved in June 2021. In addition to the USD40 million in ordinary capital from the IDB, there is an additional USD5.67 million in non-reimbursable resources financed by the European Union Caribbean Investment Facility (EU-CIF). Although the modification redirects USD6.6 million in favor of component 2 (Enhancement of the Capacity for Provision of Primary Care) to the detriment of the other components, the objectives of the operation are maintained, and the vertical logic remains appropriate. The general objective of the program is to support the strengthening of the Bahamas Health System to meet the population's health needs.*

The specific objectives are to: 1) integrate primary and secondary care services that the DPH, PHA, and NHIA deliver; 2) improve access, coverage, and quality of community and ambulatory services through a person and community-centered model of care; and 3) increase the efficiency of the health services. The original project presents a diagnosis of the problem, as well as a review of international evidence. The proposed solutions are an appropriate response to the problems identified in the proposal and its contributing factors. Although some indicators were eliminated or modified, the Results Matrix remains consistent with the vertical logic of the operation and presents adequate outcome indicators.

The economic evaluation considers the averted human capital loss and the savings in the public health budget. The updated cost-benefit analysis estimated a net present value of US$37 million and a benefit-cost ratio of 1.17, with a 3% discount rate. The proposed overall evaluation will assess the impact of the loan on improving primary care services' performance and implementing the electronic health record. The evaluation will focus on measuring whether the primary care services can provide continuous and coordinated high quality care to patients with non-communicable diseases. A differences-in-differences methodology will be used to estimate the impact of the program.

RESULTS MATRIX

Project Objective	The general objective of the Programme to Support System Strengthening of the Bahamas (5296/OC-BH) is to support the strengthening of The Bahamas Health System to meet the population's health needs. The objective of this proposal to modify the Programme that incorporates supplementary financing provided by the European Union is to enhance the capacity of primary healthcare to deliver accessible and high-quality services to the Bahamas population. While the specific objectives stay on: (i) integrate primary and secondary care services that the DPH, PHA and NHIA deliver; (ii) improve access, coverage, and quality of community and ambulatory services through a person and community centered model of care; and (iii) increase the efficiency of health services.

General Development Objective

Indicators	Unit of measurement	Baseline value	Baseline year	Expected year for achievement	Target	Means of verification	Comments
General development objective: To support the strengthening of The Bahamas Health System to meet the population's health needs							
Percentage of hypertensive patients with blood pressure-controlled	Percentage	To be defined by the MOH[1]	2021	2025	10% increase above baseline value	Electronic and paper clinical registries of primary care and hospital settings	Primary care interventions to improve hypertension treatment increase up to 10% hypertensive patients with blood pressure controlled.[1] Numerator: number of patients who have blood pressure controlled (<65 years BP target <130/80 mm Hg. >65 years <140/90 mm Hg).[2] Denominator: number of hypertensive patients that assisted to medical visits for hypertension control in primary care clinics The Bahamas PAHO/WHO STEPS NCDs Risk Factor Survey reported 19.8%

1 Egan B. et al. Improving hypertension control in primary care with the measure, accurately, act rapidly and partner with patients' protocols. Hypertension 2018; 72:1320-1327.

2 Unger T. et al., 2020 International Society of Hypertension Global Hypertension Practice Guidelines. Hypertension 2020; 75(6). 1334-1357.

Indicators	Unit of measurement	Baseline value	Baseline year	Expected year for achievement	Target	Means of verification	Comments
							of patients with blood pressure controlled.[3]
Percentage of diabetes patients with blood glucose controlled.	Percentage	61.5%[4]	2021	2025	5% increase above baseline value	Electronic and paper clinical registries of primary care and hospital settings	Primary care interventions increase up to 5% the proportion of DM patients with controlled blood glucose. Numerator: number of DM patients with blood glucose controlled (Hemoglobin A1C ≤ 7). Denominator: number of DM patients that assisted to medical visits for diabetes control in primary care clinics
Ambulatory care sensitive hospitalizations	Rate	To be defined by the MOH	2021	2025	15.0	Hospital discharges records/ Health statistics. Health Information and Research Unit MOH	For more details, please see the impact evaluation in the Monitoring and Evaluation plan (REL#2).

