

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

THE BAHAMAS

SUSTAINABLE HOUSING OPPORTUNITIES FOR URBAN TRANSFORMATION
(BH-L1064)

PROJECT PROFILE

This document was prepared by the project team consisting of: Robin Rajack, Team Leader (CSD/HUD); Martín Soulier Faure, Alternate Team Leader (CSD/HUD); Carolina Franco, Paloma Siva, and Manuela Palacio (CSD/HUD); Sara Vila, Virginia Diaz (LEG/SGO); Darryl Fountain, Anthonique Hanna (CCB/CBH); Gerard Aleng, Federico Brusa (CSD/CCS); Tanya Wrigth, Derise Williams, Hollace Dazzell, Paula Louis-Grant (VPC/FMP); Anthony Hall (IFD/CMF); Lynn Scholl (INE/TSP); Rodrigo Riquelme (INE/WSA); Antonia Graham, Sasha Baxter (CCB/CCB); Christine Young, Sarah Mangones, and Luis Abolafia (VPS/ESG).

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PROJECT PROFILE

THE BAHAMAS

I. BASIC DATA

Project Name:	Sustainable Housing Opportunities for Urban Transformation		
Project Number:	BH-L1064		
Project Team:	Robin Rajack, Team Leader (CSD/HUD); Martín Soulier Faure, Alternate Team Leader (CSD/HUD); Carolina Franco, Paloma Siva, and Manuela Palacio (CSD/HUD); Sara Vila, Virginia Diaz (LEG/SGO); Darryl Fountain, Anthonique Hanna (CCB/CBH); Gerard Aleng, Federico Brusa (CSD/CCS); Tanya Wrigth, Derise Williams, Hollace Dazzell, Paula Louis-Grant (VPC/FMP); Anthony Hall (IFD/CMF); Lynn Scholl (INE/TSP); Rodrigo Riquelme (INE/WSA); Antonia Graham, Sasha Baxter (CCB/CCB); Christine Young, Sarah Mangones, and Luis Abolafia (VPS/ESG).		
Borrower:	The Commonwealth of The Bahamas		
Executing Agency:	The Ministry of Housing and Land Reform		
Type of Instrument and/or Modality:	INV-GOM		
Sector and Subsector:	CSD/HUD		
Financial Plan:	IDB (Fund):	US\$	50,000,000
	Total:	US\$	50,000,000
Socio-environmental classification:	B		
Strategic Alignment:	Institutional capacity and rule of law Gender Diversity: Indigenous Peoples; Afro-descendants; People with disabilities; LGBTQ+ Climate resilience Poor populations Sustainable economic growth		
Expected alignment with the Paris Agreement	Simplified analysis		
Country Strategy:	Aligned with the Country Strategy with the Bahamas 2024-2028 (GN-3198-1), with the following objectives: (i) Strengthen the country's resilience to disaster and climate change; (ii) Improve government effectiveness and responsiveness, and the quality of public services; and (iii) Improve access to and quality of basic services.		
Contribution to thematic initiatives and/or regional programs:	One Caribbean. Priority areas (i) and (iii).		

II. JUSTIFICATION AND DESCRIPTION OF THE PROJECT

A. Description of the Project

- 2.1 Objectives.** The general objective is to improve access to adequate housing¹ for low- to middle-income households in The Bahamas. The specific objectives are to: (i) strengthen institutional capacity and the regulatory framework for adequate housing; (ii) expand access to housing-improvement solutions for the existing stock; and (iii) increase the supply of adequate housing.
- 2.2 Context.**² The Bahamas' population increased from approximately 255,000 inhabitants in 1990 to about 400,000 in 2022. New Providence's (NP) share of the overall population expanded to nearly 74% (297,000 residents) by 2022, driven in part by disaster-related internal migration. At the same time, the urban footprint has been expanding. Addressing housing needs in the context of this population growth and declining land-use intensity is particularly challenging. Despite its high-income status, income inequality is the highest in the Caribbean³ and central government spending on housing and community amenities in The Bahamas is low (0.02% of GDP) compared to Caribbean peers (1.3%).⁴
- 2.3 Problem and Determinants.** Low-middle-income households in The Bahamas have limited access to adequate housing. This manifests as low affordability. In NP, even though price growth of 32% in the last decade was in line with international norms, affordability has suffered because of stagnant incomes and inflation ([see reference](#)).⁵ Home prices grew even more sharply in some of the Family Islands, with median prices rising 94%, 71%, and 128%, in Grand Bahama, Abaco, and Exuma respectively (Figures 1 and 2), well above the international average. The effect is more severe among vulnerable populations, with an earlier assessment finding that 58% of poor households lived in privately rented housing, where rents were subject to typical annual increases of 34%.⁶

¹ Housing of suitable quality and resilience

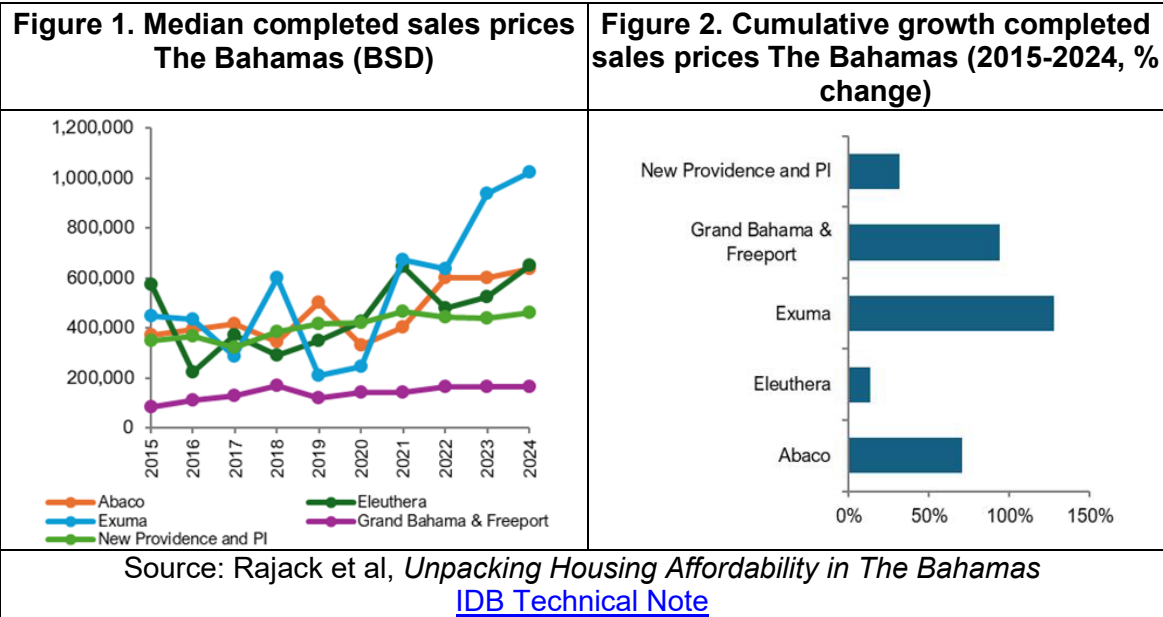
² This section draws extensively on the analysis presented in Rajack et al., *Unpacking Housing Affordability in The Bahamas*, 2026.

³ Gini coefficient of 0.57 (ECLAC).

⁴ Housing Affordability in The Bahamas, IMF, 2025

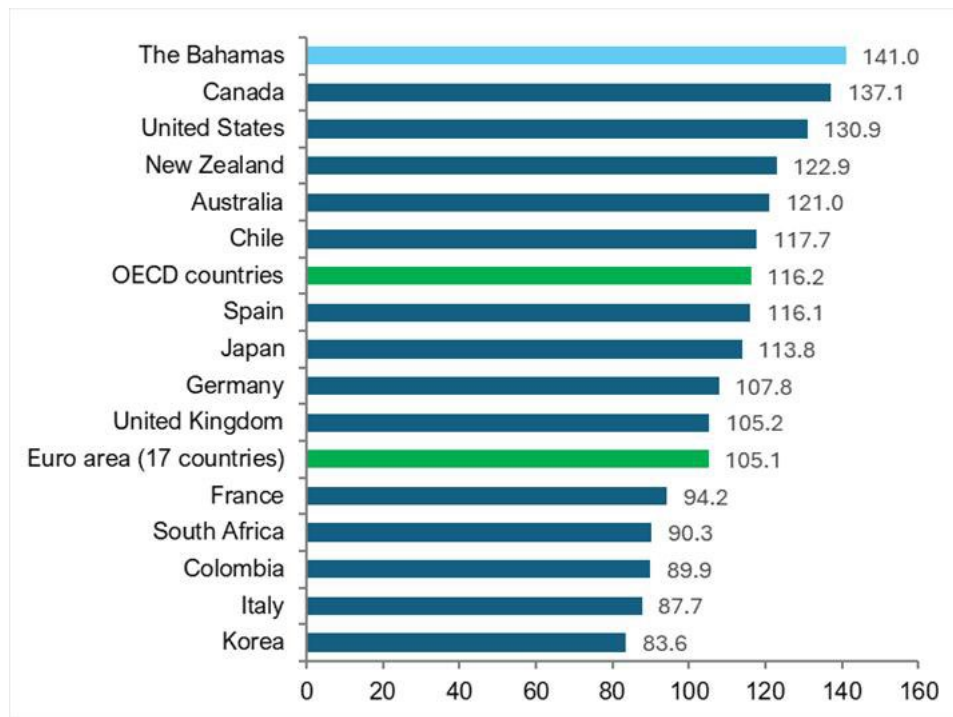
⁵ J. Saboin; 2025.

⁶ Housing Affordability in The Bahamas, IMF, 2025 citing The Bahamas 2013 Household Expenditure Survey.



- 2.4** Housing affordability is also often assessed using the house price-to-income ratio. In 2024, NP and Paradise Island recorded a ratio of 141:1—high by international standards (Figure 3). Illustratively, the annual wage of resort workers in NP (BSD26,112) is less than 40% of the minimum qualifying income to afford the median-priced home in NP in 2024, assuming no consumer debt. Moreover, in 2022, almost 30% of households nationally annually earned less than BSD 20,000 (proportions are higher in Grand Bahama and Abaco compared to New Providence – [see reference](#)) and a further 30,000 households earned less than BSD 40,000.

Figure 3. House-Price to Income Ratios Internationally, 2024



Source: Data for The Bahamas, estimated by the authors using aggregated data from Morley Residential and Commercial Services. OECD data, as visualized in Statista (2026), "House-price-to-income ratio in selected countries worldwide in 2024, by country."

- 2.5 Determinants.** Access to adequate housing is deteriorating due to institutional framework misalignment, insufficient housing supply, stock attrition, and banks' aversion to lending for low-cost housing.
- 2.6 Determinant 1. Institutional framework misalignment.** The institutional framework is characterized by inefficiencies and under-capitalization of the public mortgage company, lack of dedicated agencies for public housing production and management, and by regulations that inadequately incentivize private production.
- 2.7** The Bahamas Mortgage Corporation (BMC) whose mandate is to serve low-to-moderate-income individuals and families is characterized by legacy balance-sheet issues (mortgage default rates in excess of 25%), a high cost-to-income ratio above 70%, and severe undercapitalization with monthly origination capacity of approximately BSD2–3M compared with a qualified pipeline of nearly BSD12M. Yet it remains the primary source of mortgages for lower income households who qualify for long-term finance, providing mortgages for 70% of housing solutions that were completed by the MHLR in the last 5 years.
- 2.8** Public housing stock is currently produced and managed by the MHLR, a Ministry rather than a dedicated special purpose vehicle. Production is limited and has been focused on single family detached dwellings for sale with only 159 completed between 2021 and 2026, and a further 127 under construction. The public rental stock is limited to 148 units, with many suffering from deferred maintenance and

very low rental rates. No new rentals have been built in the last three decades. A program of contractor-led repairs to private homes has been pursued through a grant program administered by the Urban Renewal Authority with no recovery of financing.

