

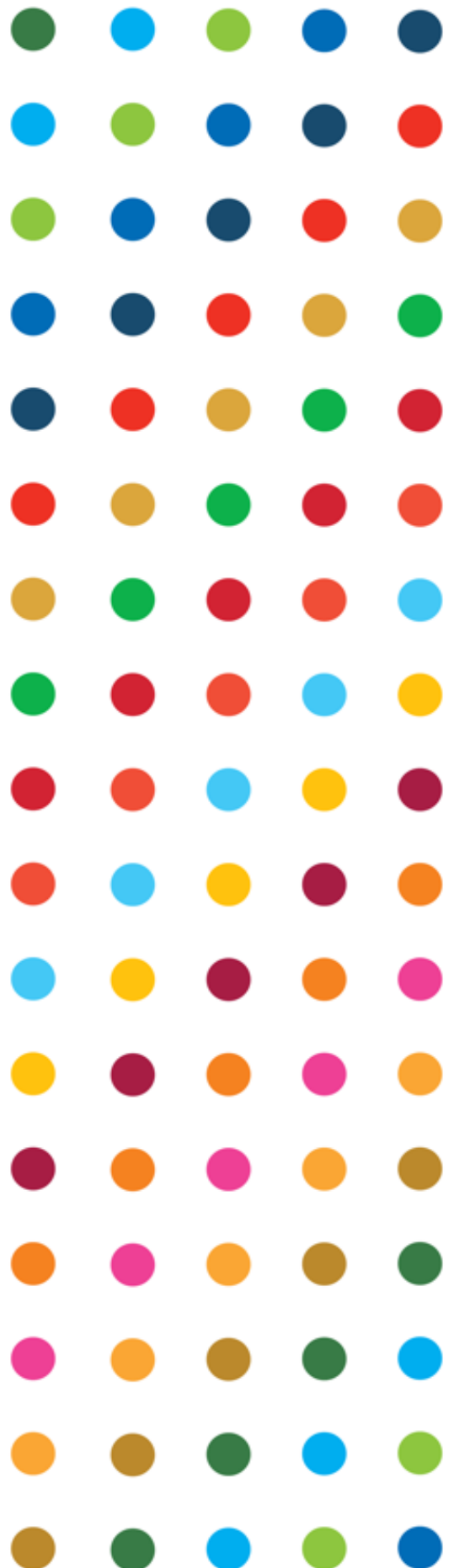
# Common Country Analysis

Update 2021

## The Bahamas



**UNITED NATIONS**  
JAMAICA, BAHAMAS, BERMUDA  
TURKS AND CAICOS & CAYMAN ISLANDS



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## Abbreviations

|         |   |                                                         |
|---------|---|---------------------------------------------------------|
| CCA     | = | Common Country Analysis                                 |
| CSO     | = | Civil Society Organization                              |
| DCO     | = | Development Coordination Office                         |
| FNM     | = | Free National Movement                                  |
| FY      | = | Fiscal Year                                             |
| GDP     | = | Gross Domestic Product                                  |
| HLPF    | = | High-Level Political Forum                              |
| LGBTQI+ | = | Lesbian, Gay, Bisexual, Transsexual, Queer and Intersex |
| LSCI    | = | Liner Shipping Connectivity Index                       |
| MVI     | = | Multidimensional Vulnerability Index                    |
| NDC     | = | Nationally Determined Contribution                      |
| NDP     | = | National Development Plan                               |
| PHSM    | = | Public Health and Social Measures                       |
| PLP     | = | Progressive Liberal Party                               |
| SDG     | = | Sustainable Development Goal                            |
| SERZ    | = | Special Economic Recovery Zone                          |
| SIDS    | = | Small Island Developing State                           |
| UNCT    | = | United Nations Country Team                             |
| VNR     | = | Voluntary National Review                               |

## I. Executive Summary

During 2021, the socioeconomic analysis regarding the Bahamas did not change dramatically. Nevertheless, this Update of the Common Country Analysis (CCA) discusses three broad areas in which there are relevant changes compared to the situation in December 2020. Each of these is related to the fact that the CCA was prepared under extraordinary circumstances and with an exceptional level of uncertainty, due to the COVID-19 pandemic. A year later, the source of uncertainty continues to have an important presence, but there is more clarity in the three main areas worth highlighting.



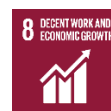
With respect to **COVID-19**, the greatest difference with a year ago at a global level is the presence of a vaccine that helps to protect from the virus and especially from hospitalization. This is an important development worldwide, but in the case of the Bahamas, the rollout of the vaccine was not very smooth. This is not only due to the well-noted global inequity in vaccine distribution, but also due to a high level of vaccine hesitancy, although there may be some signs that hesitancy is lessening.



