



Government of Saint Lucia

Saint Lucia Human Capital Resilience Project –P170445

SOCIAL ASSESSMENT



Table of Contents

LIST OF ACRONYMS 2

SECTION 1-OVERVIEW	4
2.1 Introduction:	4
2.2 Country Context:	4
2.3 Historical and Political Context:	6
2.4 Education Sector Context:	6
2.5 Social Protection Sector Context:	7
2.6 Legislative and Regulatory Context:	9
SECTION 2-PROJECT SUMMARY	11
2.1 Project Objectives:	11
2.2 Project Components:	12
2.3 Project Financing	15
2.4 Relevant World Bank Environmental and Social Standards (ESS)	15
2.5 Potential Social Risks and Impacts of the Project	17
2.6 Measures and Recommendations:	21
ANNEXES:	23

LIST OF ACRONYMS

CARICOM Caribbean Community

CEDAW Convention on the Elimination of All Forms of Discrimination Against Women

CEE	Common Entrance Examination
CRC	Convention on Rights of the Child
CSEC	Caribbean Secondary Examination Certificate
CVQ	Caribbean Vocational Qualification
ECC	Early Childhood Centers
EFA	Education for All
ESS	Environmental and Social Standards
GDP	Gross Domestic Product
GOSL	Government of Saint Lucia
ILO	International Labour Organization
KSL	Koudmein Ste Lucie
NGO	Non- Government Organization
NVQ	National Vocational Qualification
OECS	Organization of Eastern Caribbean States
PAP	Public Assistance Programme
PIU	Project Implementation Unit
PMT	Proxy Means Test
PWDs	Persons with Disabilities
SA	Social Assessment
SDG	Sustainable Development Goal
SEP	Stakeholder Engagement Plan
SL-NET	Saint Lucia National Eligibility Test
TVET	Technical and Vocational Education Training
UDHR	Universal Declaration of Human Rights
UN	United Nations

SECTION 1-OVERVIEW

2.1 Introduction:

The Social Assessment (SA) document is intended to identify the main benefits as well as any social issues and/or risks that may arise from the development and implementation of the Human Capital Resilience Project. It also seeks to identify the potential social impacts on the various stakeholders and beneficiaries of the project. Further the SA will be utilized to mitigate any negative impacts whilst identifying opportunities to enhance the benefits to the beneficiaries and broader society. The information provided will be utilized in the development of the Stakeholder Engagement Plan (SEP) to ensure that the needs/circumstances of the intended beneficiaries are fully considered in the project design and throughout the life cycle of the project. The information gathered will also be used in the monitoring and evaluation of the project to ensure that the intended outcomes are realized.

2.2 Country Context:

Saint Lucia is a sovereign island state in the eastern Caribbean Sea on the boundary with the Atlantic Ocean and forms part of the Lesser Antilles. It is located north/northeast of the island of Saint Vincent and



the Grenadines, northwest of Barbados and south of Martinique. It covers a land area of 617 km² (238.23 sq mi). The topography of the country is generally mountainous and it experiences relatively high rainfall attributable to its tropical climate.

Saint Lucia has a population of 173,165¹ and a Gross National Income

(GNI) per capita of US\$8,830 as of 2018. Gross Domestic Product (GDP) grew at a modest 1.5 percent in 2018, and public debt has remained moderately high in recent years, reaching approximately 67 percent of GDP in 2017. Following the 2008 financial crisis, Saint Lucia has struggled to regain pre-crisis growth levels. Given the decline in the banana industry, the island has seen a greater reliance on financial services and tourism which is recognised as a major contributor to Gross Domestic Product (GDP). In 2018, the Hotel and Restaurant Sector accounted for 9.3 percent of GDP, a growth of 4.3 percent over the previous year. The industry also continues to be one of the main contributors to employment in the country creating at least 12,422² jobs.

The island is vulnerable to external shocks, natural disasters and climate change. Saint Lucia's susceptibility to external shocks was most evident in the late 2000s with global food and oil price increases, the global financial crisis, and the impact of Hurricane Tomas in 2010 which caused damage and losses to the different sectors amounting to EC\$907.7 million or US\$336.2 million or 43.4 percent of

¹ Saint Lucia Social and Economic Review, 2018

² Saint Lucia Tourism Authority

GDP.1 Further, the unavoidable consequences of climate change are of major concern given predictions for escalation as it relates to the adverse consequences of hydro-meteorological hazards in the near and longer term. Specifically, projected climate change impacts in Saint Lucia include an increase in temperature by 0.65 to 2.2°C by 2060 and increased sea level rise. This is particularly harmful as economic activity (including tourism) and population centers are located along the coast. Coupled with modest economic growth, this vulnerability has strained the Government's fiscal space and has limited the ability of Saint Lucia's population to effectively adapt to climate change.

According to the 2017 United Nations Development Programme global human development index (HDI), which monitors progress on three dimensions of human development; Saint Lucia is ranked 90th out of 189 countries. In 2017 life expectancy stood at 75.7 years, with females living 5.4 years longer than males at 78.4 years, compared to their male counterparts who lived 73.0 years on average. Progress on other health indicators have been encouraging, in particular child mortality rates have fallen from 17.1 deaths per 1000 live births in 1990 to 11.1 in 2017.

