

TC Document

I. Basic Information for TC

▪ Country/Region:	BAHAMAS
▪ TC Name:	Recommendations for the Implementation of Sustainable and Climate Resilient Tourism Certifications in the Bahamas
▪ TC Number:	BH-T1082
▪ Team Leader/Members:	Bettini Vicente, Juliana (CSD/RND) Team Leader; Levy, Denise Urias (CSD/RND) Alternate Team Leader; Alleng, Gerard P. (CSD/CCS); Carey, Inga Kenris (CCB/CBH); Cordero Irigoyen, Hector Alejandro (CSD/CCS); Negret Garrido, Cesar Andres (LEG/SGO); Paz Doblado, Ana Gabriela (VPC/FMP); Restrepo, Lisa Sofia (CSD/RND); Small, Charlene Marie (INO/SMC); Wright, Stefan C.M. (INO/SMC)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	22 Sep 2020
▪ Beneficiary:	Ministry of Tourism and Aviation of the Bahamas
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC Strategic Development Program for Sustainability(SUS)
▪ IDB Funding Requested:	US\$200,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	18 months
▪ Required start date:	15 Jan 2021
▪ Types of consultants:	Firms; Individuals
▪ Prepared by Unit:	CSD/RND-Env, Rural Dev & Disaster Risk
▪ Unit of Disbursement Responsibility:	CCB/CBH-Country Office Bahamas
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Productivity and innovation; Environmental sustainability

II. Objectives and Justification of the TC

- 2.1 The objective of this TC is to support The Bahamas' Ministry of Tourism and Aviation with: (i) recommendations for the implementation of sustainable and climate resilient tourism certification program; and (ii) a governance framework to sustain this implementation. Sustainable and climate resilient tourism certificates are an adaptable tool that can positively complement environmental regulation and increase the attractiveness of destinations to a discerning public. In The Bahamas, these certificates could be an important element in "building back better" the tourism sector, post-COVID-19.
- 2.2 The Bahamian economy is highly dependent on tourism: in 2019, 43.3% of the country's GDP was related to tourism and travel activities and international visitors expenditures in The Bahamas accounted for more than 80% of its total exports ([WTTC, 2020](#)). The concentration of The Bahamian economy in the tourism sector

and its lack of diversification makes the country highly vulnerable to crises such as the COVID-19 ([UNDP, 2020](#)) and the local economy is estimated to shrink by as much as 14% to 20% overall in 2020 ([Government of The Bahamas, 2020](#)).

- 2.3 The destruction caused by Hurricane Dorian added to the COVID-19 pandemic have highly impacted the country, specifically the tourism sector. Despite the negative impacts of those crises, they have opened an opportunity for destinations to “build back better” tourism, emphasizing the need to strengthen the climate resilience of the sector and highlighting both the fragility of the natural environment and its central role as source of attraction of visitors ([UNWTO, 2020](#)). Recent market trends suggest that sustainability and the adequate use of natural resources will be more valued by tourists in the post-pandemic scenario. In the Bahamas, many tourism properties currently lie in a storm surge zone and the extent of properties at risk increases with a future scenario of a 1 m rise in sea level. While sea level rise (SLR) by itself only threatens a small number of properties, when combined with weak (Category 1), moderate (Category 3) and strong (Category 5) storms the resulting coastal flooding impacts 34%, 69%, and 83% of the tourism infrastructure (hotels and resorts), respectively. Therefore, resilience and sustainability arise as key factors to provide competitiveness and longevity for The Bahamas tourism sector.
- 2.4 Eco-labels and sustainable certifications have been more popular in the tourism sector in the last decade. As Buckley (2001) points out, they might be an effective component of a policy, if coupled with environmental regulations.¹ Sustainability certification may also be a tool for improving the competitiveness of destinations and lessening the environmental impacts of tourism development (Font and Harris, 2004).² They can also be a stepping-stone for local enterprises to put the principles of sustainability into action (Agyeiwaah et al., 2017).³ Nonetheless, in order for labels and certifications of this kind to be effective, some criteria should be met, such as: administrated by a reputable organization, recognized by consumers, utilizes transparent criteria, has an effective audit processes, among others (Buckley, 2001). The adoption of global certification should also be congruent with local practices, cultural context and social particularities in order to be effective (Duffy and Moore, 2011). Some local entrepreneurs consulted in research also widely mention that tourism standards would be more valuable for destinations and enterprises if they shifted from normative codes to practical tools, and were more adaptable to the idiosyncratic characteristics of host communities and the emerging trends of the tourism market overall (Gkoumas, 2019).⁴ A wide array of success cases, as well as sources for lessons learned on the subject are available: the implementation of the Blue Flag label in coastal areas, the Certification for Sustainable Tourism in Costa Rica, the GSTC (Global Sustainable

¹ BUCKLEY, R. (2001). [Major Issues In Tourism Ecolabelling](#).

² FONT, X., HARRIS, C. (2004). “[Rethinking standards from green to sustainable](#)”. In: *Annals of Tourism Research*. 31 (4), 986–1007.

³ AGYEIWAH, E. et al. (2017). “[Identifying core indicators of sustainable tourism: a path forward?](#)” In: *Tourism Management Perspectives*. 24, 26-33.

⁴ GKOUMAS, A. (2019) “[Evaluating a Standard for Sustainable Tourism through the Lenses of Local Industry](#)” In: *Heliyon*. 5 (11).

Tourism Council) Certification implemented in several destinations, are a few examples.