[3] PAHO/WHO STEPS Noncommunicable Disease Risk Factor Survey. Data Book for the Bahamas 2019.
[4] PAHO. Institutional Response to Diabetes and its Complications. An evaluation of the quality of diabetes care. DPC/NC/DIA/66/1.3/273-04.

Specific Development Objectives

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
Specific development objective 1: To integrate primary and secondary care services that DPH, PHA, NHIA deliver											
Compliance rate with referrals guidelines for NCDs between primary and secondary/ tertiary care levels	%	25%[5]	2020	30%	40%	50%	60%	70%	70%	Electronic and paper clinical registries at primary care and hospital settings	The indicator evaluates the proportion of NCDs patients referred appropriately to secondary care services. Numerator: number of patients referred appropriately to secondary care services. Denominator: total number of NCDs patients requiring referral.[6] The indicator measures the quality of care and the reduction in the healthcare services fragmentation. For more details see the Monitoring and Evaluation Plan (REL#2).

[5] Schneiders, J. et al. Quality indicators in type 2 diabetes patient care: analysis per care-complexity level. Diabetol Metab Syndr 11, 34 (2019). https://doi.org/10.1186/s13098-019-0428-8.

[6] Vargas I, et al. Understanding communication breakdown in the outpatient referral process in Latin America: a cross-sectional study on the use of clinical correspondence in public healthcare networks of six countries. Health Policy Plan. 2018;33(4):494-504. doi:10.1093/heapol/czy016.

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
Percentage of primary health care personnel (medical doctors and nurses) trained in HEARTS protocol	%	0	2020	10%	15%	20%	25%	40%	40%	MoH and PHA HR Training records; NHIA Physicians provider profile	HEARTS is an institutionalized training program for cardiovascular disease management in primary health care clinics that includes hypertension, diabetes, and dyslipidemia.[7] The indicator evaluates the proportion of health personnel that participated in the HEARTS training. Numerator: number of health personnel that participated in the HEARTS training. Denominator: the total number of health personnel planned to participate in the HEARTS training.
Specific development objective 2: To improve access, coverage, and quality of community, ambulatory, and hospital services through a person and community centered model of care											
% of personnel trained that is certified to provide care according to protocol to gender-based violence victims	Percentage	0.0	2021	30%	40%	50%	60%	80%	80%	Project implementation audits	Pro-gender: gender tracking. Training personnel for gender-based violence is part of the actions to strengthen primary health care.

[7] PAHO/WHO. Hearts in the Americas https://www.paho.org/en/hearts-americas.

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
											Numerator: total number of health personnel certified after being trained to provide care to gender-based violence victims Denominator: total number of health personnel in primary care centers
% of victims of domestic violence receiving tele-health and in-person counseling services	Percentage	Value to be confirmed by the MOH	2021	20%	30%	40%	50%	70%	70%	EHR/paper records data analysis	Health care services for victims of domestic violence require promoting users' help-seeking behavior and respond through risk assessment, screening, and referral to counseling and other services. Numerator: number of victims of domestic violence receiving telehealth/in-person consulting services Denominator: number of suspected victims of domestic violence who were offered telehealth/in person consulting services. Pro-gender: gender tracking.

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
Number of beneficiaries of new and retrofitted clinics with enhanced resilience to natural hazards and climate change	Number	74,488	2021	75,212	75,943	76,680	77,425	78,177	78,177	Project implementation audits	All clinics include enhanced resiliency. All beneficiaries for the 22 clinics are considered. The estimation of the beneficiaries is done as part of the economic analysis of the operation. The beneficiaries are counted once the clinics are finished and in operation. The estimates consider that the population growth of The Bahamas is 0.967 per year[8] and 51.4% are females and 48.6% are males.[9] The analysis will be conducted identifying males and females.
Specific development objective 3: To increase health services efficiency											
Electronic Medical Record Information System implemented in Primary Health Care Clinics operated by the Department of Public Health	Percentage	0	2021	0%	50%	70%	80%	100%	100%	Use and satisfaction of EHR-S Satisfaction survey	

8 The World Bank Data Population growth (annual %) The Bahamas. https://data.worldbank.org/indicator/SP.POP.GROW?locations=BS.
9 The World Bank Data. Population, female (% of total population). The Bahamas. https://data.worldbank.org/indicator/SP.POP.TOTL.FE.ZS?locations=BS.