- 2.9** Land use planning and zoning has inadequately incentivized efficient use of land and infrastructure and discouraged multi-residence properties. This is reflected in the Greater Nassau Area whose density of 19 inhabitants per hectare ranked 35th in an IDB 70-city sample in 2010-2020.⁷ Rent control regulation and associated tenant protections have adversely affected incentives to rent second homes, reflected in vacancy levels (over 20,000 units in the 2022 census) and an 80% growth in short-term vacation rentals between 2018 and 2024.⁸ High regulatory avoidance in housing construction is partially a response to an inefficient construction permitting process which was ranked 77th out of 190 nations in the World Bank Doing Business Survey (2020).
- 2.10 Determinant 2. Insufficient supply of new housing – quantitative deficit.** Between 2010-2022, annual housing production (formal and informal) averaged 1,475 dwellings - an annual quantitative deficit of 900 units based on the last estimate of annual housing demand.⁹ Even after controlling slower population growth, housing stock growth (both formal and informal) was 1.5 times slower than in the previous decade. The supply of new formal housing declined since the Global Financial Crisis, reaching 607 completed units in 2023.¹⁰
- 2.11 Determinant 3. Stock deterioration and attrition – qualitative deficit.** Access to adequate housing is exacerbated by deterioration and attrition as buildings fall into a state of disrepair. Without sustained maintenance and repair, older units are more susceptible. 40% of the stock as of 2022 was built before 1990 (Figure 4). Lower quality initial construction also contributes to faster deterioration. Approximately 17% of dwellings (20,672 homes) had outer walls made of less durable materials than concrete blocks in 2022.¹¹ Additionally, homes that were constructed without full regulatory oversight are more likely to have qualitative defects and account for 60% (10,497 solutions) of the intercensal increase ([see reference](#)). This manifests as a resilience vulnerability during natural disasters with Hurricane Dorian (2019) alone destroying an estimated 27.6% of dwellings in Abaco and 8% in Grand Bahama.¹²

⁷ Angel et al., 2025. "Accommodating Urban Growth in Latin American and Caribbean Cities."

⁸ IMF, 2025 citing AirDNA

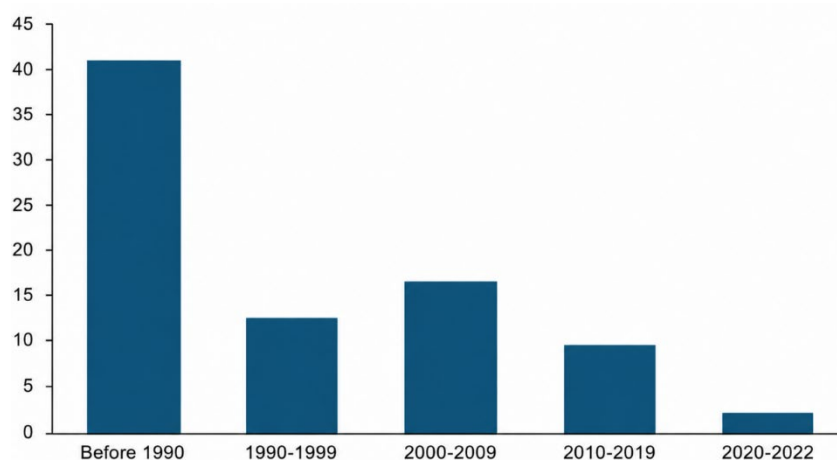
⁹ Donovan, M., & McHardy, P. (2016). The State of Social Housing in Six Caribbean Countries. Inter-American Development Bank (IDB), based on government statistics.

¹⁰ IMF. 2025.

¹¹ BNSI, 2022 Census of Population and Housing, 2nd Release.

¹² IDB & ECLAC, 2020: Assessment of the Effects and Impacts of Hurricane Dorian in the Bahamas.

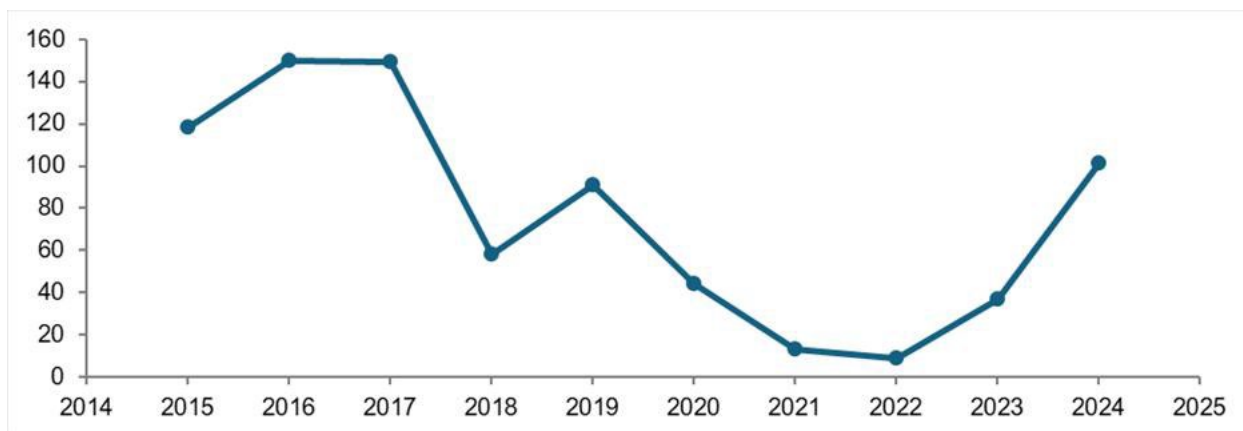
Figure 4. Distribution of Housing Stock by Decade of Construction (%)



Source: Rajack et al., [IDB Technical Note](#)

2.12 Repair and rehabilitation investments can extend the life of the housing stock. However, since 2018, residential mortgage commitments for rehabilitation and additions have declined significantly (Figure 5).

Figure 5. Number of Residential Mortgages for Rehabilitation and Additions 2015-2024



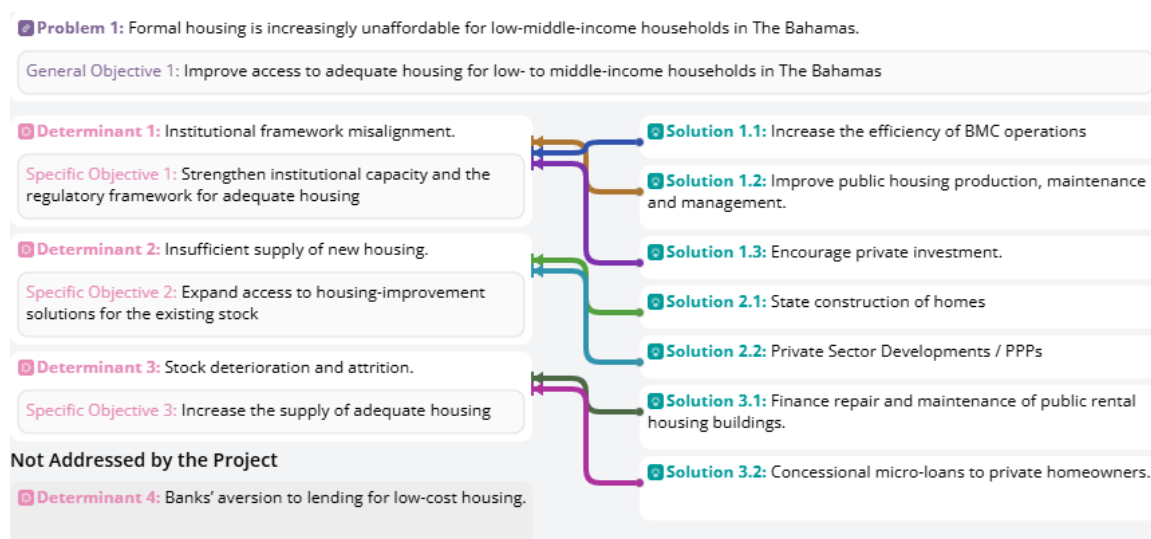
Rajack et al., [IDB Technical Note](#)

2.13 Determinant partially addressed. Banks' aversion to lending for low-cost housing. Between 2015 and 2025, residential mortgage commitments declined by 30% for new construction and 20% for existing dwellings. Larger average loan amounts and declining loan-to-value ratios, from 81% (2015) to 71% (2024), suggest these loans are not serving low-income households.

- 2.14 Proposed Solutions and Beneficiaries.** The findings suggest that policy, regulatory, public programming and financing changes are needed to augment housing production and stem stock attrition.
- 2.15** Firstly, the regulatory framework will be reformed to: (i) increase the efficiency of BMC operations through business process reengineering and investments in technology, (ii) improve public housing production, maintenance and management, and (iii) encourage private investment including in the rental sector.
- 2.16** Secondly, the Program will finance new housing solutions for rent and sale through: (i) state construction of homes in well-located neighborhoods, some of which may have derelict buildings; or (ii) private sector development/ PPP - offering prospective developers more profitable terms such as land already assembled in well-located neighborhoods, intensive development rights (e.g., higher floor area ratios and mixed-use zoning) or subsidized on-site residential infrastructure. In return, the private sector will provide a minimum quota of affordable housing. The first option will target households with no prior land/home ownership earning less than BSD20,000 annually, while PPPs will focus on those in the BSD20,000-BSD40,000 band. In the first solution, subsidized rent or sale prices are justified due to the failure of the open market to produce adequate housing solutions for households with such low purchasing power. For PPPs, subsidized land / infrastructure is an efficient way of attracting available private capital for housing that is needed given the limited resources of the State. Unlike recent practice, most solutions will be more accessible by being offered for rent and higher density will lower unit costs.
- 2.17** Thirdly, the operation will also: (i) finance repair and maintenance of public rental housing buildings; and (ii) expand access to concessional micro-loans to private homeowners for maintenance, repair, and expansion. The modality will target households with eligible qualitative housing deficits in properties for which they have a demonstrable right to occupy and will consist of concessional micro-loans for those earning up to BSD40,000. Subsidized interest rates are justified given the reconstruction cost savings that such repairs create when undertaken in a timely manner.
- 2.18** In support of resolving housing finance challenges not directly addressed by this Program, there is an active policy dialogue about a separate but related operation to more fully restructuring the BMC and to support its capitalization, likely through an IDB guarantee to be approved in 2027 or 2028.
- 2.19 Expected Results and Impacts.** Over time, the proposed measures will increase the annual supply of affordable housing. Regulatory reforms, direct production, and PPPs will improve land-use intensity. Financial and technical support for home improvement will reduce qualitative housing deficits.
- 2.20 Other Contributions to Cross-Cutting themes/areas.** By improving the overall quality of the housing stock, this project will bolster resilience against natural disasters and climatic events. Because female-headed households, older people, and those with disabilities are expected to be over-represented among those

suffering from qualitative housing deficits, the project's home repair activities and support for public housing will promote gender diversity and inclusion. Alignment with sustainable economic growth is achieved through housing's impact on employment. Finally, regulatory reforms will bolster the institutional capacity of housing and physical planning.

Figure 1. Summary of the Theory of Change



Note: The Theory of Change can be reviewed in greater detail at the following [link](#).

B. Bank Additionality

- 2.21 Programmatic approach.** The Bank's long-term engagement in The Bahamas has emphasized strengthening urban planning and resilience. The focus on higher density and resilient infrastructure is consistent with this. Direct subsidies for self-construction/repair were found to reach low-income households and be cost effective.¹³
- 2.22 Non-Financial Additionality.** The Bank facilitates inter-agency coordination and is currently supporting Technical Cooperation (TC) to develop the framework for resilience retrofits of existing Bahamian homes ([ATN/OC-22171-RG](#)).
- 2.23 Synergies with the private sector.** Private firms will be incentivized to invest capital in PPPs through Crown land, infrastructure, and development rights.

¹³ IDB-OVE (2017), Comparative Project Evaluation of IDB Support to Low-income Housing Programs in Four Caribbean Countries, <https://doi.org/10.18235/0000634>

- 2.24 Collaborations with other institutions.** The operation will be developed by the MHLR in collaboration with the BMC, Ministry of Works & Family Island Affairs (MOWFIA) and the Ministry of Grand Bahama with relationships to be documented in the Memoranda of Understanding (MOUs).

III. COSTS AND FINANCING STRUCTURE

- 3.1 Components.** The proposed interventions are expected to total US\$50,000,000, to be disbursed over six years, organized into three components.
- 3.2 Component I. Institutional Strengthening and Regulatory Reform (US\$13,000,000).** This component aims to strengthen institutional capacities and the regulatory framework for adequate housing. Goods and consulting services will be acquired for: (i) reforming the BMC, including change management, staff training and modernization upgrades: credit scoring systems, banking software, and customer interface; (ii) creation of a Public Housing Authority (PHA) to program, manage, and maintain public housing developments, and a Housing Development Agency (HDA) to undertake the construction and sale/rent of new housing solutions, alongside associated investments in management systems and training; (iii) regulatory reforms to incentivize private housing investment and PPPs through mixed use, higher density and multifamily-zoning, construction permitting reform, and rent control reform to strike a better balance between tenant protections and incentivizing investment in rental creation and maintenance.
- 3.3 Component II. New Housing (US\$25,000,000).** This component has the objective to increase the supply of adequate housing by delivering two types of products for rent or sale (¶2.16) on land with clear titles: (i) state direct construction of housing in well-located and serviced lots; and (ii) well-located lots provided with adequate zoning, development rights, and services for private investment in new housing where commercial banks may provide construction finance to the developers and mortgages to purchasers.
- 3.4 Component III. Improvement of the Existing Housing Stock (US\$10,000,000).** This component has the objective of expanding access to housing-improvement solutions for the existing stock. It will include (i) finance for urgent repairs, maintenance, and capacity expansion of public housing rental buildings; and (ii) concessional micro-loans to existing homeowners (¶2.17) to: (a) make urgent repairs and maintenance of their homes; (b) add auxiliary or long-term rental units to their plots; and (c) make resilience-retrofits.
- 3.5 Project Administration and Management (US\$2,000,000).** These activities will finance the implementation unit management costs, including staffing, auditing, monitoring, and supervision, as well as the program's final evaluation.