Notwithstanding this strong performance of the social indicators, poverty rates in Saint Lucia continue to remain elevated. Based on the most recent poverty statistics derived from the Survey of Living Conditions and Household Budget Survey 2016, poverty levels fell from 28.8 percent in 2006 to 25 percent in 2016. This decline was more pronounced in the rural areas, with a reduction in poverty levels from 41 to 32.9 percent. Child poverty rate remains comparatively high, at 34.5 percent in 2016, and the poverty rate in female-headed households is even higher, at 42.3 percent. Unemployment continues to remain a source of concern with the unemployment rate being 20.1% in 2018. Youth unemployment remains persistently high at a rate of 36.3 percent in 2018.

On the particular issue of disability, the 2010 population Census³ has revealed that persons with disabilities in Saint Lucia account for approximately 12% of the nation's population. The cause of disability ranges from hereditary/biological to accidents. Vehicular accidents, 'harm to the person' crimes, occupational hazards and physical abuse are becoming the major contributors to several forms of disability chief among which is physical disability. It must be noted that on the subject of disability, the United Nations Regional Meeting on Disability Measurement which took place in Bridgetown, Barbados 5-6 September 2016, reflects that collection of data on disability is done through household surveys, where there is a general lack of comparability between questions asked in the census and the survey. Questions on disability are not always understood by respondents, thereby requiring explanations from interviewers, and by interviewers in terms of what information was intended to be captured by the questions. Participants were of the view that these and other challenges may result in a severe undercount of the population with disabilities.

³ [background/situational analysis/issues – OHCHR](#)

To address the issues of poverty, vulnerability to shocks and youth unemployment, the government of Saint Lucia is pursuing a multi-pronged strategy to support greater human capital resilience. The strategy focuses on:

- Increasing access to various education pathways through the provision of additional and higher-quality vocational, academic, and socio-emotional skills, particularly for youth;
- Strengthening the social protection system to address chronic poverty, vulnerability and productive inclusion.

2.3 Historical and Political Context:

Saint Lucia follows the British two house system of Parliament comprising of a House of Assembly and a Senate. The House of Assembly consists of seventeen members of Parliament each having been elected to represent an individual constituency. The leader of the political party which represents the majority in Parliament becomes the Prime Minister and leader of the country. The Senate consists of eleven nominated members, six by the Prime Minister, three by the Leader of the Opposition and two by the Governor General.

Saint Lucia is a politically stable country with no history of the State, practicing discrimination or violence towards specific groups, that will be impacted by or that will have an impact on the implementation of the project. General elections are constitutionally due every five years and Saint Lucia is constitutionally due for general elections in 2021 which would be within the second year of implementation of the project. Historical trends have shown that following elections the newly elected Government usually undertakes a review of all new and ongoing projects in the country. The reforms in the Education and Social sectors have been supported by both political parties; however, given that general elections will be held during project implementation it would be important to ensure that commitment for the project is obtained from both political parties.

2.4 Education Sector Context:

The Government of Saint Lucia is committed to providing a better quality Education System that will allow its citizens to be highly competitive in a dynamic and technology driven world. Through the years, Saint Lucia has achieved many milestones in the Education Sector. These include Universal Primary Education in the 1980s and Universal Secondary Education in 2006. The introduction of the school feeding programme, bursary programme, transportation subsidy programme, textbook rental programme and a \$500.00 voucher to parents of students' who were successful at the Common Entrance Examination (CEE), have all supported the achievement of Universal Education in the Primary and Secondary sub-sectors. At present, Saint Lucia has accomplished enrolment rates at primary and secondary school levels at 100 per cent and 93 per cent, respectively.

Despite these successes, crucial areas of concern persist. These include:

- Poor performance of students at the Caribbean Secondary Examination Certificate (CSEC) in some subject areas and in certain schools

- Limited access at pre-primary and tertiary level institutions. Approximately 12 percent of the three (3) and four (4) year old population are currently not enrolled at Early Childhood centers. Enrolment rates at tertiary level remain significantly low at 20.1 per cent. Of this, approximately 61 per cent are female and 39 per cent are male.
- Disparities in performance by gender. Declining participation of males at upper secondary and tertiary level.
- Higher dropout rates at Secondary schools for males than females, especially in forms four and five. Two thirds of the dropouts are male students.
- Challenges in attracting and retaining qualified teachers with specific reference to TVET areas
- Teaching and learning methodologies have not evolved to address the changing needs of the student population.
- Disparities between the requirements of employers and the availability of appropriately trained and certified individuals to fill available vacant positions. According to the most recent Labor Market Needs Assessment Survey, carried out in 2012, 44 percent of job openings required tertiary-level qualifications but only 7 percent of job seekers had the required qualification level. This is due to the poor performance of students at CSEC with only 39 percent of students sitting the examination achieving at least five (5) subject passes, including Mathematics and English Language. In addition, Employers also report relatively poor employability and socio-emotional or “soft” skills, such as communication, problem solving, leadership, and teamwork skills, in the local workforce.
- Students from Technical and Vocational Education and Training (TVET) programs currently have limited opportunities to pursue further studies in some skills areas.
- Lack of opportunities for Caribbean Vocational Qualification (CVQ) training and certification beyond level 2.
- Limited of access of Persons with Disabilities (PWDs) to appropriate and quality education and job opportunities. In addition, the inaccessibility of PWDs to the physical environment is a major constraint to the full participation of persons with disabilities in society.

