Disclaimer

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It as been shared to provide additional information and background details on the findings from the assessment of the State of the Nation. Any and all material shared in this PowerPoint is subject to change without notice.

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For addition information you may contact the Secretariat at 242 702 5500 or info@vision2040bahamas.org.
What is the National Development Plan?

1. Road Map for the Future
   - Sets out Short, Medium and Long Term Goals

2. Identifies the Vision of a Country

3. Must be Institutionalized in Law and Monitored

4. Must be Non-Partisan. All Stakeholders Must be Engaged.
Why Does The Bahamas Need A National Development Plan? The Bahamas has witnessed tremendous economic success over the years. However, a change in the growth trajectory is required.

(Source: World Bank Development Indicators)
Planning for Growth and Prosperity: National Development Plans are widely used throughout the world to guide progress

Vision 2008
The Cayman Islands
Nation Strategic Plan
1999 - 2008

THE STRATEGIC ECONOMIC PLAN:
TOWARDS A DEVELOPED NATION

EXECUTIVE SUMMARY

THE VISION FOR SINGAPORE:
A DEVELOPED COUNTRY IN THE FIRST LEAGUE

The Strategic Economic Plan sets the strategies and programmes for Singapore to realise a vision - to attain the status and characteristics of a first league developed country within the next 30 to 40 years.

Key facets of the Vision are economic dynamism, a high quality of life, a strong national identity and the configuration of a global city.
A BOLD APPROACH TO DEVELOPMENT PLANNING IN THE BAHAMAS

Supported by new governance arrangements (Centre of Government - $50K) and IFMS loan ($3M)

Inclusive National Development
Concluding work on the SNR, Nationwide Consultation commenced and drafting Vision 2040

Pilot Project for Urban Development
Baseline data, Diagnostic, Action Plan for the City of Nassau, Urban Lab planned

Pilot Project for Island Development
Working towards ecosystem valuation, consultation, education and Master Plan

$450K

$1.1M

$750K
What are the Steps in the NDP Process?

1. State of the Nation Report (Diagnosis)
   - Economy
   - Governance
   - Social Policy
   - The Environment (built and natural)

2. Consultation
   - Family Islands and NP
   - Sectors
   - Youth

3. Draft the Plan
   - 25 years, short, medium, long goals
   - Vision, goals, strategies, action steps
   - Monitoring Evaluation
Who Owns The NDP?

Bahamian Society

- NDP Steering Committee
- College of The Bahamas
- Civil Society
- Private Sector

NDP Partners

Bahamas Government

- NDP Secretariat
Assessing the State of the Nation – 4 Key Pillars

The Economy
- Descriptive: what drives the Bahamian economy
- How are sectors performing?
- Defining The Bahamas’ competitive advantages

Governance
- How can government work better?
  - Public service effectiveness
  - Public sector coordination
- Transparency, Accountability, Voice
- Crime and justice

Environment (Built and Natural)
- Do we have the infrastructure needed to build a modern economy?
  - Energy, transportation, ICT
- Are we protecting our natural environment?
- Are we ready for the effects of climate change?

Human Capital/ Social Policy
- Education, Training Labour
- Issues of poverty, gender, culture, other societal factors
- Health and healthcare, impacts on the future of the country
### Phase 1: Identifying Our Strengths

#### Human Capital: Significant improvements are underway
- Well funded education sector at 13% of total budget - among the highest percentage in the world
- Well trained teachers: 100% public teachers meet minimum requirements
- High primary enrollment rates; high literacy rates
- Growing investments in health care including access
- Modern hospitals and highly trained health professionals
- Multitude of government programmes aimed at supporting individuals and communities
- A strong sense of national pride
- Collective awareness of cultural traditions and Bahamian identity

#### Governance: Stable with strong traditions
- Stable democracy with a multi-party system, healthy elections and engaged citizens
- Scores very high by international standards on political, media and civil freedoms
- Some level of decentralization and local decision making on Family Islands
- Large, well trained, professional police force. High police per capita
- Independent judicial system
- Swift Justice programme successes
- Efforts underway to strengthen citizen security programmes
- Declining number of property crimes

#### The Environment (Built and Natural): Our Core Assets
- Recent infrastructure improvements
- Roads of high quality against regional standards
- International airports,
- Water and Sewerage infrastructure
- Excellent deep water port (Freeport) with room for expansion – able to service superpanamex ships, and fourth largest oil terminal for transshipment in the world
- High Internet and cell phone penetration
- Electricity supplied to all major islands; BEC operates 29 generating plants in 25 Island locations
- Bountiful natural marine environment and a tropical climate
- Legislation and international protocols in place to help protect the environment

#### Economy: Gateway to the Americas
- Stable currency and effective monetary policy
- Location: next door to one of the largest markets in the world: the USA
- Natural resources: land and water resources associated with a tropical archipelago
- Significant foreign investment
- Low tax regime
- Recent infrastructure improvements including expanded and improved Lynden Pindling Airport on New Providence – supporting an increase in international and domestic airlift;
- Progressive action to restructure the financial sector towards more value added services
- Reliable banking system
- Market recognition in tourism and financial services
Phase 1: Facing Our Challenges

Human Capital:
Social progress slowdown
- Changing cultural values towards material gain, work and ethics
- At risk youth that do not have the support they need
- Community decay and ghettoisation
- High levels of criminal behaviour, particularly murder
- High levels of intergenerational and new poverty
- Many citizens unequipped to reach their full potential as a result of poor education and training outcomes
- High levels of “unwellness”
- Immigration challenges leading to social exclusion

Governance:
Governance arrangements that do not support a modern Bahamas
- Poor or absent strategic planning and coordination within government
- Inadequate levels of accountability, monitoring and evaluation which affect service delivery
- Lack of a campaign finance framework
- Lack of inclusive engagement at the local level
- Uneven performance of public service agencies
- Public service recruitment methods and code that does not meet the need of a modern public service
- High levels of crime which challenge government’s credibility
- Inadequate protections around certain human rights, including rights of migrants and gender equality
- Poor government communications, including mechanisms to incorporate citizen feedback

Environment:
Highly vulnerable natural and built environment
- Archipelagic makeup increases the development challenge
- Communities with inadequate housing, sanitation and community infrastructure
- Lack of value placed on the natural environment combined with poor solid waste management
- Public infrastructure that does not support a modern economy or inclusive national development (energy, transportation, access for persons with disabilities)
- Lack of long-term infrastructure planning
- Complicated land tenure and registration processes
- Lack of integration of modern technology, GIS, ecosystem valuation, hazard planning, adaptation and mitigation services
- Lack of preparedness for inevitable climate change

Economy:
Highly vulnerable, undiversified and underperforming economy
- High costs of doing business inhibit private sector growth
- Complicated business environment, which affect both small and large businesses
- Economy which is dependent on one sector and one market
- Immature value chains across most sectors
- High debt burden which constrains the government’s ability to respond as required
- Low levels of competitiveness and productivity
- Low levels of household financial resilience, including personal financial planning
- Immature financial sector development
- Misunderstood economic policy
Phase 2 NDP: Community Engagement & Awareness Campaigns, Family Islands Visits
Understanding the Economy and Society of North Andros
Speaking with Residents in Town Hall
Meetings in South Andros
Tourism South Andros and Russell Island Landfills to understand Environmental Challenges Facing Our Country
Understanding the Salt Industry in Inagua
Meeting with Residents in Spanish Wells, Eleuthera
Meeting with Residents in Governor’s Harbour
Meeting with Residents in Rock Sound, Eleuthera
Understanding the industries, tourism product and challenges in Abaco
Meeting with Bahamians from all walks of life
Understanding the Potential of Bahamian Agriculture
Hearing from Residents from Diverse Backgrounds
Ensuring that the NDP is an Inclusive Process
Phase 3: Drafting of the National Development Plan

- National Vision
  - Goals: Governance
    - Strategies
    - Actions
    - Indicator of Success
    - Timelines
    - Agency
  - Goals: Economy
    - Strategies
    - Actions
    - Indicator of Success
    - Timelines
    - Agency
  - Goals: Environment and Infrastructure
    - Strategies
    - Actions
    - Indicator of Success
    - Timelines
    - Agency
  - Goals: Human Development
    - Strategies
    - Actions
    - Indicator of Success
    - Timelines
    - Agency
Project Risks

Ensuring Implementation of the Plan

CENTRE OF GOVERNMENT APPROACH TO THE PLANNING
- Development of a National Development Plan Bill
- Introduction of a planning and implementation monitoring tool and a governance mechanism to ensure that planning and execution occurs

WIDE CONSULTATION AND STAKEHOLDER APPROACH
Ensuring wide ownership and accountability

BUILD CAPACITY IN PLANNING AND ENSURE THAT THERE IS A “STRATEGIC PLANNING SPACE” IN PUBLIC ADMINISTRATION
Other Projects Tangential to the NDP

Andros Master Plan
Andros Sustainable Development Master Plan

• Measurement of the economic value of Andros’ ecosystem services
• Drafting and assessment of viable development scenarios
• Development of a proposal for a physical development plan that optimizes the economic value of Andros’ natural capital.
• Stakeholder driven
Iterative Stakeholder Engagement
Varied Engagement Formats
How Will Future Development Affect?

Map and Value Current and Future Ecosystem Services
Participatory Mapping
Draft Development Scenarios for Andros Master Plan

The Current scenario represents the human activities occurring on Andros. These activities were identified by Androsians and other stakeholders in October, 2015.

Nature-based tourism
Invasive species
Sea level rise
Fishing
Agriculture
Forestry
Intensive Development
Sustainable Prosperity
Conservation

Development
Mining and dredging
Marine Transportation
National Parks
Modeling and Forecasting: How Will Development Affect Tourism Visitation and Expenditure?

Sustainable Prosperity--BMP

Visitor Expenditure to Andros

- North Andros
- Central Andros W.
- Central Andros E.
- Mangrove Cay W.
- Mangrove Cay E.
- South Andros W.
- South Andros E.

Expenditure in Millions (USD)

- Current
- Business as Usual
- Conservation
- Sustainable Prosperity
- Intensive Development
Modeling and Forecasting: Future Lobster Harvest Scenarios

![Lobster Harvest Attributable to Nursery Habitat](chart.png)

**Source Nursery Habitat Region**
- Abacos
- Acklins
- Andros
- Eluthera
- Exumas
- Inagua
- Long Island
- New Providence
- N Bahama Bank
- San Salvador
- S Great Bahama Bank
- W Bahama Bank
- W Little Bahama Bank

**Harvest (lbs whole)**
- Current
- Business as Usual
- Conservation
- Sustainable Prosperity (no BMP)
- Sustainable Prosperity (BMP)
- Intensive Development
Results and Potential Impacts

• Positive response and consistent stakeholder engagement

• Preference for nature-based economy vs. mega resort projects

• Strong desire for education, training and capacity-building opportunities
Next Steps

• BRLI (French multinational) engaged by the IDB to produce master plan based on the Sustainable Prosperity scenario

• Master plan to be submitted by November 2016

• Additional $150k funding request has been made to the IDB for Natural Capital Project to remain engaged for duration of project

• Potential opportunities for Bahamians to be trained in use of NatCap’s open source software so similar modeling can be done for other islands in the future
What Are Some of the Risks/Challenges?

- **Failure to get buy-in**: Androsians skeptical of any actionable outcomes
- **Inadequate Data**: Poor or nonexistent data collection and management by some agencies
- **Implementation challenges**: Failure to adopt preferred future development scenarios vs business as usual
# How Do We Limit these Risks

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
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</table>
| **Buy-in**       | • Highlight relevant achievements as part of long-term development planning (e.g. IDB/Audubon Society bird watching certification, IDB/BAIC Sponging Project, Caribbean Global Timber pilot phase)  
|                  | • Ongoing communication and engagement with stakeholders                                                                                   |
| **Data**         | • Emphasis on data collection and sharing by all government agencies (NEMA, BNGIS, BAMSI, DMR, etc)                                           |
| **Implementation** | • Training, capacity building and engagement of COB and high school students: GIS, data collection, ecotourism etc.                         |
Final Product
(Examples from Montego Bay, Jamaica Development Plan)

- Recommended priority investments, including estimated costs and timelines
- Zoning recommendations
- Best management practices

<table>
<thead>
<tr>
<th>VISION</th>
<th>ACTION</th>
<th>TERM</th>
<th>ESTIMATED COST (USD)</th>
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<tbody>
<tr>
<td>Sustainable Mobiity Master Plan (including subsidised)</td>
<td>Development and construction of intermodal north transportation hub</td>
<td></td>
<td>$1,000,000.00</td>
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<td></td>
<td>Interagency coordination/consultations between key groups</td>
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<td>$5,000,000.00</td>
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<td></td>
<td>Public awareness campaign</td>
<td></td>
<td>$40,000.00</td>
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<td></td>
<td>Implement Building Resilient Community Livability Program</td>
<td></td>
<td>$60,000.00</td>
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<td></td>
<td>Consultations between SPP and service delivery entities</td>
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<td>$5,000.00</td>
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<td></td>
<td>Civil education campaign (1-year)</td>
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<td>$50,000.00</td>
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<td></td>
<td>Continued public education campaign (over 15 years)</td>
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<td>$1,500,000.00</td>
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<td>Help desk for on-site sewage treatment and disposal options</td>
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<td>$15,000.00</td>
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<td></td>
<td>Training for enforcement of sanitation laws</td>
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<td></td>
<td>Additional health department vehicles</td>
<td></td>
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<td></td>
<td>Civic Sanitation connection program/plant strategy</td>
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<td>$15,000.00</td>
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<td></td>
<td>Increase residential sewage interconnections</td>
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<td></td>
<td>Develop local government capacity to lead multi-stakeholder crime prevention group</td>
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<td></td>
<td>Cultivate stakeholder participation in multi-stakeholder crime prevention group</td>
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<td></td>
<td>Develop local anti-corruption initiative</td>
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<td>Public awareness campaign (to enhance the effectiveness of crime prevention)</td>
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<td>Facilitate dialogue among youth diversion service providers</td>
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<td></td>
<td>Expand general support services for prevented youth</td>
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<td></td>
<td>Civic entrepreneurial opportunities for youth in conflict with the law</td>
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<td></td>
<td>Strengthen state responses to gender-based violence and exploitation</td>
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<td></td>
<td>Conduct survey on commercial sex workers</td>
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<td></td>
<td>Consultancy to collect information on current training programs and target population</td>
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<td></td>
<td>Development of control database of information for job-seekers and employers</td>
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<td>$60,000.00</td>
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8. WHERE DO WE GO FROM HERE?

IMPLEMENTATION TIMELINE AND COSTS OF INVESTMENT

For this initiative to be successful, clear stakeholder buy-in should be secured at the earliest stage, with all stakeholders understanding the purpose and benefits of the plan. Regular monitoring and evaluation will be crucial to assess progress and ensure that goals are met. The implementation of the plan is dependent on securing funding from various sources, including government grants, private partnerships, and international aid. Effective communication and engagement with the community will be essential to maintain support and ensure the success of the project. Integrated water and waste management systems will be critical in reducing environmental impacts and improving public health.
Expected Outcomes from Andros Project

• Improve the understanding of the valuation of Andros’ natural and social resources

• Explore the various development scenarios for Andros and understand the trade offs
  • If I develop this, I lose this, etc

• Facilitate making a decision about a development path for Andros (North, Central, South)

• Understand the costs of development and infrastructure.

