Organization for Responsible Governance

ORG BAHAMAS

Position Paper:

Debt & Climate Vulnerability in The Bahamas:

Strategic Pathways for Resillence

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Introduction

Like other Caribbean nations, the Bahamas faces a dual crisis of high debt levels and significant climate vulnerability. This position paper highlights key challenges and proposes strategic actions to address these intertwined issues. The paper is informed by regional and global best practices and insight gained from recent cross-sector dialogues held by the Organization for Responsible Governance (ORG) in Grand Bahama and Abaco in partnership with the Caribbean Policy Development Center (CPDC). The dialogues provided a platform for diverse stakeholders to discuss the issues and solutions and build capacity for effective advocacy. Liam Miller, a member of ORG's Economic Development Committee, also contributed regional research to the paper. This paper aims to emphasize the unique context and needs of The Bahamas and was originally drafted to supplement a regional position paper under development by CPDC.

Current Debt and Climate Challenges

The Bahamian government has made strides in closing the debt gap over the last two administrations through a series of fiscal measures and economic strategies. During Prime Minister Dr. Hubert Minnis's administration (2017-2021), fiscal reforms were introduced, including the passage of the Fiscal Responsibility Act of 2018, which was passed to ensure greater transparency and accountability in government spending and established six general principles of responsible fiscal management. The passage of the Public Debt Management Act of 2021 also sets specific fiscal targets that the government must adhere to when it prepares and implements the national budget. However, the Government utilized an emergency order in the aftermath of the two national crises of Hurricane Dorian and the COVID-19 Pandemic, and the targets were readjusted.

The current administration, led by Prime Minister Philip Davis, has continued efforts to manage the national debt through strategic initiatives. The Public Finance Management Act replaced the Fiscal Responsibility Act in 2022, and measures, including enhancing revenue collection and prioritizing domestic borrowing, have been undertaken to reduce debt levels and the cost of debt servicing. The results of the fiscal responsibility efforts have seemed to show initial results, with the debt-to-GDP ratio for 2023 reported as 84.2% by The Central Bank of The Bahamas in their Quarterly Statistical Journal of May 2024, a decline from the ratio of 88.6% reported for 2022. While this progress is encouraging, The Bahamas remains very vulnerable to external economic shocks, particularly those related to climate change, and faces a challenging local landscape that requires broader and sustained systemic changes to achieve long-term fiscal stability and growth.

Debt Landscape

High Debt Levels: The Draft National Development Plan: Vision 2040 (2016) identifies a high debt burden as a constraint to the government's ability to respond as required, contributing to a highly vulnerable, undiversified, and underperforming economy. Therefore, it was identified as an essential strategy of Goal 12: Healthy Macro-Economy. The Bahamas regularly faces a structural fiscal deficit in that the government's expenditures exceed revenues even in normal economic conditions. This imbalance necessitates borrowing to cover the shortfall, leading to a cycle of increasing debt and interest payments. While the national debt-to-GDP ratio has been reduced to 84.2% for 2023, this high debt level continues to severely restrict the government's ability to invest in essential services such as health, education, and infrastructure.

Historical Context and Colonial Legacy: The historical colonial context in The Bahamas and the broader Caribbean has significantly contributed to high national debt levels and stunted economic growth. During the colonial era, the economies of these regions were structured to serve the interests of colonial powers, focusing on monoculture plantations and the exploitation of natural resources. This economic model left little room for diversified local development and created a dependency on external markets and imports. Post-independence, many Caribbean nations, including The Bahamas, inherited fragile economic structures and limited industrial bases, compelling them to borrow heavily to fund development projects and social services. This dependency, coupled with a lack of substantial economic diversification and resilience, has perpetuated cycles of debt. Furthermore, colonial legacies such as unequal land distribution, socio-economic disparities, and inadequate infrastructure have impeded sustainable economic growth and exacerbated vulnerabilities to external shocks, including natural disasters and global market fluctuations.

