

TC Abstract

I. Basic project data

• Country/Region :	BAHAMAS/CCB - Caribbean Group
• TC Name :	Support to Climate-Resilient Tourism Development in San Salvador
• TC Number :	BH-T1052
• Team Leader/Members :	NELSON,MICHAEL REGINALD - Team Leader LEMAY,MICHELE H. - Team Member MOREDA MORA,ADELA - Team Member BARTON,CHRISTOPHER - Team Member KOSS,FABIAN ANDRES - Team Member EVANS,MICHELLE NATASHA - Team Member ARGIMON PISTRE,MELANIE - Team Member VALERO FREITAG, SARA - Team Member ALLEN,GERARD P. - Alternate Team Leader CHANG, ELSA - ESG Specialist FISHPAW, HEIDI ZOE - ESG Lead Specialist HENNIG, BETINA TIRELLI - Attorney ROBERTS,SYRETA - Operational Analyst
• Indicate if : Operational Support, Client Support, or Research & Dissemination.	Client Support
• If Operational Support TC, give number and name of Operation Supported by the TC:	
• Reference to Request :(IDB docs #)	40353344
• Date of TC Abstract :	23 Aug 2016
• Beneficiary (countries or entities which are the recipient of the technical assistance):	The Bahamas - San Salvador Island
• Executing Agency and contact name (Organization or entity responsible for executing the TC Program) {if Bank: Contracting entity} { if the same as Beneficiary, please indicate}	US-IDB - Michael Nelson
• IDB Funding Requested :	\$ 360,000.00
• Local counterpart funding, if any :	\$ 90,000.00
• Disbursement period (which includes execution period):	36 months
• Required start date :	
• Types of consultants (firm or individual consultants):	Individuals Firms
• Prepared by Unit :	Country Office Bahamas
• Unit of Disbursement Responsibility :	COUNTRY OFFICE BAHAMAS
• Included in Country Strategy (y/n): TC included in CPD (y/n):	Yes No
• Strategic Alignment:	Addressing the needs of small and vulnerable countries , Fostering development through the private sector , Addressing climate change, renewable energy, environmental sustainability and food security

II. Objective and Justification

The objective of the grant is to support the protection and climate-resilient restoration of historical and nature-based assets in San Salvador in order to revitalize the island's tourism-based economy.

Tourism is the mainstay of the Bahamian economy, accounting directly and indirectly for 43.6% of GDP, 51.6% of total employment, and 61.5% of total exports in the country. However, since 2006 The Bahamas has been losing market share in the Caribbean region in terms of international tourist arrivals (-5.1%). This is due in part to the increasing intensity of extreme weather events that negatively impact critical infrastructure and human populations on average every three years. Recently, Hurricane Joaquin (2015) destroyed large segments of the southern islands, including San Salvador, which suffered approximately US\$19 million in damage to its productive assets. As a result, the tourism-based island economy is consistently under threat of climate change impacts such as submergence of coral reefs, flooding of coastal lowlands, loss of marine and terrestrial biodiversity, and destruction of cultural heritage sites.

As the most researched and recognized historical node in the country, the Office of the Prime Minister (OPM) has identified the revitalization of a climate-resilient tourism product of San Salvador island. However, given the vulnerability of coastal infrastructure to climate-related risks, and the interdependency of social, economic and environmental ecosystems, the Government of The Bahamas (GoBH) has requested Bank support in adopting a multi-dimensional approach to planning and development.

Historical & Cultural Significance. Most notable is that Christopher Columbus made his first landfall in the "New World" on the island of San Salvador in 1492. At the time, the island was populated by Lucayan Indians, who had settled in the Bahamian island chain since 600-800 A.D. Based on archeological research, San Salvador is the only Bahamian island in which Spanish and Lucayan items from the 15th century were found together. Later, San Salvador hosted and retained historical landmarks of : (a) British settlement colonization in 17th century; (b) the pirate and buccaneer era in the early 18th century; (c) Loyalist immigration and African Slavery in the 19th century – including the extensive journal of the Charles Farquharson plantation; and (d) emancipation of African slaves.

Ecological Importance. The pod-shaped landmass comprises a series of dune ridges, mangrove swamps and large interconnected lakes, which were originally used for transportation. The island's unique ecosystem is home to the endangered San Salvador Iguana; the largest diversity of seabirds in The Bahamas; a natural nursery area for grouper, conch and crawfish; and the critically endangered Hawksbill turtle. Furthermore, the island is surrounded by a series of fringing reefs and the 4,000 foot deep waters of the Atlantic Ocean. The habitat of these ecological assets is protected in five legally protected national parks.