• It will provide a template for other island planning projects
What about Nassau?

A Model For Urban Planning
Sustainable Nassau Project: A Smart Approach to Urban Planning

ESCI – Pillars of Sustainability

Environmental Sustainability and Climate Change

• Sound use of environmental management and natural resources
• Mitigation of CO2 emissions via use of new technologies (renewable energy, urban transport, others) as well as promoting energy efficiency use.
• Implementation of Adaptation actions as well as reducing vulnerability to natural disasters (coastal cities)

Urban Sustainability

• Urban planning and controlled growth. Plan for expansion of the provision of public services according to growth.
• Promotes sustainable urban transport. Promotes competitiveness (sustainable economic growth).
• Promotes safety and security among citizens.

Fiscal Sustainability and Governance

• Adequate tax collection and planning procedures. User-end charges for the provision of public services under cost recovery mechanisms.
• Administrate under efficient public spending guidelines. Sound public debt management.
• Proven governance mechanisms that incorporates civil society.
The Sustainable Nassau Project

EMERGING TOPICS
WE HAVE A DREAM

URBAN STRATEGY

projects

1st attractor  2nd attractor  connecting  sub-attractors  development

BM Back to the Market
MS Revival Market Street
CV Creative Village
GG Guidelines for Grants Town

key/legend

vision 2040

VISION2040
SUSTAINABLE DEVELOPMENT PLAN OF THE BARRAN

Keeping and supporting the existing community
Low-cost housing and the reuse of existing structures
Sustainable efficient village of proximity

Guidelines for Grants Town

Guidelines for Grants Town

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Expected Outcomes Of Sustainable Nassau Project

• Effectively plan for an increasingly urbanized Nassau
  - Sanitation, transportation, urban development and housing, citizen security

• Coordinate with other initiatives
  - Historic Charlestown, Downtown initiative

• Improve the wellbeing of Nassauvians
AN INTEGRATED SYSTEM OF DEVELOPMENT FOR THE BAHAMAS

National Development Plan
Centre of Government
Nassau Masterplan
Island Masterplans
The Pillars of the NDP

The Data
Human and Social Capital

Pillar I
Pillar I: Human and Social Capital

• The population of the Bahamas is about 385,000 people.
  – It grew by nearly 16% between 2000 and 2012.
  – Just over 40 per cent of the population under the age of 24.

• Structures are in place to support human capital:
  – There is a functioning public health system with hospitals and clinics.
  – Education is compulsory for children (5-16), and free in the country’s 168 public schools.
  – There are also private schools, a soon to be National University and other tertiary and vocational schools.
  – The Ministry of Social Services, the National Insurance Board and the Ministry of Labour oversee the country’s social protection systems.

• Indicators such as the adult literacy rate are good, but other indicators show lackluster human capital outcomes: low vocational school graduation rate, a rise in poverty, violent crime, income inequity, poor educational outcomes and skills training.

• Employers often note difficulty in finding employees with the right skill set which is exacerbated by brain drain.
Demographics Matter

Population of The Bahamas by Age Groupings, Dept of Statistics

Large working age population with potential for productive or unproductive activities
Population is Aging, Dependency Ratios Changing – A Source for Concern in the Future

Source: Dept of Statistics
What Will the Population Look Like in the Future?

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2025</th>
<th>2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children</td>
<td>7.59%</td>
<td>7.59%</td>
<td>6.72%</td>
</tr>
<tr>
<td>Young</td>
<td>17.17%</td>
<td>14.20%</td>
<td>13.96%</td>
</tr>
<tr>
<td>Middle</td>
<td>68.96%</td>
<td>69.30%</td>
<td>64.82%</td>
</tr>
<tr>
<td>Elderly</td>
<td>6.53%</td>
<td>8.91%</td>
<td>14.50%</td>
</tr>
<tr>
<td>Total</td>
<td>369,670</td>
<td>408,930</td>
<td>454,060</td>
</tr>
</tbody>
</table>

Source: Dept of Statistics
## Population By Island

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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL BAHAMAS</td>
<td>168,812</td>
<td>209,505</td>
<td>255,049</td>
<td>303,611</td>
<td>351,461</td>
<td>100.00%</td>
</tr>
<tr>
<td>NEW PROVIDENCE</td>
<td>101,503</td>
<td>135,437</td>
<td>172,196</td>
<td>210,832</td>
<td>246,329</td>
<td>70.09%</td>
</tr>
<tr>
<td>GRAND BAHAMA</td>
<td>25,859</td>
<td>33,102</td>
<td>40,898</td>
<td>46,994</td>
<td>51,368</td>
<td>14.62%</td>
</tr>
<tr>
<td>ABACO</td>
<td>6,501</td>
<td>7,271</td>
<td>10,003</td>
<td>13,170</td>
<td>17,224</td>
<td>4.90%</td>
</tr>
<tr>
<td>ACKLNS</td>
<td>936</td>
<td>618</td>
<td>405</td>
<td>428</td>
<td>565</td>
<td>0.16%</td>
</tr>
<tr>
<td>ANDROS</td>
<td>8,845</td>
<td>8,307</td>
<td>8,177</td>
<td>7,686</td>
<td>7,490</td>
<td>2.13%</td>
</tr>
<tr>
<td>BERRY ISLANDS</td>
<td>443</td>
<td>509</td>
<td>628</td>
<td>709</td>
<td>807</td>
<td>0.23%</td>
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<tr>
<td>BIMINI</td>
<td>1,503</td>
<td>1,411</td>
<td>1,639</td>
<td>1,717</td>
<td>1,988</td>
<td>0.57%</td>
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<tr>
<td>CAT ISLAND</td>
<td>2,657</td>
<td>2,215</td>
<td>1,698</td>
<td>1,647</td>
<td>1,522</td>
<td>0.43%</td>
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<tr>
<td>CROOKED ISLAND</td>
<td>689</td>
<td>518</td>
<td>412</td>
<td>350</td>
<td>330</td>
<td>0.09%</td>
</tr>
<tr>
<td>ELEUTHERA</td>
<td>7,536</td>
<td>8,331</td>
<td>7,993</td>
<td>7,999</td>
<td>8,202</td>
<td>2.33%</td>
</tr>
<tr>
<td>EXUMA AND CAYS</td>
<td>3,767</td>
<td>3,670</td>
<td>3,556</td>
<td>3,571</td>
<td>6,928</td>
<td>1.97%</td>
</tr>
<tr>
<td>HARBOUR ISLAND &amp; SPANISH WELLS</td>
<td>1,932</td>
<td>2,300</td>
<td>1,219</td>
<td>1,639</td>
<td>1,762</td>
<td>0.50%</td>
</tr>
<tr>
<td>HARBOUR ISLAND</td>
<td>1,109</td>
<td>924</td>
<td>985</td>
<td>969</td>
<td>913</td>
<td>0.26%</td>
</tr>
<tr>
<td>INAGUA</td>
<td>26</td>
<td>35</td>
<td>924</td>
<td>985</td>
<td>969</td>
<td>0.00%</td>
</tr>
<tr>
<td>LONG CAY</td>
<td>3,861</td>
<td>3,404</td>
<td>2,949</td>
<td>2,992</td>
<td>3,094</td>
<td>0.88%</td>
</tr>
<tr>
<td>LONG ISLAND</td>
<td>581</td>
<td>464</td>
<td>312</td>
<td>259</td>
<td>277</td>
<td>0.08%</td>
</tr>
<tr>
<td>MAYAGUANA</td>
<td>208</td>
<td>164</td>
<td>89</td>
<td>72</td>
<td>72</td>
<td>0.02%</td>
</tr>
<tr>
<td>RAGGED ISLAND</td>
<td>53</td>
<td>80</td>
<td>99</td>
<td>0.03%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RUM CAY</td>
<td>856</td>
<td>825</td>
<td>0.00%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAN SALVADOR &amp; RUM CAY</td>
<td>465</td>
<td>970</td>
<td>940</td>
<td>0.27%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAN SALVADOR</td>
<td>1,372</td>
<td>1,527</td>
<td>1,551</td>
<td>0.44%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE**

1. Data for Long Cay has been added to Crooked Island for the years 1990-2010
2. Data for Harbor Island, Spanish Wells and Rum Cay have been disaggregated for the years 1990-2010

**SOURCE:** The Department of Statistics

*Source: Department of Statistics, Census Report 2012a*
Bahamas is Becoming More Diverse

Source: Dept of Statistics
# Education Profile of Recent Immigrants

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>All Recent Immigrants</th>
<th>Employed Immigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>Percent</td>
</tr>
<tr>
<td>Secondary</td>
<td>12,761</td>
<td>45.0</td>
</tr>
<tr>
<td>College/University</td>
<td>9,021</td>
<td>31.8</td>
</tr>
<tr>
<td>Primary</td>
<td>3,710</td>
<td>13.1</td>
</tr>
<tr>
<td>Post Secondary/Technical/Vocational</td>
<td>1,738</td>
<td>6.1</td>
</tr>
<tr>
<td>None/Pre-School/Kindergarten</td>
<td>1,135</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28,365</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*Source: Department of Statistics, [Census Report 2012b](#)*
EDUCATION
Bi-Partisan Approach to Education - A Shared Vision for Education 2030

Minister of Education, Science and Technology, Hon. Jerome Fitzgerald initiated the formation of a Bi-Partisan Political Committee for “Shared Vision For Education 2030” in 2013. Members of the three main political parties: the Progressive Liberal Party (PLP), Free National Movement (FNM) and the Democratic National Alliance (DNA). Members include some of the former Ministers of Education who are committed to work as a team, combining resources to combat the issues and correlated problems of education. As part of the initiative, the National Education Committee was launched to develop ideas and make recommendations from which a strategic plan will be built and policies created that will guide education in The Bahamas for the next 15 years. The Shared Vision For Education 2030 was dubbed as a “Bahamian Plan – A Plan for the direction that education will pursue in order to enable the advancement of the Bahamian People”.

The basic mandates of the Shared Vision For Education 2030 are to:
1. Ensure that every student leaves primary school fully; literate and numerate,
2. Ensure that all school leavers are able to transition effectively from school into higher education, the labour market and society and,
3. Enhance the quality of the educational experience offered by providing teachers, other educational professionals and support staff with a variety of relevant and effective professional development activities and other such support services.
# Highly Trained Teachers

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Student/Teacher Ratio (Overall)</td>
<td>14.2</td>
<td>13.8</td>
<td>13.7</td>
<td>12.7</td>
<td>13.1</td>
</tr>
<tr>
<td>Student/Teacher Ratio (Primary)</td>
<td>16.7</td>
<td>14.5</td>
<td>15.3</td>
<td>13</td>
<td>14.4</td>
</tr>
<tr>
<td>Student/Teacher Ratio (Secondary)</td>
<td>13.1</td>
<td>12</td>
<td>12.7</td>
<td>12.3</td>
<td>12.2</td>
</tr>
<tr>
<td>Percentage Trained Teachers</td>
<td>87.8</td>
<td>n/a</td>
<td>89</td>
<td>84.8</td>
<td>89.8</td>
</tr>
<tr>
<td>Percentage Trained Teachers with at least a first degree</td>
<td>n/a</td>
<td>n/a</td>
<td>69.3</td>
<td>65.8</td>
<td>75.2</td>
</tr>
</tbody>
</table>

*Source: Ministry of Education, Education Statistics 2013-2014*
### Investment in Education
#### Number and Types of Schools by Level

<table>
<thead>
<tr>
<th>Type of School</th>
<th>Grade Levels</th>
<th>Ages</th>
<th>Number of Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Public</td>
</tr>
<tr>
<td><em>Preschool</em></td>
<td>N/A</td>
<td>4 years</td>
<td>11</td>
</tr>
<tr>
<td>Primary</td>
<td>1-6</td>
<td>5-10</td>
<td>93</td>
</tr>
<tr>
<td>All-Age</td>
<td>K-12</td>
<td>4-17</td>
<td>13</td>
</tr>
<tr>
<td>Junior High</td>
<td>7-9</td>
<td>11-13</td>
<td>9</td>
</tr>
<tr>
<td>Senior High</td>
<td>10-12</td>
<td>14-17</td>
<td>8</td>
</tr>
<tr>
<td>Secondary Schools</td>
<td>7-12</td>
<td>11-17</td>
<td>22</td>
</tr>
<tr>
<td>Special Schools</td>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Alternative</td>
<td>-</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>169</td>
</tr>
</tbody>
</table>

*Number and Types of Schools in the Education System (2012)*

* 70 units comprised of 59 attached to primary schools, 11 attached to all-age schools
Actual Expenditure on Education

- **Source**: Research and Planning Section, Ministry of Education, Science and Technology
Public Expenditure on Education as a Percentage of Public Spending and GDP, 2003/4 to 2014/15

Source: Research and Planning Section, Ministry of Education, Science and Technology
### Need for Higher Pre-Primary Enrollment

#### Average Pre-Primary Enrolment (% Gross)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average School enrolment, pre-primary (% gross)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Antigua and Barbuda</td>
<td>25.0%</td>
<td>30.0%</td>
<td>69.9%</td>
<td>85.2%</td>
<td></td>
</tr>
<tr>
<td>Bahamas, The</td>
<td></td>
<td></td>
<td>9.2%</td>
<td>24.4%</td>
<td></td>
</tr>
<tr>
<td>Bermuda</td>
<td>121.4%</td>
<td>148.6%</td>
<td>51.4%</td>
<td>47.6%</td>
<td></td>
</tr>
<tr>
<td>Barbados</td>
<td>28.2%</td>
<td>38.8%</td>
<td>74.6%</td>
<td>81.6%</td>
<td>80.5%</td>
</tr>
<tr>
<td>Canada</td>
<td>49.2%</td>
<td>56.5%</td>
<td>62.8%</td>
<td>68.7%</td>
<td>71.4%</td>
</tr>
<tr>
<td>Caribbean small states</td>
<td>49.1%</td>
<td>57.4%</td>
<td>68.0%</td>
<td>78.7%</td>
<td>75.8%</td>
</tr>
<tr>
<td>Cuba</td>
<td>54.6%</td>
<td>73.7%</td>
<td>92.3%</td>
<td>108.5%</td>
<td>102.7%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>34.2%</td>
<td>47.8%</td>
<td>61.6%</td>
<td>75.8%</td>
<td>84.0%</td>
</tr>
<tr>
<td>High income</td>
<td>54.2%</td>
<td>63.0%</td>
<td>68.9%</td>
<td>77.3%</td>
<td>85.3%</td>
</tr>
<tr>
<td>United States</td>
<td>45.1%</td>
<td>56.2%</td>
<td>64.2%</td>
<td>61.9%</td>
<td>73.2%</td>
</tr>
</tbody>
</table>


---

**Footnote**

[1] Gross Enrolment Ratio (GER) pre-primary. Total is the total enrolment in pre-primary education, regardless of age, expressed as a percentage of the total population of official pre-primary education age. GER can exceed 100% due to the inclusion of over-aged and under-aged students because of early or late school entrance and grade repetition. World Bank, 2015d.
60% of Pre-schoolers go to a Private School; starting as young as 2 years