An additional challenge is the heavy reliance on tourism, which began during the colonial era when the islands were marketed for their natural beauty to attract wealthy visitors. Today, tourism remains the dominant industry, significantly contributing to GDP and employment. However, this dependency makes the economy highly susceptible to external shocks such as global economic downturns, natural disasters, and health crises like the COVID-19 pandemic. Colonial administrations often focused on developing infrastructure in urban centers like Nassau while neglecting rural areas, resulting in uneven development. Rural regions face more significant economic challenges, limited infrastructure, and fewer opportunities. Upon independence, The Bahamas had to address various inadequacies and social needs ranging from education to housing, healthcare, and infrastructure, leading to increased borrowing and higher national debt. These historical factors have contributed to a challenging debt landscape, where reliance on tourism and uneven development have limited economic diversification and resilience, exacerbating fiscal vulnerabilities and making it difficult to achieve sustainable economic growth and stability. Addressing these historical inequities remains critical for fostering economic stability and growth in the region.

Absence of a Global Bankruptcy System: Unlike individuals or companies, countries lack a global bankruptcy system to manage debt. This leads to prolonged and ineffective debt resolution processes, as countries must negotiate individually with creditors. This contributes to higher borrowing costs for all, not just the countries facing bankruptcy.

Higher Borrowing Costs: The Bahamas and other Caribbean nations experience higher borrowing costs due to several factors. Higher interest rates present significant challenges for governments globally. According to an IMF observation from October 2023, developing countries are finding it increasingly difficult to borrow in hard currencies like the euro, yen, US dollar, and UK pound, as foreign investors demand greater returns through higher interest rates.

Resilience to economic shocks has also become a critical factor in rating assessments. For the Bahamas, factors such as hurricane risks and economic vulnerabilities weigh heavily on borrowing costs. The nation's reliance on tourism and financial services — sectors that are inherently volatile — exacerbates structural fiscal imbalances. When these sectors underperform, borrowing costs rise further due to the perceived increased risk, creating a challenging environment for sustainable economic growth and stability.

Additionally, the sometimes increasingly unequal scrutiny and sanctions that offshore financial markets like The Bahamas receive from multilateral institutions can have an impact. Higher borrowing costs often lead to credit rating downgrades by major rating agencies. These downgrades reflect concerns over a country's ability to manage and service its debt, signaling increased risk to investors. Rating agencies have adopted more stringent criteria, focusing not only on immediate fiscal metrics but also on long-term sustainability and structural reforms. As a result, even minor fiscal slippages can trigger severe rating actions.

Furthermore, the lack of a global bankruptcy system contributes to higher borrowing costs. Without a standardized process for resolving insolvencies, lenders face greater uncertainty, which they offset by demanding higher interest rates. This situation is particularly pronounced in countries with high levels of sovereign debt, where increased global interest rates raise the cost of servicing debt and place additional fiscal pressure on governments.

Rising Debt Servicing Costs: The escalating debt servicing costs in The Bahamas and the broader Caribbean region represent a significant obstacle to sustainable development. Debt payments have increased by 150% since 2011 (IMF, 2023), diverting funds from crucial public services and development projects. This significant rise in debt servicing costs means that a substantial portion of national budgets is allocated to repaying debts rather than being invested in essential areas such as education, healthcare, infrastructure, and social services. As a result, these countries face increased difficulties in achieving sustainable development and improving the quality of life for their citizens.

The World Bank estimates that external debt service will rise even further in the next few years (Overseas Development Institute, 2024). This trend highlights the unsustainable nature of the current debt burden and underscores the urgent need for comprehensive debt relief and restructuring initiatives. Persistent high debt levels limit the fiscal space available for governments to respond to economic shocks and invest in long-term growth strategies.

Moreover, the increasing debt servicing costs exacerbate economic inequalities and hinder efforts to reduce poverty. As governments allocate more resources to debt repayment, fewer funds are available for social safety nets and programs aimed at uplifting the most vulnerable populations. This dynamic creates a cycle of dependency and limits the ability of Caribbean nations to build resilient and diversified economies.

Financial Instability: Elevated national debt levels, coupled with higher borrowing costs, can lead to financial instability. The interconnectedness of global financial markets means that instability in one country can quickly spread to others. For example, the “bank-sovereign nexus” illustrates how high levels of sovereign debt held by banks can create a vicious cycle of instability, particularly in emerging markets where economic fundamentals may be weaker (Adrian et al. 2024).

Crowding Out of Public Investments: As interest payments on national debt increase, they can crowd out essential public investments. This can hamper economic growth and development, as governments may need to cut spending on infrastructure, education, and healthcare to meet debt obligations. Hubert Edwards, former chair of ORG’s Economic Development Committee, postulated that The Bahamas falls within a grouping of countries where high debt has more significant adverse implications for growth. Noting that The Bahamas is mainly dependent on external demand and capital flows and is vulnerable to economic and other shocks, particularly those related to climate change, the effects of such shocks last longer than the rest of the world. The challenges are amplified due to a lack of economic diversification as the Bahamas relies heavily on just two industries (Tribune, 2022).