Directly related to the pandemic, **slowing SDG progress** has also become more observable in the past year. Generally, SDG progress is only observed with a lag, and more data has

become available that is indicative of major reversions in poverty reduction, access to education and health. These regressions are not surprising, but it is a call to make sure that during the Decade of Action, greater effort is made to achieve the 2030 Agenda and to make sure that inclusive socioeconomic development is achieved.

Finally, the area where the greatest changes have taken place is the **economy**. At the end of 2020, it was clear that GDP was shrinking at an unprecedented rate, but it was not clear how fast the recovery would occur. Today's knowledge shows that the economic recovery has started in 2021, but that the bulk of the recovery will take place during 2022. The pandemic has had important fiscal consequences and the national debt in the Bahamas has increased to more than 100 per cent of GDP, leading to a downgrade of its international debt.



While these three key areas are related to the pandemic, other important changes have also taken place. **Elections** were held in September 2021 resulting in a new government that is likely to change certain priorities. 2021 saw several substantial advances in the legislative agenda focused on new regulations regarding decent work and child labour.



## II. Introduction

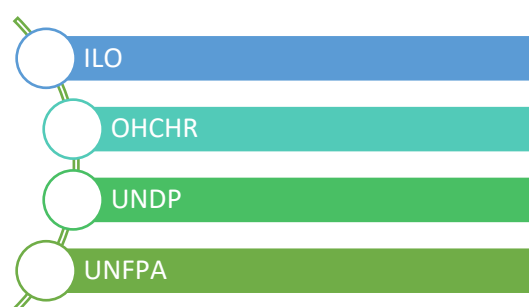


The CCA is a key instrument designed to reflect the United Nations integrated, forward-looking and evidence-based joint analysis of the context for **sustainable development**, in view of achieving the 2030 Agenda and the Sustainable Development Goals. It forms the basis of UN programmatic support through the Multi-Country Sustainable Development

Cooperation Framework (MSDCF). However, the CCA is not an insular document that, once completed, is set in stone. Rather, an annual update is prepared that adds to the growing evidence base over time. The update identifies actual and anticipated shifts in the national development landscape.

This document is the first CCA update of the latest cycle, with the original CCA for the

Figure 1. Agencies involved in CCA Update



Source: Prepared by authors.

Bahamas completed at the end of 2020. This document thus provides that overview of major changes that have taken place in 2021 and highlights the data that has become available since then. A key change that took place during 2021 was the election of a new government.

Naturally, the most immediate issue in the Bahamas (and elsewhere) continues to be the COVID-19 pandemic. Chapter III of the update provides further detail on the late 2021 status of the pandemic in the Bahamas, and chapter

### III. Progress towards the SDGs



The CCA painted a positive picture with regards to the alignment of the **National Development Plan (NDP) Vision 2040<sup>1</sup>** with the 2030 Agenda and the SDGs. It was assessed that the 15 National Goals of Vision 2040 and the SDGs are 88 per cent aligned. During 2021, the Government of the Bahamas presented its second Voluntary National Review (VNR) during the High-Level Political Forum (HLPF) in New York. The VNR gives a particularly detailed overview of the data availability at national level and highlights the areas of most progress as well as those that require most attention. Unfortunately, the publication of the VNR itself has suffered some

<sup>1</sup> It should be noted that Vision 2040 has not yet been formally adopted by the Government of the Bahamas.

IV will highlight the economic impacts the pandemic is having. While the pandemic was clearly present in late 2020, it was not yet apparent in much of the data presented in the CCA. In fact, as pointed out in chapter II, on progress towards the SDGs, even now, much information continues to be incomplete. This means that it is still partially unknown what the socioeconomic impact of the pandemic is like in the Bahamas.



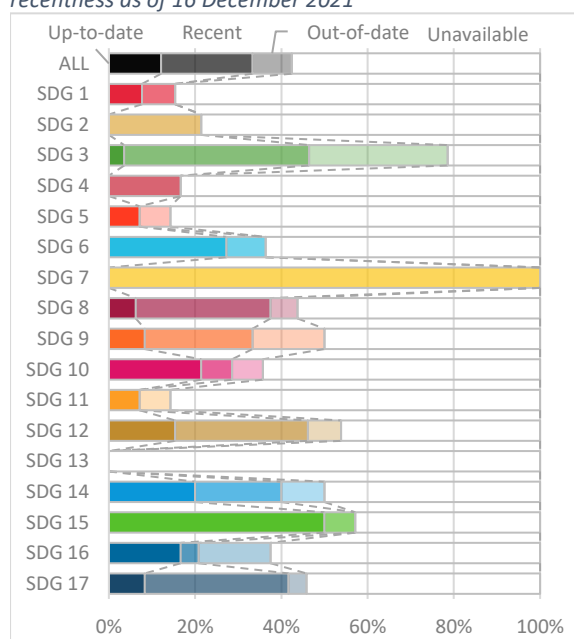
Chapter V provides a deep dive into the different upcoming threats and opportunities as identified by the Agencies, Funds and Programmes that are active in the Bahamas. For this report, the inputs of the different UN entities in the country have been pivotal, as shown in figure 1. Inputs were also solicited and incorporated from the whole UN Country Team (UNCT), the regional Development Coordination Office (DCO) based in Panama, national government and select Civil Society Organizations (CSOs).

delays, so it is impossible to comment on the exact content of the document.

