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**BAHAMAS  
CLIMATE RESILIENT COASTAL MANAGEMENT AND INFRASTRUCTURE PROGRAM  
BH-L1043**

**ENVIRONMENTAL AND SOCIAL MANAGEMENT REPORT  
(ESMR)**

6<sup>TH</sup> MARCH, 2017  
UPDATED 18<sup>TH</sup> OCTOBER, 2017

This document was prepared by:  
Natasha Kate Ward and Serge Troch, VPS/ESG

<b>ENVIRONMENTAL AND SOCIAL MANAGEMENT REPORT (ESMR)</b>	
<b>Operation Name:</b>	Climate-Resilient Coastal Management and Infrastructure Program
<b>Operation Number:</b>	BH-L1043
<b>1. Operation Details</b>	
<b>IDB Sector</b>	Environment and Natural Disasters
<b>Type of Operation</b>	Specific Investment Loan (SIL)
<b>Impact Categorization</b>	Category B
<b>Disaster Risk Rating</b>	Moderate
<b>Borrower</b>	The Commonwealth of The Bahamas
<b>Executing Agency</b>	Ministry of Works and Urban Development (MOWUD)
<b>IDB Loan US\$ (and total project cost)</b>	US\$35 million
<b>Applicable Policies/Directives</b>	OP-102, OP-703 (B.1, B.2, B.3, B.4, B.5, B.6, B.7, B.9, B.10, B.11, B.17), OP-704 and OP-710
<b>2. Executive Summary</b>	
<p>Given the nature of the proposed interventions, and their location, it is anticipated that the environmental and social impacts and risks are likely to be mostly local and short term, for which effective mitigation measures are readily available. Therefore, a Category “B” classification has been assigned to the program in accordance with the IDB’s Environment and Safeguards Compliance Policy (OP-703). Additionally, as per the Bank’s Disaster Risk Management Policy (OP-704) the Program has been assessed for disaster risks and is categorized “moderate” due to the risks of tropical storms and hurricanes.</p> <p>An Environmental and Social Analysis Report (ESAR) was prepared and posted on the IDB’s website. According to the ESAR and consultation with local stakeholders, there is a series of positive and negative environmental and social impacts and risks mainly associated with the proposed interventions in Component 1 and Component 2. The key environmental, social and health and safety (ESHS) direct, indirect and cumulative impacts and risk of the Program are related to construction of grey infrastructure works. These are in the main part, small scale works on Long Island and East Grand Bahama, and as such are not considered to have significant adverse environmental or social impacts. The nature and scale of works in Junkanoo is of a moderate size in a busy tourist harbor area, and as such there may be moderate impacts and risks. A basic social baseline was done for the New Providence works; it is expected that the potential impacts to affected people livelihoods will be very limited to negligible since the closure of the main use areas of Junkanoo Beach is highly unlikely. Consultations will be held with stakeholders by the Ministry of Works and Urban Development (MOWUD) as the project is to be executed.</p> <p>The ESAR includes an Environmental and Social Management Plan (ESMP) to mitigate that potential environmental and social impacts and risks. The ESMP in the ESAR is a guide that identifies relevant management techniques, including Best Management Practices (BMPs) and Emergency Response Plans, based on site-specific conditions and potential impacts. The activity specific ESMPs will include amongst others a Community Engagement and Consultation Plan for the Design and Construction phase, an Erosion and Sediment Management Plan, a Water Monitoring Plan, a Waste Management Plan, a Noise and Air Pollution Monitoring Plan, a Health and Safety Plan for construction. Activity specific ESMPs will be developed and implemented by the construction contractors. In addition, the executing agency will put into place the ESHS governance structure (environmental and community specialists) to ensure that the ESMP for the program and specific works is implemented adequately.</p> <p>The program includes special contractual environmental and social execution conditions which are established in Section 5 and Annex B of the ESMR.</p>	

### 3. Operation Description

The proposed loan consists of three components (1) Sustainable coastal protection infrastructure (US\$23.5 million) which consists of diagnostics, design and construction of science-based engineering solutions for shoreline stabilization and coastal flooding control, coupled with reconstruction of critical public infrastructure at three priority sites; (2) Natural infrastructure for hazard resilience in Andros (US\$3 million) focusing on priority investment to demonstrate the effectiveness of natural infrastructure for shoreline stabilization and restoration from the Andros Sustainable Development Master Plan (ASDMP), and (3) Institutional strengthening for coastal risk management (US\$3.5 million). In addition, there will be US\$2 million for the management aspects.