Climate Vulnerability

Geography and Location: The Bahamas is located within the Atlantic hurricane belt, with approximately 80% of its land mass within 5 feet of sea level. It is a low-lying archipelago surrounded by increasingly warm water temperatures and rising seas due to climate change, which makes it particularly vulnerable (Zegarra et al., 2020, p. 1).

Economic Dependence on Tourism: The Bahamas’ economy relies heavily on tourism, which makes up over 70% of GDP (International Trade Administration 2024). This dependence makes the economy particularly vulnerable to external shocks, such as global economic downturns and natural disasters.

Frequent and Intense Storms: The Bahamas faces significant climate-related risks, with frequent and intense storms causing severe economic damage. Hurricane Dorian in 2019, for example, resulted in losses estimated at US$3.4 billion (Zegarra et al., 2021, p. 15).

Increasing Climate Risks: Climate change is expected to increase the frequency and severity of natural disasters, further straining financial resources and hampering recovery efforts. This includes more frequent hurricanes, rising sea levels, and increased coastal erosion.

Limited Fiscal Space for Climate Resilience: The high level of debt servicing leaves limited fiscal space for the government to invest in climate resilience and adaptation measures. This hampers the country’s preparedness for and response to climate-related disasters. Disasters hinder progress in both social and economic sectors and significantly burden national budgets. This issue is particularly concerning for The Bahamas, a nation ineligible for official development assistance (ODA) due to its high-income country status.

The Climate-Debt Cycle

Urgent and Persistent Cycle: As a Small Island Developing State (SIDS), The Bahamas is caught in an urgent and persistent "climate debt cycle" that significantly alters its economic trajectory. The link between debt accumulation and hurricanes starkly illustrates this cycle. The country's government debt surged from 32% of GDP in 2007 to 65% by 2014 (Zegarra et al., 2020, p. 15). For example, the total damage from hurricanes Joaquin in 2014, Matthew in 2016, Ira in 2016, and Dorian in 2019 was nearly $4.4 billion, which represents approximately 30 to 40 percent of the Bahamian GDP (Zegarra et al., 2021, p. 24). Furthermore, this damage may rise in the future due to the impacts of climate change.

Hurricane Dorian Impact: A study by Zegarra et al. (2020) revealed that Hurricane Dorian's most recent climate-related disaster inflicted a staggering $3.4 billion in damages, equivalent to approximately 25% of The Bahamas' Gross Domestic Product (GDP). Increasing debt positively correlates with climate-related disasters because the government acquires short-term loans to necessitate immediate disaster relief efforts. As a result, the Bahamian national debt would increase, hindering investments in crucial areas of sustainable development.

Private Sector Impact: With its toll on infrastructural and human capital, the climate-debt cycle is also a significant barrier to private sector growth. The United Nations Development Program (UNDP), as per Afonso (2020), revealed that nearly 90% of the losses incurred by Hurricane Dorian were borne by the private sectors of Abaco and Grand Bahamas.

COVID-19 Pandemic Impact: Disasters also include the COVID-19 pandemic, as various factors (e.g., temperature rise and destruction of ecosystems) rapidly increased the spread of the virus globally. Within the purview of public health, the Bahamian health sector was adversely impacted by the COVID-19 pandemic due to a relatively fragile healthcare system. High debt limits the government's ability to invest in the healthcare sector or respond to such disasters without undertaking more borrowing.

Tourism Industry Impact: With a service economy heavily reliant on the tourist industry, The Bahamas was hit hard by the COVID-19 pandemic. An Inter-American Development Bank (IDB, 2021) report highlighted that the Bahamian economy suffered a potential revenue loss of $9.5 billion. Data from the World Bank Development Indicators further revealed a significant rise in unemployment, reaching 12.8% in 2020.