Some of the reforms currently being undertaken by the Department of Education to address the issues affecting the education sector include:

- Adapting the curriculum to meet the changing demands of the global economy
- Elevating the quality of teaching and modes of delivery
- Strengthening the early childhood sector through reregistration of centers, introduction of standards, certification of existing and future practitioners and introduction of pre K within primary schools to expand access.
- Increasing access to post -secondary and tertiary education
- Strengthening and expanding TVET

2.5 Social Protection Sector Context:

Supporting the poor and vulnerable is a fundamental prerequisite in achieving sustainable and inclusive growth. The Government of Saint Lucia is dedicated to addressing the needs of all vulnerable populations

and is committed to creating an enabling environment in which the poor and vulnerable⁴ can function and contribute meaningfully to the growth and development of the country. Acknowledging social protection as a key policy tool for addressing poverty, inequality and social exclusion and, in-keeping with the Sustainable Development Goals⁵, the Government of Saint Lucia has also fully expressed its commitment to **inclusive** social protection, ensuring that no-one is left behind and that that no-one is discrimination against based on age, religion, disability, race, ethnicity, origin, sexual orientation or other status

Notwithstanding, analysis of Saint Lucia’s current social sector context reveals that while significant progress has been recorded with respect to its social development agenda, poverty continues to remain high. The 2016 Survey of Living Conditions and Household Budgets revealed that 25.0% of the population lives below the poverty line. Child poverty rates continue to remain high at 34.5 percent and the poverty rate in female-headed households is even higher, at 42.3 percent. Unemployment rate continues to remain high at 20.2% with youth unemployment at 36.3%⁶.

Evidence also shows that while there are numerous Agencies such as the Ministries of Equity, Health and Education, the Saint Lucia Social Development Fund (SSDF), the James Belgrave Micro-Enterprise Development Fund (BELfund) and the National Community Foundation (NCF), among others, providing a range of social protection programs in Saint Lucia to include Educational assistance, Housing assistance, Medical Assistance, Burial assistance, Skills Training, Disability grants, Cash and near cash transfers etc., several challenges have been identified which hinder the effectiveness of the interventions in addressing the needs of the poor and vulnerable. Some of these include:

- A mismatch between the deprivations faced by poor households and the intervention being provided.
- Interventions are not geared at ensuring that poor households sustainably participate in the formal economy and benefit from economic growth.
- The quantum of transfers, be it cash or in-kind are insufficient for lifting poor households above the poverty line and breaking the cycle of poverty
- The social protection landscape is highly fragmented across both governmental and non-governmental agencies, which creates the enabling environment for inefficient and ineffective targeting of social programmes to those who need it most. Additionally, there is duplication of effort by Agencies offering social assistance services leading to greater levels of inequity.
- Absence of a graduation strategy from Public Assistance programs, thus the cycle of dependency is maintained.

⁴ Further social and cultural characteristics on the poor and vulnerable can be found in Annex 2

⁵ Under SDG 1 (“End poverty in all its forms everywhere”), Governments have committed to implementing social protection systems and measures for all, including floors, with a focus on achieving substantial coverage for the poor and vulnerable (target 1.3).

⁶ Social and Economic Review 2018.

- High levels of leakage within the system resulting in substantial errors of exclusion and inclusion. In 2009⁷, it was estimated that 25.0 percent of Saint Lucia's poor were accessing any form of social assistance.
- Information dissemination mechanisms and payment systems are inadequate and need to be improved and modernized
- Accountability and controls need to be improved. Policies and procedures are not fully documented, programmes lack formal appeals mechanisms, process and impact evaluations are virtually absent, and not all programmes are audited annually.
- Sound monitoring and evaluation mechanisms are deficient.
- Individual social assistance programmes and the Social Protection System as a whole does not sufficiently consider effective risk management principles for risk and vulnerability reduction.

To date some reforms have been initiated to address these systemic challenges mentioned which include the following:

- The development of a National Social Protection Policy, which was approved by Cabinet in 2015;
- An updated Proxy Means Test (PMT) referred to as the Saint Lucia National Eligibility Test (SL-NET), which was approved by Cabinet in August 2019. The instrument will be used to determine eligibility for social assistance.
- Improvements to the two key safety net programs, Public Assistance and Koudmein Ste Lucie (KSL).
- Development of a draft Social Protection Bill in 2015
- Establishment of a Central Beneficiary Register/Database (March 2019)

Notwithstanding the above, it is recognized that sustained support is required to ensure that Social Protection service delivery mechanisms are effectively able to support the Social Safety Net Reform objectives.

2.6 Legislative and Regulatory Context:

Education Sector:

The Government of Saint Lucia ascribes to the notion that Education is a basic human right and is committed to ensuring that every child has access to quality education which will allow them to compete in a changing and dynamic world. The current reforms taking place in the Education Sector is grounded in the international and regional development agendas which the Government of Saint Lucia has committed to. These include:

- Education for All (EFA)
- OECS Education Sector Strategy 2012-2021
- CARICOM Human Resource Development 2030 Strategy

⁷ Saint Lucia Social Safety Net Assessment (2009), Dr. Lorraine Blank

- Sustainable Development Goal (SDG) 4 “ to ensure inclusive and equitable quality education and promote lifelong learning for all”.
- CARICOM Regional TVET Strategy for Workforce Development and Economic Competitiveness, 2013

The Education Sector is guided by the following legislation;

- Education Act No.41 of 1999 (Revised 2005); Main legislation governing the Saint Lucia Education System
- Constitution of Saint Lucia (2006), Section 92- Teaching Service Commission
- Sir Arthur Lewis Community College Act No. 8 of 1985
- Saint Lucia Labour Code (2006)

Social Protection Sector:

Fundamentally, social protection is **a human right** and is enshrined as such in the Universal Declaration of Human Rights (1948)⁸ and the International Covenant on Economic, Social and Cultural Rights (1966), The Constitution of Saint Lucia also makes provision for the protection of the fundamental rights and freedoms of individuals and for protection from discrimination on the grounds of race, sex, place of origin, political opinion, disability etc. Therefore, within these frameworks, and others, the Government of Saint Lucia is dedicated to addressing the needs of all vulnerable population and is committed to creating an enabling environment in which the poor and vulnerable can function and contribute meaningfully to the growth and development of the country.

