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THE BAHAMAS

**REGIONAL PLAN FOR THE SUSTAINABLE
DEVELOPMENT OF INAGUA**

(BH-T1007)

PLAN OF OPERATIONS

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BASIC SOCIOECONOMIC DATA

For basic socioeconomic data, including public debt information, please refer to the following address:

http://www.iadb.org/res/externallink_list.cfm?language=en&parid=1&item1id=1&detail=Box1#b1

INFORMATION AVAILABLE IN THE FILES OF RE3/RE3

Gantt Execution Chart

<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=764805>

ABBREVIATIONS

BMT	Bahamas Ministry of Tourism
CESI	Committee on Environment and Social Impact
COF/CBH	IDB Country Office in the Bahamas
DTOR	Detailed Terms of Reference
FGCE	Spanish General Cooperation Fund
GOBH	The Government of The Bahamas
ICZM	Master Plan for Integrated Coastal Zone Management
IDB	Inter-American Development Bank
OPM	Office of the Prime Minister
TC	Technical Cooperation

**REGIONAL PLAN FOR THE SUSTAINABLE DEVELOPMENT OF INAGUA
(BH-T1007)**

I. EXECUTIVE SUMMARY

Beneficiary:	The Government of The Bahamas (GOBH)	
Executing agency:	Inter-American Development Bank (IDB)	
Target beneficiaries:	The main targeted beneficiaries are the local inhabitants of Inagua. The other main beneficiary are the governmental institutions of the GOBH, namely the BMT, the Ministry of Energy and Environment, the Ministry of Works / Planning Department and the Office of the Prime Minister.	
Financing:	IDB: (FGCE)	EUR 166,347
	Local:	<u>EUR 41,670</u>
	Total:	EUR 208,017
Objective:	The objective of this TC is to develop a Plan for Sustainable Regional Development of Inagua (the Plan). An adequate participatory tourism development concept will be defined, action plans will be drawn up and direct support will be given to the local population, thereby contributing to the creation of job and income opportunities for the local island population. Ultimately, the main development goal is to improve the quality of life in Inagua in the context of a sustainable economy that protects and enhances the special natural resources and cultural assets of the island.	
Execution timetable:	Execution:	9 months
	Disbursement:	12 months
Special contractual conditions:	None	
Exceptions to Bank policies and procedures:	None	
Environmental and social review:	The Committee on Environment and Social Impact (CESI) reviewed the operation on April 14, 2006. The CESI approved the TC Profile as proposed, and no further assessment was required.	
Coordination with other donors:	There are no other donors working in Inagua at this time.	

II. BACKGROUND AND JUSTIFICATION

A. Main issues

- 2.1 The Bahamas has developed into one of the leading tourism nations in the Caribbean, being renowned world-wide as a cruise ship and high-end beach destination. While the year 2005 saw more than 5 million tourist arrivals for the country, more than 70% were accounted for by Nassau/Paradise Island and Grand Bahama. Out of the 1.44 million tourist arrivals for the Family Islands, more than 80% percent came as cruise ship visitors.
- 2.2 As a result of continuing foreign and domestic investment, most of the tourism infrastructure is centered in New Providence and Grand Bahama. Many of the Family Islands have seen little economic development over the past decades and are struggling to maintain standards of living and population levels. This is best exemplified by looking at poverty rates: whereas the poverty rate in New Providence and Grand Bahama is 8.3%, while in other Family Islands, like Inagua, it surpasses 20%.
- 2.3 Inagua is composed of two islands, Great Inagua and Little Inagua, that cover a land mass of approximately 600 square miles. Inagua is located at the southernmost tip of the Bahamas archipelago, only 50 miles away from Cuba and 30 miles from Turks & Caicos, with a distance of 350 miles from New Providence. Its position along one of the major Caribbean shipping lines gives it a strategic importance; in fact, the installation of a Coast Guard base has been discussed for several years.
- 2.4 Great Inagua has a population of about 1,000 people. From an economic point of view, the island is dependent from the production of salt by one company (Morton Salt), which provides employment for some 80% of the local workforce. Job cuts by Morton Salt and the absence of other significant economic activities have led to a continuing depopulation of Inagua, with young people emigrating to seek job opportunities in The Bahamas or overseas.
- 2.5 Executed assessments¹ of the economic, ecological and social resources in Inagua determined some highly favorable natural resources, such as the world's largest population of West Indian Flamingoes, hundreds of other bird species, a diverse flora and fauna, beautiful coast and coral reefs and rich fishing grounds. Furthermore, historical attractions were detected, having to do with the population of Inagua as well as the more recent economic past, i.e. the extraction of salt.
- 2.6 To this day, the potential of Inagua is only sparsely realized and the existing tourism product is weak, with some 20 rooms available and limited tourist services and amenities. Low demand is due to a lack of outside awareness of

¹ See Sustainable Tourism Assessment in the Inaguas: Challenges and Opportunities (BH-P1003).