Balance of Payments: The climate-debt cycle also adversely impacted the balance of payments (BoPs). Following devastating hurricanes like Hurricane Dorian in 2019, The Bahamas faced substantial increases in imports, particularly of construction materials and goods necessary for rebuilding infrastructure. This surge in imports exacerbated the trade deficit component of the BoP, as the country had to bring in significant resources to replace damaged assets and restore services. The tourism sector, a critical part of The Bahamas' economy, was severely affected by direct hurricane damage and the global COVID-19 pandemic. The decline in tourist arrivals led to a significant reduction in services exports, a major positive contributor to the current account balance. This reduction in tourism revenue contributed to the worsening of the account deficit. To finance recovery and adaptation, the Bahamas increased its borrowing, leading to higher levels of external debt. Servicing this debt requires substantial financial outflows, impacting the BoP's financial account. The increased debt burden also affects investor confidence and may lead to higher borrowing costs in international markets, further straining the financial position *(see Higher Borrowing Costs)*. The aftermath of hurricanes often involves large payouts from insurance and reinsurance companies. While insurance helps cover some of the rebuilding costs, significant portions of these funds flow out of the country to international reinsurance markets, negatively impacting the financial account of the BoP.

Chronic Fiscal Imbalance: Like other Caribbean economies, the Bahamas suffers from chronic fiscal imbalance (more government expenditures over government revenue). External borrowing for disaster relief efforts, coupled with a reduction in economic growth, exacerbates budgetary imbalance in The Bahamas and prevents achieving a balanced budget.

Strategic Recommendations

ORG offers the following strategic and multifaceted recommendations, noting that some actions must be taken at the national level while others require regional and global collaboration. National efforts focus on strengthening local governance, public engagement, and fiscal transparency. Regional initiatives aim to foster collaboration among Caribbean countries to address shared challenges like debt management and climate resilience. Globally, reforms in international financial systems and the establishment of mechanisms to support fair and sustainable debt management for small island developing states can set better conditions for reform.

These recommendations have been informed by regional and international best practices and insights gained from relevant local and regional stakeholders. By leveraging the experiences and knowledge from diverse contexts, we aim to offer effective and contextually appropriate strategies for The Bahamas.

In this context, ORG presents the following strategic recommendations for fiscal management and transparency, which aim to strengthen the foundations of good governance, enhance public trust, and support sustainable economic development in the Bahamas.

Enhance Public Engagement & Empower Stakeholders

The ORG “2023 Report and Recommendations to Improve the Effectiveness and Efficiency of the Public Sector” notes improved fiscal management and debt reduction as pivotal to enabling the government to invest in vital areas such as health, education, national security, infrastructure, and the broader economy. In addition to coordinated and strategic fiscal responsibility and greater transparency in governance, ORG advocates for meaningful stakeholder engagement as an essential element for sustainable economic growth and debt reduction in The Bahamas. As such, the following actions are recommended.

- **Public Understanding:** Simplify legislative communication and provide educational resources to enhance public understanding and engagement in legislative processes.

- **Legislative Processes:** Encourage continuous public involvement in legislative processes, making it easier for citizens to understand and engage with proposed laws and policies. This includes simplifying legislative documents and providing educational resources.

- **Disaster Recovery Fund Allocation:** Promote transparency and accountability in disaster recovery fund allocation, ensuring that funds benefit the most vulnerable populations. Civil society should be actively involved in monitoring and decision-making processes. Strengthen financial accountability and transparency in allocating and using borrowed funds to build trust and ensure effective governance. Establish clear guidelines and transparent processes for disaster fund allocation to ensure equitable distribution and effective use of resources.

- **Transparency and Information Sharing:** Establish open and transparent communication channels. Facilitate timely information sharing regarding policy initiatives, their implications, and potential alternatives, and enable citizens, Civil Society Organizations (CSOs), and the private sector to provide informed input and feedback.

- **Inclusive Processes and Equitable Representation:** Ensure representation of marginalized groups such as women, youth, indigenous communities, and persons with disabilities. Develop holistic, effective, and accountable policy frameworks, and establish inclusive consultation mechanisms to engage CSOs and other stakeholders, promoting meaningful dialogue and understanding diverse perspectives.

- **Capacity and Financial Building:** Strengthen the sector's knowledge base and financial resources. Empower CSOs and the private sector to contribute effectively to decision-making processes. Enhance capacity-building initiatives and provide financial support to bolster CSOs' understanding of economic policies and sustain their programs, benefiting their respective communities. Support organizations' efforts to educate and empower citizens, promoting good governance practices. Advocate for using borrowed funds effectively, including capacity building for local organizations. Create tools for better communication between citizens and the government.