<table>
<thead>
<tr>
<th>Sex</th>
<th>Age</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>M</td>
<td>2</td>
<td>19</td>
<td>635</td>
<td>1162</td>
<td>377</td>
<td>22</td>
<td>2215</td>
</tr>
<tr>
<td>F</td>
<td>2</td>
<td>15</td>
<td>650</td>
<td>1157</td>
<td>453</td>
<td>11</td>
<td>2286</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>34</td>
<td>1285</td>
<td>2319</td>
<td>830</td>
<td>33</td>
<td>4501</td>
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</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Age</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>M</td>
<td>2</td>
<td>0</td>
<td>166</td>
<td>684</td>
<td>34</td>
<td>2</td>
<td>886</td>
</tr>
<tr>
<td>F</td>
<td>2</td>
<td>0</td>
<td>158</td>
<td>677</td>
<td>46</td>
<td>1</td>
<td>882</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>0</td>
<td>324</td>
<td>1361</td>
<td>80</td>
<td>3</td>
<td>1768</td>
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</table>

<table>
<thead>
<tr>
<th>Sex</th>
<th>Age</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>M</td>
<td>2</td>
<td>19</td>
<td>469</td>
<td>478</td>
<td>343</td>
<td>20</td>
<td>1329</td>
</tr>
<tr>
<td>F</td>
<td>2</td>
<td>15</td>
<td>492</td>
<td>480</td>
<td>407</td>
<td>10</td>
<td>1404</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>34</td>
<td>961</td>
<td>958</td>
<td>750</td>
<td>30</td>
<td>2733</td>
</tr>
</tbody>
</table>

Primary School Enrollment Rates are high compared to global averages

Source: World Bank, 2015e
Strong Improvement in the 2015 Primary School Results. Girls generally performed better.
2012 Grade 3 Results show that Private Schools Outperform Public School, but the gap may be closing given the strong national 2015 results.
Significant Improvements in English and Math Results at the Grade 3 Level

**2014 GLAT G3**

**2015 GLAT G3**

- **English Language F**
- **English Language M**
- **Mathematics F**
- **Mathematics M**
- **English Language Total**
- **Mathematics Total**

No. of Students

Grades

A B C D E F G U
2012 Grade 6 Results show that Private Schools Outperform Public School, but the gap may be closing given the strong national 2015 results.
Grade 6 GLAT Results Grade Distribution for all Subjects 2014 and 15
Some improvements in BGCSEs and BJC Results Seen. In the 2015 BGCSE examinations, boys outperformed girls.


2012 BJC Results with 2015 National Line

<table>
<thead>
<tr>
<th>0.0%</th>
<th>5.0%</th>
<th>10.0%</th>
<th>15.0%</th>
<th>20.0%</th>
<th>25.0%</th>
<th>30.0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
<td>F</td>
<td>G</td>
</tr>
</tbody>
</table>

BJC Public Schools M  
Public Schools F  
Private Schools M  
Private Schools F  
National M  
National F  
Public Schools T  
Private Schools T  
National T 2012  
National T 2015
2012 BGCSE Results with 2015 National Line

![Bar chart showing BGCSE Public Schools, Public Schools, Private Schools, National in 2012 and 2015]
# Selected BGCSE Results (2005–14)

<table>
<thead>
<tr>
<th>Subject</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Art and Design B</td>
<td>C+</td>
<td>C</td>
<td>C+</td>
<td>C+</td>
<td>C+</td>
<td>C</td>
<td>B-</td>
<td>C+</td>
<td>C+</td>
<td>C+</td>
</tr>
<tr>
<td>Auto Mechanics</td>
<td>D-</td>
<td>D+</td>
<td>C-</td>
<td>C-</td>
<td>C</td>
<td>C</td>
<td>C+</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
</tr>
<tr>
<td>Biology</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
<td>D-</td>
</tr>
<tr>
<td>Bookkeeping</td>
<td>E</td>
<td>E</td>
<td>F+</td>
<td>E</td>
<td>E-</td>
<td>E-</td>
<td>E-</td>
<td>D</td>
<td>D</td>
<td>E+</td>
</tr>
<tr>
<td>Carpentry/Joinery</td>
<td>C+</td>
<td>C</td>
<td>C+</td>
<td>C-</td>
<td>B-</td>
<td>C+</td>
<td>B-</td>
<td>C</td>
<td>C-</td>
<td>C-</td>
</tr>
<tr>
<td>Chemistry</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
</tr>
<tr>
<td>Clothing Construction</td>
<td>C</td>
<td>D+</td>
<td>D-</td>
<td>D</td>
<td>D</td>
<td>D-</td>
<td>D+</td>
<td>D</td>
<td>D</td>
<td>D</td>
</tr>
<tr>
<td>Combined Science</td>
<td>D</td>
<td>D</td>
<td>D+</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D+</td>
<td>C-</td>
<td>D+</td>
<td>D+</td>
</tr>
<tr>
<td>Electrical Installation</td>
<td>D+</td>
<td>C-</td>
<td>C-</td>
<td>D</td>
<td>D+</td>
<td>D+</td>
<td>D-</td>
<td>D+</td>
<td>D</td>
<td>C-</td>
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<tr>
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<td>D</td>
<td>D-</td>
<td>D-</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D</td>
<td>D+</td>
</tr>
<tr>
<td>French</td>
<td>D+</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
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<td>C-</td>
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</tr>
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<td>Literature</td>
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<td>D+</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C-</td>
<td>C</td>
</tr>
<tr>
<td>Mathematics</td>
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<td>E</td>
<td>E-</td>
<td>E-</td>
<td>E-</td>
<td>E+</td>
<td>E</td>
<td>E</td>
</tr>
<tr>
<td>Music</td>
<td>B-</td>
<td>C+</td>
<td>C+</td>
<td>C+</td>
<td>C+</td>
<td>C</td>
<td>C-</td>
<td>C</td>
<td>C+</td>
<td>B-</td>
</tr>
<tr>
<td>Physics</td>
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<td>C-</td>
<td>C-</td>
<td>C-</td>
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<td>C-</td>
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</tr>
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<td>Spanish</td>
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<td>C-</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
</tbody>
</table>

Source: National Examination Confidential Report BGCSE 2014, MOEST
BJCs Average Grade By Subject 2012-14

Slight Improvements seen in English and Mathematics

<table>
<thead>
<tr>
<th>Years</th>
<th>Art</th>
<th>Craft Study</th>
<th>English Language</th>
<th>General Science</th>
<th>Health Science</th>
<th>Family and Consumer Science</th>
<th>Mathematics</th>
<th>Religious Studies</th>
<th>Social Studies</th>
<th>Technical Drawing</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>C</td>
<td>C-</td>
<td>D+</td>
<td>D-</td>
<td>D+</td>
<td>C-</td>
<td>D-</td>
<td>D</td>
<td>C-</td>
<td>C+</td>
</tr>
<tr>
<td>2013</td>
<td>C</td>
<td>C</td>
<td>C-</td>
<td>D</td>
<td>D</td>
<td>C-</td>
<td>E+</td>
<td>D-</td>
<td>C-</td>
<td>C+</td>
</tr>
<tr>
<td>2014</td>
<td>C</td>
<td>C</td>
<td>C-</td>
<td>D</td>
<td>D</td>
<td>C-</td>
<td>D+</td>
<td>D</td>
<td>C-</td>
<td>C+</td>
</tr>
</tbody>
</table>
Gross Tertiary Enrollment Rates are Falling - Many School Leavers are not Equipped for Higher Education

Data source: World Bank, World Development Indicators - Last updated April 23, 2013
See also: Thematic map, Education Indicators, Participation
Government Expenditure on Education has been Growing – Impact on Results Unsure

### Table: ___ Average (Government expenditure on education, total (% of GDP))

<table>
<thead>
<tr>
<th>Countries</th>
<th>1990-1999</th>
<th>2000-2009</th>
<th>2010-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahamas, The</td>
<td>2.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Antigua and Barbuda</td>
<td>3.2%</td>
<td>3.0%</td>
<td></td>
</tr>
<tr>
<td>Barbados</td>
<td>5.4%</td>
<td>5.5%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Ireland</td>
<td>4.8%</td>
<td>4.8%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Jamaica</td>
<td>4.1%</td>
<td>5.2%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Mauritius</td>
<td>3.5%</td>
<td>3.7%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Panama</td>
<td>4.4%</td>
<td>4.3%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Singapore</td>
<td></td>
<td>3.4%</td>
<td>3.1%</td>
</tr>
<tr>
<td>St. Kitts and Nevis</td>
<td>3.8%</td>
<td>4.2%</td>
<td></td>
</tr>
<tr>
<td>Switzerland</td>
<td>5.2%</td>
<td>5.4%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>3.2%</td>
<td>3.1%</td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>4.7%</td>
<td>5.2%</td>
<td>6.1%</td>
</tr>
<tr>
<td>United States</td>
<td>4.9%</td>
<td>5.3%</td>
<td>5.3%</td>
</tr>
<tr>
<td>High income: nonOECD</td>
<td>4%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>LAC (all income levels)</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>World</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: World Bank Development Indicators

### Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Education Expenditure As A Percentage of GDP, 2002-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-'02</td>
<td>2.6%</td>
</tr>
<tr>
<td>02-'03</td>
<td>2.6%</td>
</tr>
<tr>
<td>03-'04</td>
<td>2.9%</td>
</tr>
<tr>
<td>04-'05</td>
<td>3.1%</td>
</tr>
<tr>
<td>05-'06</td>
<td>3.0%</td>
</tr>
<tr>
<td>06-'07</td>
<td>3.6%</td>
</tr>
<tr>
<td>07-'08</td>
<td>3.7%</td>
</tr>
<tr>
<td>08-'09</td>
<td>4%</td>
</tr>
<tr>
<td>09-'10</td>
<td>4%</td>
</tr>
<tr>
<td>10-'11</td>
<td>3%</td>
</tr>
<tr>
<td>11-'12</td>
<td>4%</td>
</tr>
<tr>
<td>12-'13</td>
<td>3%</td>
</tr>
</tbody>
</table>
Health and Wellness

• The country can be proud of the health system.
  – Infant mortality is declining and life expectancy is up.
  – Improvements, however, are needed in service delivery and access.

• Additionally, efforts are underway to ensure universal access to health care.
  – Key strategic incentives include the National Health Service Strategic Plan 2010-2020 and the introduction of the National Health Insurance and the National Prescription Plan.
The Bahamas has high per capita health care expenditure

<table>
<thead>
<tr>
<th>Location</th>
<th>Health Expenditure Per Capita (PPP)</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>$ 8,845.00</td>
<td>1</td>
</tr>
<tr>
<td>Canada</td>
<td>$ 4,610.00</td>
<td>10</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$ 3,235.00</td>
<td>22</td>
</tr>
<tr>
<td>Singapore</td>
<td>$ 3,215.00</td>
<td>23</td>
</tr>
<tr>
<td>Bahamas</td>
<td>$ 1,703.00</td>
<td>40</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>$ 1,633.00</td>
<td>43</td>
</tr>
<tr>
<td>Barbados</td>
<td>$ 1,407.00</td>
<td>52</td>
</tr>
<tr>
<td>Antigua and Barbuda</td>
<td>$ 1,125.00</td>
<td>66</td>
</tr>
<tr>
<td>Grenada</td>
<td>$ 693.00</td>
<td>92</td>
</tr>
</tbody>
</table>

While a Lot of Money is Spent on Healthcare, the Outcomes are Less than Desired

http://kff.org/global-indicator/health-expenditure-per-capita/

Source: Central Bank of The Bahamas
We are still plagued by high rates of disease

<table>
<thead>
<tr>
<th>Disease</th>
<th>No. of deaths in 2012 (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ischaemic heart disease (13.3%)</td>
<td>0.3</td>
</tr>
<tr>
<td>HIV/AIDS (13.2%)</td>
<td>0.3</td>
</tr>
<tr>
<td>Stroke (8.9%)</td>
<td>0.2</td>
</tr>
<tr>
<td>Diabetes mellitus (6.5%)</td>
<td>0.1</td>
</tr>
<tr>
<td>Hypertensive heart disease (6.2%)</td>
<td>0.1</td>
</tr>
<tr>
<td>Lower respiratory infections (4.35)</td>
<td>0.1</td>
</tr>
<tr>
<td>Interpersonal violence (2.6%)</td>
<td>0.1</td>
</tr>
<tr>
<td>Prostate cancer (2.6%)</td>
<td>0.1</td>
</tr>
<tr>
<td>Kidney diseases (2.5%)</td>
<td>0.1</td>
</tr>
<tr>
<td>Breast Cancer (2.1%)</td>
<td>&lt;0.05</td>
</tr>
</tbody>
</table>

Source 12: Bahamas Profile - World Health Organisation
Cardiovascular Diseases and Diabetes are the Chief Causes of Death in The Bahamas

Deaths by broad cause group

<table>
<thead>
<tr>
<th>Causes</th>
<th>Male 2000</th>
<th>Male 2012</th>
<th>Female 2000</th>
<th>Female 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIV, TB, malaria</td>
<td>0.1</td>
<td>0.1</td>
<td>0.05</td>
<td>0.05</td>
</tr>
<tr>
<td>Acute respiratory infections</td>
<td>0.3</td>
<td>0.3</td>
<td>0.25</td>
<td>0.25</td>
</tr>
<tr>
<td>Other infectious diseases</td>
<td>0.1</td>
<td>0.1</td>
<td>0.15</td>
<td>0.15</td>
</tr>
<tr>
<td>Maternal, neonatal, nutritional</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Cardiovascular diseases and diabetes</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Cancers</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Chronic respiratory diseases</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other NCDs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suicide, homicide and conflict</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unintentional injuries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Bahamas Profile, WHO downloaded on 8th May, 2015
(http://www.who.int/gho/countries/bhs.pdf?ua=1)
We are not Reaping the Benefits of Our Investment in Health

Bahamas ranked #94/191 (Green shaded)
Things are getting Better – Deaths from HIV/AIDS and Communicable Diseases are Trending Downwards

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortality rate from communicable diseases*</td>
<td>93.6</td>
<td>73.8</td>
<td>75.1</td>
<td>65.8</td>
<td>62.0</td>
<td>63.4</td>
</tr>
<tr>
<td>Mortality rate from malignant neoplasms*</td>
<td>120.3</td>
<td>103.8</td>
<td>111.3</td>
<td>123.9</td>
<td>110.2</td>
<td>115.7</td>
</tr>
<tr>
<td>Mortality rate from external causes*</td>
<td>65.9</td>
<td>53.3</td>
<td>60.2</td>
<td>59.8</td>
<td>62.6</td>
<td>69.9</td>
</tr>
<tr>
<td>Mortality rate from diabetes mellitus*</td>
<td>38.5</td>
<td>34.0</td>
<td>32.3</td>
<td>29.8</td>
<td>27.5</td>
<td>26.2</td>
</tr>
<tr>
<td>Mortality rate from ischemic heart diseases*</td>
<td>43.3</td>
<td>38.2</td>
<td>51.5</td>
<td>60.9</td>
<td>50.2</td>
<td>56.2</td>
</tr>
<tr>
<td>Mortality rate from cerebrovascular diseases*</td>
<td>49.0</td>
<td>42.7</td>
<td>42.1</td>
<td>54.1</td>
<td>42.2</td>
<td>40.6</td>
</tr>
<tr>
<td>Tuberculosis incidence rate per 100,000</td>
<td>13.8</td>
<td>14.2</td>
<td>13.3</td>
<td>9.0</td>
<td>11.2</td>
<td>8.6</td>
</tr>
<tr>
<td>Malaria, reported cases</td>
<td>14</td>
<td>14</td>
<td>No data</td>
<td>1</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>AIDS incidence rate per 100,000 pop.</td>
<td>92.3</td>
<td>94.8</td>
<td>95.8</td>
<td>76.4</td>
<td>76.4</td>
<td>45.2</td>
</tr>
<tr>
<td>Proportion of low birthweight (&lt;2,500 gm)</td>
<td>10.5</td>
<td>11.6</td>
<td>12.9</td>
<td>12.1</td>
<td>11.6</td>
<td>12.5</td>
</tr>
</tbody>
</table>
POVERTY
As a country we must face the issue of Poverty

