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REPORT AND RECOMMENDATION
OF THE
PRESIDENT OF THE
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
TO THE
EXECUTIVE DIRECTORS
ON A
PROPOSED LOAN
TO
THE BAHAMAS
FOR A
VOCATIONAL AND TECHNICAL
EDUCATION PROJECT

March 4, 1981

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CURRENCY EQUIVALENTS

Currency Unit	=	Bahamian Dollar (B\$)
US\$1	=	B\$1

FISCAL YEAR

January 1 - December 31

SCHOOL YEAR

September - August

ABBREVIATIONS

CDB - Caribbean Development Bank
COB - College of The Bahamas
ITC - Industrial Training Center
NIB - National Insurance Board
NITC - National Industrial Training Council

DEFINITIONS

Family Islands - The Bahamian Islands other than
New Providence Island where
Nassau the capital is located.

THE BAHAMAS

VOCATIONAL AND TECHNICAL EDUCATION PROJECT

LOAN AND PROJECT SUMMARY

BORROWER: The Bahamas

Amount: US\$7.0 million equivalent.

Terms: Payable in 15 years, including a grace period of 3 years at 9.6% interest per annum.

Project

Description: The project supports the Government's major objectives in vocational and technical education, which are to improve the relevancy of the system to the Bahamian priorities and needs, to increase the number and quality of graduates and to strengthen its institutional capacity. It aims to achieve these through the following means:

- (i) Development and improvement of relevant vocational and technical programs and training and upgrading of technical teachers;
- (ii) expansion of the training capacity of the country's vocational and technical institutions; and
- (iii) assistance in the establishment and operation of a National Industrial Training Council and the strengthening of the planning, evaluation, curriculum preparation and supervisory functions of the Ministry of Education and Culture.

The project consists of:

- (a) refurbishing the Soldier Road Campus of the College of The Bahamas in Nassau to create an Industrial Training Center (ITC). The ITC will provide 400 training places for skills in craft, clerical and allied trades.
- (b) establishing new workshops and refurbishing existing ones for four high schools in New Providence and eight on the Family Islands to introduce technical courses responding to local needs and requirements;
- (c) constructing and equipping an extension to the College of The Bahamas at Oakes Field Campus in Nassau to establish (i) a Division of Technical Studies, offering 200 places for post-secondary school technician work, (ii) a Division of Business and Administration Studies, offering 200 places for post-secondary commercial education, and

- (iii) a Technical Teacher Education Unit providing about 50 places for the pre-service and in-service training of teachers to give technical courses in the high schools;
- (d) providing relevant facilities and equipment for about 330 places in the Hotel Training College to enable it to respond effectively to the country's tourism development plan;
- (e) providing facilities, and equipment for the Department of Nursing Education for 180 training places for the training of nurses in areas most relevant to the population needs; and
- (f) financing specialist services (75 man-months) and fellowships (489 man-months) related to the foregoing areas.

The project entails no special risks except perhaps that delays may occur because of the complexity of the project and lack of experience in The Bahamas to execute it. Hiring of experts and close supervision by the Bank at the initial stage are expected to minimize these risks.

<u>Estimated Cost</u>	(US\$ million equivalent)		
	<u>Local</u>	<u>Foreign</u>	<u>Total</u>
Industrial Training Center	0.08	0.42	0.50
Senior High Schools	0.75	1.64	2.39
College of The Bahamas	1.27	2.61	3.88
Hotel Training College	0.55	1.02	1.57
Department of Nursing Education	0.55	0.89	1.44
National Manpower Data Base	0.02	0.03	0.05
Technical Assistance	0.06	1.15	1.21
Project Administration	0.30	0.30	0.60
Base Costs	<u>3.58</u>	<u>8.06</u>	<u>11.64</u>
Contingencies			
Physical	0.52	0.92	1.44
Price	2.23	3.09	5.32
Total Costs	<u>6.33</u>	<u>12.07</u>	<u>18.40</u>

<u>Financing Plans</u>	<u>US\$ million equivalent</u>		
IBRD	-	7.00	7.00
Government	6.33	5.07	11.40
Total	<u>6.33</u>	<u>12.07</u>	<u>18.40</u>

