

# PMR Operational Report

<b>Operation Number</b>	BH-L1016	<b>Chief of Operations Validation Date</b>	05/05/17
<b>Year- PMR Cycle</b>	Second period Jan-Dec 2016	<b>Division Chief Validation Date</b>	05/05/17
<b>Last Update</b>	05/05/17	<b>Country Representative Validation Date</b>	05/05/17
<b>PMR Validation Stage</b>	Validated by Representative		

## Basic Data

### Operation Profile

<b>Operation Name</b>	Trade Sector Support Programme	<b>Loan Number</b>	2756/OC-BH
<b>Executing Agency</b>	The Bahamas Customs Department	<b>Sector/Subsector</b>	TD-TFL - TRADE-TRADE FACILITATION, TRADE LOGISTICS AND CUSTOMS
<b>Team Leader</b>	UMANA,MARIO ALBERTO	<b>Overall Stage</b>	Disbursing (From eligibility until all the Operations are closed)
<b>Operation Type</b>	Loan Operation	<b>Country</b>	BAHAMAS
<b>Lending Instrument</b>	Investment Loan	<b>Convergence related Operation(s)</b>	
<b>Borrower</b>	THE COMMONWEALTH OF THE BAHAMAS		

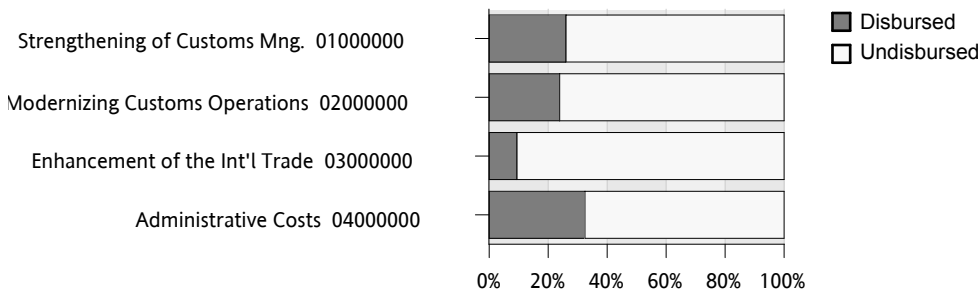
## Environmental and Social Safeguards

<b>Impacts Category</b>	C	<b>Was/Were the objective(s) of this operation reformulated?</b>	NO
<b>Safeguard Performance Rating</b>		<b>Date of approval</b>	
<b>Safeguard Performance Rating - Rationale</b>			

## Financial Data

Item	Total Cost and Source					Available Funds (US\$)			
	Original IDB	Current IDB	Local Counterpart	Co-Financing / Country	Total Original Cost	Current IDB	Disb. Amount to Date	% Disb	Undisbursed Amount
BH-L1016	16,500,000	16,500,000	0	0	16,500,000	16,500,000	5,490,000	33.27%	11,010,000
<b>Aggregated</b>	<b>16,500,000</b>	<b>16,500,000</b>	<b>0</b>	<b>0</b>	<b>16,500,000</b>	<b>16,500,000</b>	<b>5,490,000</b>	<b>33.27%</b>	<b>11,010,000</b>

## Expense Categories by Loan Contract (cumulative values)



Please note that the Overall Stage represents the stage of the operation at the time of this report's publication, which might not necessarily match the stage of the operation during the PMR Cycle to which the report pertains. Please also note that inactive indicators and outputs are not displayed; totals in the actual cost table may not match the sum of the cost of the outputs displayed, due to the cost of inactive outputs.