- **Collaboration and Partnership:** Increase collaboration between the government, civil society, and the private sector. Utilize stakeholder expertise, research, and knowledge to support evidence-based policymaking. Develop sustainable solutions to address national challenges by working together. Encourage and support active, inclusive stakeholder participation in governance processes to enhance transparency and accountability.

- **Accountability and Evaluation:** Establish mechanisms to monitor, evaluate, and provide feedback on policy impacts on the socio-economic well-being of Bahamians. Ensure transparent implementation, regular reporting, and accountability mechanisms to foster trust among stakeholders and enhance democratic governance. Strengthen the role of citizens in monitoring government actions.

Election Cycles and Debt Management

- **Policy Continuity:** Update and adopt the National Development Plan: Vision 2040 as a shared apolitical cross-sector long-term vision and resource for continuity in policies and projects across different government administrations to avoid disruptions caused by political changes.

The following recommendations were presented during the cross-sector dialogues and received support from local stakeholders.

Strengthen Regional Collaboration

- **Diaspora Engagement:** Recognize the diaspora as a vital stakeholder in economic advancement and social cohesion. Enhance engagement with the diaspora to advance sustainable development and increase opportunities for diaspora participation in national initiatives to strengthen mutual relationships.

- **Shared Challenges:** Foster collaboration among Caribbean countries to address shared challenges like debt management and climate resilience. This includes forming regional alliances and participating in joint advocacy efforts.

- **Amplify Voices in Global Discussions:** Work together to amplify Caribbean voices in global policy discussions, advocating for comprehensive financial reforms that support small island developing states.

Promote a Multidimensional Vulnerability Index

During the African Export-Import Bank's (Afreximbank) Annual Meetings in June, Prime Minister Davis furthered the Bahamas advocacy for incorporating the Multidimensional Vulnerability Index (MVI) to more accurately evaluate the vulnerability of Small Island Developing States (SIDS) to various economic, environmental, and social shocks. He emphasized the critical need for its integration into the global financial system (Nassau Guardian, 2024). Using GDP alone to determine financing, debt relief, and aid fails to consider the unique challenges nations like The Bahamas face. As noted below, the MVI can promote truly inclusive sustainable development and is essential for helping small island nations access concessional financing.

- **Beyond GDP:** Develop and advocate for a Multidimensional Vulnerability Index (MVI) that considers factors beyond GDP, such as climate risks, economic shocks, and social vulnerabilities. This index will provide a more comprehensive assessment of a country's resilience and needs.

- **Policy and Funding Decisions:** Use the Multidimensional Vulnerability Index to inform policy and funding decisions, ensuring that resources are allocated based on a holistic understanding of a country's vulnerabilities.

For Further Exploration and Consideration

Through partnerships with regional and global organizations dedicated to mitigating the effects of high national debt on citizens, ORG has been introduced to several initiatives that could aid in the sustainable management and reduction of our local national debt. Some of these initiatives were presented during cross-sector dialogues and piqued the interest of stakeholders. They are now offered for further local exploration and consideration.

Establish a Fair Debt Workout Mechanism

- **UN-Oversight:** Advocate for a United Nations-overseen debt workout mechanism to ensure fair and transparent negotiations and equitable burden-sharing among all creditors. This mechanism should provide a structured process for debt resolution, protecting debtor countries from predatory practices.

- **Equal Burden Sharing:** Promote the principle of equal burden-sharing among all creditors, ensuring that no single creditor group bears an undue burden. This will help distribute the financial responsibility more equitably and support improved sustainable debt management.

Grant-Based Climate Finance

- **Prevent Further Borrowing:** Implement grant-based climate finance to prevent further borrowing for climate-related costs. This approach ensures funds are available for sustainable development and resilience building without increasing the debt burden.

- **Climate Resilience Investments:** Multilateral organizations can offer grants specifically targeted towards climate resilience investments, such as infrastructure improvements, disaster preparedness, and renewable energy projects. These could enhance the country's ability to withstand and recover from climate-related impacts.

- **Debt-for-Nature Swaps:** Institute debt-for-nature swaps are a climate finance mechanism that can be considered a type of grant-based climate finance. They can help governments free up debt to support conservation efforts and help developing countries balance environmental and fiscal stability.