Further, the Government is signatory to a number of international conventions on which the provision of social protection services is grounded. These include:

- The Convention on the Rights of the Child (CRC);
- The Optional Protocols to the Convention on the Rights of the Child;
- The Optional Protocol on the sale of children, child prostitution and pornography;
- The Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW);
- The UN Convention on the Rights of Persons with Disabilities;

⁸ Article 22 & 25

- The UN Convention on the Rights of Older Persons;
- The International Labour Organization’s (ILO) minimum standards for social security;
- The International Covenant on Civil and Political Rights; and
- The Post 2015 Development Agenda: “The Future We Want”.

Saint Lucia’s National Social Protection Policy also establishes Human rights-based arguments for Social Protection that are grounded in the articles of various international covenants and conventions, including the UN Convention on the Rights of Persons with Disabilities, the UN Convention on the Rights of Older Persons and others as listed above. Importantly, the Policy further highlights the commitment of the Government to provide adequate, timely and sustainable social protection services that combine protective, preventative, promotive and transformative measures to respond to the most prevalent risks and vulnerabilities of its population as part of their efforts to achieve sustainable development. Further, the Disaster Management Policy (2009) makes reference to the provision of basic needs for vulnerable populations in the aftermath of disasters. In Saint Lucia the provision of Social Protection Services is guided by the following legislation:

- Constitution of Saint Lucia (2006), Chapter 1- Protection of Fundamental Rights and Freedom
- Public Assistance Act, 1968
- Social Development Fund Act no.7 of 1998
- Saint Lucia Labour Code (2006)

SECTION 2-PROJECT SUMMARY

2.1 Project Objectives:

The objectives of the Project are to improve the labor market relevance of skills in selected sectors and to increase efficiency and coverage of the social protection system in Saint Lucia. The proposed Project aims to strengthen the resilience of Saint Lucia’s human capital stock through a two-pronged approach, the strengthening of TVET and the strengthening of the social protection system. In particular, the skills component will focus on the promotion of more and higher quality technical and socio-emotional skills and the transformation of the TVET sector from a supply-driven system to a demand-driven system that responds to changing labor market conditions.

The social protection component will concentrate on strengthening the social protection policy framework and improving the implementation of flagship social programs. These components are complementary and integrated through various modalities inclusive of graduation strategies involving paths to self-reliance through skills acquisition for beneficiaries of the social protection programs.

The main expected outcomes of the project are:

- A strengthened TVET enabling environment
- Improved number of labor market relevant TVET programs established
- Increased trained teachers
- Strengthened Social Protection Policy Framework

- Improved targeting
- Enhanced Implementation and delivery systems of social programs

2.2 Project Components:

Component 1: Strengthening Technical and Vocational Education and Training (TVET)

Component 1 aims to strengthen the TVET system to increase provision of labor market-relevant skills. It will do so by implementing a strengthened enabling environment for TVET, rationalizing and supporting new TVET offerings, supporting the professional development of TVET trainers and providing financial assistance to low-income students. These activities will be supported by technical assistance and procurement of TVET equipment and furniture under Component 3. It is composed of two subcomponents:

1. **Subcomponent 1.1: Strengthened enabling environment for TVET.** This subcomponent is associated with DLI 1 and will help build Saint Lucia’s system for delivery of labor market-relevant TVET. It will do so through the: (i) establishment of a periodic labor market needs assessment; (ii) support to the implementation of the TVET Policy and Strategy; (iii) implementation of strategies to increase inclusivity; and (iv) development and implementation of a resource mobilization strategy to ensure sustainable financing of the sector. A periodic labor market needs assessment will be established to gauge private, public, and informal sector needs for technical and non-technical (e.g. socio-emotional) skills. The subcomponent will support the implementation of the TVET Policy and Strategy, including human resourcing of the TVET Council as per the Policy, development of more systematic mechanisms for creating new programs relevant to labor market needs, and enhancements in public accountability for results. It will also support measures to increase gender inclusivity and inclusion of persons with disabilities across the TVET sector, including public awareness campaigns and training for instructors. Finally, a resource mobilization strategy will be developed and implemented to ensure sustainable financing of the sector, including the establishment of at least one private-sector financing mechanism.

2. **Subcomponent 1.2: Improved TVET offerings.** This subcomponent is associated with DLIs 2 and 3 and will expand access to labor market-relevant TVET offerings at secondary schools, special schools, postsecondary institutions, and skills training institutions. It will do so through the: (i) rationalization of existing TVET programs; (ii) professional development for TVET trainers; (iii) development of new TVET offerings; and (iv) provision of financial support for lower-income students to access TVET. First, the subcomponent will improve TVET offerings through the rationalization of programs informed by the initial labor market needs assessment. Second, it will support professional development for TVET trainers, including a trainer immersion program in partnership with the private sector, which will help improve industry knowledge and potentially re-skill trainers for higher-priority areas. Third, new TVET offerings - including higher-level CVQs – will be developed in selected sectors identified as having skills shortages in the labor market needs assessment and/or being strategic priorities identified by the TVET Council. Finally, this subcomponent will provide financial assistance for tuition and certification costs for low-income students. Additional support – including stipends and child care subsidies – will be offered to social safety net program participants through Component 2. New and existing TVET offerings will be enhanced with supplemental modules on socio-emotional skills (including life skills and entrepreneurship skills), and on climate change as relevant to each field, to enhance the flexibility of trainees' skill sets.