As stated in the CCA, while progress towards each of the indicators that are part of the 2030 Agenda are tracked by the United Nations, it can be difficult to assess the overall progress towards the SDGs. Looking at the United Nations SDG data portal<sup>2</sup>, we can assess the **availability and the recentness of SDG data** for the Bahamas. Figure 2 shows the most recent observation of 33 per cent of indicators is from 2018 or later, and 58 per cent of all indicators have no observed data from 2010 onwards. However, as the figure shows, there is great variation between the indicators. Whereas

<sup>2</sup> United Nations, 2021.

Figure 2. The Bahamas: SDG indicator availability and recentness as of 16 December 2021



Source: United Nations, 2021.

Note: Availability and recentness is calculated per SDG. If the most recent data is from 2020 or 2021, an indicator is considered “up-to-date”, if the most recent data is from 2018 or 2019, it is considered “recent”, and if it is from 2010-2017, it is considered “out-of-date”. Older observations are considered included in the group of unavailable indicators. Reported data may not be complete and may not be available at complete levels of disaggregation.

SDG 13 has no data availability whatsoever and out of 14 indicators in SDG 5, one is reported for 2021 and one for 2011, with the rest missing. On the other hand, 100 per cent of indicators in SDG 7 are considered recent, as is 57 per cent of SDG 15. This highlights the importance of collecting data to show progress towards the SDGs.

As mentioned above, it is not straightforward to convert the information contained in the SDG data portal into an **overall progress** indicator. For this, we turn to the Sustainable Development Report (SDR)<sup>3</sup>, published annually by the Sustainable Development Solutions Network. This report uses a limited number of indicators, which do not exactly overlap with the SDG indicators themselves yet gives a good overview of the progress made in each broad area. Unfortunately, the 2021 SDR

suffers from some of the same data gaps as the CCA did: much of the 2020 information has not yet become available and so the full impact of the COVID-19 pandemic cannot yet be seen.

Figure 3 shows the SDR scores for both levels (represented by the SDG symbols) and trends (represented by the arrows). Only those SDGs where a change was registered between 2020 and 2021 are included, and one can see that these changes are partially related to a slight improvement in data availability (SDG 16, SDG 17). Surprisingly, in the case of SDG 4, data availability has worsened and SDSN is no longer reporting a trend for that variable. SDG

Figure 3. The Bahamas: Updated SDG progress scores, 2020 and 2021

| 2020                                            | 2021                                           |
|-------------------------------------------------|------------------------------------------------|
| 4 QUALITY EDUCATION<br>↓                        | 4 QUALITY EDUCATION<br>••                      |
| 14 LIFE BELOW WATER<br>→                        | 14 LIFE BELOW WATER<br>→                       |
| 15 LIFE ON LAND<br>↓                            | 15 LIFE ON LAND<br>↓                           |
| 16 PEACE, JUSTICE AND STRONG INSTITUTIONS<br>•• | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS<br>↑ |
| 17 PARTNERSHIPS FOR THE GOALS<br>••             | 17 PARTNERSHIPS FOR THE GOALS<br>↗             |

Source: Sachs et al., 2021.

Note: The SDG symbol represents the level, while the arrow represents the trend per SDG. Red represents major challenges/decreasing trend, orange represents significant challenges/stagnating trend, yellow represents challenges/moderately improving trend and green represents an achieved SDG/trend on track for achievement. Only SDGs where level or trend have changed between 2020 and 2021 are included.

<sup>3</sup> Sachs et al., 2021.

14 and SDG 15 have both worsened between these two years, while progress on SDG 17 slightly improved. Overall, **the Bahamas is on track to achieve 3 of the 17 SDGs** and is within reach (yellow arrow) of another six. For four of

the SDGs, it is impossible to determine the trend due to a lack of data and for SDG 13, SDG 14 and SDG 15, the country is either stagnating or moving away from the final target.