- 3.6 Financing structure.** The proposed project will be financed by the IDB through Ordinary Capital (OC) resources for US\$50,000,000. No counterpart funding is expected. Retroactive financing is anticipated for pre-investment activities such as engineering designs.
- 3.7 Financing Instrument or Modality - Multiple Works Program (MWP).** This operation will be structured as an investment loan under the Multiple Works Program (MWP) modality. In accordance with PR-202, a representative sample of specific works, amounting to approximately 30% of total Program cost, will be fully defined before Board approval. The groups of similar works to be financed will: (i) be physically similar but independent; (ii) have feasibility that does not depend on the execution of other projects; and (iii) be of a size that does not warrant direct Bank handling. The Bank and the Borrower, The Commonwealth of The Bahamas, will agree during preparation on: (i) the criteria the Executor will use to select the works; and (ii) the general specifications of the works. This will be reflected in the Loan Contract and Operations Manual. The MWP modality is suitable because the physical scale and complexity of the proposed construction projects are similar to recent MHLR projects. The MWP also allows lessons learned from the sample projects to inform the design of additional projects.

IV. MAIN RISKS AND IMPLEMENTATION ARRANGEMENTS

A. Risks

- 4.1 Risks to Achieving Results.** The following preliminary medium-high risks have been identified: (i) context risk, if private commercial banks apply restrictive mortgage lending criteria to program sites, the program's housing solutions for sale may become inaccessible to target households, (ii) project/capacity risk, delays in the timely preparation and implementation of multi-site projects not included in the sample of projects could affect results achievement, (iii) capacity risk, insufficient capacity to effectively coordinate activities among stakeholders could affect the timely implementation of the Program, and (iv) project risk, differences between Bank and government policies regarding compensation options for a possible small number of project-affected persons who are immigrants without legal status could delay implementation.
- 4.2 Sustainability of Results.** The sustainability of the program is based on four elements: (i) permanence of regulatory reforms that aim to facilitate more intensive land-use and reduce housing production costs; (ii) investments in public housing assets with operational and maintenance expenses covered by enhanced rental revenue and annual agency budgets; (iii) making the BMC an attractive proposition for attracting capital, enhancing the supply of mortgages for affordable housing; and (iv) the mobilization of private capital through PPPs .
- 4.3 Environmental and Social Risks.** According to the Bank's Environmental and Social Policy Framework, this operation is preliminarily classified as **Environmental and Social Impact Classification (ESIC) B**, as impacts are expected to be **site-specific, temporary, and largely reversible**. Potential key

environmental impacts during construction include occupational health and safety hazards, dust, noise, traffic disruptions, and waste generation. Potential social impacts include temporary and permanent **physical and economic displacement**, differentiated impacts on vulnerable groups (including women-headed households, elderly persons, and persons with disabilities), labor influx to Family Islands, and **risks of Sexual and Gender-Based Violence (SGBV)** associated with construction activities and multiple worksites. Indirect and cumulative impacts may arise from land consolidation, infrastructure investments, and changes in land values.

- 4.4** The **Environmental and Social Risk Rating (ESRR)** is **Substantial**, reflecting the geographic dispersion of works, potential cumulative impacts in small island contexts, land acquisition and resettlement risks, labor and occupational health and safety considerations, and the Executing Agency's institutional capacity constraints. The **Disaster and Climate Change Risk Classification (DCCRC)** is **Moderate**, given the project sites' exposure to hurricanes, flooding, sea-level rise, and high water-table conditions, as well as the moderate critical role of the infrastructure, according to IDB's methodology. Environmental and social due diligence will be carried out through (i) **Environmental and Social Assessments (ESAs)** and accompanying **Environmental and Social Management Plans (ESMPs)** for a representative sample of projects, including Resettlement Action Plans and Livelihood Restoration Plans where needed, complemented by (ii) **Stakeholder Engagement Plans (SEPs)**. An Environmental and Social Management Framework (ESMF) will also be developed during preparation, including a Resettlement Framework and a Stakeholder Engagement Framework for non-sampled projects to be financed during implementation. Consultations with stakeholders for the sampled projects will be conducted in accordance with the SEPs after the disclosure of the prepared documents (ESA, ESMP, SEP, ESMF). The consultations conducted on sampled projects will serve as input to improve the ESMF for non-sampled projects.

B. Summary of the implementation arrangements.

- 4.5 Execution mechanism.** The MHLR will be the Executing Agency with the BMC as a sub-executing agency for micro-loans under Component III, including supervision of the technical quality of the improvements. A Program Implementation Unit (PIU) is to be established within the MHLR responsible for program administration and comprising at a minimum, a program director/coordinator and specialists in procurement, financial management, monitoring and evaluation and environmental and social safeguards. In addition to program management tasks, the PIU will be responsible for supervising works, engaging stakeholders, implementing the grievance mechanism, and overseeing resettlement activities. Institutional capacity assessments will be conducted to evaluate the MHLR and BMC's capabilities and identify strengthening measurements since it is the first time they are implementing an MDB program.
- 4.6 Exceptions to the Bank's Policies.** No exceptions to the Bank's Policies are anticipated.

V. RESOURCES AND PREPARATION SCHEDULED

- 5.1 Annex II presents the work schedule and budget. Operation preparation is expected to require approximately US\$84,500.00 from transactional resources, corresponding to expenses for consultancies. The Proposal for Operation Development (POD) approval is scheduled for November 2, 2026; Draft Loan Proposal (DLP) distribution to the Operational Policy Committee (OPC) for November 4, 2026; and Board approval of the Loan Proposal (LP) for December 8, 2026.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK



BAHAMAS

SUSTAINABLE HOUSING OPPORTUNITIES FOR URBAN TRANSFORMATION

BH-L1064

INITIAL ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY (ESRS)

APRIL 19, 2026

This document was prepared by:

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With the support of the Project team: Robin Rajack, Lead Housing and Urban Development Specialist and Project Team Leader (CSD/HUD); and Martin Soulier Faure, Senior Housing and Urban Development Specialist and Alternate Project Team Leader (CSD/HUD)

Initial Environmental and Social Review Summary	
Operation Data	
Operation Number	BH-L1064
IDB Sector/Subsector	Urban Development and Housing/Housing
Type of Operation & Modality	LON/GOM
Initial E&S Impact Classification (ESIC)	B
Initial E&S Risk Rating (ESRR)	Substantial
Initial Disaster and Climate Change Risk Classification (DCCRC)	Moderate
Borrower	The Commonwealth of The Bahamas
Executing Agency	Ministry of Housing and Urban Renewal
IDB Loan Amount (and total project cost)	\$50,000,000.000 (\$50,000,000.000)
Applicable ESPS's with requirements	ESPS-1; ESPS-2; ESPS-3; ESPS-4; ESPS-5; ESPS-8; ESPS-9; ESPS-10
Executive Summary	
According to the Bank's Environmental and Social Policy Framework, this operation is preliminarily classified as Environmental and Social Impact Classification (ESIC) B, as impacts are expected to be site-specific, temporary, and largely reversible. Potential key environmental impacts during construction include occupational health and safety hazards, dust, noise, traffic disruptions, and waste generation. Potential social impacts include temporary and permanent physical and economic displacement, differentiated impacts on vulnerable groups (including women-headed households, elderly persons, and persons with disabilities), labor influx to Family Islands, and risks of Sexual and Gender-Based Violence (SGBV) associated with construction activities and multiple worksites. Indirect and cumulative impacts may arise from land consolidation, infrastructure investments, and changes in land values. The Environmental and Social Risk Rating (ESRR) is Substantial, reflecting the geographic dispersion of works, potential cumulative impacts in small island contexts, land acquisition and resettlement risks, labor and occupational health and safety considerations, and Executing Agency's institutional capacity constraints. The Disaster and Climate Change Risk Classification (DCCRC) is Moderate, given the exposure of the project sites to hurricanes, flooding, sea-level rise, and high water-table conditions, but the moderate critical role of the infrastructure, according to IDB's methodology. Environmental and social due diligence will be carried out through 1) Environmental and Social Assessments (ESAs) and accompanying Environmental and Social Management Plans (ESMPs) for a representative sample of projects, including Resettlement Action Plans and Livelihood Restoration Plan where needed, complemented by 2) Stakeholder Engagement Plans (SEPs). An Environmental and Social	

Management Framework (ESMF) will also be developed during preparation, which will include a Resettlement Framework and a Stakeholder Engagement Framework for non-sampled projects to be financed during implementation.

Consultations with stakeholders for the sampled projects will be conducted according to the SEPs after the disclosure of the prepared documents (ESA, ESMP, SEP, ESMF). The consultations conducted on sampled projects will serve as input to improve the ESMF for non-sampled projects.

Operation Description

The **Sustainable Housing Opportunities for Urban Transformation Program (BH-L1064)** aims to improve access to adequate, affordable, inclusive, and climate-resilient housing for low- and middle-income households across The Bahamas, with sampled projects in **New Providence, Grand Bahama, and Abaco**, with a strong emphasis on the Family Islands. The operation is structured as a **Global of Multiple Works (GOM)** program and will finance a representative sample of projects prior to approval, together with additional eligible works to be identified during implementation.

The Program is organized around three main components. The first component focuses on **new housing supply (US \$30 million)** through: (i) development of well-located, serviced lots with zoning and development rights; (ii) direct construction of single-family and multifamily housing on serviced land; and (iii) redevelopment of underused or abandoned housing clusters through land acquisition, rezoning, demolition, and construction of new multifamily units, together with improvements to public spaces. These interventions will include associated subdivision and trunk infrastructure such as roads, drainage, stormwater systems, electricity, and sewage connections.

The second component supports **improvements to the existing housing stock (US\$ 10 million)** through concessional micro-loans and grants to homeowners for urgent repairs, resilience retrofits, and the construction of auxiliary dwelling units, as well as targeted improvements to public housing. This component will also finance technical assistance for beneficiaries, including design support and supervision of works.

The third component addresses **institutional strengthening and regulatory reform (US\$ 2 million)**, including support for public-private collaboration, Crown land management, land assembly, demand-management systems, and reforms related to mixed-use development, multifamily housing, urban regeneration, and rent regulation. Project administration and management activities will support implementation, monitoring, and evaluation.