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### RESULTS MATRIX

#### IMPACTS

**Impact Nbr. 1:** Trade Environment Improved

**Observation:**

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
1.1	Reduce the total clearance time of imported goods from the time of physical arrival to exit from Customs facilities	hours	72.0	2012	P	24.00
					P(a)	24.00
					A	

#### Details

**Means of verification:** data from new Customs System CAS2

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
1.2	Reduce the negative impact of direct revenue-related offenses and contraband in the revenue collection	US millions of dollars	5.5	2012	P	3.50
					P(a)	3.50
					A	

#### Details

**Means of verification:** BCD and MOFs Annual Report

**Pro-Gender** No **Pro-Ethnicity** No

## PMR Operational Report

### RESULTS MATRIX

#### OUTCOMES

**Outcome Nbr. 1:** Institutional Capacity of Customs Strengthened

**Observation:**

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
1.1	Increase the level of competence of customs officers in delivery of services by providing specialized training	Level scale	5.0	2012	P	9.00
					P(a)	9.00
					A	

#### Details

**Means of verification:** Survey

**Observations:** Scale of values: Low from 1 to 4; Medium from 5 to 7; High from 8 to 10.  
Team estimate

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
1.2	Increase the level of satisfaction by the users of the Customs services	Level scale	3.0	2012	P	9.00
					P(a)	9.00
					A	

#### Details

**Means of verification:** Survey

**Observations:** Scale of values: Low from 1 to 4; Medium from 5 to 7; High from 8 to 10

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
1.3	Reduce the cost of collecting revenue by 15%	%	2.8	2012	P	2.40
					P(a)	2.40
					A	

#### Details

**Means of verification:** BCD Annual Report

**Observations:** The cost of collecting is calculated: Amount assigned by Customs for personnel (A) revenue collected by Customs (B). The indicator measures customs' efficiency if the amount of A decreases or remains the same and B remains the same or increases.

**Pro-Gender** No **Pro-Ethnicity** No

**Outcome Nbr. 2:** Customs Operations Modernized

**Observation:**

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### RESULTS MATRIX

#### OUTCOMES

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.1	Number of electronic and in advance cargo manifest as a percentage of Total cargo manifest received increases	%	25.0	2012	P	85.00
					P(a)	85.00
					A	

#### Details

**Means of verification:** BCD Annual Report

**Observations:** There is a need to ensure that all commercial and non-commercial transport operators, included Private craft (air and sea) provide manifest information electronically and in advance.

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.2	Percentage of Customs import and export declarations submitted electronically increases	%	2.0	2012	P	95.00
					P(a)	95.00
					A	

#### Details

**Means of verification:** BCD Annual Report

**Observations:** A standard in the SAFE Framework of Standards of WCO. The reengineering of the processes, the implementation of the new Data Management System and the Single Window will include the electronic submission of export and import declarations

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.3	Percentage of duties and taxes paid electronically increases	%	0.0	2012	P	80.00
					P(a)	80.00
					A	

#### Details

**Means of verification:** BCD Annual report

**Observations:** The implementation of the new Data Management System and the Single Window will include the electronic payment of duties and taxes. These figures relate to commercial consignments.

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.4	Reduction of percentage of import declarations assigned to physical and hard-copy document verifications	%	80.0	2012	P	10.00
					P(a)	10.00

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### RESULTS MATRIX

#### OUTCOMES

2.4	Reduction of percentage of import declarations assigned to physical and hard-copy document verifications	%	80.0	2012	A	
Details						
Means of verification: BCD Annual Report						
Observations: This indicator measures the correlation between the # of import declarations assigned to physical and hardcopy document verifications and the total # of declarations. The reduction should be a result of implementing a new risk management system						
Pro-Gender		No	Pro-Ethnicity		No	
Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.5	Percentage increase in the number of positive hits obtained by the risk management system	%	5.0	2012	P	50.00
					P(a)	50.00
					A	
Details						
Means of verification: BCD Annual Report						
Observations: Efficient and proper use of profiling under the new risk management approach should lead to better targeting and increased number of positive hits						
Pro-Gender		No	Pro-Ethnicity		No	
Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.6	Increase the number of Post Clearance Audits conducted by Customs	Number of audits	0.0	2012	P	25.00
					P(a)	25.00
					A	
Details						
Means of verification: BCD Annual Report						
Observations: 100% of Major importers. Post audit control should become the primary compliance verification process replacing the declaration-by-declaration method currently employed. This should lead to a significant increase in the number of controls conducted.						
Pro-Gender		No	Pro-Ethnicity		No	
Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.7	Increase the number of seizures made (customs interdictions)	# of seizures per year	60.0	2012	P	120.00
					P(a)	120.00
					A	
Details						