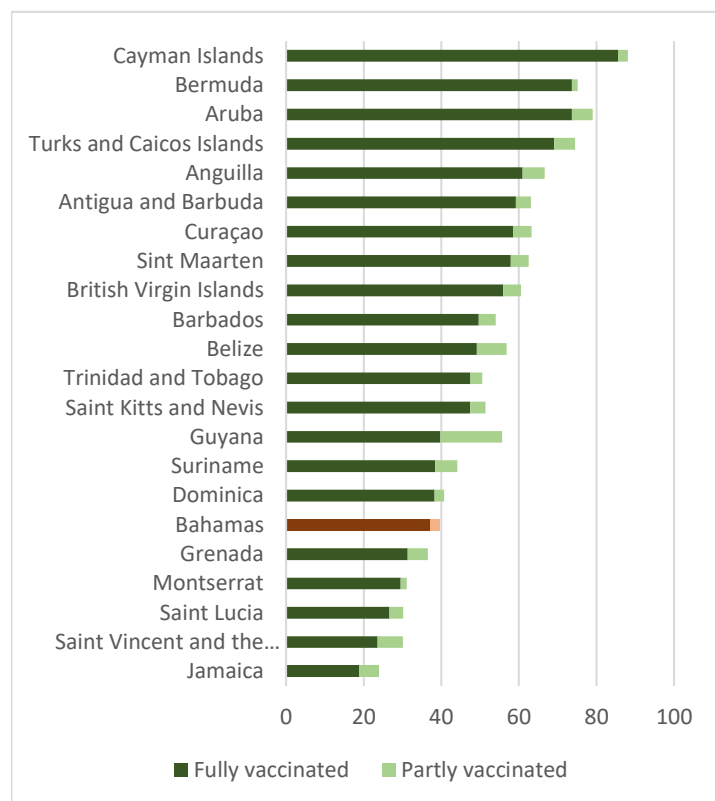
#### IV. Impact and response to COVID-19



As of 30 December 2021, 24,476 cases of **COVID-19** have been diagnosed and 717 deaths have been attributed to the pandemic<sup>4</sup>. Like elsewhere, the pandemic has waxed and waned, but three major waves have been identified. The first took place in July-October 2020, when the seven-day average of identified cases peaked at around 120. The second wave took place from April to May 2021, with the seven-day average of cases peaking around 70. The third wave, in August-October 2021 peaked at around 140 cases a day. The last peak was also the deadliest, with more than sixty per cent of all deaths attributed to the pandemic having been recorded since mid-July 2021<sup>5</sup>.

While **vaccination** is the most effective way of combatting the pandemic, the rollout of vaccines has been relatively spotty, compared to elsewhere in the Caribbean. In part, this was related to the well-documented vaccine inequity that saw developed countries hoarding vaccines while others were not able to access any. However, with time, the supply of vaccines has improved, but the rollout of vaccines is hampered by organizational challenges and a degree of vaccine hesitancy in the population. Figure 4 shows that the Bahamas ranks amongst the lowest in the English- and Dutch-speaking

Figure 4. English- and Dutch-speaking Caribbean: vaccination rates, 30 December 2021



Source: Mathieu et al., 2021.

Caribbean with respect to its vaccine roll-out. By 30 December 2021, only an estimated 37.1 per cent of the population was fully vaccinated and another 2.4 per cent was partly vaccinated. There is some evidence that, with time, the degree of vaccine hesitancy is diminishing<sup>6</sup>.

<sup>4</sup> Worldometers, 2021.

<sup>5</sup> Ibid.

<sup>6</sup> Smith-Cartwright, 2021.

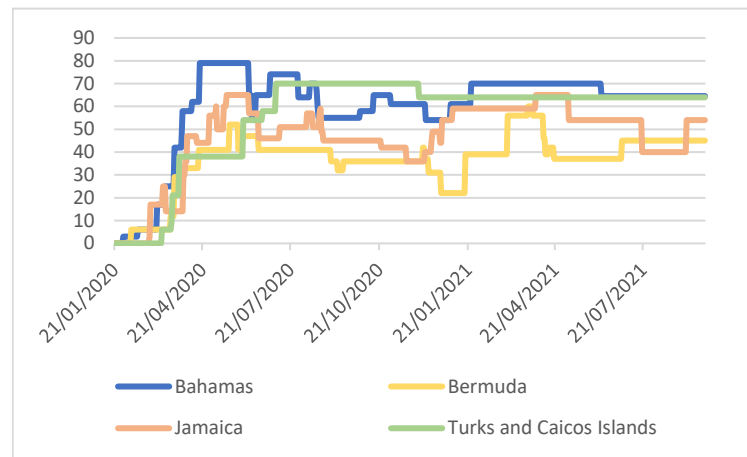




The Government of the Bahamas responded very rapidly in response to the original arrival of the virus of the island. As is shown in figure 5, it had **one of the strictest lockdowns in the Caribbean** at the beginning of the pandemic, according to the Public Health and Social Measures (PHSM) Index developed by the World Health Organization<sup>7</sup>. As a rule, the restrictions in the Bahamas have been relatively strict, as well as noticeably stable. By October 2021, vaccinated travellers are not required to enter any quarantines, while curfews and capacity restrictions continue to be in place. Very importantly, some schools have started reopening from 5

October 2021, which will be important in overcoming the large learning gaps that have occurred since the beginning of the pandemic.