The Program will be implemented over an estimated **six-year period**. A representative sample of projects (covering at least 30% of Program costs) will be fully designed and assessed prior to approval, while the remaining works will be screened and managed through a Program-level **Environmental and Social Management Framework (ESMF)**, as part of the program-level **Environmental and Social Management System (ESMS)**. The sample will include the following types of activities to be financed by the operation:

- Component 1 – New Housing:
 - Serviced lots to finance home associated infrastructure for single family homes - Clifford Darling Estates (PINECREST II), New Providence.
 - Serviced lots for direct construction of multifamily homes (condominiums) - Clifford Darling Estates (PINECREST II), New Providence.
 - Serviced lots for direct construction of single-family homes - Central Pines, Abaco.
 - Rehabilitation of Clusters of Underused or Abandoned Housing Units – Garden Villas, Grand Bahama.
- Component 2 - Housing Stock Improvement:

○ Private homes minor repairs and building of auxiliary unit – Location to be defined. ○ Public housing maintenance and capacity expansion – Location to be defined.	
Rationale for Classifications/Rating	
<i>E&S Impact Classification</i>	The operation is preliminarily classified as Environmental and Social Impact Classification (ESIC) B , as impacts are expected to be site-specific, temporary, and largely reversible . Potential key environmental impacts are typical of small- to medium-scale housing and infrastructure works, which include occupational health and safety hazards, dust, noise, traffic disruptions, waste generation, and localized flooding in project sites during construction. Potential social impacts include temporary and permanent physical displacement , differentiated impacts on vulnerable groups (including women-headed households, elderly persons, and persons with disabilities), labor influx to Family Islands, and minor risks of Sexual and Gender-Based Violence (SGBV) associated with construction activities and multiple worksites. Indirect and cumulative impacts may arise from land consolidation, infrastructure investments, and changes in land values.
<i>E&S Risk Rating</i>	The Substantial risk rating reflects the geographic dispersion of works , land acquisition and resettlement risks, labor and occupational health and safety challenges, labor influx to Family Islands, and exposure of vulnerable groups. Additional risk drivers include institutional capacity constraints and the need for coordinated environmental and social management across a Global of Multiple Works.
<i>DCC Risk Classification</i>	The operation is classified as Moderate DCC risk based on the moderate physical scale of housing interventions, limited impact on essential services, and manageable interaction with the natural and built environment. While project sites are exposed to hurricanes and flooding (see GeoHub maps in Annex 1), works are decentralized, do not involve critical infrastructure, according to the IDB methodology, and include resilience-oriented design measures consistent with national standards.
Use of Borrower E&S Framework	
No	
The program will not use the Borrower's E&S Framework.	
Is a framework approach applied?	
No	
The Framework Approach does not apply for this operation.	
Will the operation be co-financed or is there a possibility of being co-financed?	
No	
The operation will not include cofinancing.	
Environmental and Social Performance Standards (ESPSs) that apply to the proposed project	
ESPS-1. Assessment and Management of E&S Risks and Impacts	
Yes	

ESPS-1 provides the overarching framework through which risks and impacts under all other applicable Environmental and Social Performance Standards (ESPS 2–10) will be identified, assessed, and managed at both the project and Program levels.

Based on the information available during early preparation, the following potential adverse impacts have been identified in relation to the correct implementation of ESPS 1, which will require detailed assessment during due diligence:

- The ongoing refinement of sampled projects means that the identification of impacts and risks remains preliminary.
- Cumulative impacts are expected to be limited, given the relatively small scale of the program and its geographic dispersion. Nonetheless, and keeping in mind the small-island context, particularly in the Family Islands, more information is needed to confirm this assumption.
- Limited supervision capacity of the executing agency, as it does not have prior experience in implementing the IDB ESG policies.
- Differentiated impact on vulnerable populations, such as women-headed households, elderly persons, and persons with disabilities.

The IDB will require the Executing Agency to manage and mitigate environmental and social impacts and risks through the establishment of an Environmental and Social Management Systems (ESMS), that must include the following seven elements contemplated under ESPS 1:

1. **A project-specific environmental and social framework**, establishing the environmental and social objectives and principles that the Program will follow to achieve sound performance.
2. **The identification of environmental and social risks and impacts** according to projects type, size and location. This includes preparing Environmental and Social Assessments (ESA) for sampled projects, and an Environmental and Social Management Framework for non-sampled projects.
3. **Environmental and Social Management Programs (ESMP)** for sampled and non-sampled projects that include mitigation measures to address the environmental and social risks and impacts that have been identified through the ESAs.
4. **The establishment and maintenance of an organizational structure with an appropriate capacity and competence** to manage the operation's risks of environmental and social impacts through a structure that defines the functions, responsibilities and powers for the application of the ESMS by the Executing Agency.
5. **Emergency preparedness and response** plans for the Executing Agency to adequately address accidental and emergency situations related to the project that may harm people or the environment.
6. **Stakeholder engagement**, based on an analysis of individuals and groups directly affected by the project, as well as stakeholders who are not directly affected but have an interest in the project, such as national and local authorities, neighboring projects, and non-governmental organizations, carried out throughout the project life cycle. Stakeholder engagement for the sampled projects will be guided by Stakeholder Engagement Plans (SEPs). In addition, a model Stakeholder Engagement Framework (SEF) will be developed for future projects and incorporated into the Environmental and Social Management Framework (ESMF); this framework will be used to prepare SEPs for non-sampled projects. The SEPs will guide all stakeholder interactions, including consultations, general communications, and communications related to specific project activities. Additionally, the Stakeholder Engagement

Plans will consider the needs and participation of vulnerable groups identified during the assessment process, including women, the elderly, and persons with disabilities (PWDs).

7. **Monitoring and reviewing procedures as part of the ESMS**, to monitor and measure the effectiveness of the management programs, as well as compliance with any related legal and contractual obligations and regulatory requirements.

The due diligence process will be supported by information gathered through the Environmental and Social Assessments (ESAs) that will be drafted for each sampled project. The ESAs will include a vulnerability analysis to validate preliminary assumptions regarding exposure and differentiated impacts. This analysis will look into the demographic composition of the neighborhoods and areas to be intervened, including land use, age structure, household composition, gender dynamics, disability status, income levels, migrant presence, women-headed households, and other context-specific characteristics, to identify vulnerable or disproportionately affected groups and to assess potential differentiated impacts, including elderly population, people with disabilities, single-headed families, women, etc.

The findings of the ESAs, including the demographic-vulnerability analysis, shall inform the ESMPs for the sampled project, the SEPs, and the screening criteria of the Environmental and Social Management Framework (ESMF). The purpose of the ESMF is to ensure good management and mitigation of potential negative impacts of projects outside of the sample, building upon the risk of impacts identified for the sampled projects.

At this stage, the key ESPS-1 aspects to verify during the diligence are relate to:

- (i) **the final sample and its representativeness**,
- (ii) **institutional capacity constraints** for managing multiple works across islands and experience regarding IDB polices and resettlement.,
- (iii) **cumulative impacts** from concurrent construction activities in a small island context,
- (iv) **associated facilities dependencies** (e.g., drainage, water, sewage connections) that may influence impacts and sequencing, and
- (v) risks of **greater impacts on vulnerable groups**, including elderly people and persons with disabilities, if screening and engagement are not sufficiently inclusive.

Fit-for-disclosure versions of the Environmental and Social Instruments (ESA and accompanying ESMP, including Resettlement Action Plans and Livelihood Restoration Action Plans, as needed; ESPF; and ESMS designing document) prepared for the operation will be disclosed prior to the Analysis Mission, in accordance with the IDB's Environmental and Social Policy Framework.

The consultation process will be conducted following the disclosure of these instruments and will generate information that will be incorporated into updated versions. The final versions of the instruments, including refinements to the Environmental and Social Management System (ESMS), will be disclosed prior to approval of the loan by the IDB's Board of Directors.

ESPS-2. Labor and Working Conditions

Yes

ESPS-2 is applicable because all components of the Program will involve **direct workers, contracted workers, and subcontractors** engaged in construction, rehabilitation, housing improvements, and program management activities under the responsibility or influence of the Executing Agency.

Accordingly, the operation will require the application of **Labor Management Procedures (LMPs), occupational health and safety (OHS) measures, Codes of Conduct, and worker grievance mechanisms**, consistent with ESPS-2. These requirements will be integrated into the **Environmental and Social Management Plans (ESMPs)** for sampled projects and into the **Environmental and Social Management Framework (ESMF)** for non-sampled projects, as part of the Program-level Environmental and Social Management System (ESMS).

During preparation, the Program presents opportunities to foster local employment, improved occupational health and safety practices, and strengthened labor-management systems among contractors, particularly in the Family Islands, provided ESPS-2 requirements are consistently applied.

On the other hand, and based on the available information at the time of drafting, the main potential labor risks and impacts that could negatively impact workers include:

- **Construction and occupational health and safety (OHS) risks.**

The Program will involve multiple, geographically dispersed construction and rehabilitation activities, including both medium-scale works under Component 1 and numerous small-scale works under Component 2. While individual worksites are relatively small, the simultaneous execution of multiple sites and the use of small contractors may increase OHS risks if minimum standards are not consistently applied. These risks will require standardized OHS procedures, contractor oversight, and supervision capacity.

- **Labor influx and migrant worker vulnerability.**

Works in Abaco and other Family Islands may require skilled labor from New Providence or abroad due to limited local labor availability. This could generate risks related to working and living conditions, particularly if temporary accommodation is required, and may increase vulnerability for migrant workers, who represent a significant share of the national construction workforce (Bahamas National Statistical Institute, 2025). Labor influx may also increase community exposure to communicable diseases in areas with limited public-health infrastructure.

- **Uneven labor standards and indirect labor risks**

Given the use of multiple contractors and subcontractors, particularly for small-scale housing repairs and auxiliary units under Component 2, there is a risk of inconsistent application of labor standards across worksites. Additionally, while there is no evidence of child or forced labor in the formal construction sector in The Bahamas, indirect risks may arise from informal economic activities around worksites, requiring adequate oversight through contractor management and supervision arrangements.

To confirm the Labor-Risk profile analysis of the operation and define proportionate mitigation measures, **due diligence** will focus on the following:

- **Legal and policy framework:** gap analysis between national labor legislation and ESPS-2 requirements, including nondiscrimination, worker protections, and grievance mechanisms.
- **Labor force profile:** estimated number of 1) direct workers and their labor relationship with the Executing Agency, 2) subcontracting arrangements and role of contracted workers, and 3) expected share of local versus migrant labor for sampled projects.
- **Contractor management and procurement:** review of bidding documents and contracts templates to confirm inclusion of LMP requirements, OHS obligations, Codes of Conduct

(including SEA/SH provisions), reporting requirements, and sanctions for non-compliance, where national procurement procedures are used.

- **Worker accommodation and small-scale works arrangements:** clarification of whether worker accommodation will be required in the Family Islands and how ESPS-2 requirements will be applied to small contractors and enterprises implementing dispersed works under Component 2.
- **Use of solar panels:** the Program does not currently finance the purchase of solar panels. Should this change, applicable IDB Group measures to address forced-labor risks in solar supply chains would apply in line with Bank policies.

The information gathered during due diligence will allow the IDB to confirm labor risks and define mitigation measures, which will be embedded in project-specific ESMPs (including LMPs and OHS Plans) for sampled projects and in the ESMF for non-sampled projects. This approach will ensure that ESPS-2 requirements are applied consistently and proportionately across this Global of Multiple Works Program.

ESPS-3. Resource Efficiency and Pollution Prevention

Yes

ESPS-3 is applicable because the Program includes construction and rehabilitation activities that may generate emissions, waste, and pollution typical of urban and peri-urban civil works. During the construction phase, physical interventions are expected to be of minor to moderate magnitude and may result in adverse environmental impacts such as noise, dust dispersion, vibrations, emissions of gases and particulate matter, accidental spills and runoff of hazardous materials (including fuels, oils, solvents, and similar substances), poor liquid and solid waste management, soil erosion, and damage to natural drainage systems. These impacts are expected to be site-specific and manageable through standard good construction practices. The impacts and mitigations measures will be included in the Environmental and Social Assessments (ESA) and Environmental and Social Management Programs (ESMP= for the sampled projects as well as the Environmental and Social Management Framework (ESMF) for future projects under the Program.

Environmental risks will be identified and managed through Environmental and Social Assessments (ESAs) and corresponding Environmental and Social Management Plans (ESMPs), which will assess direct, indirect, and cumulative impacts and define mitigation measures in accordance with the mitigation hierarchy and applicable World Bank Group Environmental, Health and Safety Guidelines.

During the operation phase, no significant adverse environmental impacts are currently anticipated, subject to confirmation during environmental and social due diligence. Nonetheless, plans such as waste management, spill cleanup procedure, dust management, noise management and others will need to be confirmed as well as developed where necessary (the exact plans required will be verified during due diligence). During the use of the housing units there will need to be wastewater treatment, access to potable water and waste management and maintenance. The impacts and possible mitigation measures will be verified during due diligence.

At this stage, information on greenhouse gas emissions remains preliminary. Construction-phase emissions are estimated to be below 25,000 tons of CO₂ equivalent, to be confirmed during due diligence using the Bank's Greenhouse Gas Inventory Tool for the IDB Operational Portfolio. Environmental studies will also assess technological alternatives and industry best practices, including measures to avoid or minimize project-related emissions and potential environmental impacts associated with construction materials and activities.