More specifically Component 1 includes the following studies and infrastructure:

1. East Grand Bahama (i) baseline studies on hydrodynamics and mangrove conditions to inform the designs (ii) Drainage improvements at West Gap Creek (partial removal or removal of causeway, installation of large culverts or bridges); (iii) drainage improvements at Ridge Creek (removal or partial removal of causeway); (iv) Snapper Island Causeway and McClean's Town (removal of a section of the causeway, installation of new culverts, road raising); and (iii) Ecosystem restoration by installation of culverts to improve creek tidal flows. Total US\$2.5 million.
2. Long Island (i) baseline studies on hydrodynamics, nearshore oceanography to inform the designs (ii) Road improvements at Scrub Hill (construction of a new 1km by-pass road); (iii) Improvements to Buckley's Seawall (mangrove restoration and revetment); (iv) drainage improvements including the installation of wells at the Deadman's Cay Airport and at specific locations along the Queens Highway (new culverts, flood gate, drainage wells, improved drainage walls, installation of swales); (v) road Improvements along the Queens Highway at Gray's (small retaining flood walls, embankments and possible road raising). Total US\$3 million.
3. New Providence: (i) baseline oceanographic studies to inform the designs; (ii) Shoreline and beach enhancements including beach restoration and nourishment (groynes) to facilitate shoreline stabilization, which includes removal of invasive plant species, and repair to/rehabilitation of existing breakwaters. Total US\$18 million.

Component 2 will focus on the implementation of natural infrastructure for shoreline stabilization and protection through restoration of coastal natural habitats (mangroves, reefs) in line with the Andros Master Plan developed using an ecosystem-based approach. The program will finance studies, technical assistance and the procurement of goods for: baseline inventories and diagnostics, conservation and restoration of coastal ecosystems through mangrove and seagrass replanting, casuarina eradication and other approaches for the purposes of erosion and flood control and associated benefits such as fisheries production and recreation. Community engagement in restoration and management activities will be encouraged, with a view of promoting local participation and engagement to achieve sustainable impact.

Component 3 will focus on institutional strengthening, specifically (i) capacity building including establishment of a Coastal Protection Unit; (ii) Design and updating of policy and planning tools; (iii) Data collection and information management; and (iv) Assessment of needs and opportunities for financing long term approach to ICZM for risk reduction and climate resilience in The Bahamas. As part of this component it is expected that an Environmental and Social Risk Management and Monitoring Program/System will be prepared to support the MOWUD for works undertaken by under the Program.

The Pluri-annual Execution Plan (PEP) has a tentative schedule for construction/implementation of the components. Construction is expected to start in year two after approval of the Loan.

### 4. Key Impacts, Risks, and Mitigation Measures

#### Assessment Requirements

OP-703 (Environment and Safeguards Compliance Policy): B.3 (Screening and Classification), B.4 (Other Risk Factors), and B.5 (Environmental Assessment and Plans Requirements)

An operation level Environmental and Social Analysis Report (ESAR) was prepared by Waypoint Consulting Ltd on behalf of the Bahamas Government, with funds provided by the IDB. The ESAR is focused on assessing

the impacts and risks of the infrastructure projects identified in a series of feasibility studies looking at different climate resilient grey and green infrastructure solutions that will address the challenges posed by natural disasters that are faced by four islands in the Bahamas. The ESAR provides an environmental baseline for the site locations selected for the proposed infrastructure. In the case of New Providence, the ESAR has a basic social baseline and it is expected that the impacts to livelihoods will be very limited to negligible since the closure of the main use areas of Junkanoo Beach is highly unlikely. Nevertheless, once the baseline oceanographic studies, modelling and final design for the works in Junkanoo Beach are finalized further assessment and consultation will be done to confirm the necessity of a Livelihoods Restoration Plan. Impacts and risks are sufficiently identified based on the preliminary project details and locations to enable a good understanding of their nature and scale, and a framework for an Environmental and Social Management Plan (ESMP) is set out which identifies the necessary plans that will be required (although the plans themselves will be prepared by the construction firms at a later stage in the individual project design and preparation to be informed by the baseline oceanographic and environmental studies and modelling). The ESAR acknowledges that the environmental and social management capacity of the executing agency (MOWUD) could be strengthened since they have no environmental and social specialist. The Project Investment Unit (PIU) of the MOWUD will be strengthened with environmental and social specialists (as required in the contractual conditions).

The identification of projects was an integral part of the analysis phase of the IDBs project preparation given the overall objective is to develop a long term sustainable coastal management and infrastructure program. Part of the program entails undertaking the detailed baseline studies on hydrodynamics/oceanography (sediment transport, tidal regimes, currents etc.) which will inform the final selection of infrastructure projects and their engineering designs and cost-benefit analysis. As these are prepared, project specific environmental and social impacts assessment will be undertaken. According to the ESAR, under the Bahamas national legal and regulatory framework (specifically requirements under the Planning and Subdivision Act) an Environmental and Social Impact Assessment (ESIA) is likely to be required for the works at Junkanoo Beach (breakwaters and other coastal interventions) as well as the drainage and road improvement works in East Grand Bahamas due to their location in a national park. The development of project specific ESIA's based on engineering designs, if necessary under the Bahamas legal framework, will be consistent with the IDBs requirements under OP-703 Directive B.5. One of the basic features of the operation is that the detailed 'science-based' designs in each case must be informed by baseline studies on coastal processes (i.e., tidal regime, currents, sediment transport, mangrove conditions) to ensure their sustainability. Hence, once those studies have been undertaken resulting and detailed designs of the sustainable coastal protection works are available, the Ministry of Environment and Housing (MOEH) and the Bahamas Environment, Science and Technology Commission (BEST)<sup>1</sup> will be consulted to determine the specific ESIA requirements.