Component 2: Strengthening the Social Protection System

Component 2 aims to strengthen the social protection system by enhancing the policy framework and targeting mechanism, increasing PAP's coverage of the poor, and improving the implementation of the main social programs. These activities will be supported by technical assistance (i.e. consulting and non-consulting services) under subcomponent 3.1. Component 2 is composed of two subcomponents:

3. **Subcomponent 2.1: Strengthened social protection policy framework**⁹. This subcomponent is associated with DLI 4 (DLR 12) and DLI 5 (DLR 16, 17 and 19) and aims to enhance the SP policy and policy environment and to improve the targeting mechanism that is used to determine eligibility of potential beneficiaries. It specifically supports the following: (i) review and revision of the national SP policy; (ii) development and implementation of a graduation strategy for social assistance household recipients; and (iii) development and implementation of the updated targeting tool, SL-NET 3.0. The revised SP policy will identify and address systemic gaps by assessing current social needs with the policy interventions in place, enhance coordination and integration of social programs, and incorporate an adaptive SP approach, including elements to prevent, mitigate and respond to shocks. These elements will include designing interventions that can be expanded (or contracted) according to need and identifying potential financing mechanisms to scale up programs in case of disasters. The development and implementation of a graduation strategy for social assistance household will facilitate access to jobs and enabling services such as TVET, childcare or healthcare. Finally, the development and implementation of the updated targeting tool, SL-NET 3.0 (which requires Cabinet approval), will improve the selection of beneficiaries based on poverty levels, thereby improving overall spending efficiency of social programs.
4. **Subcomponent 2.2: Improved coverage and implementation of flagship social programs**¹⁰ This subcomponent is associated with DLI 4 (DLRs 13-15) and DLI 5 (DLRs 18 and 20), and its objective is to increase the coverage of the poor through the expansion of the main social safety net program, PAP, and to enhance the implementation of the main social programs, PAP and KSL. The subcomponent will support: (i) increased coverage of PAP; and (ii) modernizing procedures and implementation and delivery systems of the main social programs. The PAP's coverage expansion will be sequenced with the implementation of the updated targeting mechanism, the application of which will improve the selection of beneficiaries by minimizing inclusion and exclusion errors. Modernizing the social programs will involve: a) a comprehensive revision of procedures, communication and feedback mechanisms, and monitoring and evaluation processes, among others; and b) the design,

⁹ The SP Policy Framework refers to the scheme to define policy goals and strategies, key procedures with potential policy-level implications, and guiding principles that generally require Cabinet approval.

¹⁰ The flagship social programs referred to are PAP and KSL. The latter is a case management program for the extreme poor. Delivery systems improvements such as the social information system could support policies and programs beyond SP, including health and education, among others.

development and population of a social information system, consisting of a social registry¹¹ and a beneficiary management information system (BMIS).¹²

Component 3: Technical Assistance and Project Management.

Component 3 supports the results-based components of the project through targeted investments in technical assistance and equipment and through project management. It is composed of three subcomponents:

5. **Subcomponent 3.1: Technical Assistance.** This subcomponent will finance consultant and non-consultant services for key results areas of the Project. A TVET Systems Consultancy will advise the TVET Council and MoE on sequencing and executing the required reforms for transition to an inclusive, labor market demand-driven TVET system. A consultancy will support the Central Statistics Office in carrying out the 2022 Living Conditions and Household Expenditure Survey, which will serve as a key input to inform the social protection policies, as part of the continuous improvement cycle. Information technology (IT) consultant will support the design, development and maintenance of the Social Information System, housed in the MoEQ (with support from the Government Information and Technology Services (GITS)). The system will incorporate an interoperability framework to interact with multiple databases, including the TVET database and Labor database. Individual consultants (IC) will support: the design and supervision of the social information system; the technical analysis to update the SP policy, draft the graduation strategy and the SP operational processes (i.e. manuals); and develop standards and systematize the data for the TVET Council. The non-consulting service is to collect data on PAP beneficiaries to implement the recertification process.
6. **Subcomponent 3.2: TVET Equipment and Furniture.** This subcomponent will finance industry-standard equipment for secondary schools and training institutions to meet the required standards of specific CVQs. Equipment priorities will be identified through the proposal development process under Component 1. As the Project will not finance civil works equipment will only be procured for facilities certified as structurally sound and possessing the required space and utilities to meet the specifications of the equipment.
7. **Subcomponent 3.3: Project Management.** This subcomponent will finance: (a) staff and operating costs of a Project Implementation Unit (PIU) to be placed in the MoE, as described in Annex 1; (b) carrying out of independent audits; and (c) carrying out DLI compliance verification.

¹¹ The social registry would include information on poor and vulnerable households (i.e. potential beneficiaries) and will incorporate climate change considerations such as information related to targeted population's exposure (e.g. georeferenced information) and vulnerability to shocks and climate related risks (e.g. quality of housing, assets, etc.). As such, by improving the delivery of social programs, it would also improve adaptive capacity of vulnerable population to cope with climate change impacts.

¹² The BMIS would support the implementation of social programs, including automating information processing for eligibility and enrollment decisions, and benefits and service package decisions, the provision of benefits and services, monitoring and management of beneficiaries (including basic beneficiary management, grievance redress and decisions on exits).