Inagua as a destination and also to restrained accessibility. However, the preparedness of the population to pursue tourism development and the rich potential product offering provide a good base for low-impact tourism development.

- 2.7 With the right mix of creatively developed services and facilities, and focused marketing and promotion, Inagua has the potential to develop a significant tourism industry that is financially and environmentally sustainable. By defining an adequate tourism development concept and the respective action plans for its implementation, the two main challenges to Inagua's potential can be addressed: educating the local population towards a responsible and participatory tourism model and resist possible, large-scale developments that would bring considerably less benefit to the island local economy.

B. Relationship to Bank's country strategy

- 2.8 The Bank's country strategy for The Bahamas for 2003-2007 (GN-2290-1) has four principal areas of strategic focus: (i) sustaining economic growth and private sector development; (ii) promoting social development and equity; (iii) improving environmental management and natural resources conservation; and (iv) public sector modernization. A key feature of the strategy is to focus support on relatively small projects, often with a high technical assistance content. Furthermore, a cross-cutting theme of the country strategy is to promote development of the Family Islands. Therefore, this technical cooperation is highly consistent with the country strategy both in terms of the sectoral focus and its nature as a small, technical assistance project focused on a Family Island.

C. Relationship to other initiatives

- 2.9 Developing alternative and sustainable tourism products on islands away from the historic tourism poles —New Providence and Grand Bahama— clearly coincides with the Bahamas Ministry of Tourism's (BMT) sector strategy to diversify the industry both with regard to spatial distribution and type of product offered.
- 2.10 The Master Plan for Integrated Coastal Zone Management (ICZM) project (BH-L1005), currently under preparation, will allow for the application of coastal planning at the local level. Thereby, this proposed TC can prove highly synergetic, by providing important inputs and lessons learned on participatory sustainable tourism planning applicable to other Family Islands.
- 2.11 In addition, the Inagua Sustainable Tourism Project (BH-M1002) for capacity building amongst the local population with regard to small and medium-sized enterprises will start execution shortly. Specific activities include: (i) promoting local entrepreneurship and access to capital; (ii) marketing and promotion; (iii) market sensitization and skills transfer; and (iv) product development and investment. The development of a participatory tailor made tourism development concept and action plans for its implementation, facilitated with this proposed TC,

will be highly complementary to the training and entrepreneurial skill development of the MIF operation.

D. Added value provided

- 2.12 Diversifying the tourism industry on small island states such as The Bahamas currently proves a vital tool to fight off decreasing economic benefits and mounting social pressure through large-scale resort development. The concentration of tourism infrastructure on New Providence and Grand Bahama continues to exert special pressure on its economic, environmental and social structures, while outer islands are not participating in the development. The sustainable tourism planning exercise that will be facilitated with resources from the proposed project, has the potential to be a useful learning exercise for the GOBH in terms of its application to other Family Islands.
- 2.13 The Government of The Bahamas (GOBH) in the form of the Office of the Prime Minister (OPM) and the BMT will benefit directly from the international expertise brought into this operation. The level of planning initiatives as well as the application of sustainable tourism developments are comparatively low in The Bahamas and will greatly profit from international support and assistance. By working closely together with the Bank and the respective consultants, both the institutions from the respective governmental agencies and the designated Bahamian project coordinators will receive an upgrade of their capacities and qualification, enabling them to carry out similar planning processes in the future.
- 2.14 The GOBH and the IDB agreed to pursue a very targeted and careful approach to tourism development on Inagua. The main focus should lie on creating meaningful job opportunities and economic benefits for the local population to enhance socioeconomic conditions on the island, to reduce dependency and to reverse emigration. The quantity and quality of this development should be strictly in line with keeping an intact social structure and preserving the natural heritage. In order to ensure that the future development in Inagua is undertaken in an environmentally, economically, and socially sustainable way, more detailed analysis and integrated planning should be the next steps in this process. To this end, the GOBH has requested the IDB support to prepare the Regional Plan for the Sustainable Development of Inagua (the Plan).

III. PROGRAM DESCRIPTION

A. Program goal and purpose

- 3.1 The objective of this TC is to develop a Plan for Sustainable Regional Development of Inagua (the Plan). An adequate participatory tourism development concept will be defined, action plans will be drawn up and direct support will be given to the local population, thereby contributing to the creation

of job and income opportunities for the local island population. Ultimately, the main development goal is to improve the quality of life in Inagua in the context of a sustainable economy that protects and enhances the special natural resources and cultural assets of the island.