<table>
<thead>
<tr>
<th>Regions</th>
<th>Poverty Rate</th>
<th>Poverty Gap</th>
<th>Regions</th>
<th>Poverty Rate</th>
<th>Poverty Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Providence &amp; Grand Bahama</td>
<td>8.33</td>
<td>2.58</td>
<td>New Providence</td>
<td>12.58</td>
<td>3.32</td>
</tr>
<tr>
<td>Abaco, Eleuthera, &amp; Andros</td>
<td>13.19</td>
<td>3.73</td>
<td>Grand Bahama</td>
<td>9.69</td>
<td>1.45</td>
</tr>
<tr>
<td>Exuma &amp; Long Island</td>
<td>16.64</td>
<td>5</td>
<td>Abaco and Andros Eleuthera</td>
<td>17.33</td>
<td>5.48</td>
</tr>
<tr>
<td>Other Family Islands</td>
<td>20.96</td>
<td>6.35</td>
<td>Exuma and Long Island</td>
<td>14.71</td>
<td>4.61</td>
</tr>
</tbody>
</table>

Poverty Rates and Percent of The Poor and Poverty Gap by Island group: 2001, 2013
High Levels of Poverty Among the Youth

Poverty Rates by Age Category

- 0-4: 18.6
- 5-14: 19.33
- 15-19: 17.95
- 20-34: 12.55
- 35-54: 8.73
- 55-64: 8.37
- 65 and older: 6.55

- 2001 (blue)
- 2013 (red)
The Working Poor – 44.8% of the Poor are Employed

Employment Status and Primary Employer Among Poor: 2001, 2013

<table>
<thead>
<tr>
<th>Employment factor</th>
<th>2001</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employment status (15 years and older)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>58.14</td>
<td>44.8</td>
</tr>
<tr>
<td>Unemployed</td>
<td>11.53</td>
<td>20.44</td>
</tr>
<tr>
<td>Outside labour force</td>
<td>30.34</td>
<td>34.75</td>
</tr>
<tr>
<td><strong>Primary employer (15 years and older)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government/Government corporation</td>
<td>15.73</td>
<td>8.62</td>
</tr>
<tr>
<td>Private enterprise</td>
<td>58.1</td>
<td>72.18</td>
</tr>
<tr>
<td>Private individual</td>
<td>15.2</td>
<td>4.74</td>
</tr>
<tr>
<td>Own account</td>
<td>10.97</td>
<td>14.47</td>
</tr>
</tbody>
</table>
**Lower Education levels = Higher Poverty**

**Highest Levels of Education Competed and Highest Academic Exam Passed**

**Poor and None Poor : 2001, 2013**

<table>
<thead>
<tr>
<th>Education level completed</th>
<th>2001</th>
<th></th>
<th>2013</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-Poor</td>
<td>Poor</td>
<td>All Persons</td>
<td>Non-Poor</td>
</tr>
<tr>
<td>No Schooling</td>
<td>2.18</td>
<td>6.97</td>
<td>2.51</td>
<td>6.55</td>
</tr>
<tr>
<td>Primary School</td>
<td>11.43</td>
<td>21.8</td>
<td>12.16</td>
<td>15.56</td>
</tr>
<tr>
<td>High School</td>
<td>65.45</td>
<td>68.6</td>
<td>65.67</td>
<td>47.57</td>
</tr>
<tr>
<td>College/University</td>
<td>16.65</td>
<td>1.28</td>
<td>15.58</td>
<td>18.71</td>
</tr>
<tr>
<td>Technical/Vocational</td>
<td>4.29</td>
<td>1.35</td>
<td>4.08</td>
<td>6.93</td>
</tr>
<tr>
<td>Qualification</td>
<td>Non-Poor</td>
<td>Poor</td>
<td>All Persons</td>
<td>Non-Poor</td>
</tr>
<tr>
<td>None</td>
<td>52.13</td>
<td>85.32</td>
<td>54.9</td>
<td>38.49</td>
</tr>
<tr>
<td>School Leaving certificate</td>
<td>6.83</td>
<td>4.21</td>
<td>6.61</td>
<td>10.61</td>
</tr>
<tr>
<td>BJC, CXC Basix</td>
<td>15.36</td>
<td>7.37</td>
<td>14.69</td>
<td>12.36</td>
</tr>
<tr>
<td>O Level, CXC General</td>
<td>12.39</td>
<td>2.33</td>
<td>11.55</td>
<td>13.39</td>
</tr>
<tr>
<td>A level, Associate</td>
<td>4.51</td>
<td>0.41</td>
<td>4.16</td>
<td>1.31</td>
</tr>
<tr>
<td>Bachelor</td>
<td>3.61</td>
<td>0</td>
<td>3.31</td>
<td>6.86</td>
</tr>
<tr>
<td>Other degree</td>
<td>5.17</td>
<td>0.37</td>
<td>4.77</td>
<td>2.87</td>
</tr>
</tbody>
</table>

**SOURCE: The Department of Statistics**
More than half of all births were to single mothers, with teenagers accounting for 13% of live births. A higher percentage of these single parent households were poor raising the spectre that the cycle of poverty will continue.
## Unemployment Levels

### Employment by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Employment</th>
<th>Unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Female</td>
</tr>
<tr>
<td>All Bahamas</td>
<td>74.4</td>
<td>71.0</td>
</tr>
<tr>
<td></td>
<td>15.7</td>
<td>17.3</td>
</tr>
<tr>
<td>Region</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Bahamas</td>
<td>84.6</td>
<td>83.1</td>
</tr>
<tr>
<td></td>
<td>15.4</td>
<td>16.9</td>
</tr>
<tr>
<td>New Providence</td>
<td>84.0</td>
<td>81.9</td>
</tr>
<tr>
<td></td>
<td>16.0</td>
<td>18.1</td>
</tr>
<tr>
<td>Grand Bahama</td>
<td>81.4</td>
<td>80.8</td>
</tr>
<tr>
<td></td>
<td>18.6</td>
<td>19.2</td>
</tr>
<tr>
<td>Family Islands</td>
<td>79.7</td>
<td>77.2</td>
</tr>
<tr>
<td></td>
<td>20.3</td>
<td>22.8</td>
</tr>
</tbody>
</table>

**Note:** Employment figures are percentages of the labor force, while unemployment figures represent the percentage of the labor force who are unemployed.
Even with High Unemployment the Skills Gap Excludes some of Job Seekers from Access to Available Jobs - Inadequate Education is a Major Limitation

An inability to find suitably qualified labour was identified as a the single major obstacle to doing business in The Bahamas by firms of all sizes
Immigration Policy Should be In Line with Development Goals and National Needs

Bahamas Work Permits Issued 2012-2014 (24K)
- Misc: 1,103
- Professional: 3,410
- Technical: 3,891
- Low Skills: 16,058

Cayman Work Permits Issued In 2013 (19K)
- Misc: 921
- Semi Skilled: 1,865
- Professional: 3,177
- Low Skill: 5,849
- Technical: 7,509
Governance

Pillar II
Bahamas has a number of Strong Governance Institutions

- **Respected Constitution** including key elements of Westminster system
- **Free elections** with high **voter turnout** and peaceful transfers of power
- **Independent judiciary**
- **Free media and civil society organizations**
- Some important expressions of strategic direction are used (**Party platforms, Speeches from the Throne, annual budgets, some major public policy papers**)
- Most core elements of government machinery and processes are in place
- **Budgetary management** has improved, program-based budgeting & better procurement planned
- **Basic financial reporting** (income & expenditure) is full & timely, external audit robust & independent
- Anti-corruption legal regime meets Inter-American Convention Against Corruption standards
However, They are Areas Where Change Would Benefit The Country

- **Center of government** needs significant capacity and process improvements to ensure government agenda is being implemented
- **Strategic and operational planning skills** are can be strengthened
- Overall public service capacity is can be strengthened: morale, pay, accountability, skills and budgets for training are all low, with little evidence of succession planning or performance management
- **Policy and project implementation** are require strengthening
- Freedom of information legislation not yet implemented
- Lack of a campaign finance framework
- Line-item budgeting continues to restrict decision makers from having an informed view of programs and budgets on a timely basis (Progress underway)
- Lines of accountability in local government can be clarified.
Opportunities to Strengthen Governance

- Practice of engaging civil society is strengthening
- Public sector reform will provide a force multiplier for all initiatives of Government:
  - Strengthening of the Office of the PM to act as a coordinating unit for government policy
  - Investing in the Public Service including training for technical, performance management and leadership skills
  - Implementing strategic planning and results based programs
- Invest in the AG’s office and Freedom of Information legislation will enhance the accountability of successive governments
- Ministerial reports will increase the level of transparency to citizens
- Addressing high profile policy issues (particularly crime) increases the legitimacy of any Government
- Strengthen Roles and responsibilities of Government appointees to Crown corporations
Potential Threats

• Where there is the absence of Accountability, Transparency and Efficiency - leads to low levels of trust among citizens

• High and growing public debt can limit government’s ability to respond to emerging policy and program needs

• Threats to Legitimacy from:
  – Violent crimes and perceived lack of justice
  – Social exclusion and a disparity between rich and poor
  – Jobs and education
  – Eventually the effects of climate change
The Bahamas Scores High with Respect to its Political and Civil Liberties

<table>
<thead>
<tr>
<th>Freedom House Bahamas Political and Civil Liberties Ranking</th>
<th>Bahamas Score</th>
<th>Available Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electoral Process</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Political Pluralism and Participation</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Functioning of Government</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Political Rights Subtotal</td>
<td>38</td>
<td>40</td>
</tr>
<tr>
<td>Freedom of Expression and Belief</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Organisational Rights</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Rule of Law</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Personal Autonomy and Individual Rights</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Civil Liberties Subtotal</td>
<td>58</td>
<td>60</td>
</tr>
<tr>
<td>Freedom Score</td>
<td><strong>96</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
There is a Healthy Tradition of Political Engagement
Government is a Small Percentage of the Economy

- Low tax policy - limited revenue sources: 16% of the Economy
- No army, traditional social support system, etc
- Major spending on education, health and infrastructure

<table>
<thead>
<tr>
<th>Country</th>
<th>Taxes/GDP</th>
<th>Gov. Spending/GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>44%</td>
<td>51%</td>
</tr>
<tr>
<td>UK</td>
<td>36%</td>
<td>49%</td>
</tr>
<tr>
<td>Brazil</td>
<td>35%</td>
<td>39%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>29%</td>
<td>34%</td>
</tr>
<tr>
<td>USA</td>
<td>25%</td>
<td>42%</td>
</tr>
<tr>
<td>The Bahamas</td>
<td>16%</td>
<td>23%</td>
</tr>
</tbody>
</table>

(Source: Index of Economic Freedom)
The Public Service at 20% of the workforce is Right-Sized. It is similar to the size of Government in OECD countries – The Issue may be one of Composition

### EMPLOYED PERSONS BY EMPLOYMENT STATUS: 2015

<table>
<thead>
<tr>
<th>Employment Status</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Employee (Gov. or Gov. Corp)</td>
<td>36,510</td>
</tr>
<tr>
<td>Employee (Private Business)</td>
<td>118,770</td>
</tr>
<tr>
<td>Self Employed</td>
<td>27,525</td>
</tr>
<tr>
<td>Unpaid Family Worker</td>
<td>370</td>
</tr>
<tr>
<td>Not Stated</td>
<td>740</td>
</tr>
<tr>
<td>Total</td>
<td>183,319</td>
</tr>
</tbody>
</table>

Source: Department of Statistics

In brackets the number of countries considered.
However, The Bahamas Scores Poorly in Planning and Budgeting – below the Region Average

<table>
<thead>
<tr>
<th>The Development of MfDR Pillars in The Bahamas and Latin America and the Caribbean</th>
<th>Bahamas score</th>
<th>Regional Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pillar</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Results-based planning</td>
<td>0.2</td>
<td>2.3</td>
</tr>
<tr>
<td>2. Results-based budgeting</td>
<td>0.3</td>
<td>1.4</td>
</tr>
<tr>
<td>3. Financial management, auditing and procurement</td>
<td>1.9</td>
<td>2.5</td>
</tr>
<tr>
<td>4. Programme and project management</td>
<td>0.8</td>
<td>1.9</td>
</tr>
<tr>
<td>5. Monitoring and evaluation</td>
<td>0.8</td>
<td>1.6</td>
</tr>
<tr>
<td>MfDR Index</td>
<td>0.8</td>
<td>1.9</td>
</tr>
</tbody>
</table>

Excerpt from Inter-American Development Bank (IDB), “Building Effective Governments”
The Bahamas (In Blue) Can Reap Tremendous Benefits from Improving the Technical and Strategic Management Skills in the Civil Service – Low Hanging Fruit

Development of MfDR Pillars in The Bahamas and the LAC Region

- Results-Based Planning
- Monitoring and Evaluation
- Program and Project Management
- Financial Management, Auditing and Procurement
- Results-based Budgeting

Graph showing the comparison of Country, Regional, and Maximum Scores for each pillar.
An overview of the Public Service by Job Category

Number of Employees by Category

Managerial Positions

- All Others
- Managerial

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teachers and Education</td>
<td>3,469</td>
</tr>
<tr>
<td>Misc., Clerical &amp; Temp</td>
<td>4,666</td>
</tr>
<tr>
<td>Social Services, Youth</td>
<td>5,160</td>
</tr>
<tr>
<td>Civil Aviation, Air Traffic, Engineering</td>
<td>275</td>
</tr>
<tr>
<td>Public Health, Agri., Judicial and Legal</td>
<td>951</td>
</tr>
<tr>
<td>Tourism</td>
<td>390</td>
</tr>
<tr>
<td>Managerial</td>
<td>1,242</td>
</tr>
<tr>
<td>Nurse, Medical</td>
<td>113</td>
</tr>
<tr>
<td>IT, GIS, Stats</td>
<td>142</td>
</tr>
<tr>
<td>Post Office, Road Traffic</td>
<td>129</td>
</tr>
<tr>
<td>Executive, Administrative, Financial</td>
<td>465</td>
</tr>
<tr>
<td>All Others</td>
<td>200</td>
</tr>
</tbody>
</table>
The Composition of the Public Service Managerial cadre compared to other Countries

% of Public Service in Managerial Position

- Bahamas
- Canada
- New Zealand
- South Australia
- New South Wales

Percentage distribution of Public Service in managerial positions.
Key Strategic Goal is the Strengthening of the Centre of Government to Improve Effectiveness

Center of Government

1. Strategic management
   - Planning the government’s key priorities to ensure coherent, actionable, and measurable goals.