Figure 5. Selected countries: PHSM Index, January 2020-October 2021



Source: WHO, 2020.

## V. Economic Update

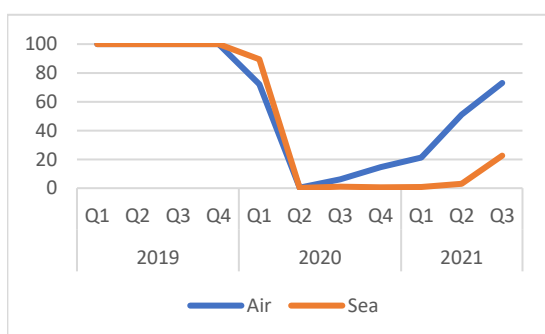


The economy of the Bahamas suffered substantially during the economic collapse caused by COVID-19. The International Monetary Fund estimates that **GDP fell by 14.5 per cent in 2020<sup>8</sup>**, which is in line with what was expected at the time of writing of the CCA. The extent of the fall is mostly due to the importance of the

tourism sector for the Bahamian economy, which was the sector most affected by COVID-19. Visitor numbers, both by air and by sea, fell by almost 100 per cent at the start of the pandemic. Air traffic has since returned, with figure 6 showing that arrivals in the second quarter of 2021 were at about half of the second quarter of 2019. Arrivals by sea are still moribund, though the fourth quarter of 2021 is expected to see a substantial recovery in the cruising sector<sup>9</sup>. As noted in the CCA, while about 3 times as many visitors arrived by sea than by air, the latter group's expenditure is around USD 2,065 per person, compared to USD 72 per person for the first group (in 2019<sup>10</sup>). The cruise industry also has a substantial environmental impact, so maybe the COVID-19 pandemic can be a moment to refocus attention on non-cruising related tourism.



Figure 6. The Bahamas: arrivals per transport type and quarter, 2019Q1-2021Q3 (expressed as index of 2019 equivalent quarters).



Source: Central Bank of the Bahamas, 2021.

<sup>7</sup> WHO, 2020.

<sup>8</sup> IMF, 2021.

<sup>9</sup> Rolle, 2021.

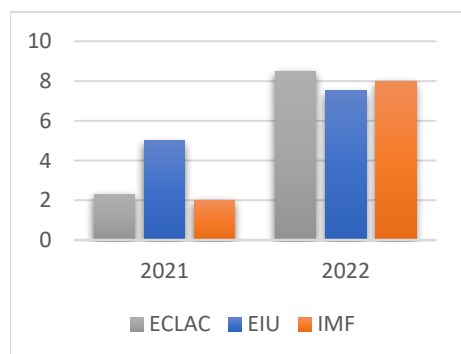
<sup>10</sup> Central Bank of the Bahamas, 2021.



While the economic recovery is starting to pick up, it is likely not to show up in the 2021 figures yet. As shown in figure 8, the different institutions all have growth rates for 2021 between 2 and 4 per cent, which is quite low after the substantial drop-off experienced in 2020. This is partly a base effect, as the drop-off started in the second quarter of 2020, so the first quarter of 2021 still showed a very weak performance, while **the recovery started to set in from the second quarter**. In 2022, forecasters expect a healthy rate of growth between 6.8 per cent and 8.5 per cent. IMF forecasts, which continue up to 2026 see total real GDP (if not GDP per capita) return to its 2019 level by 2024 at the earliest. As noted in the CCA, the long-term trend in GDP per capita was negative before the pandemic, so it will be important to identify ways to structurally improve the economic outlook of the country.

An issue that affects the capacity of the Bahamas to diversify, further engage with global value chains and find alternative sources of GDP growth has to do with the archipelago's **connectivity**. UNCTAD recently updated its Liner Shipping Connectivity Index (LSCI), which helps to show the degree to which degree the country is connected with the rest of the world and able to trade with it. Figure 7 shows where the Bahamas places in an international

Figure 8. The Bahamas: growth forecasts, 2021-2022 (in percentages)

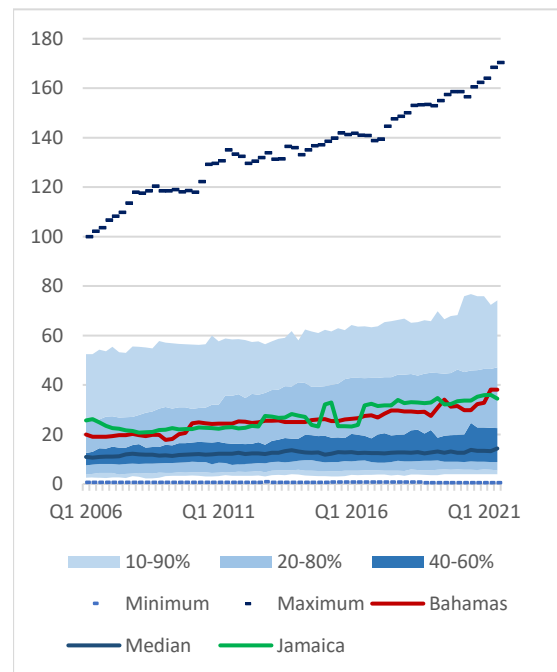


Source: ECLAC, 2021; EIU, 2021; IMF, 2021.