B. Components

- 3.2 The TC will finance consulting services to develop the Plan. The Plan will be developed in three phases: (i) assessment of existing and future market conditions with regard to tourism demand and supply; (ii) drawing up of a vision for the future tourism of Inagua, a growth strategy and a tourism development concept; (iii) elaboration of corresponding action plans including budget and implementation scheme. Throughout each phase the consulting team will hold continuous consultations with all relevant stakeholders in Nassau and on Inagua, and at the end of each phase, the consulting team will hold a workshop to validate the results with the participation of relevant stakeholders, including local government officials. Parallel to that, the consulting firm will identify priority projects, provide recommendations and support accompanying measures in Nassau and on Inagua.
- 3.3 Phase 1: Assessment of existing and future market conditions with regard to tourism demand and supply (to be done on the basis of existing studies and reports and updated information), resulting in: an analysis of the economic, natural and social base conditions on the Inaguas and recommendations for further planning approaches; and the draw up of schematic overview maps of the significant baseline conditions to support the recommendations.
- 3.4 Phase 2: Drawing up a vision for the future tourism of Inagua, a growth strategy and a tourism development concept, including:
- a. Formulating three different development scenarios for tourism on Inagua, presenting pertinent impacts on economy, environment and social structure, and recommendation of the most suitable development model.
 - b. Drawing up an adequate quantitative and qualitative strategy for tourism development as a result of assessing various alternatives for growth and their respective economic, ecological and social impacts (using adequate methodologies like carrying capacity or limits of acceptable change to address sustainability concerns).
 - c. Drawing up a vision for the development of tourism on Inagua for the next 10 years to serve as a base to identify and direct decisions and actions by government, entrepreneurs, investors and civil society, including amongst others: (i) a sustainable environment; (ii) a statement of growth opportunities; (iii) the appearance of the island; and (iv) the spatial organization.

- d. Providing technical expertise in elaborating a comprehensive, sustainable tourism development concept in all aspects relevant to tourism planning.
- 3.5 Phase 3: Elaboration of a corresponding action plan including budget and implementation scheme. This includes the preparation of an approach to implementing the vision and the growth strategy in the form of action plans for the short term (defined here as up to 1 year), mid term (2-5 years) and long term (6-10 years).
 - 3.6 Parallel to this the consulting firm will work locally, in a “bottom-up approach”, to identify and evaluate pilot projects, give recommendations for immediate action to be carried out and provide support and assistance in the implementation (in the form of workshops or seminars).

IV. COST AND FINANCING

A. Summary cost table

- 4.1 The following table presents a summary of the estimated budget (see Annex II for the detailed expenses considered in each budget item):

BUDGET SUMMARY
(in EUR equivalent)

ITEM	TOTAL COST	FGCE	LOCAL
Honoraria			
International Specialists	105,009	105,009	0
Other Costs			
International Travel Expenses	10,126	10,126	0
National Travel Expenses	1,875	1,875	0
Per Diems in Nassau	24,335	24,335	0
Per Diems in Matthew Town	25,002	25,002	0
<i>Total Estimated Budget Consulting Firm (A)</i>	166,347	166,347	0
National Administration Costs			
Office support and other costs	16,668	0	16,668
Counterpart Professional Staff	25,002	0	25,002
<i>Total Local Administration Costs (B)</i>	41,670	0	41,670
<i>Total Project Costs to be Financed by FGCE (A)</i>		166,347	
Total Estimated Budget (A) + (B)	208,017	166,347	41,670

B. Description and composition of financing

- 4.2 The total cost of the project will be EUR208,017, of which the Bank will provide non-reimbursable financing of up to EUR166,347 from the Spanish General Cooperation Fund (FGCE).
- 4.3 The Bank's contribution, which amounts to 80% of the total project cost, will be used to finance a total of 10.5 person-months of consulting services and hands-on support. It includes also the direct costs of travel to and from The Bahamas and Inagua, as well as the per diems. The local contributions of 20% of the total project cost will be provided in kind.

C. Sustainability

- 4.4 The Plan will draw up a sustainable tourism development concept for Inagua for the next ten years. Detailed action plans for short-, medium- and long-term implementation schemes will be elaborated, including detailed budget recommendations for the first five years and estimates thereafter. Additionally, priority projects will be identified for immediate implementation, supporting tangible results and gaining long-term support of the operation.
- 4.5 The Plan will provide a sound basis for sustainable decision-making by taking into account the special environmental conditions and unique natural resources on Inagua. Furthermore, the local population will act as an integral part of drawing up the Plan to ensure a seamless follow-up on the mid- and long-term objectives after the operation's resources are expended.

V. EXECUTING AGENCY AND MECHANISM

A. Executing Agency

- 5.1 The Bank will act as executor, through COF/CBH, who will have basic responsibility, including for the selection and hiring process of the consulting firm, in accordance to the Spanish General Cooperation Fund requirements and the Bank Procurement Policies and Procedures. Technical responsibility lies with EN3.