<u>Estimated Disbursements</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
Bank FY					
Annual	0.3	0.5	1.7	3.5	1.0
Cumulative	0.3	0.8	2.5	6.0	7.0

Staff Appraisal Report No. 3217a-BM dated March 2, 1981.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

REPORT AND RECOMMENDATION OF THE PRESIDENT
TO THE EXECUTIVE DIRECTORS ON A
PROPOSED LOAN TO THE BAHAMAS
FOR A VOCATIONAL AND TECHNICAL EDUCATION PROJECT

1. I submit the following report and recommendation on a proposed loan for the equivalent of US\$7.0 million to The Bahamas for a vocational and technical education project. The loan would have a term of 15 years, including 3 years of grace, with interest at 9.6% per annum.

PART I - THE ECONOMY

2. An economic report (Economic Memorandum on The Bahamas, Report No. 2975-BM, dated June 2, 1980) was distributed to the Executive Directors on June 4, 1980. Annex 1 contains the basic country data.

Background

3. The Bahamas economy is structured around its vast tourism resources and its attractiveness as an international financial center. The natural beauty of its beaches and waters, and proximity to Florida, make it an attractive vacation spot for large numbers of North American tourists. In recent years, favorable movements in exchange rates (the Bahamian dollar is at a par with the US dollar) have also attracted increasing numbers of European tourists to its shores. Absence of most forms of direct taxation, a minimum of regulation on offshore financial business, and the location of The Bahamas in the same time zone as New York, gave the country an advantage over other Eurocurrency centers for offshore banking. Chiefly as a result of these two activities, an historically open attitude toward foreign private investment, and political stability, the country attained a high per capita income relative to the rest of the Caribbean (about US\$2,800 in 1979). Nevertheless, the vast geographic dispersion of the Bahama islands, the rapid population growth, in part the result of a steady influx of immigrants, and the heavy concentration of the population on the island of New Providence, constitute challenging development problems for the authorities.

Recent Economic Developments

4. A high rate of foreign private investment generated rapid economic growth during the 1960s, averaging in excess of 9% per year. The very character of this development (services directly and indirectly account for over 75% of GDP) determined that expatriates had a large role in the economy. By the mid-1970s expatriates accounted for some 14-15% of the labor force, and occupied top positions in tourism, banking and related services as well as in the relatively large scale industrial enterprises established on Grand Bahama island during the 1960s. In an attempt to secure more of the benefits from growth for Bahamian nationals, the Government introduced a system of work permits for expatriates, with fees graduated according to skill level, as a means of encouraging foreign firms to hire and train Bahamians.

5. The 1970's saw a slowdown in economic activity as the construction boom of the 1960s came to an end and economic recession in the United States, the main tourist generating country, reduced the flow of visitors. Slow growth resulted in increasing unemployment with the highest rates concentrated in the 14-24 age group. The economy rebounded sharply in 1978/79 spurred by a resurgence of tourism and construction activity. The upswing highlighted the structural character of the unemployment problem. The construction sector encountered shortages of skilled craftsmen, and while the overall unemployment rate declined with the improvement in economic growth, unemployment persisted at high levels in the younger age groups. These developments indicate the need to reorient the education system in order to equip school leavers with marketable skills and to prepare Bahamians to assume the specialized positions often held by expatriates. In carrying this out, the Government is especially interested in benefiting from the wide experience the Bank has had in this area.

Development Strategy and the Public Sector Investment Program

6. Because of the country's natural advantages in tourism and the labor intensity of tourism activities, a key element of the Government's development strategy is aimed at maintaining growth in tourism. The Government also intends to exploit further the agricultural potential of the islands both to establish linkages with tourism and to reduce the country's heavy reliance on imported foods. At the same time by directing more economic activities away from New Providence, the Government expects to accelerate development of the outlying less advanced members of the Family Islands. In the process, the Government is addressing the issue of better preparing Bahamians for positions of skill and management responsibility in the various sectors of the economy.