Inclusive education: In line with the World Bank’s commitment to ensure that all education projects are inclusive of persons with disabilities, the project will include consultations with the National Council of and for Persons with Disabilities as part of this Stakeholder Engagement Plan (SEP). Project activities will include training for TVET training providers to address bias against persons with disabilities and strategies to promote greater inclusion. In addition, the project activities will ensure that students at all five special schools will have access to at least one CVQ linked to labor-market needs, as part of one of the Disbursement-Linked Results (DLRs). The PDO indicator on the provision of labor market-relevant skills will also be disaggregated by students at special schools.

2.3 Project Financing

Project Component	Budget Allocation (US\$ million)
Component 1: Strengthening the Technical Vocational and Education and Training (TVET)	8
Component 2: Strengthening the Social Protection System	7.5
Component 3: Technical Assistance and Project Management	4.5
Total	20.00

2.4 Relevant World Bank Environmental and Social Standards (ESS)

The following Environmental and Social Standards are relevant for the project:

ESS	Relevant/Not Relevant	Description
ESS1 Assessment and Management of Environmental and Social Risks and Impacts	Currently Relevant	The Environmental and Social assessment will identify potential risks (and benefits) for disadvantaged or vulnerable groups. From an environmental standpoint this project is expected to have low risks impacts because there are no associated works or any anticipated environmental impacts neither from the technical assistance (Component 3) nor from the other components.
ESS2 Labor and Working Conditions	Currently Relevant	The project will be engaged with direct workers and may hire specialized consultants for developing different types of studies and curricula

ESS3 Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant	There will be no works and therefore no generation of hazardous or non-hazardous waste.
ESS4 Community Health and Safety	Not Currently Relevant	There are no works associated with this project and therefore the community health is not at risk.
ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant	The project is not expected to generate any physical infrastructure and therefore will not include the taking of land either by involuntary or voluntary means.
ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant	The project does not involve activities that could cause risks or potential impacts to biodiversity or natural habitats, nor does it involve sustainable management of living natural resources.
ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant	There are no indigenous communities are present in project area
ESS8 Cultural Heritage	Not Currently Relevant	No new physical infrastructure and/or excavation work is expected. The project does not envisage any impacts on physical, cultural, and/or archaeological sites.
ESS9 Financial Intermediaries	Not Currently Relevant	The project does not involve a financial intermediary as defined by ESS9
ESS10 Stakeholder Engagement and Information Disclosure	Currently Relevant	The main stakeholders are: Ministry of Finance, Economic Growth, Job Creation, External Affairs and the Public Service; the Ministry of Education, Innovation, Gender Relations and Sustainable Development; the Ministry of Equity, Social Justice, Empowerment, Youth Development, Sports and Local Government; and Ministry of Infrastructure, Ports, Energy and Labour;, institutions involved in TVET, Vulnerable population (the poor, women, young girls, youth at risks, persons with disabilities, others,) students, parents, chamber of commerce, teachers among others.

2.5 Potential Social Risks and Impacts of the Project

Component and activities	Positive impacts	Negative impacts and/or risks
<p>Education</p> <p>Component 1; Strengthening Enabling Environment for TVET;</p> <ul style="list-style-type: none"> Establishment of a periodic Labor market needs assessment Support to the implementation of the TVET Policy and Strategy; implementation of strategies to increase inclusivity Developing a resource mobilization strategy to ensure sustainable financing of the sector. 	<ul style="list-style-type: none"> TVET curriculum offerings can be tailored to market demand. Improved match between market demand and the skills being supplied. Avenue for building capacity and mobilising resources for the implementation of the TVET Plan. Allows for the sustainability of the TVET activities outlined in the Policy. Support training, institutional capacity building, and improved learning for secondary and early childhood education. 	<ul style="list-style-type: none"> Insufficient job placements for newly skilled job seekers. Failure to mobilise resources to implement strategies outlined in the TVET Policy. Inefficiencies in outreach strategies to reach vulnerable groups. Failure to implement mobilisation strategy Insufficient resources raised to allow TVET Programs to continue
<p>Component and activities</p> <p>Component 2; Improved TVET offerings</p> <ul style="list-style-type: none"> Rationalization of programs, informed by the labor market needs assessment and skills program diagnostic; 	<p>Positive impacts</p> <ul style="list-style-type: none"> Students with special needs will benefit from having a TVET curriculum tailored to meet their needs and capacity to learn. 	<p>Negative impacts and risks</p> <ul style="list-style-type: none"> Failure of market to absorb newly skilled job seekers. Failure of market to invest in catering to the requirements of

<ul style="list-style-type: none"> Professional development for TVET trainers, including a trainer immersion program in partnership with the private sector as well as the provision of industry standard equipment. Development of new TVET offerings - including higher-level CVQs Provision of financial support for lower-income students to access TVET <p>Social Protection:</p>	<ul style="list-style-type: none"> Promotion of greater efficiencies in the programs being offered. Greater alignment with market demands 	<ul style="list-style-type: none"> differently abled job seekers Lack of qualified professionals to teach newly emerging TVET areas
	<ul style="list-style-type: none"> Students will benefit from more qualified practitioners/teachers. Practitioners will have improved job prospects and mobility with portable certifications. TVET offerings will be of a higher quality. Continuing professional development for practitioners. 	<ul style="list-style-type: none"> Inability to retain professionals once they have been trained. Lack of willingness of workers to participate in the capacity building activities.
	<ul style="list-style-type: none"> Students will be better equipped for the job market. Employers will be supplied with a better trained, competent and certified workforce. Continuous update of knowledge and skills. Increase employability of students 	<ul style="list-style-type: none"> Failure to attract students or eligible persons to participate in the new TVET offerings. Failure of market to absorb newly skilled job seekers. Failure of Government to create an enabling environment to encourage entrepreneurship.
	<ul style="list-style-type: none"> Allow for greater equity in access by the poor, differently abled, women, men, youth, etc. 	<ul style="list-style-type: none"> Failure of disadvantaged students to participate in TVET offerings Inefficiencies in outreach strategies to reach vulnerable groups requiring financial support