B. Executing mechanism

- 5.2 The Office of the Prime Minister (OPM) requested this project, and throughout the preparation has been and will continue to be actively involved as the Bank's counterpart. A Steering Committee, convened and headed by the OPM, with several members from the private and the public sector has already been established and has been supporting the drawing up of the Detailed Terms of Reference (DTOR). The Bank will select and hire the consultants, and will approve all reports. In the execution of the operation, the OPM through the

members of the Steering Committee will provide technical guidance and logistical support, including participating in the selection process of the consulting firm; arranging for cooperation with other governmental agencies involved as well as the community sector in Inagua; reviewing and commenting on the consultants' reports... Before the Bank's approval of the consultants' reports (see paragraph 6.2), the OPM and the Steering Committee will be given 14 calendar days to review and comment on the reports; the Bank may accept any such comments at its discretion. If no comments are received within such period, the approval of the OPM and Steering Committee will be presumed. The GOBH will assign a project coordinator who will actively participate in the planning process.

C. Project implementation readiness

- 5.3 The DTOR (Annex I) have been agreed with the GOBH and are ready to be extended for the tendering process to contract a consulting firm. The Steering Committee in Nassau is in place and awaiting the further steps of the operation to take place. On the local level, both the Eco-Tourism Committee and the Inagua Development Association have expressed their willingness to work together in defining and realizing sustainable tourism on the island. The local population on Inagua is eagerly awaiting progress and ready to participate and drive forward the economic development of their island.

D. Execution period and disbursement schedule

- 5.4 The execution period for the TC is scheduled to be 9 months and the disbursement period is 12 months. An execution chart can be found in RE3 Technical Files.

E. Procurement

- 5.5 The TC will finance the contracting of a consulting firm following the Bank's policies and procedures established in the corresponding documents (GN-2350-7). (Annex III - The Procurement Plan).

VI. MONITORING AND EVALUATION

A. Monitoring

- 6.1 The Bank, through COF/CBH will supervise and be administratively responsible for the consulting firm contract.

B. Progress reports

- 6.2 The consulting firm will deliver:
- a. An updated Work Plan during the first mission.

- b. A Progress Report presenting the assessment and the three development scenarios.
- c. A Progress Report presenting a draft of the development concept.
- d. A Draft Final Report with the final development concept and a draft of the action plans.
- e. A Final Report of the Regional Plan for the Sustainable Development of Inagua.

C. Proposed evaluations

- 6.3 Meetings and/or workshops will be held in order to adequately discuss the recommendations and findings put forward.

VII. PROGRAM BENEFITS AND RISKS

A. Program benefits and developmental impact

- 7.1 The development impact of this program is to arrive at a shared, fully endorsed vision for sustainable tourism development on Inagua with a road map for future investments that will contribute to the economic development of Inagua through the promotion of sustainable and eco-tourism activities.

B. Target beneficiaries

- 7.2 The main targeted beneficiaries of the operation are the local inhabitants of Inagua. Their benefits will include a sustainable tourism development for their island, training in tourism-related activities, support in the realization of tourism-related projects and awareness for their environmental assets.
- 7.3 The other main beneficiary are the governmental institutions of the GOBH, namely the BMT, the Ministry of Energy and Environment, the Ministry of Works / Planning Department and the Office of the Prime Minister, by learning and applying a development model for sustainable tourism that can be extended to other Family Islands and positively influence the planning approach in the sector and elsewhere.

C. Risks

- 7.4 Lack of inter-agency coordination: Tourism development, especially in environmentally sensitive areas, is a complex task and requires the cooperation of multiple governmental agencies. Failure to collaborate would inevitably lead to incomplete planning results and the ability to implement any strategy would be endangered. In the case of Inagua, these risks are mitigated by the importance that

the GOBH is giving to this project. Part of the national strategy is to diversify the tourism industry, away from mass tourism, and capitalizing sustainably on the individual assets of each Family Island. For this purpose, the Steering Committee designed for the project comprises members of the main involved governmental agencies, i.e. BMT, Ministry of Works / Planning Department, Office of the Prime Minister and the Ministry of Energy and Environment. The preparatory missions have shown great interest in and support for the operation from all parties.

- 7.5 Interference of undesired development projects: The focus for tourism development on Inagua lies on sustainability, i.e. small-scaled development to strengthen the local economy. A main risk to this slow and healthy development could come from large-scale developments in the form of hotel resorts or subdivisions / second residences, as is the case in other of the Family Islands. However, these risks have a low probability of occurring on Inagua, given the fact that the GOBH clearly vows for a sustainable tourism development on the island with respect to its unique natural resources. A well-researched planning approach will further minimize this risk by clearly showing the potentially larger positive impacts for the population from sustainable developments.

VIII. ENVIRONMENTAL AND SOCIAL REVIEW

- 8.1 The operation was reviewed by the Committee on Environment and Social Impact (CESI) on April 14, 2006. The CESI approved the TC Profile as proposed, and no further assessment was required.
- 8.2 By its nature, it is anticipated that the proposed project will have positive environmental and social benefits, since it will bolster local planning capacity in Inagua to assure that the development of new economic sectors is done in an environmentally and socially sustainable manner.