2. Coordinating policy
   - Chairing interministerial committees for the design and implementation of programs in cross-cutting issues.

3. Monitoring and improving performance
   - Monitoring progress in the priorities and intervening to enable performance and unblock obstacles.

4. Managing the politics of policies
   - Leading the political negotiations with other actors to ensure the approval of the government’s plan.

5. Communicating results and accountability
   - Producing a coherent narrative of the government’s actions and achievements and being accountable to the public.
Graft Index

Enterprise Surveys – Bahamas Country Profile
http://www.enterprisesurveys.org/
CRIME AND CRIMINALITY
The High Level of Criminality limits the Growth Potential

- Disaggregated crime data show that there have been continuous increases in the most violent crimes: murder, armed robbery and rape. The murder rate, for example, has more than doubled in the last 10 years. In 2013 the homicide rate was 31.5 per 100,000 people (higher than the average homicide rate for the Caribbean region: 20 per 100,000 inhabitants).

- In 2013, an important portion of murder victims were young (37% under age 25), males (87%), killed with a firearm (82%), due to unresolved conflicts (14%), domestic violence (14%), robbery (20%) and retaliation (33%).

- Armed robberies have increased by 54% in the last decade (from 663 in 2004 to 1022 in 2013) and robberies have increased 81% (from 199 in 2004 to 361 in 2013).

Source: Extracted from IDB
Things are Improving – Instances of Crime (other than murder) Fell

Crime Statistics 2011-2014

<table>
<thead>
<tr>
<th>Crime Category</th>
<th>2012</th>
<th>% chge</th>
<th>2013</th>
<th>% chge</th>
<th>2014</th>
<th>% chge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crimes Against Persons</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Murder</td>
<td>111</td>
<td>-13</td>
<td>119</td>
<td>7</td>
<td>123</td>
<td>3</td>
</tr>
<tr>
<td>Attempted Murder</td>
<td>19</td>
<td>58</td>
<td>15</td>
<td>-21</td>
<td>22</td>
<td>47</td>
</tr>
<tr>
<td>Manslaughter</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>300</td>
<td>3</td>
<td>-25</td>
</tr>
<tr>
<td>Rape</td>
<td>97</td>
<td>-9</td>
<td>105</td>
<td>8</td>
<td>75</td>
<td>-29</td>
</tr>
<tr>
<td>Attempted Rape</td>
<td>12</td>
<td>-57</td>
<td>22</td>
<td>83</td>
<td>12</td>
<td>-45</td>
</tr>
<tr>
<td>Unlawful Sexual Intercourse</td>
<td>167</td>
<td>-7</td>
<td>165</td>
<td>-1</td>
<td>111</td>
<td>-33</td>
</tr>
<tr>
<td>Armed Robbery</td>
<td>1,099</td>
<td>10</td>
<td>1,022</td>
<td>-7</td>
<td>920</td>
<td>-10</td>
</tr>
<tr>
<td>Robbery</td>
<td>361</td>
<td>-2</td>
<td>365</td>
<td>1</td>
<td>350</td>
<td>-4</td>
</tr>
<tr>
<td>Attempted Robbery</td>
<td>31</td>
<td>-28</td>
<td>30</td>
<td>-3</td>
<td>31</td>
<td>3</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>1,898</td>
<td>-3</td>
<td>1,847</td>
<td></td>
<td>1,647</td>
<td>3</td>
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<tr>
<td>Crime Against Property</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Burglary</td>
<td>309</td>
<td>-9</td>
<td>275</td>
<td>-11</td>
<td>188</td>
<td>-32</td>
</tr>
<tr>
<td>Housebreaking</td>
<td>2,875</td>
<td>-11</td>
<td>2,265</td>
<td>-21</td>
<td>1,756</td>
<td>-22</td>
</tr>
<tr>
<td>Shop-breaking</td>
<td>971</td>
<td>3</td>
<td>912</td>
<td>-6</td>
<td>785</td>
<td>-14</td>
</tr>
<tr>
<td>Stealing</td>
<td>1,909</td>
<td>-2</td>
<td>1,952</td>
<td>2</td>
<td>1,558</td>
<td>-20</td>
</tr>
<tr>
<td>Stealing from Vehicle</td>
<td>2,284</td>
<td>-8</td>
<td>2,465</td>
<td>8</td>
<td>2,066</td>
<td>-16</td>
</tr>
<tr>
<td>Stolen Vehicle</td>
<td>1,332</td>
<td>0</td>
<td>1,157</td>
<td>-13</td>
<td>879</td>
<td>-24</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td>9,680</td>
<td>-7</td>
<td>9,026</td>
<td>4</td>
<td>7,232</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,578</td>
<td>4</td>
<td>10,873</td>
<td>4</td>
<td>8,879</td>
<td>4</td>
</tr>
</tbody>
</table>

The Criminal Justice System is Strained

  - The justice system’s inefficient management systems results in substantial backlog of cases. Preliminary inquiries or trials in the Supreme Court can last over a year leading to a large number of inmates awaiting trial (42% in 2013 according to the International Centre for Prison Studies).
  - In 2013, the incarceration rate was 379 per 100,000. Overcrowding was attributed to the large number of petty criminals and the backlog in processing at the remand center.
  - During the period of 2005-2009 only 5.1% of murder cases resulted in convictions. More recently, In 2013, 127 cases were tried resulting in 62 convictions, 54 not guilty verdicts and 25 dismissals.
  - The Swift Justice program, within the Office of the Attorney General should be strengthened to address the long backlog, the efficiency of the Court Reporting Unit and access to justice in high crime areas.

Source: Extracted from IDB
However, 60% of Firms Believe that the Courts Are Fair, Impartial and Uncorrupted
The SWIFT Justice Programme is Reaping Benefits – Falling Service Times

VBI - Year To Date December 2015 Average Time to Service

Source: Office of The Attorney General
Matters Resolved Increased by 93.2% between 2012 and 2015

Source: Office of The Attorney General
In Addition to the Increased Number of Matters Resolved, a Higher Percentage of Matters taken to Trail returned Guilty Verdicts

Source: Office of The Attorney General
## Trials Types Year to Date (December 2015)

<table>
<thead>
<tr>
<th>Offence</th>
<th>Offence Type</th>
<th>Trials</th>
<th>Guilty</th>
<th>Not Guilty</th>
<th>Mistrial</th>
<th>Nolle</th>
</tr>
</thead>
<tbody>
<tr>
<td>106</td>
<td>Armed Robbery</td>
<td>25</td>
<td>20</td>
<td>14</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>79</td>
<td>Armed Robbery - Attempted - Receiving - Burglary- Causing Harm - Other Serious Offence</td>
<td>16</td>
<td>16</td>
<td>6</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>4</td>
<td>Arson</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>205</td>
<td>Murder - Attempted Murder - Manslaughter - Abetment</td>
<td>58</td>
<td>42</td>
<td>27</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>22</td>
<td>Possession Of A Firearm - Possession Whilst Committing Another Offence</td>
<td>5</td>
<td>1</td>
<td>7</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>45</td>
<td>Rape - Attempted Rape - Attempted Rape or Rape With Another Offence</td>
<td>16</td>
<td>15</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Stealing - Fraud - Related</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>61</td>
<td>Unlawful Sexual Intercourse - Incest</td>
<td>20</td>
<td>12</td>
<td>6</td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>528</td>
<td>Grand</td>
<td>141</td>
<td>109</td>
<td>65</td>
<td>11</td>
<td>47</td>
</tr>
</tbody>
</table>
The Breakdown of the Family, Poverty and Drugs and the Main Causes of Crime

Main Root Cause of Crime Percentages by Gender

- Breakdown of Family
- Poverty
- Drugs
- Corruption
- Crime Pays
- Poor Police Protection
- Failure of Courts
- Missing School/School Truancy
- Failure of Church
- Failure of the Prison to Rehabilitate
- No Response

Male | Female
--- | ---

The Youth are Disproportionately Affected by Crime

- Most homicide victims are in the 18-25 age group: 32% of murder victims in 2013; followed by the category of 26-35 year-olds with 30% of cases. (RBPF)

- In 2013, 54% of the prison population (sentenced and on remand) were between the ages of 14 and 30. This evidence suggests that interventions should target both youth and young adults. (Ministry of National Security (MNS))

- Small gangs are becoming an increasing concern in the country. Estimates of the number of youth involved in gangs range from 6,000 to 10,000. Many suburban communities are now experiencing increased gang-related crimes and violence. Around 50 different gangs have been identified as operating in the Bahamas varying in size, structure, membership and involvement with illegal activities.

Source: Extracted from IDB
While Most Crime Victims are Men, Violence Against Women (VAW) is Also a Concern

- Both domestic violence and rape disproportionately affect women and are highly underreported. In 2013, 14% of all homicides were related to domestic violence.

- Non-Fatal domestic violence was responsible for 28% of all assaults reported to the police in 2010-2013 and reported rapes have increased 17% since 2004.

- Average rape rate over the last five years (2009-2013) as 28.2 per 100,000, which is above the high Caribbean regional average.

- Emergency Room data show that treated cases of rape were nearly 1.5 times higher than those registered with the police in 2013, suggesting that the problem is likely larger than what is captured by administrative data.

Source: Extracted from IDB
Unemployment and Youth At Risk

• **Research and evidence** show that a lack of attachment to school and the workplace during adolescence and adulthood contribute to the prevalence of youth violence.

• Youth unemployment (age 15-24) has doubled from 14.9% in 2001 to 32.3% in 2013 (three times larger than the rate of adult unemployment).

• Idle young people (not in employment, education, or training), are particularly vulnerable to continued labor detachment which may contribute to violent or antisocial behavior. Searching for jobs can be a discouraging process as more than 50% of youth remain unemployed for more than a year.

• The employability of youth hinges critically on the level of education and skills. Even though most students complete secondary education, only half of them graduate.

• Although there are not available measures of skill level of unemployed youth, most employers report difficulties in recruiting job candidates because of insufficient specific skills (66%), soft skills (24%) and numeracy skills (12%).

Source: Extracted from IDB
The Environment (Built and Natural)

Pillar III
Infrastructure and Environment: Key Issues

- Power rates are among the highest in the region due to a number of factors:
  - importing petroleum-based fuel to produce most of its electricity (cost + 11% of GDP),
  - aging infrastructure leading to lost revenues (system losses),
  - low bill payment rates, and
  - large staff complement compared to peer utilities in the region.

- The Bahamas is one of the top ten most vulnerable nations in the world to the impacts of climate.

- Roads are generally in good condition. However, the road network in New Providence is hindered by a lack of room to expand, and traffic is often congested and chaotic.

- The lack of reliable public transit, including a school bus system, worsens the problem as people rely on their own vehicles.

- Archipelago nation leads to high per capita infrastructure costs (60 plus airports and 28 entry points as an example.)

- The water and sanitation infrastructure also faces significant problems. Years of inadequate maintenance have left the system with an extremely high water loss rate, currently about 56%.
## Natural Environment: Strengths and Weaknesses

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spectacular natural setting and climate that drives tourism and provides a unique lifestyle for citizens</td>
<td>Large project development and urban living have led to degradation of the environment</td>
</tr>
<tr>
<td>Plant, wildlife, and marine ecosystem that provides nourishment for citizens and supports tourism</td>
<td>Lack of data collection processes to monitor the natural environment</td>
</tr>
<tr>
<td>Signatories to a number of international treaties and domestic laws to protect ecosystem</td>
<td>Enforcement of treaties and legislation</td>
</tr>
<tr>
<td>Strong disaster awareness and response protocols</td>
<td>Lack of an overall encompassing legislation (including land use planning and development guidelines) to ensure the protection of natural resources in the future generations</td>
</tr>
<tr>
<td>High levels of biodiversity including unique wildlife</td>
<td>The coming effects of climate change are not well understood by the public</td>
</tr>
<tr>
<td>Rising awareness and action within government to protect the environment</td>
<td>Fires from dump sites create air-borne health hazards</td>
</tr>
<tr>
<td>The advocacy role played by the BEST Commission</td>
<td></td>
</tr>
</tbody>
</table>
**Natural Environment: Opportunities/ Threats**

### OPPORTUNITIES
- Access to international information and funding to study, monitor, evaluate and protect the natural environment
- Bahamas Agricultural and Marine Studies Institute may become not only a national success, but a regional success
- Improving and enforcing laws and policies to protect the environment will also provide benefits to human health and the economy
- Healthy levels of biodiversity may lead to additional pharmaceutical research
- Undeveloped family islands continue to offer FDI and eco-tourism opportunities
- Alternative energy technologies are becoming more cost effective and safer for the environment

### THREATS
- The Bahamas is listed as one of the top 10 nations to be affected by climate change (intensity of storms including hurricanes, rising seawater, uninhabitable land, migration, loss of certain species)
- Mitigating climate change will consume a greater share of the budget (infrastructure)
- Less than 20% of the population is connected to central sewage systems risking human health
- Non-lined dump sites create leachate contaminating water tables and land
- Continued coastal development (erosion and overuse of natural lands and marine)
- Importing of fuel including bunker C for electricity creates risks of leakage
### Infrastructure: Strengths and Weaknesses

#### STRENGTHS
- Significant built infrastructure given the population and archipelago
- New investments in water systems via IDB loan has already started to pay dividends for the WSC
- New public infrastructure in the form of roads and ports
- New and modern terminals at Airport has provided increased passenger capacity for the foreseeable future
- The Government is exploring options to address the shortcomings of electricity generation and distribution.