  - The Bahamian government has been exploring these areas by pursuing the sale of **blue carbon credits**. Under the Climate Change and Carbon Initiatives Act, 2022 (CCCIA), a regulatory framework was established for accrediting and trading these credits. The Carbon Credit Trading Act of 2022 authorizes the Securities Commission of The Bahamas to oversee carbon credit securities trading, thus fostering the growth of this new asset class (Green Earth News, 2024). Attorney General Ryan Pinder highlighted significant progress in scientific research, with the aim to monetize The Bahamas' blue carbon credits by the end of 2025. Carbon Management Ltd, headquartered in The Bahamas, is responsible for raising $50 million to $60 million to map the country's blue carbon assets, including mangroves and seabeds, with these credits estimated to be worth billions. (Eye Witness News 2024; Carbon Credits, 2023).

Explore Other Finance Mechanisms

- **Debt for Adaptation Swaps**: In a debt-for-adaptation swap, countries who borrowed money from other nations or multilateral development banks (e.g., the IMF and World Bank) could have that debt forgiven if the money that was to be spent on repayment was instead diverted to climate adaptation and resilience projects (Brookings, 2023).

- **Sustainable Bond Issuance:** Issuing green or blue bonds focused on environmental sustainability and ocean conservation can attract investments specifically aimed at sustainable development projects.
  - In 2023, the Bahamas government launched the Bahamas Sustainable Investment Programme, an ambitious initiative that targeted USD 500 million. In partnership with strategic advisors Resilience Capital Ventures, this programme seeks to attract **high-quality investments that offer risk-adjusted returns** and positive social impact while adhering to global Environmental, Social, and Governance (ESG) standards and sustainability principles. This strategy is designed to bolster The Bahamas' attractiveness as an investment destination, reshape global investor perceptions, and align domestic investment policies with international trends. The funds will be directed towards essential projects such as climate-resilient infrastructure, coastal conservation, clean energy transition, and other key environmental initiatives.

Global Reforms in Debt Contracts

- **Jurisdictional Reforms:** Legislative reforms in key jurisdictions, such as the UK and New York, to limit private creditors' demands and facilitate fair debt negotiations. These reforms should include provisions for collective action clauses and majority voting, making it easier to restructure debt.

- **Transparency and Accountability:** Transparency and accountability in debt contracts to ensure that all terms and conditions are clearly outlined and accessible. This will help prevent exploitative practices and support fairer negotiations.

Conclusion

Addressing the intertwined challenges of sustainable debt and climate vulnerability in The Bahamas requires a multifaceted approach, integrating national, regional, and global strategic recommendations. This paper has highlighted the severe challenges of high debt levels, climate-related risks, and the historical and structural factors exacerbating these issues. The intertwined nature of debt and climate vulnerability creates a persistent cycle that hinders sustainable development and resilience.

The strategic recommendations presented aim to break this cycle by enhancing public engagement, empowering stakeholders, and promoting transparency and accountability in governance. Key measures include simplifying legislative communication, encouraging continuous public involvement, and ensuring equitable representation in decision-making processes. Strengthening civil society organizations' capacity and financial resources and fostering collaboration between government, civil society, and the private sector are crucial steps toward effective policy implementation.

Regionally, fostering collaboration among Caribbean nations to address shared challenges, such as debt management and climate resilience, is essential. This includes engaging the diaspora, forming regional alliances, and amplifying Caribbean voices in global policy discussions. Promoting a Multidimensional Vulnerability Index beyond GDP to inform policy and funding decisions will ensure a more comprehensive assessment of a country's resilience and needs.

Global efforts such as advocating for a UN-overseen debt workout mechanism, supporting legislative reforms in key jurisdictions to facilitate fair debt negotiations, and grant-based climate finance to prevent further borrowing for climate-related costs should be explored further. Other finance mechanisms should also be explored, as these may be effective in enabling The Bahamas to invest in sustainable development and resilience-building without exacerbating the debt burden.

The path to sustainable development and resilience in The Bahamas can benefit from coordinated efforts, innovative financial solutions, and robust governance practices. The continuous engagement and collaboration among citizens, civil society organizations, and the government can enhance the Bahamas' capacity to manage its debt burden effectively, withstand and recover from climate-related impacts, and achieve long-term economic stability. ORG stands ready to contribute to addressing the current debt crisis and contribute to building a resilient foundation for the future, ensuring that The Bahamas thrives in an increasingly uncertain global environment.

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