THE BAHAMAS

REGIONAL PLAN FOR THE SUSTAINABLE DEVELOPMENT OF INAGUA (BH-T1007)

DETAILED TERMS OF REFERENCE

I. BACKGROUND

- 1.1 The Bahamas have developed into one of the leading tourism nations in the Caribbean, being renowned worldwide as a cruise ship and high-end beach destination. With the year 2005 seeing more than 5 million tourist arrivals for the country, more than 70% were accounted for by Nassau/Paradise Island and Grand Bahama. Out of the 1.44 million tourist arrivals for the Family Islands, more than 80% came as cruise ship visitors. As a result of continuing foreign and domestic investment, most of the tourism infrastructure is centered in New Providence and Grand Bahama. Many of the Family Islands have seen little economic development over the past decades and are struggling to maintain standards of living and population levels.
- 1.2 Inagua is composed of two islands, Great Inagua and Little Inagua that cover a landmass of approximately 600 square miles. Inagua is located at the southernmost tip of the Bahamas archipelago, with a distance of 350 miles from New Providence, only 50 miles away from Cuba and 30 miles from Turks & Caicos. Its position along one of the major Caribbean shipping lines gives it a strategic importance; in fact, an extension of the existing Coast Guard base into a large operation with a homeport has been discussed for several years.
- 1.3 Great Inagua has a population of about 1,000 people. From an economic point of view, the island is dependent from the production of salt by one company (Morton Bahamas Ltd.), which provides employment for some 80% of the local workforce and large parts of the technical infrastructure. Job cuts by Morton and the absence of other significant economic activities have led to a continuing depopulation of Inagua, with young people emigrating to seek job opportunities in The Bahamas or overseas. The local population sees tourism activities as an opportunity to provide them with income, taking advantage from their natural and cultural heritage.
- 1.4 Against this background and in correspondence to the Prime Minister's desire to promote economic growth on the island, in 2004 the Inter-American Development Bank (IDB) financed an assessment of Inagua to determine the challenges and opportunities in terms of tourism development (BH-P1003). The corresponding report "Sustainable Tourism Assessment in the Inaguas: Challenges and Opportunities" determined some highly favorable natural resources (such as the world's largest population of West Indian Flamingoes, hundreds of other bird species, a diverse flora and fauna, beautiful coast and coral reefs, rich fishing grounds) as well as a series of

historical and cultural attractions. However, the existing tourism product is weak and the array of tourist services and amenities is very limited.

- 1.5 In May 2006, an update mission was carried out in order to determine the next work steps and to draw up the Detailed Terms of Reference (DTOR) for the operation. This is to be done in accordance with the GOBH's objective to pursue a very targeted and careful approach to tourism development on Inagua. The findings of the update mission strongly support the proposed strategy to create meaningful job opportunities and economic benefits for the local population to enhance socioeconomic conditions on the island, to reduce dependency and to reverse emigration. The quantity and quality of this development should be strictly oriented towards keeping an intact social structure and preserving the ecological heritage. In order to ensure that the future development of Inagua is undertaken in an environmentally, economically, and socially sustainable way, integrated planning and implementation-oriented actions are required as the next steps in this process.

II. CONSULTANCY OBJECTIVES

- 2.1 The objective of this consultancy is to develop a Regional Plan for the Sustainable Development of Inagua (the Plan). The consulting company is to support, advise and consult the GOBH in creating a development concept for tourism on Inagua. Thus, the consultancy aims to facilitate the planning process, thereby building local capacity to duplicate and apply the development model to other Family Island of The Bahamas in the future.
- 2.2 Ultimately, the paramount development goal towards which the Plan should contribute to is improving the quality of life in Inagua in the context of a sustainable environment and economy that protects and enhances the special natural resources and social structure of the island. By using an integrative planning approach, the consultancy aims to support the drawing up of an adequate and sustainable growth model for tourism on Inagua. With the support of specially designed and realistic action plans, the successful implementation of a detailed tourism development concept shall be ensured.
- 2.3 Furthermore, the consultancy aims to identify, provide recommendations and support accompanying measures that are considered influential on the positive outcome and local acceptance of the Plan.

III. CHARACTERISTICS OF THE CONSULTANCY

- 3.1 Type of consultancy: A consulting firm will be hired on the basis of a lump sum agreement. The payment schedule is presented on Chapter V of these Detailed Terms of Reference.

- 3.2 Starting date and duration: The consulting firm will be contracted to work for a total of 10.5 person months, with three consultants working for 3.5 person months each. It is expected that a total time of 230 days be spent in The Bahamas. The consultancy will start on October 1, 2006 and will end on April 30, 2007.
- 3.3 Place of work: The consultants will work in The Bahamas and in their firm's office, making a total of 9 round trips (3 round trips per consultant) from their place of residence to Nassau. This aims to ensure a consistent presence in The Bahamas, as a basic requirement for intensive cooperation with the local counterparts and an efficient know-how transfer. Each of the international trips will result in a corresponding round trip to Inagua.
- 3.4 Qualifications: The consulting company must be Spanish and have extensive proven experience in planning, developing and applying sustainable tourism on an international scale. A minimum technical team of three Spanish experts with different professional background is required. Project experience from similar operations in the Caribbean is essential. For a detailed description of the required qualifications of the consulting company and the technical team, please refer to Section VI of this DTOR.