<p>Subcomponent 2.1: Strengthened social protection policy frame</p>		
<ul style="list-style-type: none"> • Review and revision of the national social protection policy 	<ul style="list-style-type: none"> • Adaptive and inclusive Social Protection Policy 	<ul style="list-style-type: none"> • Insufficient resources allocated to the implementation of the Policy.
<ul style="list-style-type: none"> • Development of a graduation strategy 	<ul style="list-style-type: none"> • Empowerment of Households towards self-reliance • Strengthened referral system • Creating opportunities for job training and permanent employment. 	<ul style="list-style-type: none"> • Failure to sufficiently prepare households for graduation from the program. • Failure of Government to create an enabling environment to encourage entrepreneurship
<ul style="list-style-type: none"> • Design and development of the updated targeting tool, SL-NET 3.0 	<ul style="list-style-type: none"> • Better targeting of poor and vulnerable households. • Reduce leakages and improve coverage of poor and vulnerable in social assistance programs • Reduce duplication of benefits 	<ul style="list-style-type: none"> • Failure to communicate to the public the new approach to targeting and the receipt of public assistance support. • Risk of the public not accepting the new approach to the targeting method/criteria of eligibility for accessing public assistance.
<ul style="list-style-type: none"> • Planning, implementation and analysis of the 2022 Living Conditions and Household Expenditure Survey 	<ul style="list-style-type: none"> • Better design and implementation of policies, programs based on outcome of survey 	<ul style="list-style-type: none"> • Inability of the Statistics Department to undertake the Survey at the time
<p>Subcomponent 2.2: Improved implementation of flagship social programs</p>		
<ul style="list-style-type: none"> • Revision of existing programs 	<ul style="list-style-type: none"> • Reduce leakages and improve coverage of 	<ul style="list-style-type: none"> • Failure to adequately consult with

	<p>poor and vulnerable in social assistance programs.</p>	<p>beneficiaries on the redesign of existing programs which may result in negative publicity on the reform project.</p>
<ul style="list-style-type: none"> • Design, development and population of a social information system 	<ul style="list-style-type: none"> • Provision of concise, reliable and up-to-date information on the poor and vulnerable in Saint Lucia. • Facilitate information exchange across programs • Reduce fraud and corruption 	<ul style="list-style-type: none"> • Insufficient resources to maintain database • Loss of skilled personnel trained in the development and maintenance of the database
<ul style="list-style-type: none"> • Capacity building activities such as training of management and technical staff 	<ul style="list-style-type: none"> • Continuous update of knowledge and skills. • Improved quality of services offered to the public • Better trained, competent and certified professionals. 	<ul style="list-style-type: none"> • Inability to retain professionals once they have been trained • Lack of willingness of workers to participate in the capacity building activities.
<p>Component 3: Technical Assistance and Project Management</p>		
<p>Subcomponent 3.1: Technical Assistance</p>	<ul style="list-style-type: none"> • Transfer of skills and knowledge to build national capacity. 	<ul style="list-style-type: none"> • Inability to retain professionals once they have been trained • Failure of national counterpart teams to participate in capacity building activities.
<p>Subcomponent 3.2: Project Management</p>	<ul style="list-style-type: none"> • Dedicated team to coordinate the implementation of the project 	<ul style="list-style-type: none"> • Limited knowledge of the new Project Implementation Unit (PIU) team to Bank procurement and fiduciary procedures.

2.6 Measures and Recommendations:

Some measures and recommendations to address the negative impacts and risks include but not limited to the following:

- The Development and implementation of a Stakeholder Engagement Plan (SEP) which will establish the timing and methods of engagement with stakeholders throughout the project life cycle. The SEP will be used to capture the views and perceptions of people who may be affected or have an interest in the project and provide an avenue for taking their views into account as inputs to improved project design and implementation, thereby avoiding or reducing adverse impacts, and enhancing benefits.
- The development and implementation of a Communications Strategy will also contribute to a reduction or elimination of risks associated with lack of knowledge about the project as various means will be employed for consistent public education and sensitization. A Grievance Mechanism is also incorporated in the SEP to allow for stakeholders to express and document their concerns and grievances as well as provide an avenue through which these concerns and grievances can be resolved. The SEP clearly states that Grievance Mechanism will form part of the public awareness campaign for this project. Beneficiaries will be informed of their rights related to this initiative and the requisite steps they would need to take to exercise those rights via this mechanism.
- In line with the World Bank's commitment to ensure that all education projects are inclusive of persons with disabilities, the project will include consultations with the National Council of and for Persons with Disabilities as part of its Stakeholder Engagement Plan (SEP). Project activities will include training for TVET training providers to address bias against persons with disabilities and strategies to promote greater inclusion. In addition, the project activities will ensure that students at all five special schools will have access to at least one CVQ linked to labor-market needs, as part of one of the Disbursement-Linked Results (DLRs). The PDO indicator on the provision of labor market-relevant skills will also be disaggregated by students at special schools.
- The project will also promote collaboration among stakeholders (including employers, professional associations, trade unions, government organizations) and provide the opportunity to have an input in the design of the various training programs. This will ensure that the programs better meet all needs. This team may remain as a coordinating committee for the project at the operational level to ensure that activities are harmonized and/or complementary to existing activities of the various agencies/social service providers.
- Capacity building will be provided to the PIU with support from the World Bank to ensure that the team is familiar with the Bank's policies, procedures and guidelines as well as to allow for the effective implementation of the Project.
- Curriculum will be tailored to incorporate the requirements of disabled persons.