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
Data from primary health care clinics available in a central repository accessible by the Ministry of Health to support the calculation of key indicators.	Percentage	0	2021	0%	0%	50%	70%	80%	80%	Report from central repository system with names of clinics providing information	Numerator: number of clinics that can report production data automatically to a centralized repository in the MOH. Denominator The 85 clinics that will be part of the project. The report from the MOH should identify each clinic that contributes information and the date for the information contributed.
Number of partner agencies with information systems that are connected and/or integrated with health information exchange	Number	0	2021	1	3	4	5	6	6	Annual IS4H report	The partner agencies are Ministry of Education, Ministry of Social Services and Urban Development, Department of Meteorology, Department of Environmental Health Services, National Insurance Board, Department of Statistics/or replacement agency.

Table 3 Outputs

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
Component 1: Improvement of the delivery of healthcare model											
1.1 Number of clinical protocols and pathways updated and distributed	Number	0	2021	0	5	5	5	0	15	Project implementation audits Handbook on the management of health Conditions in Primary Care settings[10]	Clinical protocols for primary care services and hospital services updated for prevention, screening, diagnosis, and treatment for NCDs.
1.2 Number of NCDs processes of care updated and implemented	Number	0	2021	0	5	5	5	0	15	Project implementation audit Handbook on the management of health Conditions in Primary Care settings[11]	For more details see the Monitoring and Evaluation Plan (REL#2).
1.3 Number of in-service trainings programs for healthcare workers and allied health personnel implemented[12]	Number	0	2022	0	3	3	3	0	9	Training logs	For more details see (REL#2).
1.4 Number of potential health networks contacted and asked to integrate a health network with a community-centered model of care	Number	0	2022	0	1	1	1	0	3	Project implementation audits	

10 The handbook is a guide to care for patients in primary care clinics and the community that covers the skills and knowledge required by any health provider who deliver primary and community care.

11 Idem.

12 Allied health services comprise patient care assistants, x-ray technician dental assistants, SLP specialists and technicians, community health nursing, Foundation Programme for physicians, and renal nursing.

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
1.5 Number of health networks with tele-mental health services for victims of domestic violence implemented	Number	0	2022	0	1	2	0	0	3	Project implementation audits	
1.6 Primary care clinics with services for victims of domestic violence implemented	Number	0	2022	0	1	2	0	0	3	Project implementation audits	
1.7 Compendium of quality-of-care indicators for NCDs developed and implemented	Number	0	2022	0	2	2	2	2	8	Project implementation audits	The quality of care and quality assurance system indicators will comprise diabetes, hypertension, cervical, breast, colorectal, prostate cancer, myocardial infarction, and cardiovascular conditions.
1.8 Quality assurance system for chronic non communicable disease implemented	Number	0	2022	0	0	1	0	0	1	Project implementation audits	
Component 2: Enhancement of the capacity for provision of primary care											
2.1 Number of existing primary care clinics with infrastructure upgrades completed and EDGE certification[13]	Number	0	2022	0	0	2	3	5	9	Project implementation audits	The IDB loan will finance the retrofitting or expansion of six (6) PHC clinics, the completion of the construction of one clinic, and the retrofitting of the building where the National Reference Laboratory will be reallocated. The EU-CIF grant will finance the retrofitting or

[13] EDGE is a green building certification system created by the IFC, a member of the World Bank Group, that focuses on making buildings more resource efficient. This certification will make clinics incorporate energy and water efficiency measures and climate-resilient design. EDGE enables design teams and project owners to assess the most cost-effective ways to integrate energy efficiency and water-saving options into their buildings. It offers a certification process that quantifies the measures' impact and estimates savings and profits. Certification is initiated at the early design stage when details of the project are entered into the EDGE software, and green options are selected. The project must reach the EDGE standard of a 20% improvement in energy, water, and materials as measured against local construction practice. When achieved, the project is registered for certification.