ESPS-4. Community Health, Safety, and Security	Yes
ESPS-4 is applicable because construction, rehabilitation, and housing improvement activities may affect community health, safety, and security during implementation. During the execution of works, surrounding communities may be exposed to noise, vibrations, dust, emissions from vehicles and heavy machinery, traffic disruptions, temporary blockage of access to homes or businesses, increased insecurity, and risks of accidents involving both workers and community members. Construction activities may also generate potential conflicts between workers and communities. Hazardous materials such as fuels, oils, and lubricants will be used; if not properly stored and handled, there is a low risk of contamination of water sources which can impact community health. Increased generation of liquid and solid waste, like domestic and construction waste, is expected and will require appropriate management to avoid soil and water contamination, as well as impact to community health. The Program includes rehabilitation and improvement works to existing residential buildings while beneficiaries may potentially remain in their homes. This implementation modality creates specific community health and safety risks due to close and prolonged interaction between construction activities and household members, including vulnerable individuals such as children, elderly people, persons with disabilities, and individuals with chronic health conditions. Potential risks include physical safety hazards, exposure to dust, noise, and vibrations, temporary disruption of basic services, and risks associated with worker–community interactions. In addition, labor influx may increase the risk of communicable diseases, including sexually transmitted diseases, and vector-borne diseases linked to the accumulation of stagnant water and waste if not adequately managed through ESMP measures. For the operation phase, there is a risk to community health and safety if waste management, maintenance, access to potable water, access to electricity and wastewater treatment are not maintained. As part of the ESA/ESMP it is likely that pest control plans, wastewater treatment plans, maintenance plans will be needed, this will be confirmed during due diligence. Risks associated with the use of security personnel are expected to be low. If security personnel are engaged, they will be subject to the same codes of conduct applicable to workers, in line with ESPS-2. The Environmental and Social Assessment (ESA) will examine community health, safety, and security risks and define appropriate management measures through the ESMPs and the ESMF, as applicable. From a disaster and climate change perspective, the Program has a preliminary Disaster and Climate Change Risk Classification of Moderate. While project areas are exposed to hurricane-related hazards classified as High (see GeoHub maps in Annex 1), the criticality and vulnerability of the infrastructure interventions are considered Moderate due to their small-scale, decentralized nature, limited interaction with the natural environment, and absence of strategic or essential infrastructure. The housing and neighborhood improvements are not expected to exacerbate existing hazard exposure or vulnerability. Based on this assessment, a standalone Disaster Risk Management Plan is not required at this stage, and existing design standards and construction practices are considered sufficient to manage identified risks. A Simplified Risk Assessment and a Disaster Risk Management Plan (DRMP) will be drafted as part of the due diligence, as part of the ESA/ESMP, to be implemented across all operation's phases.	
ESPS-5. Land Acquisition and Involuntary Resettlement	Yes
ESPS-5 is applicable because the Program involves land acquisition, changes in land use, and redevelopment activities that may result in physical and/or economic displacement, including both temporary and permanent impacts. These risks are primarily associated with Component 1 (new housing	

developments and redevelopment of underused or abandoned sites, including Crown land and brownfield areas) and, to a lesser extent, Component 2 (housing rehabilitation and repairs), where temporary displacement or loss of income may occur during works. In line with ESPS-5, physical and economic displacement may occur **independently or simultaneously**, and both will be assessed and managed during preparation.

These are the identified negative impacts that the operation could generate:

- **Physical displacement.** New housing developments and redevelopment of underused or abandoned sites under Component 1 may require compulsory acquisition or clearance of occupied land, including cases of informal occupation or encroachment on Crown land and brownfield sites. While the scale of displacement is expected to be site-specific, affected persons may include owners, tenants, informal occupants, and other users, with potentially disproportionate impacts on vulnerable groups such as low-income households, elderly persons, women-headed households, and persons with disabilities.
- **Economic displacement (temporary and permanent).** Economic displacement may arise from permanent loss of land, assets, or access to livelihood sources linked to redevelopment and land consolidation, as well as from temporary disruptions to income-generating activities during construction and rehabilitation works. Under Component 2, housing repairs or auxiliary dwelling unit construction may temporarily affect tenants, owners, or small home-based economic activities, even where physical relocation is avoided.
- **Indirect and cumulative displacement risks.** Urban redevelopment, consolidation of land parcels, and infrastructure improvements may contribute to increases in land values, rents, or property taxes, which could indirectly affect the affordability of housing and livelihoods for low-income households in and around project areas. In a small-island context, these effects may be more pronounced and will require careful assessment.
- **Host-community considerations.** Where relocation is required, potential impacts on host communities, such as pressure on services, housing, or social cohesion, may arise depending on the scale and location of resettlement. These risks are context-dependent and will be assessed where applicable.

Through the design and implementation of **ESPS-5-compliant mitigation instruments**, the operation presents opportunities to foster improved outcomes, including **greater tenure security, restoration or improvement of livelihoods, and more orderly urban development**, if displacement risks are properly assessed and managed through Resettlement Action Plans and Livelihood Restoration Plans.

To refine the assessment of the application of ESPS 5 and the design of proportionate mitigation measure, the following information should be gathered during the due diligence:

- **Legal and institutional framework:** review of national expropriation, land acquisition, compensation, and resettlement procedures, and identification of gaps relative to ESPS-5 requirements (including replacement cost, recognition of informal rights, and treatment of vulnerable groups).
- **Land tenure and occupancy baseline:** verification of land ownership, tenure status, encroachments, informal uses, and ongoing or planned acquisition processes for sampled sites.
- **Census and socioeconomic profiling:** preliminary census and socioeconomic baseline of people and economic activities that may be physically or economically displaced, including vulnerable groups.

- **Displacement typology and magnitude:** confirmation of the likelihood, scale, and duration of physical and economic displacement (temporary and permanent) for sampled projects.
- **Resettlement and livelihood restoration approach:** clarification of relocation options, compensation principles, livelihood restoration measures, and transitional support, including arrangements for informal occupants. Arrangements and Memorandums of Understanding with other Government Agencies will also be reviewed.
- **Host-community considerations:** assessment of potential host-community impacts where relocation is envisaged.

For sampled projects, **site-specific Resettlement Action Plans (RAPs)** and/or **Livelihood Restoration Plans (LRPs)** will be prepared as required, proportionate to the nature and magnitude of displacement. For non-sampled projects to be identified during implementation, the **Environmental and Social Management Framework (ESMF)** will include a **Resettlement Framework** consistent with ESPS-5, establishing eligibility criteria, compensation principles, consultation requirements, grievance mechanisms, and procedures to be applied across the Program.

These instruments will ensure that physical and economic displacement risks are avoided where feasible, minimized where unavoidable, and mitigated in line with ESPS-5, with particular attention to vulnerable groups and meaningful consultation with project-affected people and, where relevant, host communities.

ESPS-6. Biodiversity Conservation and Sustainable Management of Living Natural Resources	<i>No</i>
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ESPS-6 is not expected to be triggered, as all physical works financed under the Program will take place in **urban and peri-urban environments** where impacts on biodiversity and living natural resources are anticipated to be **minor to negligible**. Potential impacts are expected to be limited to minimal effects on urban vegetation, such as pruning, with no significant interaction with wildlife.

A preliminary assessment of the sampled projects indicates that **no critical, natural, or modified habitats** are present within the areas of influence. Consequently, significant adverse impacts on biodiversity or ecosystem services are not anticipated at this stage. Nevertheless, this preliminary conclusion will be **confirmed during environmental and social due diligence**, including verification of site conditions for the final sampled projects.

For projects outside the sample, the **Environmental and Social Management Framework (ESMF)** will include screening procedures to confirm the absence of biodiversity-related risks and to identify any need for additional assessment should site-specific conditions differ from those identified in the sample. The ESMF will include a template for Biodiversity Management Plans, in case it is required for a non-sampled project during implementation.

ESPS-7. Indigenous Peoples	<i>No</i>
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ESPS-7 is not expected to be activated, as there are no indigenous populations in The Bahamas.

ESPS-8. Cultural Heritage	<i>Yes</i>
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ESPS-8 is applicable because the Program includes **ground-disturbing activities** in urban and peri-urban areas where **tangible and intangible cultural heritage may be present**, regardless of whether it has been formally recorded or legally protected. In line with the **precautionary principle**, ESPS-8 applies to both **known and unknown cultural heritage**, including living or community-identified heritage that may only be identified through consultation during preparation.

Regarding the identified risks of negative impacts on cultural heritage tentatively identified, those include:

- **Damage to unknown or undocumented cultural heritage:** Construction activities under Component 1 may uncover archaeological remains that has not been previously documented. This risk is typical in urban and peri-urban settings and is particularly relevant where past land use records are incomplete.
- **Changes in setting and access to cultural heritage sites:** Project activities may alter the physical setting, visibility, or accessibility of nearby cultural heritage sites, including cemeteries, historic buildings, or places of religious or community significance. Even where cultural heritage is located outside the direct project footprint, indirect impacts, such as changes in access routes or surrounding land use, may affect its perceived value or continued use by communities.
- **Risk of overlooking living or intangible heritage:** If stakeholder engagement does not explicitly address cultural heritage, there is a risk that such values may not be identified and could be adversely affected by project activities.

Through the integration of ESPS-8–compliant management measures, the Program presents opportunities to foster improved identification, protection, and awareness of cultural heritage, including living heritage valued by local communities.

To refine the ESPS-8 risk assessment and define proportionate management measures, due diligence will focus on the following:

- **Cultural heritage screening of sample sites:** verification of the presence or absence of known cultural heritage resources within or near sampled project areas, in coordination with relevant national or local heritage authorities.
- **Stakeholder engagement for heritage identification:** consultation with communities and other stakeholders to identify living or locally valued cultural heritage that may not be formally documented, in coordination with ESPS-10 requirements.
- **Assessment needs:** confirmation of whether a **targeted cultural heritage assessment or focused Cultural Heritage Impact Assessment (CHIA)** is required for any sampled site, based on screening results and site sensitivity.
- **Chance-Find Procedures:** development of a standard Chance-Find Procedure to be applied during construction to manage unexpected discoveries of cultural heritage.
- **Integration into management instruments:** incorporation of cultural heritage measures into project-specific ESMPs, as needed, and the Program-level Environmental and Social Management Framework (ESMF).

For sampled projects, cultural heritage risk management measures (including screening outcomes and Chance-Find Procedures) will be incorporated into the Environmental and Social Management Plans (ESMPs). For non-sampled projects to be identified during implementation, the ESMF will include screening procedures and standardized Chance-Find requirements, ensuring consistent application of ESPS-8 across the Global of Multiple Works Program. This approach will ensure that cultural heritage risks are identified early, avoided where feasible, and managed in accordance with ESPS-8, while remaining commensurate with the scale and nature of the Program.

ESPS-9. Gender Equality

Yes

ESPS-9 is applicable because the Program's housing construction, rehabilitation, land acquisition, and community-level interventions may generate **gender-based risks and differentiated impacts**, including unequal access to project benefits, gender-differentiated resettlement impacts, risks of Sexual and Gender-Based Violence (SGBV), and barriers to equitable participation in decision-making. These risks may arise from labor influx, interaction between workers and communities, eligibility criteria for housing and financial support, and existing gender inequalities in access to land, income, and services (Ministry of Social Services, 2024).

Some of the negative impacts initially identified include:

- **Unequal access to project benefits:** Eligibility criteria and implementation arrangements for housing allocation, repair grants/loans, auxiliary units, and employment opportunities may directly or indirectly disadvantage women, female-headed households, and people of diverse sexual orientations and gender identities, particularly where access to formal land titles, credit, or stable income is required.
- **Gender-differentiated displacement impacts (linked to ESPS 5):** Physical and economic displacement associated with land acquisition, redevelopment, or temporary relocation during rehabilitation works may have disproportionate impacts on women and other vulnerable groups, given gender gaps in asset ownership, income levels, caregiving responsibilities, and safety concerns (Ministry of Social Services, 2024, p. 58). Without adequate safeguards, resettlement processes may exacerbate existing gender inequalities.
- **Sexual and Gender Based- Violence (SGBV) risks:** Construction activities, especially where labor influx occurs into communities with limited absorption capacity and existing SGBV prevalence, can increase risks of sexual harassment, exploitation or abuse, both for community members and workers (IFC, 2020).
- **Unequal participation in consultation and decision making:** Women and people of diverse sexual orientations and gender identities may face barriers to meaningful participation in stakeholder engagement due to time constraints linked to unpaid care work, safety concerns, social norms, or discrimination (Ministry of Social Services, 2024, p. 21)., which could result in their priorities not being adequately reflected in project design and mitigation measures.
- Gender-based risks may be **exacerbated by intersectional factors**, such as poverty, disability, age, migration status, or household composition, increasing vulnerability to adverse impacts.

To refine the ESPS 9 assessment and define appropriate measures, due diligence will focus on:

- **Gender baseline and access gaps:** gender-disaggregated information on access to land, housing, income, credit, employment, and services in sampled project areas.
- **Gender-differentiated resettlement impacts:** assessment of risks to women and other vulnerable groups linked to physical or economic displacement, in coordination with ESPS-5 instruments.
- **SGBV risk screening:** identification of context-specific SGBV risk factors, existing prevention and response services, and institutional capacity to address them.