<sup>11</sup> UNCTAD, 2021a.

<sup>12</sup> The fiscal year in the Bahamas runs from July to June.

Figure 7. Bahamas and the world: Liner Shipping Connectivity Index, Q1 2016 to Q3 2021 (Index)



Source: UNCTAD, 2021a.

context<sup>11</sup>. According to the LSCI, the Bahamas is on a generally upward trajectory. However, it should be noted that the rest of the world is too. The country has generally ranked between 50<sup>th</sup> and 60<sup>th</sup> best connected in the world, but since the second quarter of 2021, it jumped to 46<sup>th</sup>. It is worth pointing out that SIDS generally tend to perform worse in this ranking and that the Bahamas is considered a positive exception to that rule, together with Jamaica and Mauritius due to their role as centralized hubs.

The pandemic also impacted greatly on **government finances**. Table 1 shows a relevant time series of government finances<sup>12</sup>. The data reported for FY 2021/22 follow on the revised budget put forward by the new Government<sup>13</sup>, which has adjusted the budget as determined by the previous government. This impact of the COVID-19 crisis can be clearly identified in FY 2019/20, with a substantial reduction in taxes and higher expenditures, especially for social



<sup>13</sup> Commonwealth of the Bahamas, 2021.

Table 1. The Bahamas: Government finances, 2018-24 (in millions of dollars and percentages)

|                           |                   | 2018/19<br>(realized) | 2019/20<br>(realized) | 2020/21<br>(realized) | 2021/22<br>(budgeted) | 2022/23<br>(budgeted) | 2023/24<br>(budgeted) |
|---------------------------|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>TOTAL REVENUE</b>      |                   | 2 426                 | 2 087                 | 1 873                 | 2 337                 | 2 559                 | 2 877                 |
|                           | Tax revenue       | 2 198                 | 1 858                 | 1 603                 | 2 019                 | 2 246                 | 2 564                 |
|                           | Other revenue     | 228                   | 229                   | 269                   | 320                   | 315                   | 315                   |
| <b>TOTAL EXPENDITURES</b> |                   | 2 646                 | 2 899                 | 3 221                 | 3 197                 | 2 912                 | 3 028                 |
|                           | Education         | 336                   | 368                   | 362                   | 369                   | 345                   | 370                   |
|                           | Health            | 337                   | 410                   | 490                   | 403                   | 369                   | 367                   |
|                           | Environment       | 103                   | 157                   | 138                   | 115                   | 113                   | 117                   |
|                           | Social protection | 157                   | 176                   | 421                   | 302                   | 195                   | 203                   |
|                           | Interest          | 329                   | 345                   | 422                   | 482                   | 452                   | 429                   |
|                           | Other             | 1 385                 | 1 444                 | 1 388                 | 1 526                 | 1 438                 | 1 543                 |
| <b>Primary balance</b>    | USD               | 109                   | -467                  | -926                  | -378                  | 99                    | 278                   |
|                           | % GDP             | 0.9                   | -3.5                  | -9.4                  | -3.3                  | 0.8                   | 2.1                   |
| <b>Overall balance</b>    | USD               | -219                  | -812                  | -1 348                | -860                  | -353                  | -151                  |
|                           | % GDP             | -1.7                  | -6.2                  | -13.6                 | -7.4                  | -2.8                  | -1.1                  |

Source: Central Bank of the Bahamas, 2021 and Commonwealth of the Bahamas, 2021.

protection and health. Of course, it is important to remember that the COVID-19 follows shortly on the impact of hurricane Dorian in 2019, which caused great damage in the Bahamas. As can be seen, the greatest increases in expenditures are seen in health (from USD 337 million in 2018/19 to USD 490 million in 2020/21) and social protection (USD 157 million to 421 million). The budget balance followed a similarly worrisome pattern, with the overall budget deficit increasing from 1.7 per cent of GDP in 2018/19 to 13.5 per cent in 2020/21. For the 2021/22 fiscal year, a smaller budget deficit is expected.