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
											expansion of three (3) PHC clinics.
2.2 Number of new primary care clinics constructed with EDGE certification	Number	0	2022	0	0	0	0	9	9	Project implementation audits	The IDB loan Programme (BH-L1053) will finance the construction of seven (7) PHC clinics. The EU-CIF grant (BH-G0004) will finance the construction of two PHC clinics
2.3 Number of new and retrofitted clinics with new furniture supplied	Number	0	2022	0	0	2	3	13	18	Project implementation audits	
2.4 Number of primary care clinics with new medical equipment supplied	Number	0	2022	0	0	2	3	13	18	Project implementation audits	The IDB loan Programme (BH-L1053) and the EU-CIF grant will finance the procurement of medical equipment.
2.5 Maintenance plan for infrastructure and equipment implemented	Number	0	2022	0	0	0	0	1	1	Project implementation audits	The maintenance plan will enhance resiliency to disaster and climate change risks, and sustainability and energy-efficient operation. It is expected to be implemented at the end of the project.

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
Component 3: Modernization of the health information system											
3.1 IS4H implementation team established	Number	0	2022	0	1	0	0	0	1	Contracts of key personnel signed	
3.2 Connectivity in primary care clinics	Clinics	0	2022	0	85	85	85	85	85	Use and satisfaction of EHR-S Satisfaction survey	Connectivity means that the healthcare center has all the hardware and services needed to access the internet and send and receive health records from other institutions. The indicator reflects the number of healthcare centers that will have connectivity during the year.
3.3 Clinics equipped with end user devices	Clinics	0	2022	0	85	0	0	0	85	Use and satisfaction of EHR-S Satisfaction survey	
3.4 Health Information Exchange Platform implemented	Number	0	2022	0	0	1	0	0	1	Usage report from platform	
3.5 Business Intelligence Platform implemented	Number	0	2022	0	0	1	0	0	1	Dashboard sample from platform	
3.6 EHR Solution implemented	Number	0	2022	0	24	12	12	37	85	Report from HER-S from each of the clinics	
3.7 Cybersecurity technical framework implemented	Number	0	2022	0	0	0	1	0	1	Cybersecurity document approved	

Indicators	Unit of measurement	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Comments
3.8 Cybersecurity and health information privacy policies related to the use of the EMR system in primary care clinics operated by the Department of Public Health approved.	Number	0	2022	0	1	0	0	0	1	Policy document approved	The policy document should include a structure like that of the NIST framework making the necessary adaptations to make it relevant for the country and the health sector. The functions of the framework for example include identify, protect, detect, respond, recover.
3.9 Health information protection program implemented	Number	0	2022	0	1	0	0	0	1	Health information protection program	
3.10 National IS4H Strategic Plan approved	Number	0	2022	0	1	0	0	0	1	Document National IS4H Strategic Plan	

Country: The Bahamas **Division:** SPH **Operation No.:** BH-L1053 **Year:** 2022

FIDUCIARY AGREEMENTS AND REQUIREMENTS

Executing Agency (EA): Ministry of Health

Project Name: Support for the Health System Strengthening of The Bahamas for Health Risks

I. Fiduciary Context of Executing Agency

1. Use of country system in the project (Any system or subsystem that is subsequently approved may be applicable to the operation, in accordance with the terms of the Bank's validation).