- 2.5 Aware of the changes in the hospitality industry driven by a discerning travelling public that is demanding better stewardship of the environment, The Bahamas government has been implementing actions aimed at increasing the sector's resilience and sustainability. Prior to the setbacks imposed by the pandemic, as part of the strengthening of the tourism sector, measures were undertaken such as the launch of the Tourism Development Corporation (TDC) in 2018. One of the initiatives envisioned as relevant by the Ministry of Tourism and Aviation of The Bahamas and designated to the TDC was the design and future implementation of sustainable tourism certification programs, aimed at providing guidelines for businesses and attractions to improve their environmental sustainability and their resilience to climate change and crises. With the proper set of guidelines and reinforcement tools, along with the adequate environmental legislation, certifications may be an effective complement on the pathway towards sustainability and resilience in The Bahamas tourism sector. In this context, the Ministry of Tourism and Aviation of The Bahamas has asked the support of the Bank to develop guidelines that allow this effort to take place. It is worth mentioning the previous efforts already developed by the Ministry and the TDC in creating the general outline of a certification program, that should be incorporated under the execution of this project.
- 2.6 The TC lines up with the critical need of support for LAC's countries to provide a sustainable recovery from the crisis generated by the pandemic. It is also aligned with the IDB's second update to the Institutional Strategy, as it contributes to the (i) increase of productivity and innovation in The Bahamas, given that certification processes may support a better quality of services provided by tourism companies, contributing to an increase in the sector's productivity; it is also aligned with the cross cutting theme (ii) climate change and environmental sustainability, as sustainable certifications, if effectively implemented, are one of the tools that can aid tourist destinations in achieving a more sustainable development. The TC is also aligned with the Country Strategy with The Bahamas 2018-2022 (GN-2920), as it promotes innovation and innovative practices in traditional sectors, such as sustainable tourism. The TC is also aligned with the Ordinary Capital Strategic Development Program for Sustainability (SUS) (GN-2819-1) objectives since it contributes to strengthen institutional capacities focused on environmental sustainability. The TC is organized under three (3) components.

III. Description of activities/components and budget

- 3.1 **Component 1 - Analysis of existing sustainability certification programs (US\$50,000).** The objective of this component is to provide a comprehensive compilation of data related to existing tourism sustainability and resilience certifications programs or schemes, and present a, critical and systematic analysis of its characteristics. This will be possible with the execution of the following activities: (i) a brief diagnosis of the sustainability performance of the tourism sector in The

Bahamas, including an assessment of the current status and anticipated levels of climate-related risks and opportunities for tourism operations within its value chain; (ii) an overview of available eco-label, sustainability and resiliency certifications applicable to the tourism sector and applied worldwide; (iii) selection of at least 10 initiatives previously used worldwide, and a description of their selection criteria; and (iv) a systematic analysis of those initiatives, considering at least the following aspects: technical design, subsectors/ businesses that could be certified, costs associated with implementation, lessons learned with the implementation of certification schemes, implementation framework (including the capacity of tourism stakeholders to adopt and implement certifications), recognition in consumer source-markets, overall pros and cons, applicability in The Bahamas scenario. The list of initiatives to be part of the analysis should be submitted to the IDB and TDC's teams for previous validation. The analysis should be executed through desk research and include key-stakeholder's interviews when appropriate. It is important that previous efforts already developed by the TDC, especially the general outline of the Sea Stars Seal of Approval, are considered in this analysis. The main result expected by this component is a comprehensive and critical analysis of certifications of sustainable and resilient tourism available at the market and their applicability to The Bahamas.

- 3.2 **Component 2 - Recommendations for implementing sustainable tourism certification program/ system in The Bahamas (US\$50,000).** This component aims at developing a set of recommendations for the future adoption and implementation of a certification system for sustainable and resilient tourism in The Bahamas. The recommendations should build on the findings of Component 1, and complemented by: (i) a survey with companies in the tourism sector value chain – considering the multiple subsectors of tourism that could be part of a certification process; and (ii) structured qualitative interviews with key leaders from the tourism sector in The Bahamas, public and private sector representatives, as well as NGOs. Adjusting the best practices analysed in the previous component to the needs and characteristics of the local market, provided by the survey and interviews, it will be possible to develop a set of recommendations for implementing a program of such characteristics in The Bahamas. The recommendations should include aspects such as: objectives and indicators of success, usage of existing certifications/ labels or development of a new one, subsectors to be certified, responsibility and obligation of engagement (voluntary or enforced), engagement and promoting strategies, general policy for costs associated with implementation, framework for implementation, executing agents, changes in the normative framework necessary, etc. They should also indicate the preferential approach for including resiliency and environmental sustainability – either by a joint certification or by separate schemes. The recommendations should be prepared based on existing information on each of the aspects and will include additional research and/or collection of data whenever needed. The list of key stakeholders, as well as the sample of businesses that should be consulted will be previously validated by the IDB and TDC's teams. The TDC will provide for the communication with those stakeholders, if relevant. The recommendations will be validated by local stakeholders in a virtual webinar. The result of his component will

be a set of recommendations and guidelines to put in place a sustainable tourism certification program/ system in The Bahamas.

