Document of

The World Bank

Report No 75315-LC

Restructuring PAPER

ON A

Project restructuring

of

OECS (SAINt Lucia) Skills for Inclusive Growth PROJECT

 CREDIT 4300-SLU

APPROVED BY THE BOARD ON MAY 8, 2007

TO

Saint Lucia

MARCH 13, 2013

ABBREVIATIONS AND ACRONYMS

|  |  |
| --- | --- |
|  |  |
| CVQ | Caribbean Vocational Qualifications |
| MIS | Management Information System |
| NVQ | National Vocational Qualifications |
| OECS | Organization of Eastern Caribbean States |
| PDO | Project Development Objective |
| TVET | Technical and Vocational Education and Training |

|  |  |  |
| --- | --- | --- |
| Regional Vice President: |  | Hasan A. Tuluy |
| Country Director: |  | Françoise Clottes |
| Sector Director:Sector Manager: |  | Keith HansenReema Nayar |
| Task Team Leader: |  | Harriet Nannyonjo |

|  |
| --- |
| **Restructuring** **Status:** **Final** |
| **Restructuring Type:** **Level two** |
| Last modified on date : 03/13/2013 |

|  |
| --- |
| **1. Basic Information** |
| Project ID & Name | P097141: OECS (St Lucia) Skills for Inclusive Growth |
| Country | St. Lucia |
| Task Team Leader | Harriet Nannyonjo |
| Sector Manager/Director | Reema Nayer/ Keith Hansen |
| Country Director | Françoise Clottes |
| Original Board Approval Date | 05/08/2007 |
| Original Closing Date: | 03/15/2012 |
| Current Closing Date | 09/15/2013 |
| Proposed Closing Date [if applicable] | NA |
| EA Category | C-Not Required |
| Revised EA Category |  |
| EA Completion Date |  |
| Revised EA Completion Date |  |

|  |
| --- |
| **2. Revised Financing Plan (US$m)** |
| **Source** | **Original** | **Revised** |
|  BORR | 0.87 | 0.87 |
|  IDA | 3.50 | 3.50 |
| Private Sector | 0.95 | 0.00 |
|  **Total** | 5.32 | 4.37 |

|  |
| --- |
| **3. Borrower** |
| **Organization** | **Department** | **Location** |
| Government of Saint LuciaMinistry of Finance, Economic Affairs and National Development |  | St. Lucia |

|  |
| --- |
| **4. Implementing Agency** |
| **Organization** | **Department** | **Location** |
|  Ministry of Education and Culture |  | St. Lucia |

|  |
| --- |
| **5. Disbursement Estimates (US$m)** |
| **Actual amount disbursed as of 02/20/2013** **2.99** |
| **Fiscal Year** | **Annual** | **Cumulative** |
|  2013 | 0.40 | 3.39 |
|  2014 | 0.11 | 3.50 |
|   | **Total** | **3.50** |

|  |
| --- |
| **6. Policy Exceptions and Safeguard Policies** |
| **Does the restructured project require any exceptions to Bank policies?** | N |
|  |  |
| **Does the restructured project trigger any new safeguard policies? If yes, please select from the checklist below and update ISDS accordingly before submitting the package.** | N |

|  |
| --- |
| **7a. Project Development Objectives/Outcomes****Original/Current Project Development Objectives/Outcomes** |
| The objective of the first phase (operation) of the APL is to assist the Government of St. Lucia to increase the employability of youth through private-sector driven training.  |

**SAINT LUCIA**

OECS (SAINt Lucia) Skills for Inclusive GrowthPROJECT

**Contents**

Page

[SUMMARY 1](#_Toc307487420)

[PROJECT STATUS 1](#_Toc307487421)

[PROPOSED CHANGES 1](#_Toc307487422)

[ANNEX 1: Results Framework and Monitoring 3](#_Toc307487424)

**OECS (SAINt Lucia) Skills for Inclusive Growth PROJECT**

**RESTRUCTING PAPER**

# SUMMARY

1. The major change and rationale for this proposed Level Two Project Restructuring is to revise the PDO indicator in order to better measure the Project’s impact on the employability of youth over the long term.

# PROJECT STATUS

1. The Project was approved by the Board on May 8, 2007 and became effective on December 19, 2007. It was first restructured on December 5, 2011, and it is expected to close on September 15, 2013. It has three components: i) Skills training for unemployed youth; ii) Improving the policy framework for delivering of training; and iii) Project management and institutional strengthening.
2. Under Component 1, the Project has been successful in enrolling a total of 945 (against an end-of-Project target of 870) trainees, and diversified training with 38.7 percent of the youth enrolled in training other than hospitality (against an end-of-Project target of 30).
3. However, Saint Lucia’s economy has been hard-hit by the financial crisis, and this has affected the job market and employment has been cyclical particularly in the hospitality sector, which has affected trainee ability to secure jobs. In addition, as employers have been reducing employees to adjust to a weaker market, their willingness to take on trainees for traineeships has weakened as well, affecting the number of completed traineeships and consequently the number of youth certified. As a result, about 44.6 percent of the youth are employed 15 months after the start of training (against an end-of-Project target of 65 percent). Interviews with trainees and training providers indicate that those who have managed to secure employment before completion of training to obtain certification have in most cases dropped out and are the first ones to be let go when the business situation deteriorates.
4. Under Component 2, the Project has been successful in vetting 87 standards (against an end of Project target of 85) and pre-qualified 117 accredited training providers (against an end of Project target of 65). A labor market assessment has also been completed.
5. Under Component 3, the Government has taken steps to strengthen institutional capacity to implement and monitor Project implementation through the hiring of personnel and developing the requirements of the Management Information System (MIS).