☒ Budget	☐ Reports	☐ Information System	☐ Partial NCB
☒ Treasury	☐ Internal audit	☐ Shopping	☐ Advanced NCB
☐ Accounting	☒ External Control	☐ Individual Consultants	☐ Others

2. Fiduciary execution mechanism

☒	Particularities of the fiduciary execution	The fiduciary execution will be under the Project Executing Unit for the Programme to Support System Strengthening of the Bahamas (5296/OC-BH) is to support the strengthening of The Bahamas Health System to meet the population's health needs. In addition to the IDB fiduciary policies and guidelines, the program shall comply with the applicable European Union's fiduciary terms conditions.
☒	Co-Financing	**European Commission (ECR 2020)** €5,210,900

3. Fiduciary Capacity

Fiduciary Capacity of the EA	The assessment of the executing agency's fiduciary capacity is: Medium having in count the Ministry of Health and Wellness had created a dedicated PEU to manage the operation BH-L1055 (5179/OC-BH), and has a Program Operation Manual, the same structure will be restrengthened to execute the grant. Continued training is provided primarily by the Country Office to strength the fiduciary capacities of the team.

4. Fiduciary risks and risk response

Area(s)	Risk	Risk level	Risk response
Financial	The Integrated Financial Management Information System (IFMIS) doesn't provide the Financial Statements, Disbursements Requests and other reports, and there will be delays in accomplish with audit requirements or at least two months. Financial and accounting bi-currency reporting due to limited capacity of the country financial management system and the lack experience of PEU personnel applying IDB and EU financial management policies and procedures.	High Medium Medium high	The Executing Agency has a Financial Specialist. Besides, assistant and consultants with experience in projects financed by the European Union will support the PEU in the supervision and reporting tasks The accounting will be prepared in a commercial financial management bi-currency system (Quickbook or similar).

Area(s)	Risk	Risk level	Risk response
Procurement	If an institutional structure designated to create direct accountability of the PEU towards the MOH is not put in place within the MOH to prioritize activities and prepare the technical requirements, there will be delays in hiring the consultants and purchasing goods and services timely, which will delay the execution for at least six months.	Medium	Develop a plan with PEU that includes actions to facilitate interaction with the MOH, prepare the technical requirements, TOR for the procurement activities, and train the PEU procurement staff on IDB's procurement policies.
Procurement	If the approvals of the different steps of the procurement processes need to be taken by the high-level authorities, delays can occur and affect the projects' schedule for at least three months.	Medium	Review the procurement process timelines with the project's stakeholders to identify the steps that can be approved at a lower level and estimate the different steps' duration considering the time needed to coordinate between departments.

5. Policies and Guides applicable to operation: Procurement for the proposed program will be carried out in accordance with the Policies for the Procurement of Works and Goods Financed by the IDB (GN-2349-15) and the Policies for the Selection and Contracting of Consultants Financed by the IDB (GN-2350-15), and with the provisions established in the loan contract and these procurement fiduciary arrangements.

The financial management will be conducted in accordance with the Operational Guideline OP-273-12

6. Exceptions to Policies and Rules:

In accordance with the EU-IDB Framework Agreement from 2020 (GN-2605-5, 4.14 and 4.15) which establishes exceptions to the Bank's policies: (i) to allow that goods, works or services originating from or rendered by nationals from IDB non-member countries be eligible for procurement activities to be financed with resources contributed by the EC under the FFPA, provided that the country of origin of the goods and the nationality of the suppliers, contractors and service providers is recognized as eligible by the EU under its applicable regulations. The EC publishes the list of eligible countries (or any updates thereto) as an annex to the “Practical Guide to Contract Procedures for EU External Actions” (PRAG), which is available on its Internet website[1]; (ii) to extend the retention period of project documentation required for executing agencies and the Bank, from three years to five or more years[2]; (iii) to recognize EU Restrictive Measures as an eligibility requirement to prevent awarding contracts to entities, individuals or groups of individuals subject to restrictive measures and identified in the list available at http://www.sanctionsmap.eu/

[1] See the PRAG in: https://ec.europa.eu/europeaid/prag/

[2] Documentation shall only be retained after the period of five years if, before the expiration of such period the Bank is notified of an on-going audit, verification or investigation by the European Anti-Fraud Office (OLAF), or a claim directly related to the activities financed by the EU.