7. In light of these objectives, the public sector investment program for the period 1980 to 1984 gives priority to expansion of economic infrastructure needed to sustain tourism growth, and to support for directly productive activities in agriculture and small scale industry, with emphasis on the regional dispersion of economic activity. Accordingly, the program provides for tourism and agricultural projects in the Family islands, including infrastructure development such as land preparation, irrigation and marketing facilities. A fuel conservation project to be executed by the Electricity Corporation, is expected to generate substantial savings in fuel costs. New equipment for Bahamasair and an interisland transportation project, are other projects of central importance to the development of the economy in the medium term. In the education sector, the vocational training project to be supported by the proposed loan is given high priority. Finally, to alleviate congestion, pollution and insufficient public services to low-income sections of Nassau, the Government intends to seek the assistance of the Bank for an urban development project.

Financing Public Sector Investment

8. Financing the public sector investment program, envisaged to average 6% of GDP through 1984, is expected to present no serious problems. The Government has exercised prudence in its fiscal management in the past. A system of central control has kept current expenditures nearly in line with budgeted amounts. Rapid revenue gains associated with the strong economic recovery in 1978 and 1979 together with expenditure restraint, improved the Central Government current account, and tariff increases combined with expanded and more efficient operations improved the financial performance of

the major public corporations. As a consequence, public sector savings which averaged 3% of GDP in the slack years of 1975-77 rose to 5% and 7% in 1978 and 1979 respectively.

9. There are good reasons for expecting continued fiscal prudence. The Government in 1980 implemented a four-year old proposal for a business license fee that is expected to yield about B\$5 million annually. Also in 1980 the Government completed an agreement with The Bahamas Oil Refinery Company, which is expected to produce in excess of B\$10 million annually in fees. These additional revenue sources will help the Government to finance the new social programs, announced a year ago, for improving the condition of the low income population. Provided such expenditures are contained at manageable levels in future years, the overall fiscal management of the Central Government continues to be sound and the savings of the public corporations in aggregate continue their favorable trends, public sector savings could average 6% of GDP through 1984 and financing of the public sector investment program should have to depend only minimally, as in the past, on external borrowing. The Government plans to obtain most of this limited borrowing from the multilateral development institutions, mainly because of the benefits that the country would receive from the technical assistance provided by these institutions during the preparation and execution of development projects financed by them.

Growth Prospects

10. The performance of The Bahamas economy--growth, fiscal and balance of payments--is closely related to tourism, which directly and indirectly accounts for some 70% of GNP. Therefore, the economy is highly vulnerable to adverse developments in the world economy, particularly in the United States.

11. Preliminary data for the first three quarters of 1980 indicate an 8% growth in tourism traffic compared with the same period a year ago. This is strong performance, coming on top of the rapid recovery of the industry during 1978 and 1979. However, a further decline of economic activity in the United States would be likely to alter this trend. Moreover, if tourism demand continues to expand at the current rate, the industry could be expected to encounter supply constraints in the early 1980s primarily in visitor accommodations in New Providence and Grand Bahama. Chiefly on account of these factors, a moderate short run GNP growth projection of 4% seems to be realistic. However, provided the development program is executed in a timely fashion, and Government policies toward private sector investment continue to be favorable, the expanded facilities warranted in the medium term by expected tourism demand would be in place, and constraints to a higher rate of growth would be removed. Government initiatives in 1980 augur well for the achievement of these conditions. Concerning tourism, the Government resumed in late 1980 the approval of land acquisition by foreigners, thus removing one key obstacle that briefly curtailed the inflow of private capital for tourism-related real estate development.

Balance of Payments and External Debt

12. The balance of payments derives its basic strength from the large tourism sector. The current account has registered surpluses averaging 8% of GDP since the mid-1970s, a period which has seen sharply reduced investment

and related imports. For the medium term, the projected increase in tourism capacity and other infrastructure implies a stepped-up rate of investment. The increase in related imports and in world petroleum prices projected from 1980-84 could result in small current account deficits in the balance of payments. The Government has adopted an energy strategy, the main thrust of which is to promote fuel conservation through a policy of price pass-throughs. Provided that the proposed fuel conservation project of the Electricity Corporation is effectively carried out, and given continued adoption of other conservation measures, the adverse impact of fuel price increases on the balance of payments is expected to be manageable. Investment-related capital inflows can be expected to finance such current account deficits.