However, these unfortunate changes in revenues and necessary increases in spending have had a worrisome impact on the development of the national debt. As can be seen in table 2, the **debt-to-GDP ratio has jumped to over 100 per cent**. It should

be noted that the bulk of this increase is likely temporary, and the debt-to-GDP ratio will fall when GDP recovers. However, it is also true that almost USD 2 billion was added between late 2019 and the middle of 2021<sup>14</sup>, with a particular increase in foreign-denominated debts (85 per cent of which are expressed in US dollar). This has led to a downgrade of Bahamian debt in September 2021 by Moody's, which also expressed a negative outlook for the future<sup>15</sup>.

There is **uncertainty about the future debt developments**. The estimates of the new

Table 2. The Bahamas: national debt characteristics, 2016-2021Q3 (in millions of dollars and percentages)

| DEBT TYPE       | CURRENCY | 2016  | 2017  | 2018  | 2019  | 2020  | 2021Q3 |
|-----------------|----------|-------|-------|-------|-------|-------|--------|
| <b>EXTERNAL</b> | Foreign  | 1 745 | 2 616 | 2 594 | 2 568 | 4 031 | 4 352  |
|                 | Foreign  | 0     | 0     | 0     | 50    | 180   | 180    |
| <b>INTERNAL</b> | Domestic | 4 570 | 4 564 | 4 905 | 5 116 | 5 206 | 5 554  |
|                 | Unknown  | 734   | 704   | 752   | 724   | 440   | 401    |
| <b>TOTAL</b>    | USD      | 7 050 | 7 884 | 8 251 | 8 457 | 9 858 | 10 488 |
|                 | % of GDP | 58.8  | 63.8  | 64.3  | 64.3  | 98.7  | 101.5  |

Source: Central Bank of the Bahamas, 2021 and IMF, 2021

<sup>14</sup> Central Bank of the Bahamas, 2021.

<sup>15</sup> Moody's, 2021.

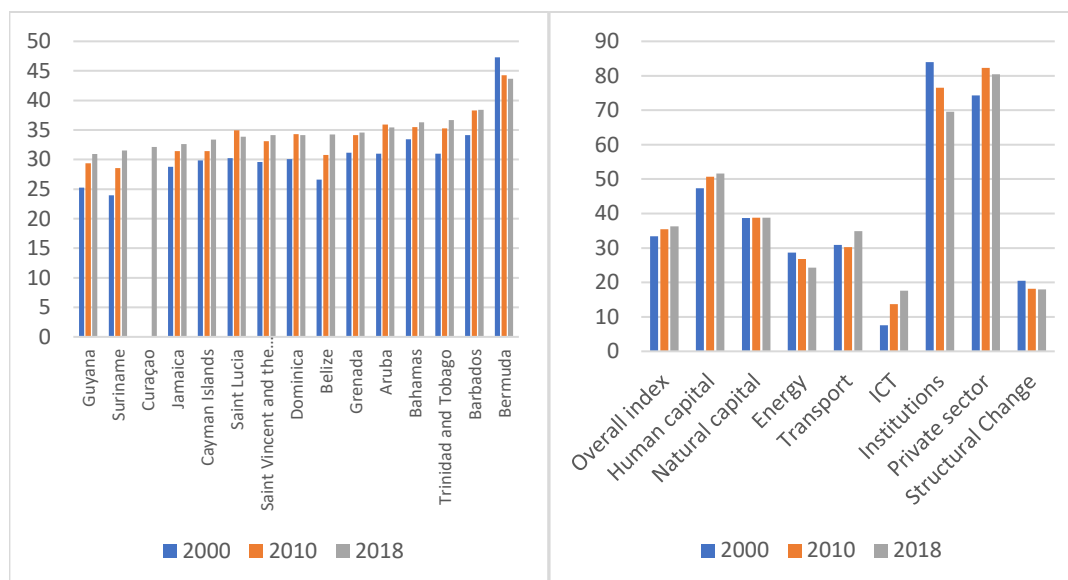
government see a decline of the debt-to-GDP ratio to 88.3 per cent during FY 2021/22 and to 85.0 per cent in FY 2023/24<sup>16</sup>. However, IMF estimates are more conservative, expecting a 2021 peak of 102.5 per cent of GDP followed by a steady decline to 88.6 per cent by 2025.



Looking at the **more structural state of the economy**, a new analysis from UNCTAD suggests that the Bahamas performs quite well with respect to the sophistication of its economy, compared to its Caribbean counterparts<sup>17</sup>. This report develops a Productive Capacities Index, which summarises the state of productive

capacities on a 0-100 scale, taking into account eight separate input categories<sup>18</sup>. Panel a in Figure 9 shows that the productive capacities in the Bahamas are estimated as the fourth highest in the Caribbean, although it should be noted that progress has been slower in the Bahamas than in several other economies over the 2000 to 2018 period. Panel b shows that the Bahamas has relapsed quite strikingly in the areas of energy, structural change and above all, institutions, over this period. These worrying trends are compensated by great improvements in human capital and especially ICT capabilities, but this index shows that institutions are displaying a worrying trend.