## PMR Operational Report

### RESULTS MATRIX

#### OUTCOMES

**Means of verification:** BCD Annual Report

**Observations:** The development and implementation of a Customs enforcement strategy should lead to an in-creased number of seizures of contraband covering drugs, undeclared imported goods, IPR infringements, etc

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.8	Reduce average time to clear an import declaration	hour	24.0	2012	P	7.20
					P(a)	7.20
					A	

#### Details

**Means of verification:** data from new Customs System. CAS2.

**Observations:** Time to be considered as affected only by Customs operational processes. This represents a reduction of 70%

**Pro-Gender** No **Pro-Ethnicity** No

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
2.9	Cost to prepare an import/export declaration by use of electronic submission decreases	US\$	20.0	2012	P	0.00
					P(a)	0.00
					A	

#### Details

**Means of verification:** Availability of Electronic Declaration forms free of cost

**Observations:** The current cost is \$20 per page which are purchased at designated business centers through out The Bahamas

**Pro-Gender** No **Pro-Ethnicity** No

**Outcome Nbr. 3:** International Trade Institutional Platform enhanced

**Observation:**

Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
3.1	Score of Basic Indicator of Administration of Trade Agreements increases	Number of Points	550.0	2012	P	675.00
					P(a)	675.00
					A	

#### Details

**Means of verification:** Trade Unit Annual Report

**Observations:** The methodology for this indicator has been elaborated by the Bank (INT/TIU) and it has been applied in other Bank projects, such as NI-L1016. In order to establish the baseline it will be required to carry out a thorough questionnaire. This will be done

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### RESULTS MATRIX

#### OUTCOMES

Pro-Gender		No	Pro-Ethnicity			No
Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
3.2	Increased participation of trade related institution in the implementation of trade agreements and the accession to the WTO	Number of Institutions	0.0	2012	P	5.00
					P(a)	5.00
					A	
Details						
Means of verification: Data from Trade Unit						
Pro-Gender		No	Pro-Ethnicity			No
Indicator		Unit of Measure	Baseline	Baseline Year		EOP 2019
3.3	Increased of level of expertise of officials handling trade related issues (WTO Accession and EU-EPA implementation)	Scale number	2.0	2012	P	9.00
					P(a)	9.00
					A	
Details						
Means of verification: Survey by Trade Unit						
Observations: The surveys will be conducted both at the beginning and end of program						
Pro-Gender		No	Pro-Ethnicity			No

## RESULTS MATRIX

## OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

## Component Nbr. 1 Strengthening of Institutional Capacity at Bahamas Customs Department

	Output	Unit of Measure		PHYSICAL PROGRESS		FINANCIAL PROGRESS	
				2016	EOP 2019	2016	EOP 2019
1.1	New Human Resource Strategy and Development Plan drafted	Strategy	P		1		300,000
			P(a)		1	0	245,010
			A	0	1	0	245,010
1.2	Training locations renovated and opera-tional	locations	P		2		430,000
			P(a)	2	2	110,689.59	430,649.59
			A	2	2	25,879	281,481.59
1.3	Technical Training implemented	program	P		1		700,000
			P(a)	0	1	50,000	680,331
			A	0	0	0	0
1.4	HR training management software implemented	system	P		1		370,000
			P(a)	0	1	20,000	370,000
			A	0	0	0	0
1.5	Public Awareness Campaign implemented	campaign	P		1	10,000	60,000
			P(a)	0	1	21,776	146,182
			A	0	0	0	36,182