#### WEAKNESSES
- Power rates and the number of power outages remains a source of concern
- Connecting to a drinking water system is limited
- Water losses is at high levels and low utilization of sewage system
- Traffic congestion in Nassau is problematic
- Public transit requires a new governance model and investment
- Diversifying the economy may require public investments as well as FDI – Use of PPPs
- Solid waste management requires new regulations and investments
- There is limited capital planning and no consolidated database of infrastructure assets, condition, maintenance and priority
# Infrastructure: Opportunities and Threats

## Opportunities
- Structural changes to the management and/or ownership of BEC provides an opportunity for an injection of capital and new processes
- International fuel prices are lower, providing some relief for ratepayers
- FDI and development bank interest in infrastructure will continue to be available as the world economy strengthens
- The development of a capital planning process within government enables decision makers to prioritize investments across ministries and sectors
- Enhanced maintenance regimes will enable an extension of the lifecycle of public infrastructure
- Public support for improvements to the landfill, BEC and public transit is high,
- Alternative energy technologies are becoming more cost effective

## Threats
- Public finances are not conducive to a large infrastructure renewal program.
- The cost to rehabilitate the transmission and distribution system and add new generation capacity is steep without private investors
- Climate change will likely lead to higher sea levels as well as severe storms and hurricanes. This will have a direct effect on infrastructure
Family Island Modernization Programmes will Improve the Environment

Road works on: Abaco, Acklins, Eleuthera and Ragged Island

Redevelopment and expansion of airport on North Abaco Island to ICAO Standard

Redevelopment and expansion of airport on Bimini Island to ICAO Standard

Redevelopment and expansion of Fresh Creek shipping dock, Andros

Redevelopment and expansion of the Three Island Dock on Eleuthera Island

Redevelopment and expansion of shipping dock and ferry terminal on Bimini Island

Redevelopment and expansion of airport, construction of shipping dock and

Royal Bahamas Defence Force berthing facilities on Ragged Island
New Providence and Family Island Transformation and Modernization Programmes

$210 million – public private partnership arrangement of Bahamas Telecommunications Company (BTC): Cable and Wireless and Bahamas Government

$12 million – Nassau Straw Market and Urban Park – to replace destroyed historical centre

$400 million – Lynden Pindling International Airport Re-development and Expansion Project

$44.2 million – Nassau Harbour Dredging and Widening Project – to accommodate larger cruise ships

$290 million – New Providence Road Enhancement Project – improvement and construction of 24.6 miles of roads in 19 corridors

$17 million – public private partnership arrangement of Arawak Port Development Company – construction of shipping/port facilities from Downtown Nassau to Arawak Cay

$30 million – construction of Thomas A. Robinson National Stadium

$72 million – Airport Gateway Project - construction of expanded roadway

$52 million – construction of Critical Care Wing at the Government-owned Princess Margaret Hospital
Infrastructure - Energy is a Key Driver of Growth and Development – The Situation Today

• The commitment to bring electricity to every corner of The Bahamas
  – unified tariff system

• Dependent on imported fossil fuels to meet energy needs.
  – Dependent on global oil prices
  – Continued price uncertainty given global trends
  – Balance of payments impacts

• High cost of fuel per kilowatt-hour sold
  – High energy costs results in
    • Uncompetitive business environment
    • Reduces disposable household income

• Serious impact of current technology on the environment
  – The need for renewable sources given issues of Climate Change
The Energy Situation Today Cont’d

• Reliability also appears to be an issue
  – forces many businesses and households to operate their own generators

• Management issues:
  – High system losses,
  – Maintenance issues
  – High delinquency rates

• There are few energy conservation measures
  – Power consumption can be reduced by as much as 25 per cent through more effective conservation and efficiency measures.
  – Some progress in the business sector
  – Needs national standards for efficiency
Improvement at BEC = Growth Potential for The Bahamas

<table>
<thead>
<tr>
<th>BEC Fast Facts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>438 MW</td>
<td>100,000 customers</td>
</tr>
<tr>
<td>Valued at approximately $500 – $520</td>
<td>29 generation stations</td>
</tr>
<tr>
<td>million</td>
<td></td>
</tr>
</tbody>
</table>

Compared to its peers in the Caribbean, BEC has:

| Higher system losses                  | 17% versus 10%                  |
| Higher energy costs                   | 44c per kWh versus 33c          |
| Lower generational load               | 60% versus 71%                  |
| Higher customer complaints            | 109 per 1000 customers versus 51 per 1000 |
BEC Systems Losses and Staff Efficiency

System Losses
Higher than the level for many Caribbean utilities.

Staff Efficiency
Low staff productivity as main drivers of high operating expenses.

Extracted from IDB’s presentation at the Bahamas Energy Security Forum, December 2015
Source: Extracted from IDB’s presentation at the Bahamas Energy Security Forum, December 2015
A Bold National Energy Policy to Increase Energy Efficiency and Security

1. Ensure the security of energy supply through diversification of fuels;
2. Modernise the country’s energy infrastructure;
3. Utilisation of renewable energy sources such as solar, ocean energy, biofuels, waste-to-energy and wind;
4. Increased focus on energy conservation and efficiency;
5. Develop a comprehensive governance/regulatory framework to effectively support the advancement of the energy sector; and
6. Seek eco-efficiency in the manufacturing, agricultural and tourism sectors and government as leaders in energy conservation and the use of renewable energy.
The Discussion Needs be about the pathway to action through an Evaluation of Priorities

- Comprehensive governance/regulatory framework to facilitate the introduction of renewables and the diversification of fuels
- Modernizing the country’s energy infrastructure;
- Development of renewable energy sources
- Diversification of fuels
- Energy conservation and efficiency
- Eco-efficiency and conservation and alternatives in the manufacturing, agricultural and tourism sectors
Access to Clean Safe Water Critical: High Usage of Well Water which is Vulnerable to Intrusion
# A Quick Look at the Transportation Sector

<table>
<thead>
<tr>
<th><strong>AREA</strong></th>
<th><strong>UNIT</strong></th>
<th><strong>BAHAMAS</strong></th>
<th><strong>REGIONAL AVERAGE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport sector % GDP</td>
<td>%</td>
<td>3.9</td>
<td>6.3</td>
</tr>
<tr>
<td>Population</td>
<td>millions</td>
<td>0.4</td>
<td>22.5</td>
</tr>
<tr>
<td>Land area</td>
<td>sq km</td>
<td>13,880</td>
<td>780,793</td>
</tr>
<tr>
<td>Retail price diesel oil</td>
<td>US$/liter</td>
<td>5.20</td>
<td>1.29</td>
</tr>
<tr>
<td>Retail price gasoline</td>
<td>US$/liter</td>
<td>5.46</td>
<td>1.41</td>
</tr>
<tr>
<td>Total vehicles / 1000 inhabitants</td>
<td>vehicles/1,000 inhabitants</td>
<td>397.7</td>
<td>222.3</td>
</tr>
<tr>
<td>Heavy vehicles / 1000 inhabitants</td>
<td>vehicles/1,000 inhabitants</td>
<td>16.76</td>
<td>18.03</td>
</tr>
<tr>
<td>Diesel oil consumption / capita</td>
<td>barrels/capita/year</td>
<td>8.86</td>
<td>1.28</td>
</tr>
<tr>
<td>Gasoline consumption / capita</td>
<td>barrels/capita/year</td>
<td>4.72</td>
<td>1.32</td>
</tr>
<tr>
<td>Road density (area)</td>
<td>km/km2</td>
<td>0.196</td>
<td>0.461</td>
</tr>
<tr>
<td>Road density (population)</td>
<td>km/1,000 inhabitants</td>
<td>7.7</td>
<td>5.4</td>
</tr>
</tbody>
</table>
Lots of Cars on the Roads.....In part due to concerns over public transit
Internet Penetration is High

% Population (Penetration)

% Facebook penetration
The Bahamas’ Ranking
(Broadband Prices)

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Data for The Bahamas</th>
<th>Country Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadband Internet prices (fixed)</td>
<td>USD$ 29.99/Mbps PPP$ 26.37/Mbps</td>
<td>56th in the World 2nd in the Caribbean</td>
</tr>
<tr>
<td>Mobile post-paid broadband price, as a % of GNI p.c.</td>
<td>0.89</td>
<td>39th in the World 1st in the Caribbean</td>
</tr>
<tr>
<td>Mobile prepaid broadband price, as a % of GNI p.c.</td>
<td>1.11</td>
<td>53rd in the World 1st in the Caribbean</td>
</tr>
<tr>
<td>ICT Price Basket (IPB) – All Services</td>
<td>1.2</td>
<td>48th in the World 2nd in the Caribbean</td>
</tr>
</tbody>
</table>


[1] Includes fixed and mobile telephony.
Map showing the four (4) submarine cable systems connected to The Bahamas

1. Florida; Bahamas (Caves Point, Crown Haven, Current, Hawksbill, Riding Point, Sandy Point)
2. Bahamas (Eight Mile Rock, Nassau); Florida
3. Bahamas (Cat Island, Clarence Town, Cockburn Town, Crooked Island, Duncan Town, Fresh Creek, George Town, Governors Harbour, Hawksbill, Matthew Town, Mayaguana, Nassau, Port Nelson, Sandy Point); Haiti
4. Bahamas (Cat Island, Crooked Island, Nassau); Belize; Nicaragua; Mexico; Columbia; Puerto Rico; Panama; Florida; Turks and Caicos; Guatemala; Honduras; Costa Rica; Dominican Republic; Venezuela; Curacao
Pillar IV: Economy

• The Bahamas is one of the most advanced economies in the Caribbean
  – tourism which is heavily reliant on the US Market; and
  – financial services.
• The industrial sector, agriculture and fisheries and manufacturing only form a marginal part of the economy.
• The economy is susceptible to climate change and other natural disasters.
• The relatively small population is an inherent inhibitor of building a critical mass for businesses and growth strategies.
• The country’s tax base is narrow and largely dependant on tourism and trade: exacerbating the government’s capacity to fund essential services.
• Recent years has seen negative growth which has yielded critical socioeconomic consequences.
### The Economy: A SWOT Analysis

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>S</strong></td>
<td><strong>W</strong></td>
</tr>
<tr>
<td>- Strategic Location: next to the USA</td>
<td>- Vulnerable - suffering downturn, sluggish growth subject to external shocks)</td>
</tr>
<tr>
<td>- Natural resources: land and water resources associated with a tropical archipelago</td>
<td>- Large and widening trade deficit</td>
</tr>
<tr>
<td>- Excellent deep water port (Freeport) with room for expansion – able to service superpanamex ships, and fourth largest oil terminal for transshipment in the world</td>
<td>- High levels of unemployment and poverty</td>
</tr>
<tr>
<td>- Recent foreign investment in tourism.</td>
<td>- Low levels of productivity</td>
</tr>
<tr>
<td>- Low Tax Regime</td>
<td>- Dramatic rise in crime and violence</td>
</tr>
<tr>
<td>- Recent infrastructure improvements, including:</td>
<td>- Poor educational attainment</td>
</tr>
<tr>
<td>- Expanded and improved Lynden Pindling Airport;</td>
<td>- Public sector fiscal positions (high current deficits, growing debt, rising GDP to debt ratio</td>
</tr>
<tr>
<td>- New roads on New Providence;</td>
<td>- Challenging geographic configuration</td>
</tr>
<tr>
<td>- New water pipes and fresh water production plants built</td>
<td>- Relative high costs of living and high costs of doing business</td>
</tr>
<tr>
<td>- Progressive action to restructure the financial sector;</td>
<td>- Infrastructure deficiencies (water supply experiences high technical and commercial losses; poor reliability of electricity and high electricity costs</td>
</tr>
<tr>
<td>- Market recognition in tourism and financial services</td>
<td></td>
</tr>
</tbody>
</table>
## The Economy

| OPPORTUNITIES | • Recognized business opportunities: |
| | • Diversification within the tourism sector based on product development |
| | • Strengthening of the financial services sector |
| | • New sectors (marine industries, logistics, agro-industries, call centres; bio farming the sea) |
| | • New University – Expansion of the College of The Bahamas – skill upgrading programmes |
| | • Development land available across the country |
| | • Widening of Panama Canal (may lead to strengthening of transshipment and logistics activities in The Bahamas) |
| | • Leveraging the skills and investments of the Bahamian diaspora |

| THREATS | • Capabilities of Government and governance issues (necessary improvements to transparency, accountability, government efficiencies and public sector reforms) |
| | • Crime and security problems intensify |
| | • Failure to continue to reform government finances |
| | • Energy, transportation and utilities infrastructure not improved |
| | • Climate Change adaptation not addressed |
| | • Economic diversification/strengthening not achieved |
High Human Development Index In Spite of Falling GDP Per Capita

Source: Statistics from The World Bank, UNDP
An Economy Strongly Linked to the US with Growing Levels of Government Debt as Government Seeks to Reduce the Impact of the 2008 Crisis

Graph 1: Bahamas and United States GDP growth correlation, by lustrum, 1961-2013

Source: Statistics from the World Bank
Widening Fiscal Deficit and Increased Debt Levels Challenge Government’s Ability to Provide Services

<table>
<thead>
<tr>
<th>Year</th>
<th>% of GDP</th>
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</thead>
<tbody>
<tr>
<td>FY2007/08</td>
<td>17.6%</td>
</tr>
<tr>
<td>FY2008/09</td>
<td>16.8%</td>
</tr>
<tr>
<td>FY2009/10</td>
<td>17.2%</td>
</tr>
<tr>
<td>FY2010/11</td>
<td>18.7%</td>
</tr>
<tr>
<td>FY2011/12</td>
<td>18.7%</td>
</tr>
<tr>
<td>FY2012/13</td>
<td>17.2%</td>
</tr>
<tr>
<td>FY2013/14</td>
<td>18.4%</td>
</tr>
<tr>
<td>FY2014/15</td>
<td>21.3%</td>
</tr>
</tbody>
</table>

- Deficit % of GDP
- Revenue % of GDP
- Expenditure % of GDP
Low Savings Rate; Growth Funded Mainly by FDI

Need to increase savings to fund investment in the economy
The Bahamas is very Successful at Attracting FDI but it is Not Utilized as Effectively as Possible
Recent Investments

- **$3.4 billion** – BAHA MAR Hotel, Casino and Golf Resort project – largest single phase development in the western hemisphere, New Providence
- **$140 million** – Albany Resort expansion project - to include medical facilities
- **$200 million** – Resorts World Bimini Bay project, Bimini
- **$90 million** – Club Med Hotel Resort, San Salvador
- **$30 million** – The Cove, Eleuthera
- **$1.4 billion** – Bakers Bay Golf and Ocean Club
- **Sunwing Memories Grand Bahama Beach and Casino Resort**
- **$21 million** – Norman’s Cay Resort – Exuma
- **$40 million** – February Point Resort Estates – Exuma
- **$30 million** – Leaf Cay Resort – Exuma
- **$31 million** – Fortune Island Hotel and Community Resort – Crooked Island
- **$63 million** – Stocking Island Resort – Exuma
Negative Total Factor Productivity Erodes the Benefits of Capital and Labour Inputs