• Institutional and contractor capacity: review of the Executing Agency's and contractors' policies requirements on non-discrimination, SGBV prevention, Codes of Conduct, and grievance mechanisms. • Gender-sensitive engagement: arrangements to ensure inclusive, safe, and meaningful participation of people of all genders in consultations. A Gender Analysis will be included in the Environmental and Social Assessments (ESA), proportionate to the level of identified risk, and may be integrated into other instruments (e.g., RAPs, SEPs) as appropriate. For sampled projects, gender-related mitigation measures will be incorporated into project-specific Environmental and Social Management Plans (ESMPs) and relevant instruments. For non-sampled projects, standardized gender requirements will be embedded in the Environmental and Social Management Framework (ESMF) and Program-level Environmental and Social Management System (ESMS), ensuring consistent application of ESPS-9 across the Global of Multiple Works Program.	
ESPS-10. Stakeholder Engagement and Information Disclosure	Yes
ESPS-10 is applicable because open, transparent, and inclusive engagement with stakeholders (particularly project-affected people) is essential to the environmental and social sustainability of the Program and to its effective implementation. Stakeholder engagement will support informed decision-making, enhance project acceptance, and contribute to the identification and management of environmental and social risks and impacts associated with the Program and its associated facilities. Stakeholder mapping will be conducted, and Stakeholder Engagement Plans (SEPs) will be prepared and implemented for the sampled projects, aligned with ESPS 1 and ESPS 10. The SEPs will include consultation plans designed to ensure meaningful, culturally appropriate, and gender sensitive engagement prior to project approval, with consultations informing project design and the definition of mitigation measures. Consultation materials will be presented in clear, accessible language and will cover the Executing Agency's objectives and activities, project benefits and activities, potential environmental and social impacts, proposed mitigation measures, and the grievance redress mechanism. Consultations will be documented, and reports will be disclosed on the IDB's website and the Executing Agency's website. The SEPs will also include measures for continuous engagement with beneficiaries and project-affected people throughout implementation. For the sampled projects where consultations have already been held, additional consultations will be conducted to gather updated feedback, as appropriate, and this will also be an opportunity to give accurate updates on the project components and activities that may affect the community. This information will also be gathered during the due diligence process to assess the alignment of those processes with IDB's policies, and to recommend complementary actions, if needed. Stakeholder engagement activities undertaken to date, as well as any remaining gaps, will be further documented and addressed during due diligence. The operation's grievance mechanism and project-specific mechanisms should be culturally appropriate and gender-sensitive, enabling stakeholders to raise questions, concerns, and complaints and to receive adequate feedback. Finally, and in accordance with the IDB's Environmental and Social Policy Framework (ESPF), fit-for-disclosure versions of environmental and social documents, including the SEPs, will be disclosed prior to the Analysis Mission, and final versions will be disclosed prior to approval of the operation.	
IDB Environmental and Social Due Diligence	
Strategy for Due Diligence	

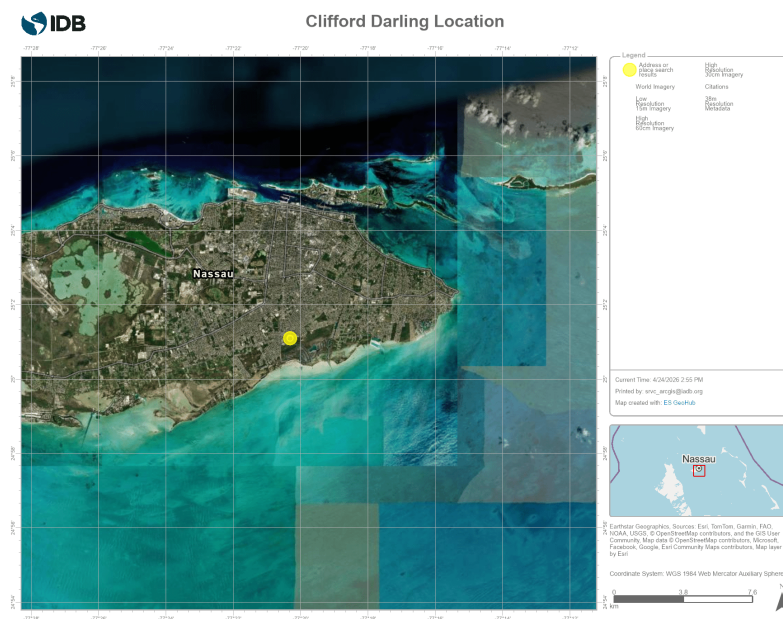
<i>See below.</i>			
<i>E&S Assessment requirement</i>	<i>Status of development</i>	<i>Estimated resources to finalize (specify Bank or Borrower cost)</i>	<i>Estimated timeline to finalize (inc. consultation)</i>
<i>Environmental and Social Assessment for sampled projects (ESA)</i>	<i>Not yet prepared</i>	<i>\$60,000 USD – Total available budget for all the environmental and social instruments</i>	<i>Execution: 4-5 months Intended start: May 2026 Consultation: July 2026</i>
<i>Environmental and Social Management Plan for sampled projects (ESMP)</i>	<i>Not yet prepared</i>	<i>\$60,000 USD – Total available budget for all the environmental and social instruments</i>	<i>Execution: 4-5 months Intended start: May 2026 Consultation: July 2026</i>
<i>Resettlement Action Plan (if needed) if not then Framework</i>	<i>To be developed as part of the ESIA/ESMP</i>	<i>\$60,000 USD – Total available budget for all the environmental and social instruments</i>	<i>Execution: 4-5 months Intended start: May 2026 Consultation: July 2026</i>
<i>Consultation and Stakeholder Engagement Plan</i>	<i>Not yet prepared to be part of the E&S consultancy</i>	<i>\$60,000 USD – Total available budget for all the environmental and social instruments</i>	<i>Execution: 4-5 months Intended start: May 2026 Consultation: July 2026</i>
<i>ESMS and Environmental and Social Project Specific Framework</i>	<i>Not Yet prepared</i>	<i>\$60,000 USD – Total available budget for all the environmental and social instruments</i>	<i>Execution: 4-5 months Intended start: May 2026 Consultation: July 2026</i>
Annexes			
Annex A.	E&S Maps		

Annex A. E&S Maps
Maps generated from the ESG GeoHub.

This annex includes the list and basic description of all sample projects for BH-L1064.

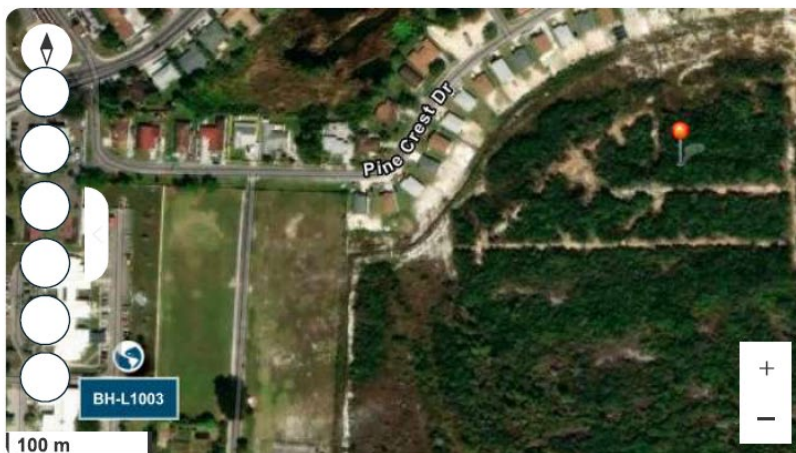
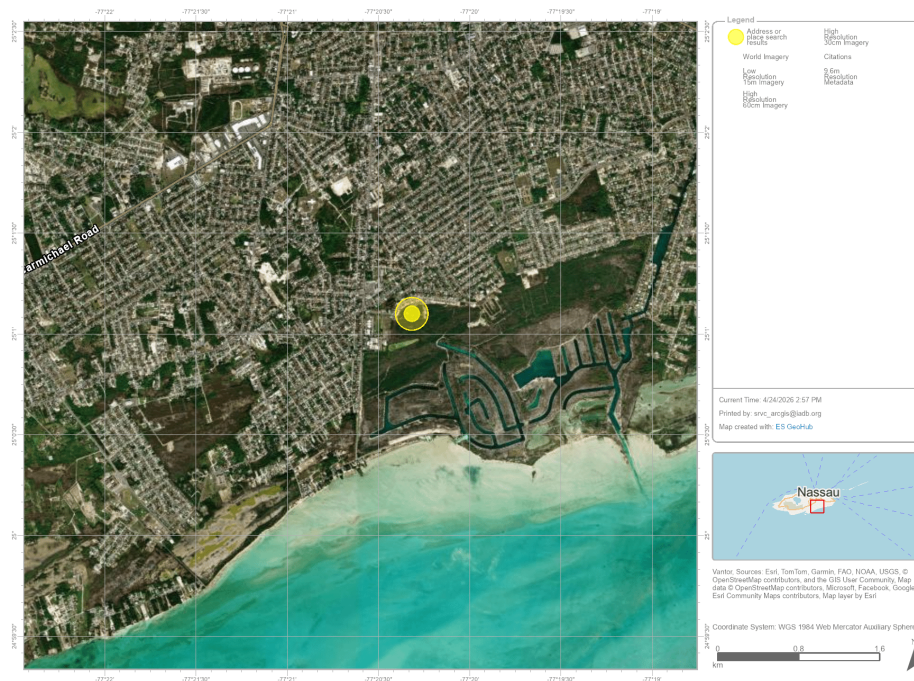
**Note: The sample projects listed in this annex are indicative and may be subject to change based on the Bank team's assessment and evolving project needs.*

Geographic Coordinates: 25°01'06.0"N 77°20'19.0"W



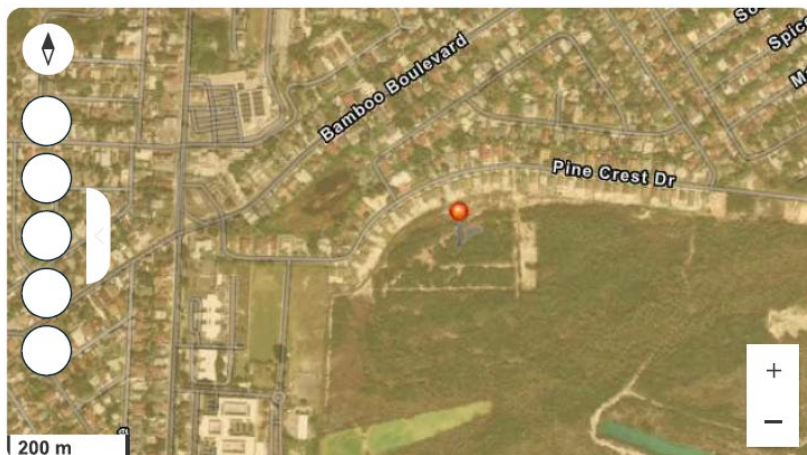


Clifford Darling Location Closer



This layer shows administrative boundaries in the selected area of interest (AOI) along with other IDB's operations found nearby. Source: IDB Open Data LAC | IDB International Aid Transparency Initiative (IATI) Datasets: 2004. For more information please visit <https://data.iadb.org/dataset/idb-international-aid-transparency-initiative-iati-datasets-20042018>

Hurricane related hazards



Hurricane Wind Hazard

Hazard



Coordinate System: WGS 1984 Web Mercator
Auxiliary Sphere.
Map created with: ES GeoHub

Map containing the representation of storm surge and hurricane wind hazards. It is modeled only along the coastline. The data were classified into three hazard categories—low, moderate, and high—based on storm surge run-up heights for a 250-year return period, a widely used standard for coastal hazard zoning and infrastructure risk assessment. Run-up values below 0.1 meters are considered as “Low”; run-up values between 0.1 meters and 2 meters (inclusive) are considered as “Moderate”; run-up values greater than 2 meters are considered as “High”.