## RESULTS MATRIX

## OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

## Component Nbr. 2 Modernizing customs operations

	Output	Unit of Measure		PHYSICAL PROGRESS		FINANCIAL PROGRESS	
				2016	EOP 2019	2016	EOP 2019
2.1	Business Process Re-engineering phase completed for all regulatory agencies involved in the import/export process	Report	P		1		700,000
			P(a)	0	1	0	501,950
			A	0	1	0	501,950
2.2	New automated Customs System(s) in operation	Systems	P		1	300,000	6,000,000
			P(a)	0	1	1,000,000	3,751,539.98
			A	0	0	0	0
2.3	Customs data communications environment network upgraded and improved	networks	P		1		945,000
			P(a)	0	2	200,000	886,455
			A	1	1	291,235.37	886,455
2.4	Risk Management System designed and operational	Systems	P	1	1	300,000	1,200,000
			P(a)	0	1	100,000	2,245,171.9
			A	0	0	0	0
2.5	Enforcement Assessment for Strategy elaborated	Strategies	P		1		120,000
			P(a)		1	0	97,172.39
			A	0	1	0	97,172.39
2.6	K9 Unit implemented	units	P		1		600,000
			P(a)	0	1	200,000	1,057,982.91
			A	0	0	329,606.91	348,435.91
2.7	Outboard boats for the Marine Unit purchased and operational	boats	P		3		600,000
			P(a)		5	0	995,255.5
			A	0	5	143,748.96	995,255.5
2.8	Portable communications equipment purchased and operational	equipment	P		1		320,000
			P(a)		1	0	448,572.96
			A	0	1	0	448,572.96
2.9	Electronic Single Window operational	Electronic Single Window	P	1	1	200,000	1,000,000
			P(a)	0	1	0	2,321,732.8
			A	0	0	29,170	45,416
2.10	Case Management software	systems	P	1	1		45,000
			P(a)	0	1	10,000	20,000
			A	0	0	0	0
2.11	AEO Program implemented	programs	P		1		115,000
			P(a)	0	1	0	10,000
			A	0	0	0	0
2.12	Enforcement and border control equipment operational	Equipment	P		0		200,000
			P(a)	0	1	370,000	276,845
			A	1	1	0	249,845

## RESULTS MATRIX

## OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

## Component Nbr. 3 Enhancement of the international trade institutional platform

	Output	Unit of Measure		PHYSICAL PROGRESS		FINANCIAL PROGRESS	
				2016	EOP 2019	2016	EOP 2019
3.1	EU- EPA compliant legislation in competition policy assessed and drafted	laws	P		1		20,000
			P(a)	0	1	0	41,067
			A	0	0	1,067	1,067
3.2	Needs and priorities on SPS laboratory and testing equipment assessed	Report	P		1		10,000
			P(a)	0	1	0	125,488
			A	0	0	488	488
3.3	SPS subsidiary legislation drafted	Laws	P		1		20,000
			P(a)	0	1	0	51,290.26
			A	0	0	11,841.06	11,841.06
3.4	Revision of TBT existing legislation to bringing it into compliance with TBT international obligations	Report	P		1		10,000
			P(a)	0	1	0	55,208.88
			A	0	1	16,562.88	55,208.88
3.5	IP office technical capacity enhanced	IP Office	P		1		390,000
			P(a)	0	1	15,000	300,000
			A	0	0	0	0
3.6	Capacity building on trade issues including implementation of regional agreements	Training	P		1		135,000
			P(a)	0	1	100,000	44,161.56
			A	0	0	24,161.56	24,161.56
3.7	Studies for WTO accession working group completed	Studies	P		1		99,999
			P(a)	0	1	0	100,000
			A	0	0	0	0
3.8	Feasibility of new administrative management for IPR	study	P		1		30,000
			P(a)		1		29,310.41
			A	0	1	0	29,310.41
3.9	Draft legislation for Chapter 4, Title II of EU-EPA	legislation	P		1		25,000
			P(a)	0	1	0	30,000
			A	0	0	0	0
3.10	Standards Bureau's Technical Capability and Equipment enhanced	technical capability and equipment	P		0		0
			P(a)	0	1	10,000	100,000
			A	0	0	0	0