- 3.3 Component 3 - Governance and operational framework for the implementation of sustainable tourism certification program/system (US\$100,000).** The objective of this component is to provide a strategic and operational plan for the implementation of the recommendations previously developed, including the proposition of a governance scheme for the implementation and monitoring of such certification. The plan will include the delimitation of objectives, monitoring indicators, strategies, and its associated operational plans. Some of the strategic thematic areas that should be focused are: (i) institutional structure and governance framework; (ii) communication and engagement of players (including supply-chain); (iii) strategic alliances; (iv) operational implementation; and (v) monitoring and evaluation. Each of the strategies will be refined in operational plans that provide information on activities, responsibilities, timetables, and costs for the implementation of those strategies, providing specific guidance for the setting in motion of the certification program. Given the importance of governance schemes under the Ministry of Tourism and Aviation and the TDC that will be in charge of reinforcing the designed certification program, the component will provide a specific governance design for this purpose. The governance design should be in synergy with the previous components and not solely rely on the TDC for the program implementation, but consider its role and mark out adjustments necessary, related to personnel, training, resources, etc. Also considering the importance of engagement for programs of such kind to achieve adequate results, the component will include at least 3 webinars / events for the dissemination of information and engagement of local businesses, putting in place part of the communication strategies developed. The calendar and scope of those events will be jointly decided with the IDB and TDC teams. The expected result of this component is an operational plan, including its governance framework for the implementation of a sustainable tourism certification program in The Bahamas.
- 3.4** The estimated cost for this TC is US\$200,000.00 (two hundred thousand dollars), financed by the Ordinary Capital Strategic Development Program for Sustainability (SUS). The funds will be non-reimbursable and there will be no counterpart funding associated with the TC.

Indicative Budget (US\$)

Activity/Component	IDB/Fund Funding	Total Funding
Component 1 - Analysis of existing sustainability certification programs	50.000	50.000
Component 2 - Recommendations for implementing sustainable tourism certification program/ system in The Bahamas	50.000	50.000
Component 3 - Governance and operational framework for the implementation of sustainable tourism certification program/system	100.000	100.000
Total	200.000	200.000

- 3.5 The funds will finance the hiring of firms and individuals for a period of 18 months. The beneficiary of the TC is the Ministry of Tourism and Aviation of The Bahamas, through the Tourism Development Corporation (TDC). The products generated by the TC will also benefit the national tourism sector supply chain.
- 3.6 The TC will be led and supervised by an RND Tourism Specialist and will count on the support of a multisectoral team, including Fiduciary and Operational Specialists and Analysts based in The Bahamas COF. The IDB team will monitor the TC execution with the support of the TDC team. The team does not anticipate the need of supervision resources for the monitoring of the TC. Terms of Reference and products generated by the TC, among others, will be jointly validated by the IDB and the TDC. All reports and products generated will also be shared with the SUS technical committee, in recognition of the support for this initiative.

IV. Executing agency and execution structure

- 4.1 This TC will be executed by the Bank, through the Environment, Rural Development and Disaster Risk Management Division (CSD/RND), in accordance with the beneficiary's Letter of Request. The execution by the Bank is justified by the relative infancy of the TDC and its lack of experience with technical assistance such as the present one, that could represent a risk for the execution within the timeframe delimited (GN-2629, Appendix 10).
- 4.2 The activities planned by the TC are included in the Procurement Plan (Annex) and will be hired in accordance with the Procurement Policies established by the Bank: (i) hiring of individual consultants according to the AM-650; (ii) selection and contracting of firms according to the GN-2765-4 and operational guidelines (OP-1155-4); and (iii) contracting of logistics and services other than consultancy according to the GN-2303-28. The Bank, through the Country Office of The Bahamas (CCB/CBH), will be responsible for the selection and contracting of consultants and for the procurement processes that are required for the implementation of the TC.

V. Major issues

- 5.1 The main risks and issues of this TC are: (i) institutional changes and deviations in the Ministry's and TDC's priorities might affect the implementation of the products; (ii) lack of interest of local businesses and entrepreneurs to engage in the certification process may affect the TC implementation; and (iii) the changes that the COVID-19 pandemic imposes in the tourism market may affect businesses engagement and consumers reliance on certifications.
- 5.2 The groups of risks identified will be mitigated through an approach that includes consultations, validation and the "buy-out" of the products by key-stakeholders, both from the public and the private sectors. The development of the recommendations and design of a certification program will be achieved by stimulating a shared sense of ownership and coordination, also contributing to the future sustainability of the initiative.

VI. Exceptions to Bank policy

6.1 None.

VII. Environmental and Social Strategy

7.1 According to the Bank`s Safeguard Screening Toolkit, this operation was classified as category “C”. The activities developed by the TC should not impact negatively in the environment or vulnerable communities.

Required Annexes:

- Request from the client
- Results Matrix
- Terms of Reference for activities/components to be procured
- Procurement Plan



COMMONWEALTH OF THE BAHAMAS

No. FIN.201.10
*In Responding Please
Quote This Number*

OFFICE OF THE DEPUTY PRIME MINISTER
AND MINISTER OF FINANCE

15th September, 2020

Mrs. Daniela Carrera Marquez
Country Representative
Inter-American Development Bank,
IDB House, East Bay Street,
Nassau, Bahamas

Dear Daniela Carrera Marquez,

Re: Request for non-reimbursable technical support from the Inter-American Development Bank to design recommendations for the implementation of sustainable and climate resilient tourism certifications in The Bahamas

Aware of the changes in the hospitality industry being driven by a discerning travelling public that is demanding better stewardship of the environment, as well as of the opportunities that the COVID-19 pandemic crisis has opened for destinations to “build back better” tourism, the Government of The Bahamas has been implementing actions aimed at increasing the tourism sector sustainability.