Currently there is no dedicated environmental and social capacity in the MOWUD, nor is there an environmental and social management system. As such the IDB will stipulate in the Loan Agreement that the proposed Project Execution Unit include environmental and social staff who will be responsible for managing the environmental and social aspects of the proposed infrastructure projects.

### **Consultation**

OP-703 (Environment and Safeguards Compliance Policy): B.6 (Consultation); and Consultation requirements of OP-710 (Involuntary Resettlement Policy), OP-765 (Indigenous Peoples Policy), OP-761 (Gender Equality in Development Policy), and OP-704 (Disaster Risk Management Policy) as applicable

The MOEH and the BEST participated from the outset in the conceptualization and design of the program. They were for example members of the Technical Advisory Committee (TAC) for the Feasibility Studies for the Climate Resilient Coastal Zone Management Program in 2015-2016 which endorsed the selection of sites now included in Component 1 of BH-L1043 and the activities in Component 3.

According to the ESAR and the consultation report, stakeholder consultation occurred at each of the four proposed locations for the works: (i) East Grand Bahama: a public meeting on January 23<sup>rd</sup>, 2017; (ii) Long Island: a public meeting was held on January 30<sup>th</sup>, 2017; (iii) Nassau: a public meeting was held on January

<sup>1</sup> BEST is part of the MOEH

25<sup>th</sup>, 2017; and (iv) Andros: a public meeting was held on December 1<sup>st</sup>, 2016. A short summary of the program, its approach, objective and its preliminary environmental and social risks and impacts, along with the measures to mitigate these, was distributed at the meeting to participants. The consultation report describes that stakeholders from local communities, NGOs and government agencies were identified to participate in the public meetings in the four locations (Andros, East Grand Bahamas, Long Island, and Nassau, New Providence). The reports also include sign in sheets as well as minutes of the comments/response.

Once the detailed designs are ready further consultation will be conducted to update responses to stakeholders' concerns and proposed mitigation measures if necessary. The process will generate gender disaggregated data to ensure women's participation. This effort will also promote stakeholder's engagement to ensure ownership and sustainability. To this aim the ESMP framework includes a Community Consultation and Engagement Plan for each one of the four program sites.

### Information Disclosure

OP-703 (Environment and Safeguards Compliance Policy): B.5 (Environmental Assessment and Plan Requirements);  
OP-102 (Access to Information Policy)

The ESAR was disclosed on the IDB website on February 13<sup>th</sup> 2017, prior to the virtual analysis mission held between the IDB and the technical team of the MOWUD on February the 14<sup>th</sup> 2017. Minor adjustments were subsequently made and a new version uploaded on February 16<sup>th</sup>, 2017.

### Environmental and Social Impacts and Risks

OP-703 (Environment and Safeguards Compliance Policy): B5 (Environmental Assessment Requirements), B8 (Transboundary Impacts), B9 (Natural Habitats and Cultural Sites), B10 (Hazardous Materials), B11 (Pollution Prevention and Abatement), and B12 (Projects Under Construction)  
OP-710 (Involuntary Resettlement Policy)  
OP-765 (Indigenous Peoples Policy)  
OP-704 (Disaster Risk Management Policy)  
OP-761 (Gender Equality in Development Policy)

The key ESHS direct, indirect and cumulative impacts and risk of the Program are related to construction of grey infrastructure works (mainly Component 1). These are in the main part, small scale works on Long Island and East Grand Bahama, as detailed above, and as such are not considered to have significant adverse environmental or social impacts. The nature and scale of works in Junkanoo is of a moderate size in a busy tourist harbor area, and as such there may be moderate impacts and risks. These can be summarized as:

**Vegetation.** Installation of infrastructure will result in an unavoidable loss of vegetation. Habitat loss is considered site-specific and limited to the area of the construction footprint. Where feasible, habitat loss will be mitigated by replanting of native species. Elsewhere, proposed habitat restoration such as mangrove planting in Andros and ecosystem restoration on East Grand Bahama may be considered off-site mitigation for infrastructure disturbance. On New Providence, removal of invasive species is considered a positive impact.

**Avifauna.** Impacts to avifauna are considered temporary and likely to occur only during the construction period. Avifauna are anticipated to return upon works completion.

**Biodiversity.** It is recognized that habitat loss, fragmentation, and invasive species pose a threat to the biodiversity of small island states. Habitat degradation will be limited to the construction footprint. Impacts to biodiversity may result from changes in hydrologic regimes due to the installation of culverts, which will alter tidal flows, intensity, and water quality. Culvert design will carefully consider environmental conditions to potentially improve mangrove health.

**Hydrology and Tidal Regime.** Historical land use change such road construction have blocked tidal regime and creek flows, impacting surrounding waters and coastal environment and contributing to the degradation of mangroves and marine ecology. Species that adapted to the altered water conditions may be negatively

impacted by a return to historic tidal flows, however the objective of the works is to restore the natural flows and ecosystem to their original condition as recommended by the Bahamas National Trust.