Endangered Species Project Sample 1 & 2

id_no	sci_name	category	class_name
22712080	Tachycineta cyaneoviridis	EN	AVES
60219	Carcharhinus signatus	EN	CHONDRICHTHYES
60217	Carcharhinus perezii	EN	CHONDRICHTHYES
3853	Carcharhinus plumbeus	EN	CHONDRICHTHYES
42564343	Aetobatus narinari	EN	CHONDRICHTHYES
191108	Anguilla rostrata	EN	ACTINOPTERYGII
4615	Chelonia mydas	EN	REPTILIA

Near Threatened Species Project Sample 1 & 2

id_no	sci_name	category	class_name
75605377	Sphaerodactylus copei	NT	REPTILIA
22686201	Amazona leucocephala	NT	AVES
22693427	Calidris alpina	NT	AVES
22721722	Setophaga kirtlandii	NT	AVES
22728160	Coccyzus bahamensis	NT	AVES
1.81E+08	Hypanus americanus	NT	CHONDRICHTHYES
22721737	Setophaga striata	NT	AVES
22679770	Dendrocygna arborea	NT	AVES
22689778	Antristomus carolinensis	NT	AVES
194303	Albula vulpes	NT	ACTINOPTERYGII
22690229	Patagioenas leucocephala	NT	AVES

id_no	sci_name	category	class_name
161564	Carcharhinus altimus	NT	CHONDRICHTHYES
22693396	Calidris minutilla	NT	AVES
22693336	Arenaria interpres	NT	AVES
22693373	Calidris pusilla	NT	AVES
22693437	Calidris himantopus	NT	AVES
22693231	Tringa melanoleuca	NT	AVES
22693363	Calidris canutus	NT	AVES
22696916	Egretta rufescens	NT	AVES
22693777	Charadrius vociferus	NT	AVES
22693348	Limnodromus scolopaceus	NT	AVES

Vulnerable Species Project Sample 1 & 2

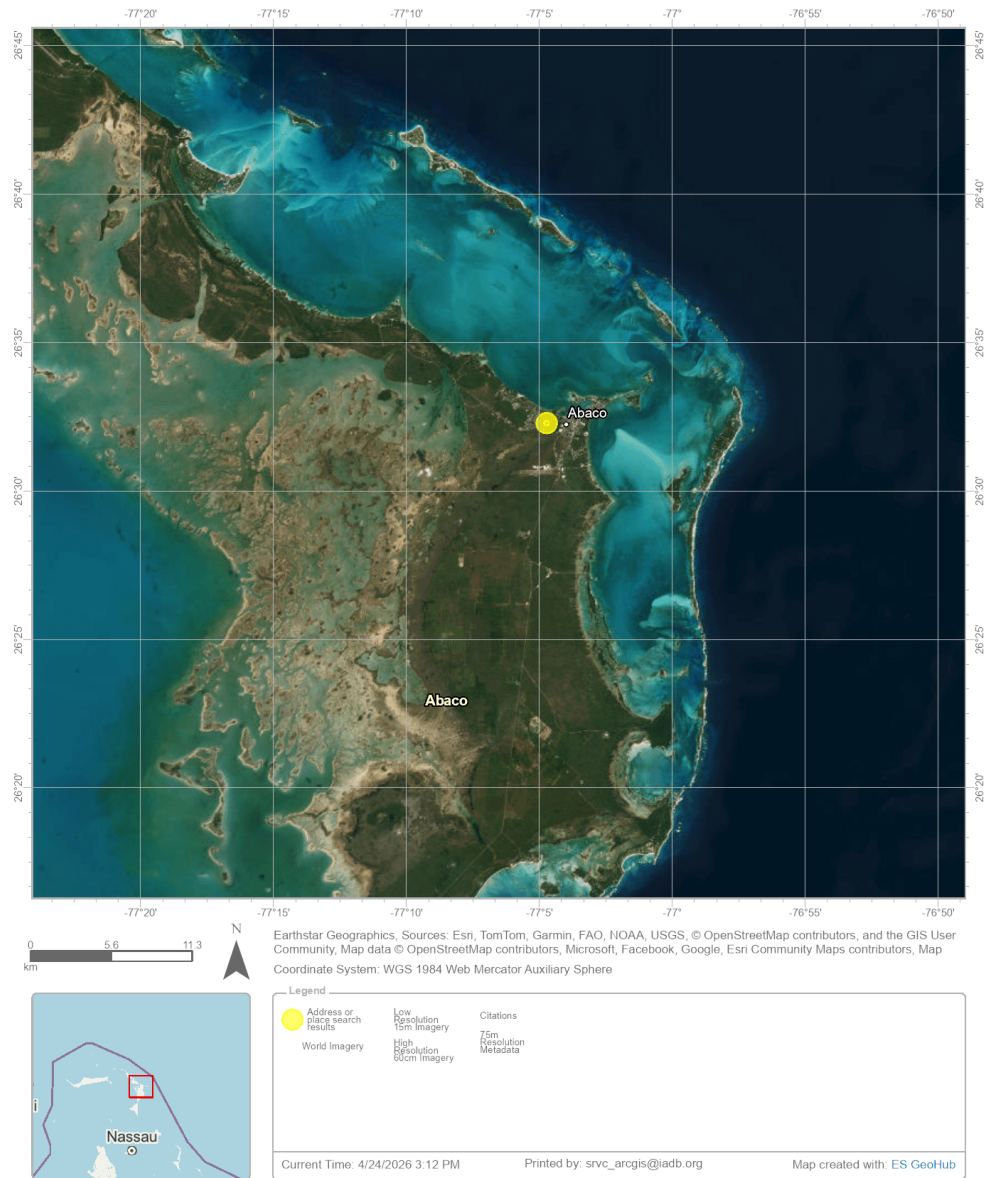
id_no	sci_name	category	class_name
22693162	Limosa fedoa	VU	AVES
22686709	Chaetura pelagica	VU	AVES
6494	Dermochelys coriacea	VU	REPTILIA
61407	Rhizoprionodon porosus	VU	CHONDRICHTHYES
104065040	Bathytoshia centroura	VU	CHONDRICHTHYES
3897	Caretta caretta	VU	REPTILIA
3851	Carcharhinus limbatus	VU	CHONDRICHTHYES
39372	Carcharhinus leucas	VU	CHONDRICHTHYES
22693749	Pluvialis squatarola	VU	AVES
144141186	Ginglymostoma cirratum	VU	CHONDRICHTHYES
39368	Carcharhinus brevipinna	VU	CHONDRICHTHYES
22693399	Calidris fuscicollis	VU	AVES
22693344	Limnodromus griseus	VU	AVES
22693447	Calidris subruficollis	VU	AVES
22693235	Tringa flavipes	VU	AVES
22693154	Limosa haemastica	VU	AVES

E&S Maps Project Sample 3 – Central Pines, Abaco

Geographic Coordinates: 26°32'17.2"N 77°04'43.9"W

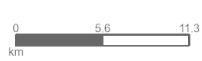
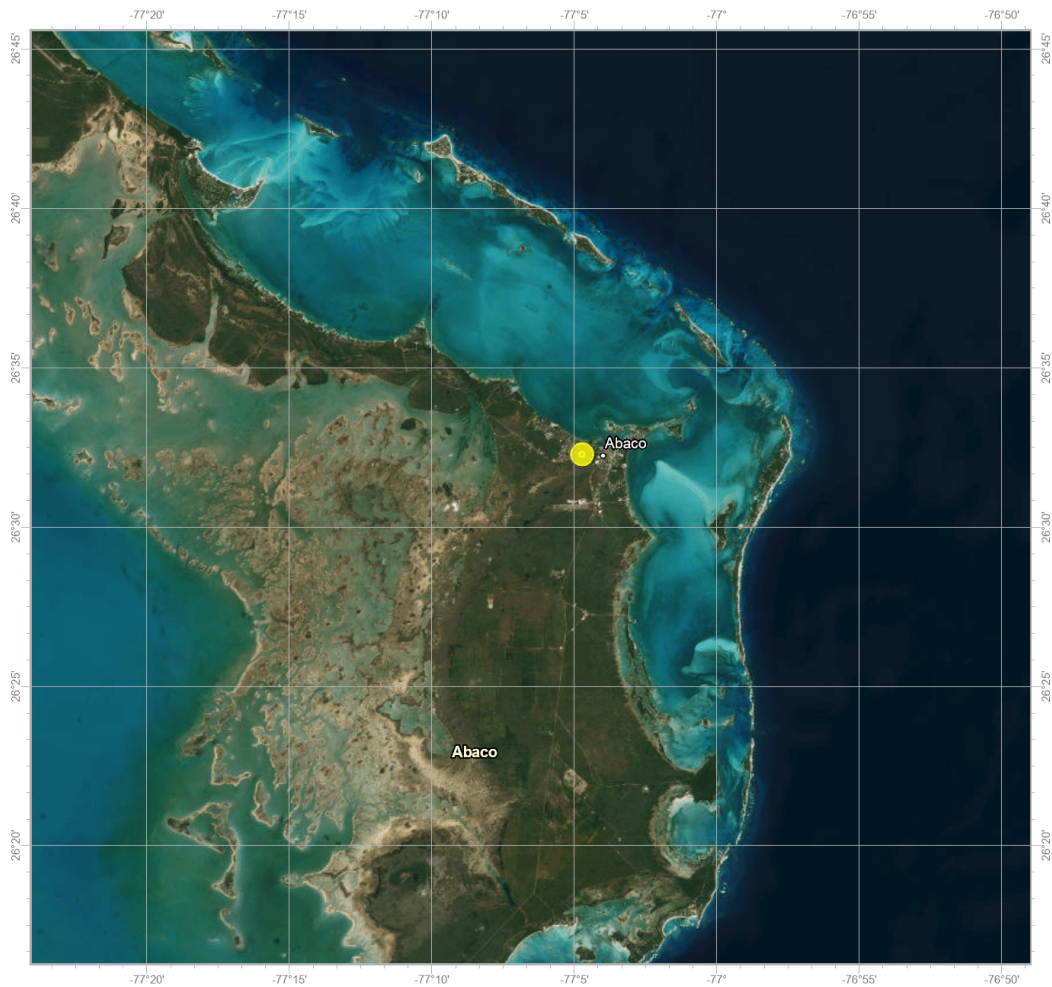


Central Pines Further





Central Pines Further



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Legend		
Address or place search results	Low Resolution 15m Imagery	Citations
World Imagery	High Resolution 60cm Imagery	75m Resolution Metadata

Current Time: 4/24/2026 3:12 PM

Printed by: srvc_arcgis@iadb.org

Map created with: [ES GeoHub](#)



Heatwave hazard



Endangered Species Project Sample 3

id_no	sci_name	category	class_name
22712080	Tachycineta cyaneoviridis	EN	AVES
22724802	Setophaga flavescens	EN	AVES
60219	Carcharhinus signatus	EN	CHONDRICHTHYES
60217	Carcharhinus perezi	EN	CHONDRICHTHYES
42564343	Aetobatus narinari	EN	CHONDRICHTHYES
191108	Anguilla rostrata	EN	ACTINOPTERYGII

Near Threatened Species Project Sample 3

id_no	sci_name	category	class_name
22686201	Amazona leucocephala	NT	AVES
22693427	Calidris alpina	NT	AVES
22721722	Setophaga kirtlandii	NT	AVES
14361	Chilonatalus tumidifrons	NT	MAMMALIA

id_no	sci_name	category	class_name
22693811	Charadrius melodus	NT	AVES
1.81E+08	Hypanus americanus	NT	CHONDRICHTHYES
22721737	Setophaga striata	NT	AVES
22679770	Dendrocygna arborea	NT	AVES
22689778	Antrostomus carolinensis	NT	AVES
22690229	Patagioenas leucocephala	NT	AVES
22693396	Calidris minutilla	NT	AVES
22693336	Arenaria interpres	NT	AVES
22693373	Calidris pusilla	NT	AVES
22693437	Calidris himantopus	NT	AVES
22693231	Tringa melanoleuca	NT	AVES
22693363	Calidris canutus	NT	AVES
22696916	Egretta rufescens	NT	AVES
22693777	Charadrius vociferus	NT	AVES
22693348	Limnodromus scolopaceus	NT	AVES