In congruence with this priority, the Ministry of Tourism and Aviation began a technical dialogue with the Inter-American Development Bank to support the Ministry, through the Tourism Development Corporation (TDC), in the development of recommendations for the implementation of sustainable and climate resilient tourism certifications for The Bahamas, as well as the design of a governance proposal to sustain this implementation.

The Ministry of Finance on behalf of the Government of The Bahamas hereby requests from the IDB non-reimbursable technical cooperation funding for US\$200,000 to support the Ministry of Tourism and Aviation with the studies demanded to develop those recommendations and governance design.

The Government of The Bahamas anticipates the successful execution of the technical cooperation project by the Ministry of Tourism and Aviation, through the TDC.

Yours sincerely,

K. Peter Turnquest
Deputy Prime Minister and Minister of Finance

cc: The Hon. Dionesio D’Aguilar, Minister of Tourism & Aviation

TERMS OF REFERENCE

Analysis, recommendations, and operational plan for implementing a sustainable tourism certification program in The Bahamas

1. Background and Justification

- 1.1. The Bahamas economy is highly dependent on Tourism: in 2019, 43.3% of the country's GDP was related to tourism and travel activities and international visitors expenditures in The Bahamas accounted for more than 80% of its total exports ([WTTC, 2020](#)). The concentration of The Bahamas economy in the tourism sector and its lack of diversification makes the country highly vulnerable to crises such as the COVID-19 ([UNDP, 2020](#)) and the local economy is estimated to shrink by as much as 14% to 20% overall in 2020 ([Government of The Bahamas, 2020](#)).
- 1.2. The destruction caused by Hurricane Dorian added to the COVID-19 pandemic have highly impacted the country, specifically the tourism sector. Despite the negative impacts of those crises, they have opened an opportunity for destinations to “build back better” tourism, emphasizing the need to strengthen the climate resilience of the sector and highlighting both the fragility of the natural environment and its central role as source of attraction of visitors ([UNWTO, 2020](#)). Recent market trends suggest that sustainability and the adequate use of natural resources will be more valued by tourists in the post-pandemic scenario. In the Bahamas many tourism properties currently lie in a storm surge zone and the extent of properties at risk increases with a future scenario of a 1 m rise in sea level. While sea level rise (SLR) by itself only threatens a small number of properties, when combined with weak (Category 1), moderate (Category 3) and strong (Category 5) storms the resulting coastal flooding impacts 34%, 69%, and 83% of the tourism infrastructure (hotels and resorts), respectively. Therefore, resilience and sustainability arise as key factors to provide competitiveness and longevity for The Bahamas tourism sector.
- 1.3. Eco-labels and sustainable certifications have been more popular in the tourism sector in the last decade. As Buckley (2001) points out, they might be an effective component of a policy, if coupled with environmental regulations¹. Sustainability certification may also be a tool for improving the competitiveness of destinations and lessening the environmental impacts of tourism development (Font and Harris, 2004)². They can also be a stepping-stone for local enterprises to put the principles of sustainability into action (Agyeiwaah et al., 2017)³. Nonetheless, in order for labels and certifications of this kind to be effective, some criteria should be met, such as: administrated by a reputable organization, recognized by consumers, utilizes transparent criteria, has an effective audit processes, , among others (Buckely, 2001). The adoption of global certification should also be congruent with local practices, cultural context and social particularities in order to be effective (Duffy and Moore, 2011). Some local entrepreneurs consulted in research also widely mention that tourism standards would be more valuable for destinations and enterprises if they shifted from normative codes to practical

¹ BUCKLEY, R. (2001). [Major Issues In Tourism Ecolabelling](#).

² FONT, X., HARRIS, C. (2004). [“Rethinking standards from green to sustainable”](#). In: Annals of Tourism Research. 31 (4), 986–1007.

³ AGYEIWAH, E. et al. (2017). [“Identifying core indicators of sustainable tourism: a path forward?”](#) In: Tourism Management Perspectives. 24, 26-33.

tools, and were more adaptable to the idiosyncratic characteristics of host communities and the emerging trends of the tourism market overall (Gkoumas, 2019)⁴.

- 1.4. Aware of the changes in the hospitality industry driven by a discerning travelling public that is demanding better stewardship of the environment, The Bahamas Government has been implementing actions aimed at increasing the sector's resilience and sustainability. Prior to the setbacks imposed by the pandemic, as part of the strengthening of the Tourism sector, measures were undertaken such as the launch of the Tourism Development Corporation (TDC) in 2018. One of the initiatives envisioned as relevant by the Ministry of Tourism and Aviation of The Bahamas and designated to the TDC was the design and future implementation of sustainable tourism certification programs, aimed at providing guidelines for businesses and attractions to improve their environmental sustainability and their resilience to climate change and crises. With the proper set of guidelines and reinforcement tools, along with the adequate environmental legislation, certifications may be an effective complement on the pathway towards sustainability and resilience in The Bahamas tourism sector. In this context, the Ministry of Tourism and Aviation of The Bahamas has asked the support of the Bank to develop guidelines that allow this effort to take place. It is worth mentioning the previous efforts already developed by the Ministry and the TDC in creating the general outline of a certification program, that should be incorporated under the execution of this project.
- 1.5. The objective of this TC is to support The Bahamas Ministry of Tourism and Aviation with (i) recommendations for the implementation of sustainable and climate resilient tourism certification program, as well as (ii) a governance framework to sustain this implementation. Sustainable and climate resilient tourism certificates are an adaptable tool that can positively complement environmental regulation and increase the attractiveness of destinations to a discerning public. In The Bahamas, these certificates could be an important element in "building back better" the tourism sector, post-COVID-19.
- 1.6. The TC lines up with the critical need of support for LAC's countries to provide a sustainable recovery from the crisis generated by the pandemic. It is also aligned with the IDB's second update to the Institutional Strategy, as it contributes to the (i) increase of productivity and innovation in The Bahamas, given that certification processes may support a better quality of services provided by tourism companies, contributing to an increase in the sector's productivity; it is also aligned with the cross cutting theme (ii) climate change and environmental sustainability, as sustainable certifications, if effectively implemented, are one of the tools that can aid tourist destinations in achieving a more sustainable development. The technical cooperation is also aligned with the Country Strategy with The Bahamas 2018-2022 (GN-2920), as it promotes innovation and innovative practices in traditional sectors, such as sustainable tourism. The TC is also aligned with the Ordinary Capital Strategic Development Program for Sustainability (OC-SUS) (GN-2819-1) objectives since it contributes to strengthen institutional capacities focused on environmental sustainability.