# PROPOSED CHANGES

**Results Indicators**

1. The PDO indicator relating to “percentage of youth enrolled in the training schemes who are employed fifteen months after the start of their training” has been dropped, since it is not a good measure of the Project’s impact on employability of youth. This is because employment opportunities are driven by other factors beyond the scope of the Project, including the state of the economy. This indicator will continue to be monitored for information purposes.
2. A new PDO indicator has been added: “Number of youth certified at level 1 or above”. Since certification is an asset that enhances ability of a trainee to get a job and / or keep one, it is a much stronger long-term measure of employability. The changes to the Results Framework are summarized in Annex 1.
3. The intermediate indicator “Number of NVQs/CVQs issued” has been dropped since it measures the same thing as the new PDO indicator.
4. End of Project targets for the following intermediate indicators have been changed as follows to reflect current achievements:
	* Number of unemployed youth enrolled in training increased from 870 to 945.
	* Percentage of enrolled youth in training in other sectors than hospitality increased from 30 to 38 percent.
	* Number of pre-qualified or accredited training providers increased from 65 to 117.
	* Number of standards vetted increased from 85 to 87.

# ANNEX 1Results Framework and Monitoring

St. Lucia**:** OECS (SAINt Lucia) Skills for Inclusive GrowthPROJECT

|  |
| --- |
| **Project Development Objective (PDO): The objective of this first phase of the APL is to assist the Government of St. Lucia to increase the employability of youth through private sector-driven training** |

|  | **Core** | **D=Dropped****C=Continued****N= New****R=Revised** | **Baseline****(2007)** | **Cumulative Target Values** | **Frequency** | **Data Source/Methodology** | **Responsibility for Data Collection** |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | **2008****Actual** | **2009****Actual** | **2010****Actual** | **2011****Actual** | **2012****Actual** | **2013****Target** |  |  |  |
|  |  |  | **UoM** | **Value** |  |  |  |  |  |  |  |  |  |
| **PDO Level Results Indicators** |
| Percentage of youth employed fifteen months after the start of the training  | [ ]  | D | % | 0 | 0 | 0 | 0 | 32 | 44.6 | 65 | Semi-annually | Follow-up/tracking of trainees and comparable group of non-trainees | NSDC |
| 1. Number of youth certified at Level I or above | [ ]  | R | # | 0 | 0 | 0 | 0 | 92 | 176 | 407 | Semi-annually | Project administration documents | NSDC / TVET Unit |
| **Intermediate Results** |
| **Intermediate Result (Component one): To increase levels of training among unemployed youth through the establishment of a competitive training scheme that finances private sector-driven training and traineeships.** |
| 1. Number of unemployed youth enrolled in the training | [ ]  | R | # of youth | 0 | 0 | 0 | 0 | 415 | 945 | 945 | Semi-annually | Project administration documents | NSDC |
| 2. Percentage of enrolled youth that become certified one year after the start of the training | [ ]  | C | % | 0 | 0 | 0 | 0 | 0 | 45 | 65 | Semi-annually | Project administration documents | NSDC |
| 3. Percentage of enrolled youth in training in other sectors than hospitality | [ ]  | R | % | 0 | 0 | 0 | 13 | 31.4 | 38.7 | 38 | Semi-annually | Project administration documents | NSDC |

|  |
| --- |
| **Intermediate Result (Component Two): To develop an improved policy framework for delivering training by enhancing OECS collaboration in training and introducing occupational standards to increase quality and value of training.** |
| Number of NVQ/CVQ orInternational certifications awarded | [ ]  | D | # | 0 | 0 | 0 | 0 | 92 | 133 | 407 | Semi-annually | Project administration documents | NSDC / TVET Unit |
| 4. Number of pre-qualified or accredited training providers | [ ]  | R | # of TPs | 0 | 0 | 35 | 48 | 62 | 117 | 117 | Semi-annually | Project administration documents | NSDC |
| 5. Number of Standards Vetted | [ ]  | R | # | 0 | 0 | 0 | 0 | 65 | 87 | 87 | Semi-annually | Project administration documents | TVET Unit |
| 6. National Qualifications register in operation | [ ]  | C | Yes/No | 0 | No | No | No | No | No | Yes | Semi-annually | Project administration documents | NSDC |
| 7. Action plan to improve the relevance and sustainability of trainingStudy for Career MobilityLabor market needs assessment  | [ ]  | C | None/Done | a) noneb) none | a) noneb) none | a) doneb) none | b) none | b) none | b) none | b) done | One-time delivery of report | Reports | PCU / NSDC |
| **Result (Component Three): To strengthen institutional capacity to better implement, monitor and plan training through the strengthening of the Project implementing agencies** |
| 8. Percentage of above indicators and of additional implementation indicators reported on a yearly basis by NSDC | [ ]  | C | % | 0 | 0 | 0 | 25 | 50 | 100 | 100 | Annually | Reports | NSDC |