Despite its historical and ecological significance, the value-for-money proposition of San Salvador's tourism product ranks last in visitor satisfaction ratings. Many of the landmarks have fallen into disrepair due the successive impacts of weather events. This constrains tourism expenditure and local employment, given the few opportunities to fully experience the universal value of its historical and natural assets. Additionally, future development scenarios for the island will require careful consideration and protection of the coastal habitat which provides critical goods and services (ecosystem services) to the local economy.

III. Description of activities and outputs

The objective of the grant is to support the protection and climate-resilient restoration of historical and nature-based assets in San Salvador in order to revitalize the island's tourism-based economy. This TC will support three main components:

Component 1. Survey of Natural and Heritage Assets. (i) Survey historical and national park sites on San Salvador to assess institutional, business and infrastructure needs, and to develop designs for climate resilient restoration and/or productive use; (ii) finance preliminary site beautification works of select sites; and (iii) conduct demand and valuation analyses for the productive use of heritage and natural assets with recommendations for strengthening the tourism product.

Component 2. Eco-System Based Tourism Development Plan. (i) Compile spatial data on habitats and existing human activities, as well as quantify San Salvador's key ecosystem services including those related to climate change adaptation, which will serve as inputs for the analysis of future tourism development scenarios for sustainable growth; (ii) assessment of trade-offs in terms of changes in ecosystem service flows as the basis for promoting broad stakeholder consensus on a preferred ecosystem-based development scenario for San Salvador; and (iii) propose a viable and actionable master plan which maintains the economic value of ecosystem services through sustainable use and identifies climate-resilient investment options.

Component 3. Outreach and Capacity Building. (i) Build technical capacity in ecosystem services assessment and master planning with a view of enhancing the knowledge and skills of public servants in key agencies involved in nature-based climate change adaptation; (ii) strengthen institutional capacity to manage historical sites; and (iii) increase awareness and understanding of San Salvador's local residents on the value of the island's historic and natural capital for sustainable and climate-resilient economic development.

Outcomes

Name: Action plan for the use of protection, restoration and productive use of historical and nature based assets.

A sustainable tourism development plan.

Components

Name: Survey of Natural and Heritage Tourism Assets.

Description: This component will finance the necessary consulting activities required to assess historical and cultural tourism assets in San Salvador.

- Survey of Historical and Natural Sites
- Simple Works for Site Clearing and Improvements
- Demand and Valuation Studies

Name: Eco-System Based Development Master Plan.

Description: This component will finance consulting activities that will mainstream the natural capital (biodiversity + ecosystem services) of San Salvador into the tourism development analysis and planning for the future of the island.

- Ecosystem use values and ES maps
- Analysis of future tourism development scenarios
- Ecosystem based tourism master plan

Name: Outreach and Capacity Building.

Description: This component will finance consulting activities that will mainstream the natural capital (biodiversity + ecosystem services) of San Salvador into the tourism development analysis and planning for the future of the island.

Institutional resource management needs assessments
Training workshops
Local stakeholder engagement and communications outreach

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Survey of Natural and Heritage Tourism Assets.	\$ 135,000.00	\$ 65,000.00	\$ 200,000.00
Eco-System Based Development Master Plan.	\$ 200,000.00	\$ 0.00	\$ 200,000.00
Outreach and Capacity Building.	\$ 25,000.00	\$ 25,000.00	\$ 50,000.00

V. Executing agency and execution structure

The IDB will execute this operation at the request of the GOBH and will be responsible for the administration of the procurement of the consulting services.

Execution by the Bank will enable: (i) access to the Bank's highly specialized expertise in disaster risk management and climate change adaptation, restoration of historical infrastructure, ecosystem services mapping and evaluation, which are critical to the achievement of its objectives; and (ii) to accelerate the timely delivery and achievement of the operation's deliverables.

Procurement will be carried out in accordance with the Policies for the Procurement of Works and Goods financed by the IDB (GN-2349-9) and the Policies for the Selection and Contracting of Consultants financed by the IDB (GN-2350-9).

VI. Project Risks and issues

A lack of collaboration, engagement and participation could limit robust analysis of the results risking stakeholder buy in. The operation will mitigate the risks by including a robust program of communications and local engagement. Additionally, there could be a risk related to a lack of coordination among Government stakeholders involved with San Salvador and other development stakeholders (non-governmental organizations etc.). This risk is mitigated by the creation of the Technical Advisory Committee (TAC) under the Chairmanship of the Office of the Prime Minister, which will ensure coordination among key institutions.

VII. Environmental and Social Classification

The ESG classification for this operation is [B]