2. Objectives

- 2.1. The objective of the consulting services is to develop a comprehensive analysis, recommendations and operational guidelines and plan for implementing a sustainable tourism certification program in The Bahamas.

⁴ GKOUMAS, A. (2019) "[Evaluating a Standard for Sustainable Tourism through the Lenses of Local Industry](#)" In: Heliyon. 5 (11).

3. Scope of Services

3.1. The services should aim at the following specific objectives, in order to achieve the final result previously stated:

- (1) Provide a comprehensive compilation of data related to existing tourism sustainability and resilience certifications programs or schemes, and present a, critical and systematic analysis of its characteristics.
- (2) Develop a complete set of recommendations for the future adoption and implementation of a certification system for sustainable and resilient tourism in The Bahamas, based on the previous analysis and stakeholder consultation.
- (3) Deliver a strategic and operational plan for the implementation of the recommendations previously developed, including the proposition of a governance scheme for the implementation and monitoring of such certification.

4. Key Activities

4.1. The following activities should be developed by the consultancy firm in order to conduct the analysis and recommendations aimed at by this Terms of Reference. It is worth mentioning that this is not an exhaustive list and it might be adjusted by the hired in the Workplan, upon the approval of both IDB and the TDC.

- (i). Provide a comprehensive analysis of existing sustainability certification programs, including the compilation of data related to existing tourism sustainability and resilience certifications programs or schemes, and present a, critical and systematic analysis of its characteristics. The analysis must include: (a) a brief diagnosis of the sustainability performance of the tourism sector in The Bahamas, including an assessment of the current status and anticipated levels of climate-related risks and opportunities for tourism operations within its value chain; (b) an overview of available eco-label, sustainability and resiliency certifications applicable to the tourism sector and applied worldwide, (c) selection of at least 10 initiatives previously used worldwide, and a description of their selection criteria; (d) a systematic analysis of those initiatives, considering at least the following aspects: technical design, subsectors/ businesses that could be certified, costs associated with implementation, lessons learned with the implementation of certification schemes, implementation framework (including the capacity of tourism stakeholders to adopt and implement certifications), recognition in consumer source-markets, overall pros and cons, applicability in The Bahamas scenario. The list of initiatives to be part of the analysis should be submitted to the IDB and TDC's teams for previous validation. The analysis should be executed through desk research and include key-stakeholder's interviews when appropriate. It is important that previous efforts already developed by the TDC, especially the general outline of the Sea Stars Seal of Approval, are considered in this analysis. The outcome expected is a comprehensive and critical analysis of certifications of sustainable and resilient tourism available at the market and their applicability to The

Bahamas.

- (ii). Develop a complete set of recommendations for the future adoption and implementation of a certification system for sustainable and resilient tourism in The Bahamas, based on the previous analysis and stakeholder consultation. The recommendations should build on the findings of the previous activity, and be complemented by (a) a survey with companies in the tourism sector value chain – considering the multiple subsectors of tourism that could be part of a certification process, and (b) structured qualitative interviews with key-leaders from the tourism sector in The Bahamas, public and private sector representatives, as well as NGOs. Adjusting the best practices analysed into the needs and characteristics of the local market, provided by the survey and interviews, it will be possible to develop a set of recommendations for implementing a program of such characteristics in the Bahamas. The recommendations should include aspects such as: objectives and indicators of success, usage of existing certifications/ labels or development of a new one, subsectors to be certified, responsibility and obligation of engagement (voluntary or enforced), engagement and promoting strategies, general policy for costs associated with implementation, framework for implementation, executing agents, changes in the normative framework necessary, etc. They should also indicate the preferential approach for including resiliency and environmental sustainability – either by a joint certification or by separate schemes. The recommendations should be prepared based on existing information on each of the aspects and will include additional research and/or collection of data whenever needed. The list of key-stakeholders, as well as the sample of businesses that should be consulted will be previously validated by the IDB and TDC’s teams. The TDC will provide for the communication with those stakeholders, if relevant. The recommendations will be validated by local stakeholders in a virtual webinar. The expected outcome is a set of recommendations and guidelines to put in place a sustainable tourism certification program/ system in The Bahamas.
- (iii). Deliver a strategic and operational plan for the implementation of the recommendations previously developed. The plan should include the delimitation of objectives, monitoring indicators, strategies, and its associated operational plans. Some of the strategic thematic areas that should be focused are (a) institutional structure and governance framework, (b) communication and engagement of players (including supply-chain), (c) strategic alliances, (d) operational implementation, (e) monitoring and evaluation. Each of the strategies will be refined in operational plans that provide information on activities, responsibilities, timetables, and costs for the implementation of those strategies, providing specific guidance for the setting in motion of the certification program. The activity should include at least 3 webinars/ events for the dissemination of information and engagement of local businesses, putting in place part of the communication strategies developed. The calendar and scope of those events will be jointly decided with the IDB and TDC teams. The expected outcome is an operational plan for the implementation of a sustainable tourism certification program in The Bahamas.
- (iv). Design the framework of a governance scheme for the implementation and monitoring of