13. The external public and publicly guaranteed debt outstanding and disbursed at the end of 1979 was US\$97 million, roughly equivalent to 12% of GDP. Service payments on this debt amounted to approximately US\$33 million, or 3.5% of non-oil exports of goods and non-factor services. Since the external borrowing requirements to finance the public sector investment program are likely to be marginal, the debt service ratio is not expected to increase. Provided that economic growth materializes as projected, and that the Government's policies affecting private investment continue to be favorable, and that public finances continue to be arranged in a sound manner, The Bahamas may be regarded as creditworthy for borrowing on conventional terms.

PART II - BANK GROUP OPERATIONS IN THE BAHAMAS

14. The Bahamas became a Bank member in 1975. The proposed vocational and technical education project would be the Bank's second lending operation to the Bahamas. The first Bank loan for US\$10.0 million was for a water and sewerage project; it was approved by the Executive Directors on July 27, 1976. In addition, The Bahamas has benefited from the Bank's lending to the Caribbean Development Bank (CDB). So far, a loan of US\$2.3 million from IBRD resources has been made by the CDB to The Bahamas, for a DFC operation.

15. The Bank has maintained a continuing dialogue with the Government on its economic policies and development priorities. Under the auspices of the Caribbean Group for Cooperation in Economic Development, the Bank has convened informal meetings of multilateral donors to discuss the financial and technical assistance needs of The Bahamas. At these meetings, donors expressed substantial interest in financing specific priority projects and in providing technical assistance to this country.

16. In the future, the Bank's lending to The Bahamas, either directly or indirectly through the CDB, is expected to be mainly towards projects for the urban rehabilitation of Nassau and in the agricultural sector. This would be in line with the Government's policy to improve the living conditions of the urban poor and to reduce the mounting bill of imported food while satisfying the needs of the local population and tourism sector.

17. It is estimated that by 1984 the Bank's share in The Bahamas' public external debt outstanding and disbursed will be about 8%. The Bank's share in the external public debt service will also be about 7%.

PART III - THE EDUCATION AND TRAINING SECTOR

Overview of the Education and Training Sector

18. The Bahamas has a strong system of general education. Virtually all children (95%), are enrolled through the first nine years of primary and secondary education and almost two-thirds of those eligible attend senior high school. The quality, in general, is good. A high proportion of teachers, 86%, are qualified. There is no disparity between male and female enrollments, and teacher to student ratios, mainly due to the scattered population of the Family Islands, are low (1:24 in primary and 1:19 in secondary education). However, in contrast with general education, technical education and training has traditionally been neglected.

Vocational/Technical Education and Training

19. Major issues facing the education system concerning vocational/technical education and training are: the output is below labor market demands; its quality needs improvement; and, it requires better management and coordination with the private sector. At present, the country is strongly dependent on non-Bahamian skilled labor which amounts to about 14% of the total labor force and holds most of the higher level posts. Until recently, high school education was based upon a uniform curriculum, which did not provide for any technical specialization at that level. A comprehensive approach to senior high school education was introduced in 1976, including a common core curriculum and optional subjects in business, agriculture, health, home economics, and in technical subjects such as technical drawing, electronics and electrical installations. Also it was as recently as 1973 when the three higher institutions of the country, which offer technical and vocational courses--The College of The Bahamas, the Hotel Training College and the Department of Nursing Education--were established.

20. (a) Output of technical/vocational institutions. The main institutions training manpower are the senior high schools (lower technicians), the College of The Bahamas (business and industrial craftsmen and technicians), the Hotel Training College (technicians in the hotel industry) and the Department of Nursing Education (technicians in health services). With the exception of the senior high schools, which have adequate numbers of students but not adequate facilities for the effective implementation of lower technician training, the institutions have neither the facilities nor the number of trainees required by the country's manpower needs. For instance, the 1979 output of craftsmen and technicians of the latter institutions was about 400, while the average annual demand for these skilled personnel is estimated at about 1,000.

21. (b) Quality of Technical Vocational Education and Training. Substantial improvement in the quality of the vocational and technical education system is urgently needed. No training standards and trade tests have been developed for the craft courses of the College of The Bahamas and the preparation of guidelines for the teaching of technical subjects in the high schools is proceeding slowly as a result of lack of adequate personnel in the Curriculum Unit of the Ministry of Education. Furthermore, there is a shortage of local qualified personnel and a short supply of equipment and library books on technical/vocational subjects in all the institutions.