IV. ACTIVITIES

- 4.1 The consulting firm is expected to carry out a series of activities. All the activities are expected to be made in close coordination and cooperation with the local institutions, authorities and committees. Thereby, the local planning process should be facilitated, giving relevant advice from an international point of view and building up local capacities for tourism planning and development.
- 4.2 Phase 1: Assessment of existing and future market conditions with regard to tourism demand and supply (to be done on the basis of existing studies and reports):
- a. Review all information related to Inagua, specifically the report "Sustainable Tourism Assessment in the Inaguas: Challenges and Opportunities" and evaluation of the proposed priority projects as to practicability and priority.
 - b. Carry out a fact-finding mission to The Bahamas including all stakeholders involved in the development of Inagua, i.e. public and private sector, non-governmental organizations and local community.
 - c. Identify and assign tasks, activities and time frames to be carried out during the project, including responsibilities of all involved parties.
 - d. Update the assessment of the tourism sector of The Bahamas with regard to (i) tourism product; (ii) institutional and legal framework; (iii) marketing; (iv) human resources; and (v) investment, identifying old and new key issues related to Inagua.

- e. Update information on ongoing and future developments in the Family Islands (e.g. Rum Cay, Mayaguana) and identify the competitive surrounding, with special emphasis on Turks & Caicos, Cuba, Haiti and Dominican Republic.
- f. Collect the available information regarding the physical, biological and social environment as factors of influence for further planning; since currently no digitalized maps are available in The Bahamas, identify the requirements for future planning projects from a tourism development point of view.
- g. Prepare an analysis of the economic, natural and social base conditions on the Inaguas and recommendations for further planning approach on the basis of the existing reports and the updated information; draw up schematic overview maps of the significant baseline conditions to support the recommendations.

4.3 Phase 2: Drawing up a vision for the future tourism of Inagua, a growth strategy and a tourism development concept:

- a. Prepare three different development scenarios for tourism on Inagua, presenting pertinent impacts on economy, environment and social structure, and recommend the most suitable development model. This exercise should be done in the form of a “bottom-up approach”, identifying the local needs and requirements and identifying possible scenarios.
- b. Evaluate the scenarios and draw up a vision for the development of tourism on Inagua for the next 10 years to serve as a base to identify and direct decisions and actions by government, entrepreneurs, investors and civil society, including amongst others: (i) a sustainable environment; (ii) a statement of growth opportunities; (iii) the appearance of the island; and (iv) the spatial organization.
- c. Draw up an adequate quantitative and qualitative strategy for tourism development as a result of assessing various alternatives for growth and their respective economic, ecological and social impacts (using adequate methodologies like carrying capacity or limits of acceptable change to prove sustainability).
- d. Provide technical expertise in elaborating a comprehensive, sustainable tourism development concept in all aspects relevant to tourism planning:
 - i. Tourism product development (including but not limited to: zoning / land use; facilities, products and services; accessibility and transportation; technical infrastructure; environmental protection measures; complementary economic activities).
 - ii. Institutional, organizational and legal framework (including but not limited to: local tourism organization; decision-making and execution processes; institutional strengthening; legal status and respective approval or endorsement procedures of the Plan).

- iii. Marketing and promotion (including but not limited to: target groups and markets; complementary destinations; programs and itineraries; promotion).
 - iv. Human resources (including but not limited to: number and quality of required labor force; training needs; tourism education).
 - v. Investment policy (including but not limited to: target markets; investment promotion; incentives).
 - e. Identify external and internal conditions to the successful development of the Plan.
 - f. Hold continuous consultations with all relevant stakeholders in Nassau and on Inagua and incorporate their input and findings into the planning process.
- 4.4 Phase 3: Elaboration of a corresponding action plan including budget and implementation scheme:
- a. Prepare an approach to implementing the vision and the growth strategy in the form of action plans for the short term (defined here as up to 1 year), mid term (2-5 years) and long term (6-10 years). The action plans would address amongst other issues:
 - i. Measures that will support sustainable tourism development.
 - ii. Major technical infrastructure (including but not limited to: port; roads; water supply; solid waste disposal; wastewater treatment; power (renewable energy)).
 - iii. Tourism-related projects, tourism infrastructure and amenities.
 - iv. Promotion activities.
 - b. Provide expertise to draw up a budget to execute the Plan – detailed for the first five-year period, with estimates for the second five-year period – while identifying possible sources of financing.
 - c. Support the preparation of an implementation scheme for all involved sectors, assigning responsibilities for carrying out the various components to the private sector, the public sector with its various agencies, non-governmental organizations and the local population.
- 4.5 Parallel to that, the consulting company will carry out the following activities:
- a. As integral part of the “bottom-up approach”, identify and evaluate pilot projects, give recommendations for immediate action to be carried out and provide support and assistance in the implementation (in the form of workshops or seminars).