Table A.1a: MDCs: Growth accounting with \( \alpha = 1/2 \), 1971-2007

<table>
<thead>
<tr>
<th></th>
<th>GDP growth in percentage points</th>
<th>Contribution to GDP growth in percentage points</th>
<th>Contribution to GDP growth in percentage points</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Physical</td>
<td>Labour</td>
<td>TFP</td>
</tr>
<tr>
<td>Bahamas (the)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1971-1980</td>
<td>3.5</td>
<td>1.1</td>
<td>1.1</td>
</tr>
<tr>
<td>1981-1990</td>
<td>3.1</td>
<td>3.7</td>
<td>1.6</td>
</tr>
<tr>
<td>1991-2000</td>
<td>1.0</td>
<td>3.3</td>
<td>1.0</td>
</tr>
<tr>
<td>2001-2007</td>
<td>0.8</td>
<td>0.8</td>
<td>-2.2</td>
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<tr>
<td>Barbados</td>
<td></td>
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<tr>
<td>1971-1980</td>
<td>2.9</td>
<td>1.4</td>
<td>0.2</td>
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<tr>
<td>1981-1990</td>
<td>1.3</td>
<td>0.7</td>
<td>1.3</td>
</tr>
<tr>
<td>1991-2000</td>
<td>1.6</td>
<td>0.6</td>
<td>0.6</td>
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<tr>
<td>2001-2007</td>
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<td>0.3</td>
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<tr>
<td>Belize</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1971-1980</td>
<td>7.4</td>
<td>3.8</td>
<td>0.9</td>
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<tr>
<td>1981-1990</td>
<td>5.1</td>
<td>2.2</td>
<td>1.7</td>
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<tr>
<td>1991-2000</td>
<td>5.0</td>
<td>3.1</td>
<td>2.1</td>
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<tr>
<td>2001-2007</td>
<td>5.0</td>
<td>1.8</td>
<td>2.3</td>
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<td>Guyana</td>
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<tr>
<td>1971-1980</td>
<td>1.4</td>
<td>1.3</td>
<td>0.4</td>
</tr>
<tr>
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<td>-0.2</td>
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<td>1991-2000</td>
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<td>0.7</td>
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<tr>
<td>2001-2007</td>
<td>5.0</td>
<td>0.5</td>
<td>0.3</td>
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<td>Jamaica</td>
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<tr>
<td>1971-1980</td>
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<td>-0.3</td>
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<td>1981-1990</td>
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<td>0.1</td>
<td>0.8</td>
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<td>1991-2000</td>
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<td>1.3</td>
<td>0.2</td>
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<td>2001-2007</td>
<td>1.8</td>
<td>1.3</td>
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<td>-0.4</td>
<td>1.6</td>
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<tr>
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<td>0.7</td>
<td>1.4</td>
<td>0.4</td>
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<tr>
<td>1991-2000</td>
<td>5.7</td>
<td>4.7</td>
<td>0.7</td>
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<tr>
<td>2001-2007</td>
<td>8.8</td>
<td>4.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td></td>
<td></td>
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<tr>
<td>1971-1980</td>
<td>5.3</td>
<td>4.7</td>
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<tr>
<td>1991-2000</td>
<td>3.2</td>
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<td>1.2</td>
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<tr>
<td>2001-2007</td>
<td>8.8</td>
<td>4.7</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Source: Author's calculations.
\( ^a \) Average annual growth rate.
An second IMF study confirms these findings

Table 2. Other Caribbean: Growth Accounting 1970–2007
(In percent, adjusted for the effects of hurricanes on capital)

<table>
<thead>
<tr>
<th>Country</th>
<th>Output</th>
<th>Capital</th>
<th>Labor</th>
<th>TFP</th>
<th>K</th>
<th>L</th>
<th>TFP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahamas</td>
<td>2.34</td>
<td>5.02</td>
<td>2.30</td>
<td>-0.91</td>
<td>1.76</td>
<td>1.49</td>
<td>-0.91</td>
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<tr>
<td>1971-1980</td>
<td>2.59</td>
<td>1.46</td>
<td>2.98</td>
<td>0.14</td>
<td>0.51</td>
<td>1.94</td>
<td>0.14</td>
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<td>1981-1990</td>
<td>3.22</td>
<td>7.21</td>
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<td>2.52</td>
<td>1.92</td>
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<td>1.06</td>
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<td>0.88</td>
<td>-1.87</td>
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<td>1.97</td>
<td>1.74</td>
<td>1.15</td>
<td>0.61</td>
<td>0.61</td>
<td>0.75</td>
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<td>4.41</td>
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<td>0.37</td>
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<td>4.46</td>
<td>3.23</td>
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<td>1.13</td>
<td>1.88</td>
<td>1.45</td>
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<td>1.84</td>
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<td>2.18</td>
<td>1.67</td>
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<td>4.33</td>
<td>3.33</td>
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<td>2.17</td>
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<td>0.27</td>
<td>0.68</td>
<td>-0.46</td>
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<td>3.38</td>
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<td>1.18</td>
<td>1.15</td>
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<td>0.50</td>
<td>-5.34</td>
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<td>-0.39</td>
<td>-5.34</td>
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<td>5.03</td>
<td>1.06</td>
<td>1.02</td>
<td>4.00</td>
<td>0.37</td>
<td>0.66</td>
<td>4.00</td>
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<td>-0.09</td>
<td>-0.20</td>
<td>0.45</td>
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<td>1.12</td>
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<td>2.05</td>
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<td>0.67</td>
<td>2.05</td>
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<tr>
<td>1991-2000</td>
<td>1.37</td>
<td>2.73</td>
<td>1.41</td>
<td>-0.50</td>
<td>0.96</td>
<td>0.91</td>
<td>-0.50</td>
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<tr>
<td>2001-2007</td>
<td>1.52</td>
<td>2.00</td>
<td>1.48</td>
<td>-0.14</td>
<td>0.70</td>
<td>0.96</td>
<td>-0.14</td>
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<tr>
<td>Suriname</td>
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<td>3.51</td>
<td>1.49</td>
<td>-0.67</td>
<td>1.23</td>
<td>0.97</td>
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<tr>
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<td>3.31</td>
<td>0.77</td>
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<td>1.16</td>
<td>0.50</td>
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<tr>
<td>1981-1990</td>
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<td>0.56</td>
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<td>1991-2000</td>
<td>-0.71</td>
<td>3.20</td>
<td>1.47</td>
<td>-2.78</td>
<td>1.12</td>
<td>0.95</td>
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<td>2001-2007</td>
<td>5.39</td>
<td>9.17</td>
<td>1.73</td>
<td>1.06</td>
<td>3.21</td>
<td>1.12</td>
<td>1.06</td>
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<tr>
<td>Trinidad &amp; Tobago</td>
<td>3.28</td>
<td>2.03</td>
<td>1.51</td>
<td>1.59</td>
<td>0.71</td>
<td>0.98</td>
<td>1.59</td>
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<tr>
<td>1971-1980</td>
<td>4.54</td>
<td>4.01</td>
<td>2.59</td>
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<td>1981-1990</td>
<td>-2.93</td>
<td>2.47</td>
<td>1.38</td>
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<td>0.89</td>
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<td>1991-2000</td>
<td>4.83</td>
<td>-0.24</td>
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<td>4.19</td>
<td>-0.09</td>
<td>0.73</td>
<td>4.19</td>
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<tr>
<td>2001-2007</td>
<td>7.28</td>
<td>1.82</td>
<td>0.70</td>
<td>6.19</td>
<td>0.64</td>
<td>0.45</td>
<td>6.19</td>
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<tr>
<td>Grand Total</td>
<td>2.17</td>
<td>2.45</td>
<td>1.73</td>
<td>0.19</td>
<td>0.86</td>
<td>1.12</td>
<td>0.19</td>
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</tbody>
</table>

Source: Emergency Disaster Database (EM-DAT), CRED (2010); Heston, Summers, and Allen (2009); and IMF staff calculations.
Key Tourism Issues

- Big employer, largest driver
- One market reliance
- Concentrated ownership
- Concentrated on New Providence and PI
- Absence of quality value added services, value chains, tourism clusters (nascent development stages)
- Losing Market Share to regional rivals

Number of Tourists by Country Origin, 1980-2011

Source: Statistics from The Ministry of Tourism
Reduced Market Share of the Valuable Stop-Over Market – Increased Dominance of Cruise Arrivals (lower value added)

How to maximize rising cruise turnover?

How to stabilize and increase declining stopover turnover?
Need to Improve Links to Tourism: Eg. Tourism Cluster Map of Dominican Republic
Financial Services: A Major Contributor to the Economy

• Second pillar, high pay – middle class
• Need better measures of indirect impacts, but this sector should be large
• Since 2000 under heavy attack (OECD, FATF, FSB, Global Forum, G20)
  – Adjustments have been made
    • Re-alignment of traditional private banking (back office work has been lost)
    • New markets, new products require new skills
      – Client facing activities, funds
    • Development focused immigration policy needed
The State of the Financial Services

Decision Time  Adaptation Models  Outcomes
# Evolution of Attack on Offshore Financial Services

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid 1990s</td>
<td>Anti Money Laundering, Prudential</td>
</tr>
<tr>
<td>Early 2000’s</td>
<td>G20 and IMF Prudential Standards, Harmful Tax Competition, Uncooperative Jurisdictions, IMF definitions of Offshore and Tax Havens</td>
</tr>
<tr>
<td>Mid/Late 2000s</td>
<td>TIEA Blacklists threat, Rise of the Global Forum</td>
</tr>
<tr>
<td>Post 2010</td>
<td>Base Erosion and Profit Shifting, Developed, Developing and Tax Havens, Movements at OECD and UN, Focus on companies, Focus on FDI incentives, EPZs</td>
</tr>
<tr>
<td>Post 2015</td>
<td>FATCA, Automatic, Spontaneous, Tax Examination Cooperation</td>
</tr>
</tbody>
</table>
The number of banks has declined

<table>
<thead>
<tr>
<th>Type of Company</th>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
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<tbody>
<tr>
<td>Public</td>
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<td>124</td>
<td>118</td>
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<td>113</td>
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<td>Restricted</td>
<td></td>
<td>130</td>
<td>139</td>
<td>150</td>
<td>155</td>
<td>147</td>
<td>152</td>
</tr>
<tr>
<td>Non-Active</td>
<td></td>
<td>10</td>
<td>18</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>6</td>
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<tr>
<td>Total</td>
<td></td>
<td>271</td>
<td>281</td>
<td>276</td>
<td>278</td>
<td>268</td>
<td>267</td>
</tr>
<tr>
<td>Licenses Ceased</td>
<td></td>
<td>16</td>
<td>19</td>
<td>9</td>
<td>8</td>
<td>11</td>
<td>9</td>
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</tbody>
</table>
Rebalancing of financial services activities

Source: IMF

The Non-Bank Sector is also impacted by Changes in the International Environment

<table>
<thead>
<tr>
<th>Investment Funds Administrations:</th>
<th>Unit</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012r</th>
<th>2013r</th>
<th>2014p</th>
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</thead>
<tbody>
<tr>
<td>Licensed Mutual Funds</td>
<td>Number</td>
<td>788</td>
<td>753</td>
<td>713</td>
<td>652</td>
<td>753</td>
<td>30</td>
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<tr>
<td>Licensed Administrators</td>
<td>Number</td>
<td>64</td>
<td>65</td>
<td>65</td>
<td>63</td>
<td>62</td>
<td>63</td>
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<tr>
<td>Asset Under Management</td>
<td>B$ Billions</td>
<td>189.6</td>
<td>138.2</td>
<td>86.8</td>
<td>112.2</td>
<td>127.9</td>
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</table>

<table>
<thead>
<tr>
<th>Insurance Companies and Agents</th>
<th>Unit</th>
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<th>2010</th>
<th>2011</th>
<th>2012r</th>
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<tbody>
<tr>
<td>Domestic Companies and Agents</td>
<td>Number</td>
<td>174</td>
<td>178</td>
<td>127</td>
<td>139</td>
<td>140</td>
<td>143</td>
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<tr>
<td>Total Domestic Assets</td>
<td>B$ Millions</td>
<td>1,258.8</td>
<td>1,326.6</td>
<td>1,393.0</td>
<td>1,506.4</td>
<td>1,558.9</td>
<td>1,661.5</td>
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<tr>
<td>Average Annual Salaries</td>
<td>B$</td>
<td>45,084</td>
<td>44,673</td>
<td>43,829</td>
<td>42,619</td>
<td>44,187</td>
<td>44,477</td>
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<tr>
<td>Operating Costs / Total Expenditures</td>
<td>%</td>
<td>94</td>
<td>92.9</td>
<td>92.3</td>
<td>92.4</td>
<td>88.5</td>
<td>92.1</td>
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<table>
<thead>
<tr>
<th>External Insurers</th>
<th>Unit</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012r</th>
<th>2013r</th>
<th>2014p</th>
</tr>
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<tbody>
<tr>
<td>Number</td>
<td>20</td>
<td>21</td>
<td>14</td>
<td>18</td>
<td>19</td>
<td>21</td>
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<table>
<thead>
<tr>
<th>Credit Unions (Active)</th>
<th>Unit</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012r</th>
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<th>2014p</th>
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<td>Number of Unions</td>
<td>Number</td>
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<td>13</td>
<td>13</td>
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<td>7</td>
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<tr>
<td>Total Assets</td>
<td>B$ Million</td>
<td>233.6</td>
<td>247.9</td>
<td>273.2</td>
<td>280.9</td>
<td>327.6</td>
<td>347.7</td>
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<tr>
<td>Employment</td>
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<td>130</td>
<td>134</td>
<td>139</td>
<td>141</td>
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<tr>
<td>Average Annual Salaries</td>
<td>B$</td>
<td>27,099</td>
<td>26,585</td>
<td>27,487</td>
<td>29,605</td>
<td>30,090</td>
<td>30,085</td>
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<tr>
<td>Total Expenditures</td>
<td>B$ Million</td>
<td>6.46</td>
<td>6.69</td>
<td>6.58</td>
<td>10.20</td>
<td>11.06</td>
<td>10.38</td>
</tr>
<tr>
<td>Operating Costs / Total Expenditures</td>
<td>%</td>
<td>95.5</td>
<td>92.2</td>
<td>95.5</td>
<td>89.5</td>
<td>82.8</td>
<td>88.6</td>
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</table>

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Securities Listed</td>
<td>Number</td>
<td>24</td>
<td>23</td>
<td>25</td>
<td>27</td>
<td>27</td>
<td>29</td>
</tr>
<tr>
<td>Shares Traded</td>
<td>Thousands</td>
<td>4,917</td>
<td>10,860</td>
<td>2,899</td>
<td>4,080</td>
<td>4,084</td>
<td>3,979</td>
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<tr>
<td>Market Capitalization</td>
<td>B$ Billion</td>
<td>3.02</td>
<td>2.91</td>
<td>2.91</td>
<td>2.87</td>
<td>3.00</td>
<td>3.50</td>
</tr>
</tbody>
</table>
Skills, Productivity, Service... A Problem Throughout The Bahamas, but Financial Services is highly skilled.
Surprisingly low levels of foreign labour, compared to other sectors

Extracted from Fazio and Pinder (2012), In Pursuit of Employable Skills, IDB
Financial Sector Requires Hard Skills for its Employees, in addition to soft skills

Extracted from Fazio and Pinder (2012), In Pursuit of Employable Skills, IDB
Training is extremely important to the sector

**FIGURE 6** Percentage of Firms that Trained Staff in 2010 or 2011, by Industry

Source: Analysis of 2012 Wages and Productivity Survey data.