II. Aspects to be considered in the Special Provisions of the Contract

Pre-first disbursement conditions; NA
Exchange Rate: To determine the equivalence of an Eligible Expenditure incurred in the Local currency and in in Euros, the exchange rate in force on the date of payment of the expenditure in the Local Currency of the Borrower's country in accordance with the General Conditions of the loan, article 4.10 b(ii) of the Loan Contract.
Type of Audit: Throughout the loan disbursement period, the EA will submit to the Bank the project’s annual Audited Financial Statements.

and Internal Control report, 90 days after the country fiscal year-end. The Final audited financial statement after 90 days of the end date of the implementation period. The audit will be conducted by a Bank-eligible External Independent Auditor, the audit's scope and related considerations will be governed by the Financial Management Guidelines (OP-273-12) and the Guide for Financial Reports and Management of External Audit. Audit costs will be financed with project resources. The fiscal year will be from July 1st to June 30th.

III. Agreements and Requirements for Procurement Execution

<table>
<tr><td>☒</td><td>Bidding Documents</td><td>For procurement of Works, Goods and Services Different of Consulting executed in accordance with the Procurement Policies (document GN-2349-15), subject to ICB, the Bank's Standard Bidding Documents (SBDs) or those agreed between EA and the Bank will be used for the particular procurement. Likewise, the selection and contracting of Consulting Services will be carried out in accordance with the Consultant Selection Policies (document GN-2350-15) and the Standard Request for Proposals (SRP) issued by the Bank or agreed between the EA and the Bank will be used for the particular selection.

The Standard Bidding Documents will need to include reference to the EU's extended eligibility and EURM (The EURM are to prevent awarding contracts to entities, individuals or groups of individuals subjects to restrictive measures and identified in the EU sanctions list).

The revision of the technical specifications, as well as the terms of reference of the procurements during the preparation of selection processes, is the responsibility of the sectorial specialist of the project. This technical review can be ex-ante and is independent of the procurement review method.</td></tr>
<tr><td>☒</td><td>Advanced Contracting Retroactive financing</td><td>The Bank may retroactively finance from the resources of the loan, up to the sum of US$8 million (20% of the proposed loan amount), eligible expenses incurred by the Borrower prior to the date of approval of the loan. These expenses may include consultants' services, purchasing of medical equipment, supplies, health infrastructure, and digital equipment provided that requirements shall be in accordance with those set out in the loan agreement. Such expenses must have been incurred from the Project Profile Approval Date (March 8, 2021), but under no circumstances will expenses incurred more than 18 months before the loan approval date be included. (See GN-2349-15, GN-2350-15 Policy on Retroactive Financing and Advance Contracting).

EU-CIF grant resources cannot be used to finance retroactive expenses.</td></tr>
<tr><td></td><td>Special Procurement Provisions Applicable to The Transaction</td><td>In accordance with the EU-IDB Framework Agreement from 2020 (GN-2605-5, 4.14 and 4.15) which establishes exceptions to the Bank's policies: (i) to allow that goods, works or services originating from or rendered by nationals from IDB non-member countries be eligible for procurement activities to be financed with resources contributed by the EC under the FFPA, provided that the country of origin of the goods and the nationality of the suppliers, contractors and service providers is recognized as eligible by the EU under its applicable regulations; (ii) to extend the retention period of project documentation required for executing agencies and the Bank, from three years to five or more years; and (iii) to recognize EU Restrictive Measures as an eligibility requirement to prevent awarding contracts to entities, individuals or groups of individuals subject to restrictive measures.</td></tr>
<tr><td>☒</td><td>Procurement supervision</td><td>The supervision method will be ex ante.<table><tr><td>Works</td><td>Goods/Services</td><td>Consulting Services</td></tr><tr><td>[27,721,667.00]</td><td>[6,551,664.00]</td><td>[4,920,000.00] Firms
[5,522,000.00] Singles</td></tr></table></td></tr>
<tr><td>☒</td><td>Records and Archives</td><td>The MOH will maintain and keep all records and electronic files of the Project for up to three years beyond the operation's execution period, according to best practices.</td></tr>
</table>

		It is necessary to consider that the UE document retention period will be at least five (5) years.