## Other Cost

Contingency	P			20,000	100,000
	P(a)				404,157.39
	A			0	0
External Audit completed (one audit per year)	P			20,000	100,000
	P(a)			28,000	121,400
	A			25,800	95,600
Final Evaluation Completed	P				100,000
	P(a)				50,000
	A			0	0
PEU in place and executing the project	P			192,000	960,000
	P(a)			146,000	563,065.47
	A			132,292.64	425,065.47

Total Cost

	Total Cost	P			1,042,000	16,500,000
		P(a)			2,381,465.59	16,500,000
		A			1,031,853.38	4,778,518.73

# PMR Operational Report

## CHANGES TO THE MATRIX

Section	Name	Type of Change	Reasons	Entered in the System	Agreed with Executing Agency
Output	Customs data communications environment network upgraded and improved	Modify Output	Activity completed in 2016. Final cost similar to original plan	05/01/2017	12/15/2016
Output	Risk Management System designed and operational	Modify Output	Risk Management is part of the ESW contract. After the contract was agreed and signed, the costing has been adjusted and reflected in our system	05/01/2017	12/15/2016
Output	Standards Bureau's Technical Capability and Equipment enhanced	Modify Output	Change was requested to enhance the Standard Bureau per requirements of WTO accession process consistent with the objective of the project	05/01/2017	12/15/2016
Output	K9 Unit implemented	Modify Output	Construction cost increased due to expanded work, fire equipment and other	05/05/2017	12/15/2016
Output	Case Management software	Modify Output	The government decided to use a centralized system being implemented outside Customs. The revised figures for P(a) 2017 include some resources to hire the input of data in the system	05/01/2017	12/15/2016
Output	EU- EPA compliant legislation in competition policy assessed and drafted	Modify Output	TORs for the consultancy have been agreed and procurement process was completed. Activity will be implemented in 2017	05/01/2017	12/15/2016
Output	Electronic Single Window operational	Modify Output	The amount changed substantially based on the contract with Crimson Logic for the ESW which also includes de new Automated System and the Risk Management System	05/01/2017	12/15/2016
Output	Enforcement and border control equipment operational	Modify Output	Enforcement amount planned for 2015 and 2016 changed due to investment made in K9 Units and marine Unit both of which have clear enforcement responsibilities	05/01/2017	12/15/2016
Output	IP office technical capacity enhanced	Modify Output	Activity has not been able to start but it remains active and investment planned for 2017 should be able to complete the output	05/01/2017	12/15/2016
Output	Needs and priorities on SPS laboratory and testing equipment assessed	Modify Output	New needs identified and programmed for 2017	05/01/2017	12/15/2016
Output	Training locations renovated and opera-tional	Modify Output	Execution in 2016 was slow due to some construction problems but rest of the works including Fire equipment to be completed in 2017	05/01/2017	12/15/2016
Output	Draft legislation for Chapter 4, Title II of EU-EPA	Modify Output	Minor change due to change in cost of consultancy	05/01/2017	12/15/2016
Output	New automated Customs System(s) in operation	Modify Output	Accounting for this output shows a change due to the way the contract for the ESW was structured and negotiated. The new CAS is part of the ESW contract.	05/05/2017	12/15/2016
Output	Public Awareness Campaign implemented	Modify Output	Amount is increased to fulfill public awareness objectives towards the end of the project	05/05/2017	12/15/2016
Output	Customs data communications environment network upgraded and improved	Modify Output	Out completed in 2016. Final aggregated cost similar to original plan	05/01/2017	12/15/2016
Output	Technical Training implemented	Modify Output	Amount changed based on decision to implement this activity (training) through an agreement with World Customs Organization	05/05/2017	12/15/2016
Output	AEO Program implemented	Modify Output	Government decided to reduce scope of the activity and work only in a trusted traders program	05/01/2017	12/15/2016
Output	Revision of TBT existing legislation to bringing it into compliance with TBT international obligations	Modify Output	Review of TBT was larger than anticipated with expenses in 2015 and 2016. The activity has been completed	05/01/2017	12/15/2016