Extracted from Fazio and Pinder (2012), In Pursuit of Employable Skills, IDB
Key to success in Financial Services:

Choose The Bahamas because we provide you with a strong value proposition
• Ensuring the skills and personnel for the current environment

Choose The Bahamas because we are a gateway to the world (Think Global Again)
• Knowing high growth markets, targeting them, attracting firms and high value personnel

Choose The Bahamas because we make it easy for you to do business here
• Government efficiency & effectiveness, energy, technology

Choose The Bahamas because we have a Diamond Reputation
• Attract the right type of firms, regulation, financial sector education, We sit at the table, monitor the OECD/UN like a hawk and know what’s coming next and advocate hard for our centre
Specific Steps for Financial Services

• Hard reforms to the business environment are a priority
  – Small reforms can make a big difference
  – Target top 50 by 2020, top 25 by 2030.
• Build new clusters by attracting more business and business opportunities
• Invest in the best infrastructure
• Continue to safeguard our reputation
• Understand our skill needs and aggressively address them
Agriculture and Fisheries: Current Contribution

<table>
<thead>
<tr>
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<th></th>
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<tbody>
<tr>
<td>AGRICULTURE &amp; FISHERIES:</td>
<td>170,017</td>
<td>169,592</td>
<td>176,586</td>
<td>148,825</td>
<td>140,593</td>
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<td>AGRICULTURE:</td>
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<td>64,464</td>
<td>64,717</td>
<td>66,738</td>
<td>60,479</td>
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<td>FISHING:</td>
<td>107,073</td>
<td>105,128</td>
<td>111,869</td>
<td>82,087</td>
<td>80,114</td>
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% CONTRIBUTION TO GDP

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</thead>
<tbody>
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<td>AGRICULTURE &amp; FISHERIES:</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
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<tr>
<td>AGRICULTURE:</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>FISHING:</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Pv: Provisional
R: Revised
F: Final

SOURCE: The Department of Statistics
Agriculture and Fisheries: An Opportunity to Diversify the Economy and Broaden the Base

• Constraints
  – Terrain and natural resources, crop quality & consistency
  – Modern Skills, knowledge
  – Absence of value added services
  – Access to infrastructure
  – Perceptions of the industry
  – Illegal/unregulated fishing
  – Lack of biological data for fish stock assessments
  – Administrative human resources
  – Regulation and policy development
  – Invasive lion fish threatening ecosystem
On a practical level, farmers have raised the following issues:

- The high costs associated with the transportation of agricultural goods from the Family Islands to New Providence;
- Needed improvements to transportation infrastructure;
- Lack of effective marketing of local agriculture products;
- The high cost of formalization and registration of farms;
- Limited technical and extension services support (A recent Ministry of Agriculture and Marine Resources report notes that of the 200 staff at the Ministry, only 20 are professionally trained agricultural officers and most of these trained officers are located in New Providence);
- Lack of access to Crown Land on a leased basis and the timely transfer of land titles;
- Lack of credit products tailored to farmers (i.e., production credits);
- Needed modernization of packing houses, including exploring private public partnerships in their management;
- Standards and certifications; and
- The management of labour needs for farms and immigration processing.
The Contribution from Construction is Also Falling

### The Bahamas

<table>
<thead>
<tr>
<th>Year</th>
<th>Res.</th>
<th>Com. &amp; Ind.</th>
<th>Pub.</th>
<th>Total</th>
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<tbody>
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<td>2004</td>
<td>2878</td>
<td>463</td>
<td>18</td>
<td>3359</td>
</tr>
<tr>
<td>2005</td>
<td>2846</td>
<td>435</td>
<td>16</td>
<td>3297</td>
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<tr>
<td>2006</td>
<td>1151</td>
<td>407</td>
<td>15</td>
<td>1573</td>
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<tr>
<td>2007</td>
<td>2695</td>
<td>361</td>
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<td>3070</td>
</tr>
<tr>
<td>2008</td>
<td>2713</td>
<td>464</td>
<td>7</td>
<td>3184</td>
</tr>
<tr>
<td>2009</td>
<td>2009</td>
<td>385</td>
<td>22</td>
<td>2416</td>
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<tr>
<td>2010</td>
<td>1578</td>
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<td>1996</td>
</tr>
<tr>
<td>2011</td>
<td>1528</td>
<td>385</td>
<td>35</td>
<td>1948</td>
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<tr>
<td>2012</td>
<td>1437</td>
<td>458</td>
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<td>1916</td>
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<tr>
<td>2013</td>
<td>1055</td>
<td>355</td>
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### Value of Permits

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<th>Pub.</th>
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<td>2004</td>
<td>354,224</td>
<td>178,017</td>
<td>8,176</td>
<td>540,417</td>
</tr>
<tr>
<td>2005</td>
<td>402,191</td>
<td>113,161</td>
<td>17,071</td>
<td>532,423</td>
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<tr>
<td>2006</td>
<td>579,856</td>
<td>217,578</td>
<td>6,457</td>
<td>803,891</td>
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<tr>
<td>2007</td>
<td>508,701</td>
<td>189,612</td>
<td>3,651</td>
<td>701,964</td>
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<tr>
<td>2008</td>
<td>514,043</td>
<td>289,715</td>
<td>3,015</td>
<td>806,773</td>
</tr>
<tr>
<td>2009</td>
<td>452,553</td>
<td>156,107</td>
<td>184,064</td>
<td>792,724</td>
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<tr>
<td>2010</td>
<td>320,232</td>
<td>182,763</td>
<td>71,724</td>
<td>574,719</td>
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<tr>
<td>2011</td>
<td>338,250</td>
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<td>17,204</td>
<td>1,864,11</td>
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<tr>
<td>2012</td>
<td>306,933</td>
<td>373,228</td>
<td>35,745</td>
<td>715,906</td>
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<td>2013</td>
<td>251,927</td>
<td>197,780</td>
<td>22,502</td>
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## International Trade

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<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
<td><strong>Imports</strong></td>
<td>2,698.9</td>
<td>2,886.8</td>
<td>3,140.9</td>
<td>3,657.5</td>
<td>3,365.9</td>
<td>3,790.5</td>
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<tr>
<td><strong>Exports</strong></td>
<td>584.9</td>
<td>621.4</td>
<td>726.9</td>
<td>828.7</td>
<td>811.7</td>
<td>689.2</td>
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<tr>
<td><strong>Balance of Trade</strong></td>
<td>(2,114.0)</td>
<td>(2,265.4)</td>
<td>(2,414.0)</td>
<td>(2,828.8)</td>
<td>(2,554.2)</td>
<td>(3,101.3)</td>
</tr>
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</table>

Source: Department of Statistics
# Key Trading Partners

<table>
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<tr>
<th>Country</th>
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<tr>
<td></td>
<td>Imports</td>
<td>Exports</td>
<td>Balance</td>
<td></td>
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<td>United States</td>
<td>3,007.0</td>
<td>569.9</td>
<td>(2,437.1)</td>
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<tr>
<td>Puerto Rico</td>
<td>243.9</td>
<td>-</td>
<td>(243.9)</td>
<td></td>
</tr>
<tr>
<td>Barbados</td>
<td>96.9</td>
<td>0.8</td>
<td>(96.1)</td>
<td></td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>57.3</td>
<td>0.1</td>
<td>(57.2)</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>28.7</td>
<td>0.3</td>
<td>(28.4)</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>18.9</td>
<td>25.8</td>
<td>6.9</td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>1.0</td>
<td>25.1</td>
<td>24.1</td>
<td></td>
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<tr>
<td>Canada</td>
<td>20.1</td>
<td>14.3</td>
<td>(5.8)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Department of Statistics
Key issues with International Trade

• The proximity and size of the U.S. market provide The Bahamas with a significant advantage, particularly when the U.S. economy is growing, as has been the norm over the last five decades. However, a move to diversify its trading relationship may open pockets of opportunities for small and/or niche firms in The Bahamas as well as provide alternative sources for inputs into the economy.

• The Bahamas would need to carefully plan any reduction in duties and tariffs so as to minimize transition costs for businesses that are benefiting from the current rates. Recognizing the need to move carefully, however, does not mean that such a reduction should not be started.

• The Bahamas should prioritize efforts aimed at making the country more attractive to business, particularly in ways that will help it diversify its trading partners.

• As The Bahamas expands its engagement within the international trading system, the government will need to create several new institutions, including a bureau of standards and quality, and a food safety agency.
WTO Accession

- The Bahamas is well advanced in the World Trade Organization (WTO) accession process.
- The legislative reforms necessary for WTO accession will be less difficult to achieve for The Bahamas than for many other acceding countries because it is party to the Economic Partnership Agreement (EPA), a trade agreement between CARICOM, the Dominican Republic, and the European Union.
- With respect to a reduction in tariffs on goods as required under both agreements, The Bahamas passed the Tariff Act, which includes all the tiers of EPA tariff reductions, in 2013.
- Ensuring consisting of WTO Services Rules and Bahamas Investment policy.
- Consideration of intellectual property and government procurement issues.
Implementing the EPA involves a number of initiatives aimed at fulfilling commitments made under the agreement. Key elements of this reform include:

- **The Customs Management Act:** This Act and its accompanying regulations was passed. Both are in line with EPA and WTO requirements.

- **The Investment Bill:** This bill was drafted and will set out the requirements for Mode 3 trade (physical commercial presence and investment) and Mode 4 trade (temporary presence of individuals). The manuals that will accompany passage of this bill will guide some of the operations of The Bahamas’ Investment Authority (Mode 3 manual) and Department of Immigration (Mode 4 manuals).

- **The Competition Law:** The EPA requires the establishment of a competition authority.

- **Intellectual Property:** A suite of bills dealing with intellectual property issues has been drafted.
Stimulating High Growth Entrepreneurship: We Must Address the Following

- **Human capital constraints**: general deficiency in skills and a lack of needed training in addition to high wages and low productivity issues.

- **Customs and trade regulations**: need for customs modernisation and public institutional strengthening and reforms.

- **Customs duty rates**: 80% of Bahamian companies use foreign materials or supplies. Import duties are broadly considered a constraint to domestic private sector competitiveness.

- **Practices of informal sector**: unfair competition against unregistered companies in addition to those in their formal markets.

- **Access to finance**: proportion of firms using bank loans for working capital considered one of the lowest among comparator countries.

- **Crime, theft and disorder**: firms in The Bahamas indicated spending up to 1.6% of the value of their total sales on measures to secure and protect their business, compared to a regional average of 1.5%.

- **Electricity**: high costs alongside broadly unreliable supply.

- **Corruption**: based on an incidence of graft index (including expectation of giving a gift in order to receive certain services), The Bahamas’ score at 13.4 ranks high compared to region (6.6) and OECD countries (5.7).
Low Hanging Fruit: Easy Fixes that would have a Significant Impact: - Doing Business Priorities Doing Business Priorities 2016

- Registering Property (#183) – Process Reform
- Getting Credit (#133) – Institutional Reform
- Starting a Business (#118) – Process Reform
- Getting electricity (#114) – Process Reform
- Resolving Insolvency (#61) – Legislative Reform
- Dealing with Construction Permits (#94) – Process Reform
- Trading Across Borders (#97) – Process Reform
- Protecting Minority Investors (#111) – Legislative Reform
- Enforcing Contracts (#60) – Process and Legislative Reform
- Paying taxes (#24) – Continued Process Improvement

Green outline indicates that there are improvements underway
The Issue of Land: The Challenges

• Overlapping claims and rights to land as a result of property disputes;

• Lack of a parcel-based cadastral map to determine geographical boundaries;

• Outdated policy for Crown Land divestment and administration which does not promote an efficient use of these lands; and

• Existence of commonage and generational property, particularly on the Family Islands. Due to the lack of clear legal title associated with this tenure system, occupants on the land do not have access to the economic value of the land and are unable to mortgage the land to make improvements.
Cross cutting issues

• **Unemployment.** By December 2015, the unemployment rate in The Bahamas was 12.1%, significantly lower than the November 2014 rate of 15.7%. Youth unemployment, which was estimated at 34% in 2014, remained high.

• **Consumer and government financing crowding out private sector investment.** High levels of delinquency combined with low levels of household savings and the lack of an operating credit information infrastructure has led to a conservative financial sector. In turn, productive investment activities are often unable to be funded with financial institutions opting for consumer and government financing.

• **Poverty.** Poverty in The Bahamas has deepened from a rate of 9.3% in 2001 to 12.8% in 2013.
Cross cutting issues, cont’d

• **Crime and violence.** Deteriorating economic conditions and rising unemployment have contributed to the gravely intensified incidents of crime, in particular violent crime, in The Bahamas. In addition to its devastating social impact on communities, rising crime levels constitute a critical threat to the economy, domestic and foreign sectors. It is particularly harmful to tourism, the economy’s principal driver, which is influenced by even the perception of crime.

• **Constraints due to deficiencies in skills and educational attainment.** Domestic sector diversification and the capacity to develop and sustain production in high value added goods and services is constrained by a mismatch in the supply of skills—education levels below what is required and a lack of sector specific specialised skills—with the demands of businesses.

• **Inequitable and uneven development across the islands of The Bahamas.** High per capita costs for a small population dispersed over several islands has made ensuring universal access to basic public services—education, health, water and electricity—particularly costly. As a consequence, the pattern of social and economic development varies significantly across the Islands.
The National Development Plan
A Working Proposal
Strawman Vision 2040

With heads held high, looking towards the year 2040, the people of The Bahamas will honor the culture and traditions of this great nation. We will be a united people, grounded in spiritual values and working together to achieve our individual and common dreams.

The Bahamas will be a prosperous nation, providing a sustainable livelihood for our people and successfully competing in the global market place. The core of our growth shall come from our unique natural resources, the strength of our businesses, our political stability and the ingenuity and creativity of our citizens. Bahamians will be active participants and owners in the development of the wealth of this nation through agriculture, industry, technology and the provision of services.

The Bahamian people, equally on our family islands and urban areas, will be healthy, well-educated and safe. We will support strong families, our children, our youth, our elderly and those with special needs and foster an environment which unlocks and values the innate potential of our citizens.

Our environment will be cherished and protected and used in a wise and responsible way to enhance our development for generations to come.
### A Vision for Each Pillar

<table>
<thead>
<tr>
<th>Governance</th>
<th>The people of The Bahamas desire a country that is safe and well governed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economy</td>
<td>The people of The Bahamas desire a strong, competitive, vibrant and diversified economy</td>
</tr>
<tr>
<td>Environment and Infrastructure</td>
<td>The people of The Bahamas desire a natural environment and infrastructure which promote a healthy, resilient, beautiful and modern society</td>
</tr>
<tr>
<td>Human Development</td>
<td>The people of The Bahamas desire a country where the innate potential of each person is nurtured, developed, protected and allowed to flourish</td>
</tr>
</tbody>
</table>
National Goals: Governance

1. The Bahamas will have a Modern, Open and Accountable Government that Serves All Bahamians

2. The Bahamas will have Well Governed Public institutions throughout the entire country

3. The Bahamas will have a law abiding society where rules are respected

4. The Bahamas will have safe neighbourhoods with minimal crime, backstopped by dependable policing and courts
National Goals: Human Development

1. The Bahamas will have a modern, sustainable & universally accessible health care system that is wellness focused and delivers continuously improving outcomes.

2. The Bahamas will have a best in class, comprehensive and effective education system

3. Bahamian youth will be safe, healthy, well fed and clothed, attending school and finding and creating employment.

4. The Bahamas will be a nation free of poverty and discrimination (including gender, nationality and disabilities)
National Goals: Environment and Infrastructure

1. The Bahamas will have an effective interconnected transportation system that enables the free flow of people and goods

2. The Bahamas will have modern infrastructure in New Providence and the family islands built to withstand the effects of climate change

3. The Bahamas will have a pristine marine, air and land environment that supports the Bahamian economy and way of life for generations
National Goals: Economy

1. The Bahamas will have a healthy macro economic environment that supports growth and stability.

2. The Bahamas will have a competitive business environment for economic success that supports business development, innovation, wealth creation, entrepreneurship and job growth.

3. The Bahamas will have a diversified and resilient economy that provides opportunities for all Bahamians.

4. The Bahamas will have a fair and effective labour regime.
Thank you