**Erosion and Sedimentation.** The potential for erosion and sediment impacts are greatest during excavation and construction phases (particularly in Junkanoo). The activity specific ESMPs prepared by the construction firms will include when necessary an Erosion and Sediment Management Plan.

**Freshwater Resources.** Saltwater intrusion to freshwater resources accumulated in Ghyben-Herzberg lens is a potential outcome of climate change due to sea level rise. Any changes to drainage patterns have the potential to negatively impact the freshwater lens, however the design will carefully consider this in its design. The ESMP will include a Water Monitoring Plan.

**Waste Management.** Improper disposal of construction debris and personal litter can result in pollution. The ESMP will include a Waste Management Plan.

**Air and Noise Pollution.** Noise and air pollution impacts are anticipated to be temporary during construction. Adherence to best management practices such as work performed only during daylight hours will lessen overall impacts. On New Providence, the encouragement of visitors to Junkanoo Beach and Western Esplanade will increase crowd volume detracting from the overall beach aesthetic and potentially impacting local businesses in the near vicinity. Additionally, any increase in traffic volumes or pedestrian walkways will place further pressure on existing congestion along West Bay Street exacerbating air pollution and noise from idling vehicles. The ESMP will include a Noise and Air Pollution Monitoring Plan.

**Dust.** Dust impacts are anticipated to be temporary during construction and most significant at Junkanoo. The ESMP will include best management practices for limiting dust during construction.

**Impacts on Local Communities.** The projects will not cause permanent impacts. However temporary impacts are expected during infrastructure construction, particularly roads works that may impede and/or delay transportation routes including access to local shops/restaurants, and potentially limiting the access to beach vendors and local workers. Adherence to best management practices, such as providing notice of construction start date, using road work and diversion signage, performing works on off-peak days can reduce transport disruption; communication and community engagement will also help to reduce impacts. As described in the assessment requirements section livelihood of vendors are not expected to be impacted; nevertheless, after the final designs are completed and as part of the assessments (including social aspects) and consultation the impacts to communities will be confirmed. In addition, a grievance mechanism will be put in place as part of the community engagement plan.

**Worker and Community Health and Safety.** The ESMP will include a Health and Safety Plan for construction, for both workers and community

#### **Noninvestment Lending and Flexible Lending Instruments**

OP-703 (Environment and Safeguards Compliance Policy): B.13 (Noninvestment Lending and Flexible Lending Instruments)

N/A

#### **Livelihoods and Resettlement**

OP-710 (Involuntary Resettlement Policy)

Resettlement is not anticipated as a result of the program of works. According to the social baseline available; it is expected that the potential impacts to affected people livelihoods will be very limited to negligible since the closure of the main use areas of Junkanoo Beach is highly unlikely. Nevertheless, once the final design for the works in Junkanoo Beach is finalized further assessment and consultation will be done to better assess impacts, identify mitigation measures and determine the necessity of a Livelihoods Restoration Plan.

There may also be temporary, minimal impacts to livelihoods in East Grand Bahama and Long Island during the removal of causeways, construction of culverts, and road and drainage improvements. The ESAR includes the requirements for a Community Consultation and Engagement Plan for each island to ensure ongoing

<p>dialogue with the local communities and to promote their engagement and support to operation's objectives. The overall impact of the program of works in both islands is expected to be positive.</p> <p>In Long Island, the Program is reviewing the possibility to create a 1km by-pass of the Queens Highway at Scrub Hill, which will require the purchase of the land from the current private owner. No major impact is expected but the Executing Agency will need to present Prior to the Issuance of Tender for Specific Works in Long Island evidence of the land purchase and process through which this was obtained. Ensuring that the potential impacts were assessed and, if necessary, that adequate mitigation measures were implemented.</p>
<p><b>Indigenous Peoples</b> OP-765 (Indigenous Peoples Policy)</p>
<p>N/A</p>
<p><b>Gender Equality</b> OP-761 (Gender Equality in Development Policy)</p>
<p>The project will not cause negative impacts on women. Currently there is no gender-disaggregated data available, however gender tracking will be undertaken to measure the Programs impacts. The proposed health and security program during construction will include measures, standard in construction contracts, to avoid uneven introduction of unpaid work or payment gaps, or increased risk of gender based violence. The Community Engagement Plan will offer an opportunity for equitable participation of women and men. The final version of such plan will incorporate a gender equity approach to this aim.</p> <p>Based on the consultation report men and women participated in the public meetings held in the four locations.</p> <p>The Program is expected to build off best practice and lessons learned from the Andros Sustainable Master Plan process, to ensure that women and youth are involved in relevant stakeholder meetings throughout execution and this will be included in the Community Consultation and Engagement Plan. Additionally, some of the proposed activities identified under Component 2, (i.e. mangrove restoration projects) will be designed to facilitate women's involvement.</p>
<p><b>Disaster Risk Management</b> OP-704 (Disaster Risk Management Policy)</p>
<p>The Bahamas is highly vulnerable to natural hazards, including hurricanes which put at risk both economic activities and associated public infrastructure concentrated along the coast of New Providence and several of the Family Islands. From 1970 to 2016, the country experienced 18 major disasters including hurricanes, affecting 38,000 citizens. Seven or 40% of these 18 major disasters occurred in the last 10 years, signifying that impacts from disasters have increased at an accelerating rate in the country. These events are usually accompanied by severe coastal erosion and flooding, including in densely populated areas where the buffering effect of coastal habitats has been lost. The Bahamas' vulnerability to natural hazards is likely to worsen with climate change which is projected to exacerbate floods linked to extreme rainfall events, rising sea level and tropical storms.</p> <p>The program's objective is to build resilience to coastal risks (including those associated with climate change) through sustainable coastal protection infrastructure, including natural infrastructure and integrated management of the coast. As such, the Program has intrinsically incorporated the IDB's Disaster Risk Management Policy (OP-704) and its directives into its strategy, design and implementation, having a component aimed at strengthening resiliency and reducing vulnerabilities to natural disasters, climate change, and environmental management, including collection of data related to disaster risk management.</p> <p>The ESMP for construction should include an Emergency Response Plan.</p>
<p><b>Supervision</b> OP-703 (Environment and Safeguards Compliance Policy): B.5 (Environmental Assessment and Plans Requirements) and B.7 (Supervision and Compliance) OP-710 (Involuntary Resettlement Policy) OP-765 (Indigenous Peoples Policy) OP-704 (Disaster Risk Management Policy)</p>