the certification program/ system. The governance design should be in synergy with the previous analysis and recommendations and consider the institutional organization of the Ministry of Tourism and Aviation and the TDC. It should not solely rely on the TDC for the program implementation, but consider its role and mark out adjustments necessary, related to personnel, training, resources, etc. The expected outcome is governance framework and its associated operational plan for the implementation of a sustainable tourism certification program in The Bahamas.

5. **Expected Outcome and Deliverables**

5.1. The following deliverables are expected from this project:

- Product 1 – Workplan, with the planning of activities and tasks that will be developed, including a project schedule, methodology, communication scheme, information to be provided by the IDB, etc.
- Product 2 – Analysis of certifications of sustainable and resilient tourism available at the market and their applicability to The Bahamas
- Product 3 – Recommendations and guidelines to put in place a sustainable tourism certification program/ system in The Bahamas
- Product 4 – Strategic and operational plan for the implementation of a sustainable tourism certification program in The Bahamas (preliminary version). This version should include: an executive summary, and presentation (ppt or similar), as well as a full report.
- Product 5 – Strategic and operational plan for the implementation of a sustainable tourism certification program in The Bahamas (stakeholder validated version). This version should include: an executive summary, and presentation (ppt or similar), as well as a full report.
- Product 6 – Governance framework and its associated operational plan for the implementation of a sustainable tourism certification program in The Bahamas
- Product 7 – Dissemination webinar reports.

6. **Project Schedule and Milestones**

6.1. It is expected that the project has a total duration of 24 weeks. The following table indicates the deadline estimated for each one of the deliverables.

Product	Deadline
Product 1 – Workplan	1 week after signing contract
Product 2 – Analysis of certifications and their applicability to The Bahamas	5 weeks after signing contract
Product 3 – Recommendations and guidelines for a sustainable tourism certification program	7 weeks after signing contract
Product 4 – Strategic and operational plan for the implementation of the program (preliminary version)	10 weeks after signing contract
Product 5 – Strategic and operational plan for the implementation of the program (stakeholder validated version)	14 weeks after signing contract
Product 6 – Governance framework and operational plan	16 weeks after signing contract
Product 7 – Dissemination webinar reports	24 weeks after signing contract

7. Reporting Requirements and Acceptance Criteria

7.1. The consulting company will present its reports to the IDB in digital format and in English. Partial and final reports should be submitted to the IDB technical team for validation and comments, to be further incorporated. The TDC will jointly comment and validate all products. Any additional support from both institutions needed must be defined in the Workplan (Product 1). The outcomes and deliverables of the project must observe the technical scope and activities described in this Terms of Reference in order to be approved.

8. Supervision and Reporting

8.1. The job will be performed in English and take place in the place of residence of the consulting firm, in accordance with displacement restrictions due to the COVID-19 pandemic. Videoconferences, audioconferences and other telematic contacts this the IDB and TDC representatives will be possible whenever necessary.

9. Schedule of Payments

Payment Schedule	
Product	%
1. Product 1 – Workplan	10%
2. Product 2 – Analysis of certifications and their applicability to The Bahamas	25%
3. Product 3 – Recommendations and guidelines for a sustainable tourism certification program	
4. Product 4 – Strategic and operational plan for the implementation of the program (preliminary version)	35%
5. Product 5 – Strategic and operational plan for the implementation of the program (stakeholder validated version)	
6. Product 6 – Governance framework and operational plan	20%
7. Product 7 – Dissemination webinar reports	10%
TOTAL	100%

TERMS OF REFERENCE

Support for the implementation of operational plans for a sustainable tourism certification program in The Bahamas