Main Acquisitions

Description of the procurement	Selection Method	New Procedures/Tools	Estimated Date	Estimated Amount 000'US$
Goods				
Medical equipment for PHC	International competitive bidding		01-January-2024	2,120,000
Furniture for PHC clinics	International competitive bidding		01-February-2024	970,000
Medical equipment for PHC	International competitive bidding		01-February-2024	1,025,000
Works				
Construction of new PHC clinics – seven clinics	International competitive bidding		01-June-2023	20,058,717
Retrofitting of primary health care (PCH)clinics – six clinics	International competitive bidding		01-May-2023	3,547,950
Retrofitting of primary health care (PCH)clinics –3 clinics	National competitive bidding		01-May-2023	1,616,664
Construction of new PHC clinics – 2 clinics	National competitive bidding		01-June-2023	1,904,000
Non-consulting services				
Acquire EHR solution Phase 1	International competitive bidding		09-Mayo 2022	500,000
Procure and implement IT Infrastructure for Primary care clinics Wide area networks	International competitive bidding		01-June-2022	950,000
Phase 2 Expand and maintain EMR	International competitive bidding		15-January-2023	850,000
Consulting Firms				
Health networks with a person and community centred model	Quality and Cost Based Selection		18-April-2022	1,200,000
Quality assurance system for NCDS	Quality and Cost Based Selection		01-June-2022	750,000
In-service trainings programs for healthcare workers	Quality and Cost Based Selection		12-July-2022	650,000

To access the procurement plan, click here

IV. Agreements and Requirements for Financial Management

☒	Programming and Budget	Budget Increase Act – Budget Reformulations. The fiscal year is inter-annual, going from July 1st to June 30th. Each year during its budget call, the Budget Department sends out its circular, including the required forms to be completed. For each fiscal year of program execution, the Ministry of Health has committed to allocating adequate budgetary space to guarantee the program execution. The Financial Management and Audit Bill (2010 and 2013 amendment) define the Public Financial Management of the country.
☒	Treasury and Disbursement Management	Exchange Rate: The Exchange Rate applicable to justify expenses made in Local Currency, US Dollars and Euros will be the option (b)(ii) of Article 4.10 of the General Conditions of the Loan Contract. That is, the exchange rate in force on

		the date of payment of the expenditure in the Local Currency of the Borrower's country. Disbursement Mechanism: Electronic using Online- Disbursement's IDB System. Bank Account: To establish a Special Account at the Central Bank of The Bahamas, denominated in US Dollars. The disbursement mechanism shall be electronic, using the IDB Online Disbursement System. The Borrower or Executing Agency will use the Advance of Funds based on a financial plan of at least 180 days, as the preference method to receive the resources. Other methods of disbursement will be considered on case-by-case basis. The minimum amount to justify receiving a new advance of funds will be 70% of the total accumulated balances pending of justification.
☒	Accounting, information systems and reporting	The national accounting system will be partially used. As the government accounting system does not provide the project reports to comply with IDB and the UE requirements, the PEU will use a Commercial bi- Currency Accounting System (Quick Book or similar). Accounting Method and Currency: Cash basis. The specific accounting norms will be International Financial Reporting Standard, IFRS.
☒	Internal Control and Internal Audit	The internal control capacity is estimated to be low. To the extent possible, the internal audit unit will provide oversight to the program.
☒	External control: external financial audit and project reports	Type of Audit: Annual Financial Statements (AFS) in US Dollars and an Internal Control report, 90 days after the country fiscal year-end. The Final audited financial statement after 90 days of the end date of the implementation period. The audit will be conducted by a Bank-eligible External Independent Auditor eligible to the Bank. The project will finance the audit costs. The Audit's scope and related considerations will follow the Financial Management Guidelines (Document OP-273-12) and the Guide for Financial Reports and Management of External Audit.
☒	Project Financial Supervision	Financial, Accounting and Institutional Inspection visits or meetings will be performed to: (i) Review of the Reconciliation and supporting documentation for disbursements; (ii) Compliance with IDB and UE financial and procurement procedures; (iii) Review of compliance with the agreement criteria; (iv) Follow up on audit findings and recommendations; and (v) Review the financial progress, planning and disbursement projections. The Financial Specialist will join IDB and UE administration missions and other project supervision activities. The review of disbursement supporting documents will be ex-post made by the external auditors.