**OP-761 (Gender Equality in Development Policy)**

The ESAR establishes a guide for the activity-specific ESMPs which is made up of Environmental Management and Monitoring Plans, Technical Studies, Community Consultation and Engagement Plans and Shoreline Management Plans (construction) and Operational Environmental and Social Management Plan for each Island's works.

In each case the ESMPs will include: Traffic Management Plan, Sediment and Erosion BMPs, Noise, Vibration, Air Quality BMPs, Storm Water Management BMPs, Waste Management BMPs, Removal of Invasive Species, Contractors Commitment to Environmental Compliance, Emergency Protocols (Severe Weather, Spill Prevention and Cleanup), Health and Safety Plan, a Chance find procedure. For each Island, there will also be a Community Consultation and Engagement Plan which includes a Grievance Mechanism. The preparation of these plans will be the responsibility of the MOWUD with support from other entities identified in the ESMP framework.

Currently there is no dedicated environmental and social capacity in the MOWUD, nor is there an environmental and social management system. As such the IDB will stipulate in the Loan Agreement that the proposed Project Execution Unit include environmental and social staff. MOWUD will be responsible for developing the Program Environmental and Social Management and Monitoring Program, and ensuring that all projects under the Program of works comply with the ESMP. It is the obligation of MOWUD together with any Contractors or Subcontractors to develop and comply with all the requirements and stipulations identified therein. Acceptance of the Construction ESMP reiterates the commitment by MOWUD to minimize and prevent environmental effects to the extent possible while ensuring human health and safety. Ultimately, the Contractor accepts the conditions of the ESMP to construct works according to the ESMPs provisions in order to maintain environmental compliance. The Contractor will identify and assign roles and responsibilities for project environmental management.

The Bank will supervise the implementation of the environmental and social management and monitoring arrangements every 6 months during construction.

**5. Legal Requirements**

In order to meet the requirements of the Bank's Environmental and Social Safeguard Policies for the Program, the Borrower, directly or through the Executing Agency, will comply to the satisfaction of the Bank with the ESHS terms and conditions set forth in Annex B hereto. These terms and conditions can only be modified with the prior written consent of the Bank, including clearance by ESG. These include (i) conditions prior (CPs) to Board and/or OPC; (ii) standard conditions for implementation of the ESHS Plans and measures as well as reporting and supervision requirements; (iii) conditions that address key risks and impacts; (iv) conditions to be included in the Operating Manual; (v) definitions. These conditions and definitions will be incorporated into the Loan Agreement and as such the Borrower is legally bound to comply with these conditions.

**6. Summary of Compliance with IDB Safeguard Policies**

See overleaf.