- Government to explore the provision of incentives to Employers to encourage investment in technologies that will increase access to employment opportunities for differently abled individuals.

ANNEXES:

Annex 1: Social and Cultural features that differentiate social groups in the project area (Social Protection)

- Limited access to resources (financial, material, educational, health, food etc)
- Limited access to relevant information which could enable access to available/needed services
- Existing programs do not adequately cater to the needs of poor and vulnerable households and therefore do not adequately contribute to (improving their competencies and building their capacities to reach their true potential)
- Chronic poverty and Inter-generational transmission of poverty is a characteristic of the Saint Lucia poverty situation.
- Existence of the dependency syndrome prevents creativity in the use of existing resources
- The need for instant gratification limits the potential for long term planning to graduate out of poverty.
- High exposure to risks and vulnerable conditions/situations coupled with limited or no surplus capacity to absorb losses from the impact of hazards/shocks and to recover quickly, thus perpetuating their inability to manage their risks and enhance their resilience.

Annex 2:

Components and Activities	Positive Impacts	Negative Impacts/Risks	Proposed Mitigation Measure
Social Protection: Subcomponent 2.1: Strengthened social protection policy framework			
Review and revision of the national social protection policy	Adaptive and inclusive Social Protection Policy Established framework to guide the delivery of Social Services/Social Assistance Programmes in Saint Lucia	Insufficient resources allocated to the implementation of the Policy.	Re-allocation of funds from another budget line item under the project. Re-allocation of required resources from GOSL/ Ministry's budget.
Development of a graduation strategy	Empowerment of Households towards self-reliance Creating opportunities for job training and permanent employment. Strengthened referral system	Failure to sufficiently prepare households for graduation from the program. Existing circumstances retard households' ability to exit the programme. Failure of Government to create an enabling environment to	Referral of households to other supporting programmes and services. Strengthening of the referral system and establishment of agency SOPs for handling referrals. Household data analysis to identify households who will not be able to graduate from the programme and the development of specific interventions for these households. Development of partnerships with the Private Sector to

		encourage entrepreneurship	support entrepreneurship.
Design and development of the updated targeting tool, SL-NET 3.0	<p>Better targeting of poor and vulnerable households.</p> <p>Reduce leakages and improve coverage of poor and vulnerable in social assistance programs</p> <p>Reduce duplication of benefits</p>	<p>Inadequate and ineffective communication to the public on the new approach to targeting and the receipt of public assistance support.</p> <p>Risk of the public not accepting the new approach to the targeting method/criteria of eligibility for accessing public assistance.</p> <p>Agencies continue to apply different criteria for eligibility to social assistance programmes.</p>	<p>Development of a Communications Strategy and implementation throughout the life of the project and beyond.</p> <p>Key messages developed for specific target groups to facilitate understanding of changing processes.</p> <p>Use of different communication methods to reach the public and evaluation of impact of these measures. Changes will be done as necessary.</p> <p>Seek (and obtain) Cabinet's approval for SL-NET to be the single tool to determine eligibility for Government social assistance programmes.</p>
Re-certification and Expansion of the PAP	<p>Better targeting of beneficiary households</p> <p>Improved efficiency and effectiveness of the PAP</p> <p>Reduced leakage.</p>	<p>Negative publicity associated with the reform process owing to beneficiaries being removed from the programme who are deemed ineligible based on SL-NET 3.0</p>	<p>Implementation of the Communications Strategy (consistent and appropriate messaging to the public on all aspects of the reform to include targeting.</p>

Planning, implementation and analysis of the 2022 Living Conditions and Household Expenditure Survey	Better design and implementation of policies, programs based on outcome of survey. Updated information for sound decision-making	Inability of the Statistics Department to undertake the Survey at the time.	Outsourcing of this activity to a competent and reputable firm through a consultancy arrangement.
Subcomponent 2.2: Improved implementation of flagship social programs			
Revision of existing programs	Reduced leakages and improved coverage of poor and vulnerable in social assistance programs.	Failure to adequately consult with beneficiaries on the redesign of existing programs which may result in negative publicity on the reform project.	Implementation of Communications Strategy. Consistent utilization of SL-NET 3.0 for improved targeting.
Design, development and population of a social information system	Provision of concise, reliable and up-to-date information on the poor and vulnerable in Saint Lucia. Facilitate information exchange across programs. Reduced fraud and corruption	Insufficient resources to maintain database Loss of skilled personnel trained in the development and maintenance of the database	Re-allocation of funds from existing budget lines for maintenance of database. Recruitment of skilled individuals Engagement of GITS (Government Information Technology Services) to provide support services for maintenance of the database. Recruitment of Systems Analyst who will understudy Consultant

			for Social Information System.
Capacity building activities such as training of management and technical staff	<p>Continuous update of knowledge and skills.</p> <p>Improved quality of services offered to the public</p> <p>Better trained, competent and certified professionals.</p>	<p>Inability to retain professionals once they have been trained</p> <p>Lack of willingness of workers to participate in the capacity building activities.</p>	<p>Identification of incentives (non-monetary) and award of same for participation in training.</p> <p>Additional recruitment of professionals.</p> <p>Implement change management training for all staff of the Ministry</p>