1. Background and Justification

- 1.1. The Bahamas economy is highly dependent on Tourism: in 2019, 43.3% of the country's GDP was related to tourism and travel activities and international visitors expenditures in The Bahamas accounted for more than 80% of its total exports ([WTTC, 2020](#)). The concentration of The Bahamas economy in the tourism sector and its lack of diversification makes the country highly vulnerable to crises such as the COVID-19 ([UNDP, 2020](#)) and the local economy is estimated to shrink by as much as 14% to 20% overall in 2020 ([Government of The Bahamas, 2020](#)).
- 1.2. The destruction caused by Hurricane Dorian added to the COVID-19 pandemic have highly impacted the country, specifically the tourism sector. Despite the negative impacts of those crises, they have opened an opportunity for destinations to “build back better” tourism, emphasizing the need to strengthen the climate resilience of the sector and highlighting both the fragility of the natural environment and its central role as source of attraction of visitors ([UNWTO, 2020](#)). Recent market trends suggest that sustainability and the adequate use of natural resources will be more valued by tourists in the post-pandemic scenario. In the Bahamas many tourism properties currently lie in a storm surge zone and the extent of properties at risk increases with a future scenario of a 1 m rise in sea level. While sea level rise (SLR) by itself only threatens a small number of properties, when combined with weak (Category 1), moderate (Category 3) and strong (Category 5) storms the resulting coastal flooding impacts 34%, 69%, and 83% of the tourism infrastructure (hotels and resorts), respectively. Therefore, resilience and sustainability arise as key factors to provide competitiveness and longevity for The Bahamas tourism sector.
- 1.3. Eco-labels and sustainable certifications have been more popular in the tourism sector in the last decade. As Buckley (2001) points out, they might be an effective component of a policy, if coupled with environmental regulations⁵. Sustainability certification may also be a tool for improving the competitiveness of destinations and lessening the environmental impacts of tourism development (Font and Harris, 2004)⁶. They can also be a stepping-stone for local enterprises to put the principles of sustainability into action (Agyeiwaah et al., 2017)⁷. Nonetheless, in order for labels and certifications of this kind to be effective, some criteria should be met, such as: administrated by a reputable organization, recognized by consumers, utilizes transparent criteria, has an effective audit processes, , among others (Buckely, 2001). The adoption of global certification should also be congruent with local practices, cultural context and social particularities in order to be effective (Duffy and Moore, 2011). Some local entrepreneurs consulted in research also widely mention that tourism standards would be more valuable for destinations and enterprises if they shifted from normative codes to practical

⁵ BUCKLEY, R. (2001). [Major Issues In Tourism Ecolabelling](#).

⁶ FONT, X., HARRIS, C. (2004). [“Rethinking standards from green to sustainable”](#). In: Annals of Tourism Research. 31 (4), 986–1007.

⁷ AGYEIWAH, E. et al. (2017). [“Identifying core indicators of sustainable tourism: a path forward?”](#) In: Tourism Management Perspectives. 24, 26-33.

tools, and were more adaptable to the idiosyncratic characteristics of host communities and the emerging trends of the tourism market overall (Gkoumas, 2019)⁸.

- 1.4. Aware of the changes in the hospitality industry driven by a discerning travelling public that is demanding better stewardship of the environment, The Bahamas Government has been implementing actions aimed at increasing the sector's resilience and sustainability. Prior to the setbacks imposed by the pandemic, as part of the strengthening of the Tourism sector, measures were undertaken such as the launch of the Tourism Development Corporation (TDC) in 2018. One of the initiatives envisioned as relevant by the Ministry of Tourism and Aviation of The Bahamas and designated to the TDC was the design and future implementation of sustainable tourism certification programs, aimed at providing guidelines for businesses and attractions to improve their environmental sustainability and their resilience to climate change and crises. With the proper set of guidelines and reinforcement tools, along with the adequate environmental legislation, certifications may be an effective complement on the pathway towards sustainability and resilience in The Bahamas tourism sector. In this context, the Ministry of Tourism and Aviation of The Bahamas has asked the support of the Bank to develop guidelines that allow this effort to take place. It is worth mentioning the previous efforts already developed by the Ministry and the TDC in creating the general outline of a certification program, that should be incorporated under the execution of this project.
- 1.5. The objective of this TC is to support The Bahamas Ministry of Tourism and Aviation with (i) recommendations for the implementation of sustainable and climate resilient tourism certification program, as well as (ii) a governance framework to sustain this implementation. Sustainable and climate resilient tourism certificates are an adaptable tool that can positively complement environmental regulation and increase the attractiveness of destinations to a discerning public. In The Bahamas, these certificates could be an important element in "building back better" the tourism sector, post-COVID-19.
- 1.6. The TC lines up with the critical need of support for LAC's countries to provide a sustainable recovery from the crisis generated by the pandemic. It is also aligned with the IDB's second update to the Institutional Strategy, as it contributes to the (i) increase of productivity and innovation in The Bahamas, given that certification processes may support a better quality of services provided by tourism companies, contributing to an increase in the sector's productivity; it is also aligned with the cross cutting theme (ii) climate change and environmental sustainability, as sustainable certifications, if effectively implemented, are one of the tools that can aid tourist destinations in achieving a more sustainable development. The technical cooperation is also aligned with the Country Strategy with The Bahamas 2018-2022 (GN-2920), as it promotes innovation and innovative practices in traditional sectors, such as sustainable tourism. The TC is also aligned with the Ordinary Capital Strategic Development Program for Sustainability (OC-SUS) (GN-2819-1) objectives since it contributes to strengthen institutional capacities focused on environmental sustainability.

2. Objectives

- 2.1. The objective of the consulting services is to provide technical support for the implementation of the operational plans developed for the implementation of a sustainable tourism certification program in The Bahamas.

⁸ GKOUMAS, A. (2019) "[Evaluating a Standard for Sustainable Tourism through the Lenses of Local Industry](#)" In: Heliyon. 5 (11).

3. Scope of Services

3.1. The services should aim at the following specific objectives:

- (1) Provide technical support for the TDC in the implementation of prioritized activities of the operational plan developed for the sustainable tourism certification program in The Bahamas.
- (2) Provide specific technical support in the implementation of the governance framework developed for the sustainable tourism certification program in The Bahamas, especially in matters related to stakeholder communication and TDC capacity building.

4. Key Activities

4.1. The following activities should be developed by the individual consultant. It is worth mentioning that this is not an exhaustive list and it might be adjusted in the Workplan, upon the approval of both IDB and the TDC.