**Annex A. Summary of Compliance with IDB Safeguard Policies**

Policies / Directives	Applicable Policy / Directive Aspect	Compliance Status and Rationale with Policy / Directive Requirements	Requirements / Actions / Plans
<b>OP-703 Environment and Safeguards Compliance Policy</b>			
B.2 Country Laws and Regulations	The Bank will require the borrower for that operation to ensure that it is designed and carried out in compliance with environmental laws and regulations.	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time.	Condition Prior to the Issuance of Tender for Specific Works: For the individual infrastructure works, the Executing Agency has presented the ESIA (including the public consultation summary) to the Bank for its non-objection and for public disclosure (online and in country), and evidence of its approval by BEST and, if applicable, The Bahamas National Trust, or, evidence that no further ESIA is required by BEST or any other Bahamas government agency.
B.3 Screening and Classification	All Bank-financed operations will be screened and classified according to their potential environmental impacts.	Full compliance achieved. Program has been categorized "B".	N/A
B.4 Other Risk Factors	Governance capacity of executing agencies/ borrower.	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time.	Conditions Prior to First Disbursement: The EA has presented evidence that it has hired suitably qualified environmental and community specialists in the Project Implementation Unit.
B.5 Environmental Assessment and Plans Requirements	Preparation of Environmental and Social Assessments and associated management plans and their implementation are the responsibility of the Borrower.	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time.	The final ESAR has been disclosed on the Bank's website.
B.5 Social Assessment and Plans Requirements			<p>Conditions Prior to the Issuance of Tender for Specific Works. For individual infrastructure works, the EA has presented the ESIA (including the public consultation summary) to the Bank for its non-objection and for disclosure, and evidence of its approval by BEST and, if applicable, The Bahamas National Trust, or, evidence that no further ESIA is required by BEST or any other Bahamas government agency.</p> <p>Conditions Prior to the Start of Construction for Specific Works. The EA has presented to the Bank, the ESHS plans for construction of specific works, as detailed in the</p>

			Environmental and Social Management Plan Framework in the “Environmental and Social Analysis Report” dated 16 February 2017 shall be presented to the Bank for its non-objection.
B.6 Consultation (including consultation with affected women, indigenous persons, and/or minority groups)	Meaningful consultations with affected parties.	Compliance achieved and achievable through specific conditions established in legal documentation for actions over a defined period.	The ESAR presented a summary of the consultation of the key stakeholders for the different sites.  Conditions Prior to First Disbursement: the Executing Agency shall present: The Community Engagement and Consultation Plan for the Design and Construction phase of the Program.
B.7 Supervision and Compliance	Safeguard requirements, must be incorporated into the project contract documents, its operating or credit regulations, or the project bidding documents, as appropriate, setting out as necessary milestones, timeframes and corresponding budgetary allocations to implement and monitor the plan during the course of the project.	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time.	Conditions Prior to First Disbursement: The EA has presented evidence that it has put into place the ESHS governance structure (environmental and community specialists) and has the resources required to implement the ESHS requirements.
B.8 Transboundary Impacts	N/A	N/A. Program is not taking place in a transboundary area.	N/A
B.9 Natural Habitats	The Bank will not support operations that significantly convert or degrade critical natural habitats or that damage critical cultural sites.	The Program includes works in protected areas; however, no significant conversion is expected.	Conditions Prior to the Start of Construction for Specific Works. The ESHS plans for construction of specific works, as detailed in the ESMP Framework in the “Environmental and Social Analysis Report” dated 16 February 2017 shall be presented to the Bank for its non-objection. The ESMP Framework includes specific Environmental Management Plans.
B.9 Invasive Species	N/A	N/A.	N/A
B.9 Cultural Sites	N/A	N/A. Program is not taking place in a cultural site.	N/A
B.10 Hazardous Materials	Avoid adverse impacts to the environment and human health and safety occurring	Compliance achievable through specific conditions established	Conditions Prior to the Start of Construction for Specific Works. The ESHS plans for construction of specific works, as detailed in the ESMP Framework in the

	from production, procurement, use, and disposal of hazardous material, including organic and inorganic toxic substances, pesticides and POPs.	in legal documentation for actions over a defined period.	"Environmental and Social Analysis Report" dated 16 February 2017 shall be presented to the Bank for its non-objection. The ESMP Framework includes a Waste Management Plan, and Health and Safety Plan for construction.
B.11 Pollution Prevention & Abatement	Bank-financed operations will include as appropriate, measures to prevent, reduce or eliminate pollution emanating from their activities	Compliance achievable through specific conditions established in legal documentation for actions over a defined period.	Conditions Prior to the Start of Construction for Specific Works. The ESHS plans for construction of specific works, as detailed in the ESMP Framework in the "Environmental and Social Analysis Report" dated 16 February 2017 shall be presented to the Bank for its non-objection. The ESMP Framework includes a Waste Management Plan, Noise and Air Quality Monitoring Plan, and
B.12 Projects under Construction	N/A	N/A	N/A
B.13 Noninvestment Lending and Flexible Lending Instruments	N/A	N/A. Program is not a noninvestment loan or flexible instrument	N/A
B.14 Multiple Phase and Repeat Loans	N/A	N/A. Program is not a multiple phase or repeat loan.	N/A
B.15 Co-financing Operations	N/A	N/A. Program is not being co-financed.	N/A
B.16 In-Country Systems	N/A	N/A. In-country environmental and social systems are not being used.	N/A
B.17 Procurement	Suitable safeguard provisions for procurement of goods and services incorporated into project-specific loan agreements, operating regulations and bidding documents, to ensure environmentally responsible procurement.	Compliance achievable through specific conditions established in legal documentation for actions over a defined period.	Specific ESHS provisions prior to the issuance of tender for specific works will be included in the Loan Agreement.
<b>OP-704 Natural Disaster Risk Management Policy</b>			
	The Program has been assessed for disaster risks	N/A. The Program has intrinsically incorporated OP-	The ESMP must include an Emergency Response Plan.