- b. Provide technical support to all involved institutions of the GOBH and work closely with the relevant committees for this operation in Nassau and on Inagua, in the form of continuous consultation, workshops, seminars and meetings regarding all activities and steps of the operation.
- c. Work in close coordination with relevant parallel projects, especially the Master Plan for Integrated Coastal Zone Management (ICZM), the Inagua Sustainable Tourism Project and the Land Use Policy and Administration Project, providing technical support and giving recommendations.
- d. Hold adequate consultations with all relevant stakeholders in Nassau and on Inagua, thereby ensuring their continuous involvement in the planning process and obtaining their proper validation at every step.

V. REPORTS AND PAYMENT SCHEDULE

A. Reports

- 5.1 Based on the activities detailed in section IV, the consulting firm will deliver to the Bank a total of five reports. It has to be noted that the main outcome from this operation should be the facilitation and the support of the local planning process; the reports should be a summary of the recommendations and act as the basis for discussion within the planning process:
 - a. Report #1: An updated Work Plan presenting the reviewed: (i) tasks, (ii) activities and (iii) time frames for the consultancy, specified for (a) the consultants, (b) the national institutions and (c) the local counterparts.
 - b. Report #2: A Progress Report presenting the findings and recommendations regarding: (i) the analysis of the economic, natural, technical and social base conditions on the Inaguas; (ii) the key issues for successful tourism development on Inagua with regard to tourism product, institutional and legal framework, marketing, human resources and investment; (iii) the identified pilot projects and immediate actions on Inagua; and (iv) three development scenarios as a result of the data collection and market assessment to act as the basis for discussion and decision on the most suitable strategy.
 - c. Report #3: A Progress Report presenting the findings and recommendations regarding: (i) the vision and the detailed growth strategy as a result of the previous evaluation; (ii) a draft of the development concept including definition of tourism quantity and quality, spatial zoning plan, legal and organizational framework; and (iii) first recommendations regarding an action plan with budget and implementation scheme.

- d. Report #4: A Draft Final Report presenting the findings and recommendations regarding: (i) the final development concept; (ii) the draft of the action plan including budget and implementation scheme.
 - e. Report #5: The Final Report of the Regional Plan for the Sustainable Development of Inagua incorporating comments, suggestions and recommendations by all involved parties.
- 5.2 The tentative time schedule for the submission of the reports is as follows (please refer to Annex IV for a comprehensive time schedule):
- a. Report #1: During the 1st Project Mission to The Bahamas.
 - b. Report #2: One month after the end of the 1st Project Mission and discussed at the beginning of the 2nd Project Mission.
 - c. Report #3: At the end of the 2nd Project Mission.
 - d. Report #4: At the end of the 3rd Project Mission.
 - e. Report #5: Seven (7) months after start of the project.

B. Payment schedule

- 5.3 The consulting firm will be paid according to the following schedule: (i) 25% upon signing of the contract; (ii) 15% upon approval of Reports #1 and #2; (iii) 15% upon approval of Report #3; (iv) 15% upon approval of Report #4; and (v) 30% upon approval of Report #5.

VI. CONSULTANTS' QUALIFICATIONS AND CONSIDERATIONS FOR THE TECHNICAL PROPOSAL

- 6.1 All the consultants proposed to work in drawing up the Plan as exposed above must have extensive expertise and familiarity in projects of drawing up and implementing sustainable tourism development and land-use planning. The consulting firm will allocate the personnel necessary for the successful completion of the operation in accordance with its proposed methodology.
- 6.2 The consulting company must be Spanish and have a proven record of successfully developing and implementing sustainable tourism strategies in an international environment. The successfully completed projects must prove the company's ability to support and execute actions in relation to economic diversification, environmental protection measures, regional and land-use planning and institutional strengthening. Apart from being able to apply the latest standards of tourism planning, the company must have experience and knowledge in dealing with local communities, identifying special needs and carrying out training measures. A strong background of practical

knowledge with small-scale projects based on the principles of sustainable tourism development in environmentally sensitive areas is expected. Project experience in Caribbean countries is necessary.