- (i). Develop a workplan, indicating the set of specific activities that should be performed, guided by the sustainable tourism certification program framework (in preparation/delivered). The workplan should include the planning of activities and tasks that will be developed, a project schedule, methodology, communication scheme, information to be provided by the IDB, etc.
- (ii). Identify prioritized actions included in the operational plan that should be the focus of the technical support, validate the list with the TDC and jointly specify activities that will be conducted in order to provide support for the implementation. This support should be of, at least, 90 hours.
- (iii). Identify a set of activities to be performed to provide support for the implementation of a governance framework. The activities should be validated with the TDC and have a dedication of at least 70 hours of support for its execution.
- (iv). Provide monthly reports indicating the activities performed during the period.

5. Expected Outcome and Deliverables

5.1. The following deliverables are expected from this project:

- Product 1 – Workplan
- Product 2 – Monthly report of activities – Month 1
- Product 3 – Monthly report of activities – Month 2
- Product 4 – Monthly report of activities – Month 3
- Product 5 – Monthly report of activities – Month 4
- Product 6 – Monthly report of activities – Month 5
- Product 7 – Final consolidated report

6. Project Schedule and Milestones

6.1. It is expected that the project has a total duration of 24 weeks. The following table indicates

the deadline estimated for each one of the deliverables.

Product	Deadline
Product 1 – Workplan	2 weeks after signing contract
Product 2 – Monthly report of activities – Month 1	4 weeks after signing contract
Product 3 – Monthly report of activities – Month 2	8 weeks after signing contract
Product 4 – Monthly report of activities – Month 3	12 weeks after signing contract
Product 5 – Monthly report of activities – Month 4	16 weeks after signing contract
Product 6 – Monthly report of activities – Month 5	20 weeks after signing contract
Product 7 – Final consolidated report	24 weeks after signing contract

7. Reporting Requirements and Acceptance Criteria

7.1. The consultant will present its reports to the IDB in digital format and in English. Partial and final reports should be submitted to the IDB technical team for validation and comments, to be further incorporated. The TDC will jointly comment and validate all products. Any additional support from both institutions needed must be defined in the Workplan (Product 1). The outcomes and deliverables of the project must observe the technical scope and activities described in this Terms of Reference in order to be approved.

8. Supervision and Reporting

8.1. The job will be performed in English and take place in the place of residence of the consultant, in accordance with displacement restrictions due to the COVID-19 pandemic. Videoconferences, audioconferences and other telematic contacts with the IDB and TDC representatives will be possible whenever necessary.

9. Schedule of Payments

Payment Schedule	
Product	%
Product 1 – Workplan	15%
Product 2 – Monthly report of activities – Month 1	25%
Product 3 – Monthly report of activities – Month 2	
Product 4 – Monthly report of activities – Month 3	25%
Product 5 – Monthly report of activities – Month 4	
Product 6 – Monthly report of activities – Month 5	15%
Product 7 – Final consolidated report	20%
TOTAL	100%

PROCUREMENT PLAN FOR IDB-EXECUTED OPERATIONS													
Country: Bahamas							Executing Agency: IDB				UDR: CCB/CBH		
Project number: BH-T1082							Project name: Recommendations for the Implementation of Sustainable and Climate Resilient Tourism Certifications in the Bahamas						
Period covered by the Plan: [18 months]							Total Project Amount: US\$ 200,000						

Component	Procurement Type (1) (2)	Service type (1) (2)	Description	Estimated contract cost (US\$)	Selection Method (2)	Type of Contract	Source of Financing and Percentage				Estimated date of the procurement notice	Estimated contract start date	Estimated contract length	Comments
							IDB/MIF		Other External Donor					
							Amount	%	Amount	%				
Component 1	A. Consulting services	Consulting Firm (GN-2765)	Analysis, recommendations and operational plan for implementing a sustainable tourism certification program in The Bahamas	\$175,000	SCS	Lump Sum	\$175,000	100%	\$ -	0%	15-Dec-20	15-Feb-21	6 months	
Component 2														
Component 3														
Component 3	A. Consulting services	Individual Consultant (AM-650)	Support for the implementation of operational plans for a sustainable tourism certification program in The Bahamas	\$25,000	ICQ	Lump Sum	\$25,000	100%	\$ -	0%	1-Jul-21	1-Sep-21	6 months	
Prepared by:				TOTALS	\$ 200,000		\$ 200,000	100%	\$ -	0%				

(1) Grouping together of similar procurement is recommended, such as publications, travel, etc. If there are a number of similar individual contracts to be executed at different times, they can be grouped together under a single heading with an explanation in the comments column indicating the average individual amount and the period during which the contract would be executed. For example: an export promotion project that includes travel to participate in fairs would have an item called "airfare for fairs", an estimated total value of US\$5,000, and an explanation in the Comments column: "This is for approximately four different airfares to participate in fairs in the region in years X and X1".

(2) (i) Individual consultants: ICQ: Individual Consultant Selection Based on Qualifications; SSS: Single Source Selection. Selection process to be done in accordance with AM-650.

(2) (ii) Consulting firms: Per GN-2765-1, Consulting Firm selection methods for Bank-executed Operations are: Single Source Selection (SSS); Simplified Competitive Selection (<=250K) (SCS); Fully Competitive (>250K) (FCS); and Framework Agreement Task Order (TO). All Consulting Firm selection processes under this policy must use the electronic module in Convergence.

(2) (iii) Goods: Per GN-2765-1, par. A.2.2.c: "The procurement of goods and related services, except when such goods and related services are necessary to achieve the objectives of the Bank-executed Operational Work and are included in the consulting services contract and represent less than ten percent (10%) of the consulting services contract value."