Disaster Risk Assessment	and is categorized “medium” due to the risks of tropical storms and hurricanes.	704 into its strategy, design and implementation, with a component to strengthen resiliency and reduce vulnerabilities to natural disasters, climate change, and environmental management, including collection of data related to Disaster Risk Management.	
Disaster Risk Management Plan			
<b>OP-710 Operational Policy on Involuntary Resettlement</b>			
Resettlement Minimization	N/A	N/A No resettlement is expected as a result of the infrastructure works under the Program	N/A
Resettlement Plan Consultations			
Impoverishment Risk Analysis			
Resettlement Plan or Resettlement Framework			
Consent (Indigenous Peoples and other Rural Ethnic Minorities)			
Livelihood Restoration Program	Very limited to negligible livelihood loss during works in Junkanoo Beach.	Compliance achievable through specific conditions established in legal documentation for actions over a defined period	Condition Prior to the Issuance of Tender for Specific Works in Junkanoo Beach: The EA has presented the Assessment to determine the need for a Livelihoods Restoration Plan and if the assessment determines the need, the EA shall present the Livelihoods Restoration Plan
<b>OP-765 Operational Policy on Indigenous Peoples</b>			
Sociocultural Evaluation	N/A	N/A. Program will not impact indigenous peoples.	N/A
Good-faith Negotiations			
Agreement with Affected Indigenous Peoples			
Indigenous Peoples Protection, Compensation, and Development Plan or Framework prior to Board Approval			

Discrimination Issues			
Transborder Impacts			
Impacts on Isolated Indigenous Peoples			
<b>OP-761 Operational Policy on Gender Equality in Development</b>			
Unequal Access to Project Benefits/ Compensation Measures	N/A	N/A	N/A
Uneven Introduction of Unpaid Work	N/A	N/A	N/A
Increased Risk of Gender-Based Violence, including sexual exploitation, human trafficking and sexually transmitted diseases	N/A	N/A	N/A
Disaggregation of Impact Data by Gender	N/A	N/A	N/A
<b>OP-102 Access to Information Policy</b>			
Disclosure of relevant Environmental and Social Assessments Prior to Analysis Mission, QRR and submission of the operation for Board consideration	Preliminary ESAR disclosed prior to analysis.	Compliant	The ESAR (including ESMP Framework) was disclosed on the IDBs website on February 13 <sup>th</sup> , 2017. A pre-analysis mission took place January 30-Feb 3. The ESAR (including ESMP Framework) was disclosed on the IDB website February 13 <sup>th</sup> 2017, prior to the Analysis Meeting scheduled for February 14 <sup>th</sup> 2017, and subsequently updated on February 16 <sup>th</sup> with minor amendments.
Provisions for Disclosure of Environmental and Social Documents during Project Implementation	Ongoing Disclosure of Environmental and Social Documents during Project Implementation	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time.	Conditions Prior to the Issuance of Tender for Specific Works. For individual infrastructure works, the EA has presented the ESIA (including the public consultation summary) to the Bank for its non-objection and for disclosure,

## Annex B. ESHS Legal Requirements

### ESHS Conditions of the Loan Agreement

The following ESHS contractual terms and conditions are required to be fulfilled to the satisfaction of the Bank and will be included in the Loan Agreement in order to comply with the Bank's ESHS Safeguard Policies:

#### 1. Conditions to be Met Prior to the First Disbursement of the Loan.

a) The Borrower, or Executing Agency on behalf of the Borrower, shall present evidence to the satisfaction of the Bank that the environmental *and social specialists have been selected, pursuant to terms of references satisfactory to the Bank.*

b) The Borrower, or the Executing Agency on behalf of the Borrower, shall present evidence that that the following ESHS Plans, in the terms agreed upon with the Bank, have been presented for Bank approval: The Community Engagement and Consultation Plan for the Design and Construction phase of the Projects.

#### 2. Conditions of Execution for Compliance During the Life of the Loan.

The Borrower, or the Executing Agency on behalf of the Borrower, shall comply with the following ESHS conditions:

**(1) Conditions Prior to the Issuance of Tender for Specific Works.** (i) present, for approval of the Bank, the ESIA (including the ESMP) for the individual infrastructure works, and evidence of its approval by Ministry of the Environment and Housing and, if applicable, The Bahamas National Trust, or, evidence that no further ESIA is required by the Ministry of Environment and Housing or any other Bahamas government agency; (ii) present evidence of the land purchase, or right of access, as applicable, and process through which the land for the infrastructure works at Scrub Hill, Long Island, was purchased in compliance with OP-710; (iii) present evidence that the Community Engagement and Consultation Plan has been implemented for all works; (iv) present evidence that the contract bidding documents for all works include ESHS requirements aligned with the requirements of the ESAR, ESMP and applicable ESIA requirements; and (v) for the works in Junkanoo Beach present an assessment to determine the need for a Livelihoods Restoration Plan and if the assessment determines the need for a Livelihoods Restoration Plan, present the Livelihoods Restoration Plan.