- 6.3 The minimum technical team required to carry out the consultancy is three Spanish experts, all of which are required for three travel missions to The Bahamas. For orientation purposes, it is assumed that a professional involvement in the operation of 3.5 person months would be required for each of the three consultants. The tourism planner should be designated as the team leader, specifying his/her suitability for the task.
- 6.4 The requirements of each of the consultants are as follows:
- a. Tourism planner:
 - i. Practice in development and management of sustainable tourism.
 - ii. Planning experience of international tourism destinations.
 - iii. Knowledge and practice in tourism product development, institutional strengthening, marketing strategies and human resource sector.
 - iv. Familiarity with project management of sustainable operations in ecological environments.
 - v. Skills in consulting public sector institutions.
 - vi. Understanding of local circumstances and social environments.
 - vii. Work experience in Caribbean countries and 10 years of experience in the field.
 - b. Environmental engineer:
 - i. Practice in tourism and other economic activities.
 - ii. Experience in planning and management of ecologically sensitive areas.
 - iii. Know-how in latest technological developments regarding renewable energy systems and waste disposal.
 - iv. Practice in environmental assessments and mitigation of negative environmental impacts.
 - v. Familiarity with tropical and/or island conditions.
 - vi. Work experience in the Americas and/or the Caribbean and 10 years of experience in the field.

- c. Urban planner:
- i. Practice in regional and urban development.
 - ii. Experience in zoning and physical planning.
 - iii. Understanding of tourism and related projects.
 - iv. Familiarity with requirements and cost estimation for land development and technical infrastructure.
 - v. Practice in institutional strengthening.
 - vi. Work experience in the Americas and/or the Caribbean and 10 years of experience in the field.

6.5 Fluency in speaking as well as reading and writing English are required from the professionals working in The Bahamas.

6.6 A methodology and work plan is expected as part of the firm's proposal, describing in detail the tasks involved in the preparation of the Plan, specifying the name(s) of the consultant(s) proposed to do it, the number of days/weeks required from each expert and a schedule of preparation showing the inter-relation between the different tasks.

6.7 Model form for evaluation of the proposals:

Criteria		Points
(i)	Specific experience of the consulting firm relevant to the assignment	[0-10]
(ii)	Adequacy of the proposed technical approach, methodology and work plan in responding to the terms of reference	[0-10]
(iii)	Key professional staff qualifications and competence for the assignment	
	a) Tourism planner (team leader)	[insert points]
	b) Environmental engineer	[insert points]
	c) Urban planner	[insert points]
	Total points for criterion (iii)	[30-60]
The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three subcriteria and relevant percentage weights:		
	1) General qualifications	30%
	2) Adequacy for the assignment	50%
	3) Experience in region and language	20%
Total points for three criteria		

6.8 The work should be completed in a period no longer than 7 months. The Draft Final Report (Report #4) should be delivered 6 months after the beginning of the activities, allowing 1 month for the review and the delivery of the Final Report (Report #5).

REGIONAL PLAN FOR THE SUSTAINABLE DEVELOPMENT OF INAGUA (BH-T1007)

DETAILED BUDGET (in EUR equivalent)

BUDGET LINE	PERCENTAGE OF TOTAL	IDB	LOCAL COUNTERPART	TOTAL
1. Assessment of existing and future market conditions with regard to tourism supply and demand	20%	31,704	8,334	41,604
1.1 Review of existing information	15%	4,990	1,250	6,241
1.2 Fact-finding mission	20%	6,654	1,667	8,321
1.3 Identification and assignment of tasks	15%	4,990	1,250	6,241
1.4 Update of tourism sector assessment	5%	1,663	417	2,080
1.5 Update on competitive surroundings	5%	1,663	417	2,080
1.6 Collection of information	15%	4,990	1,250	6,241
1.7 Preparation of analysis	25%	8,417	2,084	10,401
2. Drawing up of a vision for the future tourism of Inagua, a growth strategy and a tourism development concept	30%	49,904	12,501	62,405
2.1 Preparation of three development scenarios	15%	7,486	1,875	9,361
2.2 Drawing up of a development vision	15%	7,486	1,875	9,361
2.3 Drawing up of development strategy	35%	17,466	4,375	21,841
2.4 Provision of technical expertise	30%	14,971	3,750	18,722
2.5 Identification of external and internal success conditions	5%	2,495	625	3,120
3. Elaboration of a corresponding action plan including budget and implementation scheme	25%	41,587	10,418	52,004
3.1 Preparation of action plans	50%	20,793	5,209	26,002
3.2 Drawing up execution budget	25%	10,397	2,604	13,001
3.3 Drawing up of implementation scheme	25%	10,397	2,604	13,001
4. Provision of “hands on” support for immediate action	25%	41,587	10,418	52,004
4.1 Technical support to institutions	40%	16,635	4,167	20,802
4.2 Support and assistance for local population	60%	24,952	6,251	31,203
TOTAL	100%	166,347	41,670	208,017

Note: Sums may not add up due to rounding.

**REGIONAL PLAN FOR THE SUSTAINABLE DEVELOPMENT OF INAGUA
(BH-T1007)**

PROCUREMENT PLAN

Description of the contract	Estimated cost of Procurement (US\$)	Procurement Method	Source of financing and percentage		Estimated Dates	Status
			IDB (%)	Local/other (%)	Publication of specific procurement notice	
Regional Plan Preparation	199,600	Selection based on consultant qualifications (CQS)	100	0	Q3 06	Pending