Vulnerable Species Project Sample 3

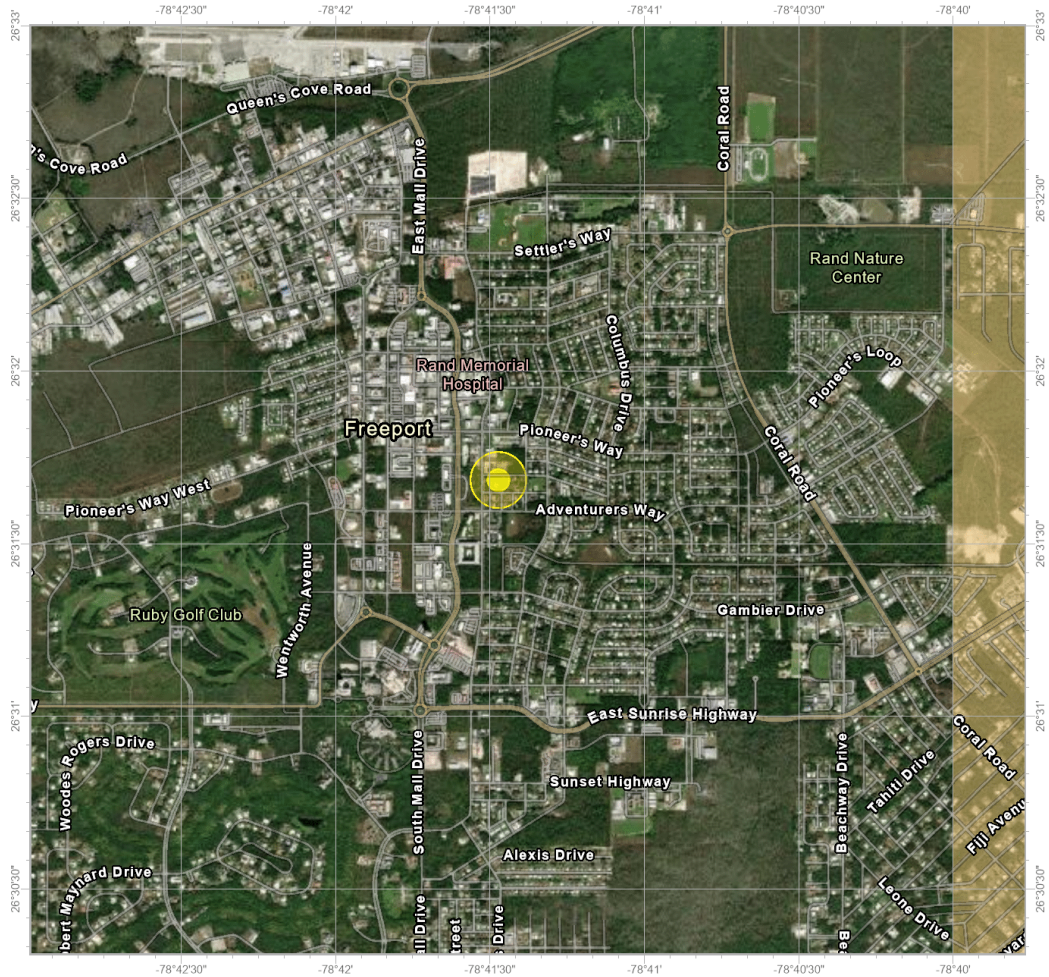
id_no	sci_name	category	class_name
60213	Somniosus microcephalus	VU	CHONDRICHTHYES
15155078	Chilabothrus exsul	VU	REPTILIA
22686709	Chaetura pelagica	VU	AVES
61407	Rhizoprionodon porosus	VU	CHONDRICHTHYES
3851	Carcharhinus limbatus	VU	CHONDRICHTHYES
39372	Carcharhinus leucas	VU	CHONDRICHTHYES
22693749	Pluvialis squatarola	VU	AVES
1.44E+08	Ginglymostoma cirratum	VU	CHONDRICHTHYES
22693399	Calidris fuscicollis	VU	AVES
22693344	Limnodromus griseus	VU	AVES
22693447	Calidris subruficollis	VU	AVES
22693235	Tringa flavipes	VU	AVES
22693154	Limosa haemastica	VU	AVES

E&S Maps Project Sample 4 – Garden Villas, Grand Bahama

Geographic Coordinates: 26°31'41.1"N 78°41'28.4"W



Garden Villas Closer

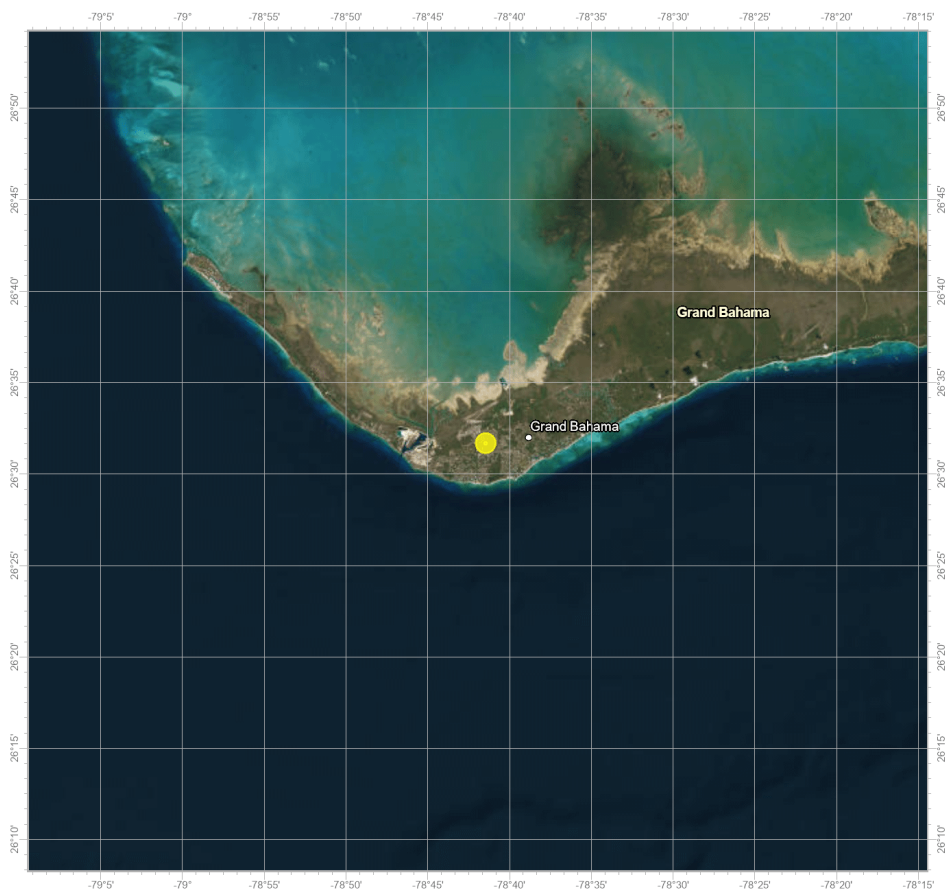


Vantor, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Map data © OpenStreetMap contributors, Microsoft, Facebook, Google, Esri Community Maps contributors, Map layer by Esri
Coordinate System: WGS 1984 Web Mercator Auxiliary Sphere

Legend		
	Address or place search results	World Imagery
	HAZARD	Citations
	Moderate	Low Resolution 15m Imagery
		High Resolution 50cm Imagery
		0.6m Resolution Metadata
Current Time: 4/24/2026 3:24 PM		
Printed by: srvc_arogis@iadb.org		
Map created with: ES GeoHub		



Garden Villas Further



0 8.8 17.7
km



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Coordinate System: WGS 1984 Web Mercator Auxiliary Sphere

Legend

- | | | |
|---|--|--|
|  Address or place search Results |  Low Resolution 15m Imagery |  Citations |
|  World Imagery |  High Resolution 60cm Imagery |  150m Resolution Metadata |

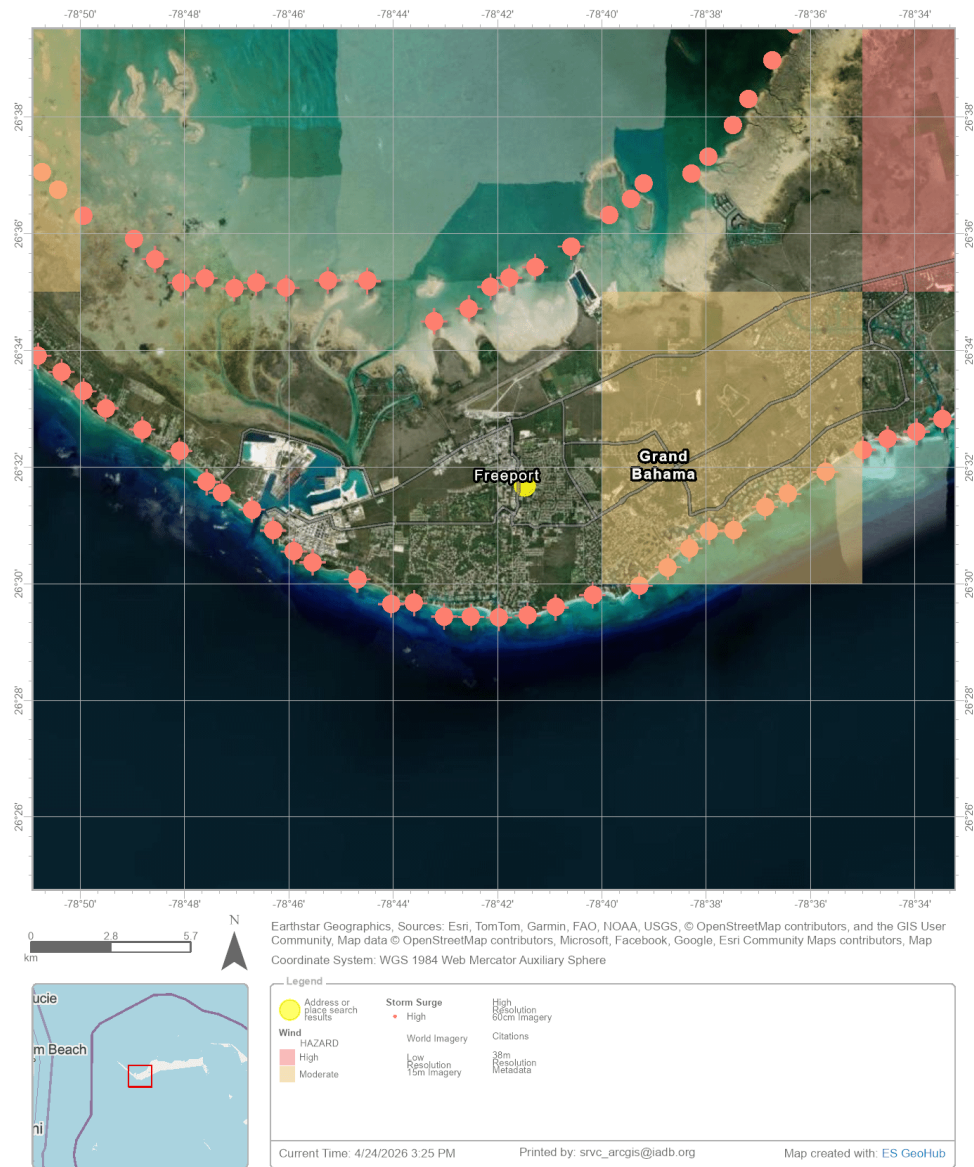
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Printed by: srvc_arogis@idb.org

Map created with: ES GeoHub



Garden Villas Further



Endangered Species Project Sample 3

id_no	sci_name	category	class_name
22712080	Tachycineta cyaneoviridis	EN	AVES
22724802	Setophaga flavescens	EN	AVES
60219	Carcharhinus signatus	EN	CHONDRICHTHYES
60217	Carcharhinus perezii	EN	CHONDRICHTHYES
191108	Anguilla rostrata	EN	ACTINOPTERYGII

Near Threatened Species Project Sample 3

id_no	sci_name	category	class_name
22693427	Calidris alpina	NT	AVES
22721722	Setophaga kirtlandii	NT	AVES
22693811	Charadrius melodus	NT	AVES
22721737	Setophaga striata	NT	AVES
22679770	Dendrocygna arborea	NT	AVES
22689778	Antrostomus carolinensis	NT	AVES
22690229	Patagioenas leucocephala	NT	AVES
22693396	Calidris minutilla	NT	AVES
22693336	Arenaria interpres	NT	AVES
22693373	Calidris pusilla	NT	AVES
22693437	Calidris himantopus	NT	AVES
22693231	Tringa melanoleuca	NT	AVES
22693363	Calidris canutus	NT	AVES
22696916	Egretta rufescens	NT	AVES
22693777	Charadrius vociferus	NT	AVES
22693348	Limnodromus scolopaceus	NT	AVES

Vulnerable Species Project Sample 3

id_no	sci_name	category	class_name
60213	Somniosus microcephalus	VU	CHONDRICHTHYES
22693162	Limosa fedoa	VU	AVES
15155078	Chilabothrus exsul	VU	REPTILIA
22686709	Chaetura pelagica	VU	AVES
61407	Rhizoprionodon porosus	VU	CHONDRICHTHYES
22693749	Pluvialis squatarola	VU	AVES
22693399	Calidris fuscicollis	VU	AVES
22693344	Limnodromus griseus	VU	AVES
22693447	Calidris subruficollis	VU	AVES
22693235	Tringa flavipes	VU	AVES
22693154	Limosa haemastica	VU	AVES

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