**(2) Conditions Prior to the Start of Construction for Specific Works.** (i) present to the Bank for its non-objection, the ESHS plans for construction of specific works, as detailed in the Environmental and Social Management Plan Framework in the "Environmental and Social Analysis Report" dated 16 February 2017.

**(3) Conditions During the life of the Loan:** (i) comply with the Bank's environmental and social safeguard policies<sup>2</sup>, which includes their implementation guidelines, as these may be updated from time to time, any environmental and social requirement established by the current national legislation of the Bahamas and the ESHS Plans, as described in the Environmental and Social Management Plan established in the Environmental and Social Analysis Report dated 16 February 2017, including any applicable Corrective Action Plans; (ii) ensure that each Environmental Party complies with the requirements set forth in subsection (3)(i) above; (iii) comply with notices, monitoring, reporting and supervision of ESHS requirements, as further detailed in the POM; (iv) implement the Project's Community Engagement and Consultation Plan; and (v) in the event the Bank determines that a Corrective Action Plan is required, submit such Corrective Action Plan for approval of the Bank, including the corresponding schedule and budget, within thirty days from the Bank's request.

<sup>2</sup> The Banks environmental and social safeguard polices are: Access to Information Policy (OP-102), the Environment and Safeguards Compliance Policy (OP-703), the Disaster Risk Management Policy (OP-704); The Involuntary Resettlement Policy (OP-710); The Policy on Gender Equality in Development (OP-761); and the Operational Policy on Indigenous Peoples (OP-765).

### **3. Monitoring, Reporting and Supervision.**

a) For the purposes of monitoring and supervision of ESHS compliance, the following requirements shall apply:

i) The Borrower, or the Executing Agency on behalf of the Executing Agency, shall prepare and present to the Bank's satisfaction, an ESHS Compliance Report (ESCR), in the form and content agreed upon with the Bank, semi-annually as part of the progress report during construction, and biannually for two years after construction is completed;

(ii) The Borrower, or the Executing Agency on behalf of the Executing Agency, shall fully cooperate with the Bank, or an ESHS Consultant on its behalf, to carry out Project supervision and prepare supervision reports in order to (i) verify compliance of the implementation of the ESHS requirements for the Project and (ii) address any ESHS impact or liability which has not been adequately mitigated or compensated.

### **4. Definitions.**

(a) "Community Engagement and Consultation Plan" means a plan, in form and substance satisfactory to the Bank, that will describe the timing and methods of engagement with the project-affected communities and other stakeholders, which requirements and updates will be further described in the POM";

(b) "Corrective Action Plan" means a plan, in form and substance acceptable to the Bank, to correct and remedy all damage and adverse consequences caused by any failure by the Project, the Borrower, the Executing Agency, or any Environmental Party to comply with any environmental and social requirement, or to manage any unmitigated risks related to environmental or social matters, which requirements will be further described in the POM.

(c) "ESAR" means the Environmental and Social Analysis Report dated February 16, 2017.

(d) "ESIA" means a systematic and comprehensive Environmental and Social Impact Study, that complies with any applicable environmental law and with the environmental and social safeguard policies of the Bank, relating to the analysis and evaluation of a Project's potential environmental and social impacts, both positive and negative, taking into account overall cumulative primary and secondary consequences likely to alter significantly the quality of the natural and human environment, which requirements will be further described in the POM.

(e) "ESHS" means environmental, social and health and safety.

(f) "ESHS Plans" means the plans described in the ESMP, as set forth in the ESAR, which includes, but is not limited to, an Erosion and Sediment Management Plan, a Water Monitoring Plan, a Waste Management Plan, a Noise and Air Pollution Monitoring Plan, a Health and Safety Plan for construction, and an Emergency Response Plan.

(g) "ESHS Requirements" means all the environmental and social conditions and obligations of the Borrower or the Executing Agency, as the case may be, described in Article V of this Annex, including the ESHS Plans.

(h) "ESMP" means either one Environmental and Social Management Plan covering both the Project construction and operation phases or two separate plans, in either case in form and substance satisfactory to the Bank, describing the actions necessary for each Environmental Party to comply with all environmental and social requirements, which requirements will be further described in the POM.

(i) "ESMR" means the Environmental and Social Management Report dated March 6th 2017, a copy of which can be found on the IDB external website (<http://www.iadb.org/en/projects/project-description-title,1303.html?id=BH-L1043>).

(j) "Environmental Party" means each contractor, operator or any other person performing Project related activities.

(k) "Livelihoods Restoration Plan" means a plan to restore livelihoods of the affected population, as a minimum, to the pre-Project standard, which requirements, outcome and components will be further described in the POM.

(l) "POM" means the Project Operating Manual referred to in Sections 3.01 and 4.06 of the Special Conditions.



## Annex C. Site Locations

### East Grand Bahamas Site Locations



### Central Long Island Site Location