Other information relevant to the operation. Supporting documentation should be stored electronically

PROGRAMME TO SUPPORT THE HEALTH SYSTEM STRENGTHENING OF THE BAHAMAS

BH-G0004

CERTIFICATION

The Grants and Co-Financing Management Unit (ORP/GCM) certifies that the referenced operation will be financed through:

Fuente de Financiamiento	Código del Fondo	Moneda	Monto hasta
EU-IDB Financial Framework Partnership Agreement – 2020	ECR	EUR (USD eq)	5.210.900 5.625.900

For operations financed by funds where the Inter-American Development Bank (IDB) does not control liquidity, the availability of resources is contingent upon the request and the receipt of the resources from the donors. Additionally, in case of operations financed by funds that require a post-approval agreement with the donor, the availability of resources is contingent upon the signature of the agreement between the Donor and the IDB. (i.e.: Project Specific Grants (PSG), Financial Intermediary Funds (FIF), and single donor trust funds).

Certified by: (Original signed) 8/12/22

Margolis, David Lawrence on behalf of Garcia Rincon, Maria Fernanda
Chief
Grants and Co-Financing Management Unit
ORP/GCM

Date

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-__/22

Bahamas. Modification of the Programme to Support the Health System Strengthening of The Bahamas (BH-L1053) (5296/OC-BH) and Supplementary Nonreimbursable Investment Financing GRT/ER-____-BH

WHEREAS:

The Board of Executive Directors of the Inter-American Development Bank (the "Bank") approved, pursuant to Resolution DE-51/21, a financing for the amount of up to US$40,000,000 from the resources of the Bank's Ordinary Capital to cooperate in the execution of the "Programme to Support the Health System Strengthening of The Bahamas" (the "Project");

The European Union subsequently approved a supplementary nonreimbursable investment financing for the amount of €5,210,900 to also cooperate in the execution of the Project; and

The supplementary nonreimbursable investment financing was not foreseen at the time the Bank approved the original loan financing for the Project referenced above; therefore, Resolution DE-51/21 shall be amended as provided in this Resolution.

The Board of Executive Directors

RESOLVES:

1. To amend Resolution DE-51/21 with the purpose of authorizing a supplementary nonreimbursable investment financing for the amount of €5,210,900 to be granted by the European Union to cooperate in the execution of the Project, in accordance with the provisions set forth in the Modification and Supplementary Financing Proposal (document PR-____), and to amend the Project accordingly.

2. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank: (i) to enter into such agreement or agreements with the European Union as may be necessary to receive and administer resources of up to the amount of €5,210,900, subject to the terms set forth in the Financial Framework Partnership Agreement entered between the European Union and the Bank on 29 September 2020, or any amendment or reinstatement of such framework agreement; (ii) to enter into such agreement or agreements as may be necessary with The Commonwealth of The Bahamas, as beneficiary, to grant it a nonreimbursable investment financing for the amount of €5,210,900 to cooperate in the execution of the Project; this nonreimbursable investment financing supplements the financing approved by the Bank pursuant to Resolution DE-51/21; and (iii) to take such additional measures as may be pertinent for the execution of the Project.

3. That the authorization granted in paragraph 2(ii) above will only be effective once the Bank and the European Union have entered into the corresponding agreement or agreements to which reference is made in paragraph 2(i) above.

(Adopted on ___ _____ 2022)

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BH-G0004