Figure 9a. Productive Capacities Index for different Caribbean economies. 7b. Bahamas: PCI subindices, 2000, 2010 and 2018 (in indices)



Source: UNTAD, 2021b.

## VI. Emerging opportunities and challenges



**General elections** were held in the Bahamas on 16 September 2021 to elect 39 members of the House of Assembly. The ruling Free National Movement (FNM), under the leadership of Prime Minister

Hubert Minnis had been holding 35 out of 38 seats since the last election that took place in 2017. Voters continued a pattern of changing allegiance during every election cycle, which has been the case since 1997 and the

<sup>16</sup> Commonwealth of the Bahamas, 2021.

<sup>17</sup> UNCTAD, 2021b.

<sup>18</sup> Human capital, natural capital, energy, transport, information and communication technology (ICT),

institutions, the private sector and structural change.

opposition Progressive Liberal Party (PLP), led by the new Prime Minister Philip Davis won the election with 52.5 per cent of the vote, compared to 36.2 per cent for the FNM. This result yielded an outcome of 32 seats for the PLP and 7 seats for the FNM. A total of 7 out of 39 elected members of the House is female (17.9 per cent), up slightly from 12.8 per cent in the previous House of Assembly.



In addition to COVID-19, the Bahamas is also still recovering from the **impact of hurricane Dorian**. As of 1 July 2021, the islands affected by Dorian have been declared a Special Economic Recovery Zone (SERZ) according to the “Disaster Reconstruction Authority (Special Economic Recovery Zone) (Relief) Order, 2021”<sup>19</sup>, making it eligible for tax relief to stimulate reconstruction. To make the country more climate-resilient, resources will be needed for climate change mitigation, as well as other forms of development financing. In many ways, the country suffers from its status as a high-income country, which makes it more difficult to access concessionary financing. International efforts to carve out an exception for Small Island Developing States (SIDS) are important to the Bahamas. The search for a Multidimensional Vulnerability Index (MVI) will help with this<sup>20</sup>.



On the topic of climate change, the Government of the Bahamas did not present any updates of its voluntary contributions during COP26 but continues to be committed to the 2016 Nationally Determined Contribution (NDC) of reducing greenhouse gas emissions by 30 per

cent compared to business as usual, by 2030, though this promise is conditional on international support.

An important development during 2021 was the approval of a new Child Labour policy as well as the Bahamas Decent Work Country Programme. The signature and launch event of the latter took place in November.

The country continued to see an **influx of migrants from Haiti**, which has become a highly visible and sensitive subject. Related to that, the US State Department included the Bahamas as a Tier-one country with respect to trafficking in persons for the seventh year in a row. Guyana is the only other Caribbean country that has had such positive acclaim in 2021<sup>21</sup>.



There is some positive news on the **occurrence of crime**, which has fallen by 2 percent during the first nine months of 2021. This small decline is largely due to a decline in crimes against property, while crimes against the person increased by 33 per cent. Murders increased by 88 per cent, armed robberies by 51 per cent and a 13 per cent decline in sexual offenses<sup>22</sup>.

Finally, a campaign of arrests, abuse and violence, including incitement and xenophobic campaigns have been focused on people of Haitian origin living in shantytowns. The Government of the Bahamas had issued a no-build order in Abaco following hurricane Dorian, which was followed in 2020 by a demolition order. In July 2021, this order was suspended by the High Court through an injunction, pending final decision.

## VII. Conclusions

The COVID-19 pandemic had a substantial impact in the Bahamas, with the economic

decline that was in line with the importance of the tourism industry. The recovery in 2021

<sup>19</sup> Commonwealth of the Bahamas, 2021.

<sup>20</sup> General Assembly, 2021.

<sup>21</sup> Department of State, 2021.

<sup>22</sup> Nassau Guardian, 2021.

continues to be relatively slow, but in 2022, it is expected that the country will enjoy substantial economic growth.

An important consequence of the pandemic is the substantial worsening of the creditworthiness of the country and the fiscal sustainability of the current situation. With debt surpassing 100 per cent of GDP, the situation is relatively dire. This will need to be a core point of action for the recently elected government, which is trying to reshape policy in this challenging environment.

At the same time, there has been relatively little movement in other areas that may affect

government success, such as climate change policy. The Government of the Bahamas decided not to update its commitments during the COP26 summit. Small but important steps forward have been made during this year regarding labour rights and the fight against child labour.

With regards to the groups at greatest risk of being left behind, the situation has not changed substantially during 2021. As identified in the CCA, these groups include migrants of Haitian origin, women, the LGBTQI+ community, children, young men in marginalized communities, people living with disabilities and Family Islanders.

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