22. (c) Management and institutional capacity of the technical/vocational system. The Ministry of Education and Culture has two units, the Planning Unit and the Education Unit, which are involved in the development and administration of the technical/vocational education system. Both units are short-staffed and cannot meet the increasing demands of the system. For instance, because of the absence of a manpower data base system, the Planning Unit is not able to make any technical/vocational manpower projections. The Evaluation Unit, consisting of only one qualified staff member, is not involved in any activities related to technical/vocational problems. Supervision of technical subjects is provided by staff who are also involved in curriculum development, as well as in administrative matters. In 1979, as an initial step to organize the vocational training system on a new basis, the Government set up an interim Industrial Training Council, with representatives from the Ministries of Education, Labor and the private sector, to take responsibility for the industrial training courses at the Soldier Road campus of the College of The Bahamas for the training and upgrading of skilled workers. Under the Project, this interim arrangement will lead shortly to the establishment of a permanent National Industrial Training Council (NITC), responsible for all industrial training, and upgrading courses in the country (para. 28). This permanent Council would be jointly financed by Government and the Private Sector.

Government Sector Policy and Strategy

23. The overall educational policy objective of the Government is the development of a national school system oriented towards the country's developmental needs and objectives. This would be achieved through the development of a technical/vocational education system to adequately serve the manpower requirements of the country, by increasing its output, improving its quality and strengthening its institutional capacity.

Bank's Role in the Technical/Vocational Education and Training

24. The proposed project is a major undertaking by the Government in the education sector. The Bank has already played an important role in assisting the Government in the formulation and the preparation of the project. By making a relatively modest financial contribution to the project the Bank could further assist the Government in dealing with a variety of technical, organizational and institutional improvements and with policy changes in the technical/vocational system.

PART IV - THE PROJECT

25. A report entitled "The Bahamas - Staff Appraisal Report on a Vocational and Technical Education Project" (No. 3217a-BM, dated March 2, 1981) is being distributed separately. Annex III contains a timetable of key events in processing the project and a description of the special conditions of the proposed loan. Negotiations for the proposed loan took place in Washington, D.C., on February 9-12, 1981. The Bahamian delegation was led by Mr. Stafford Gomez, Deputy Financial Secretary of The Bahamas.

Project Objectives and Description

26. The proposed project supports the Government's major objectives in vocational and technical education (para. 23). The project would consist of:

- (a) Construction, equipping and furnishing of: (i) the Industrial Training Center; (ii) workshops and laboratories in senior high schools; (iii) the College of The Bahamas' Divisions of Applied Science, Technical Studies, and Business and Administration Studies, as well as its Technical Teacher Education Unit and Library/Learning Resource Center; (iv) the Hotel Training College; and (v) the Department of Nursing Education;
- (b) establishment of a national manpower data base system; and
- (c) provision of technical assistance comprising 75 man-months of specialist services and 489 man-months of fellowships to develop relevant curricula and to train teachers in technical/vocational education.

27. The Industrial Training Center. This component would convert the Soldier Road campus of the College of The Bahamas, currently used by the Divisions of Applied Science, Technical Studies and Business and Administration Studies, into the Industrial Training Center (ITC). Classrooms would be converted into workshops and a learning resource unit, and existing workshops would be refurbished to support an industrial training program. Four hundred trainee places would be made available for short (3-6 months) and longer (12-18 months) craftsman skill training courses allocated to various occupations, on the basis of national manpower requirements as follows: industrial and construction trades, 280; secretarial and office arts, 60; and others, 60. With day and evening courses, the ITC would train about 500 craftsmen per year. The ITC would be open to graduates of junior high schools, as well as out-of-school youth and adults who are unemployed or wish to upgrade their skills. No tuition would be charged, and stipends would be used to attract trainees. A total of 23 additional instructors would be needed for its operation. The National Industrial Training Council would be responsible for hiring the additional instructors. Appropriate training of 10 local instructors for the ITC is provided under the project.

28. The ITC is to be eventually administered by the proposed National Industrial Training Council (NITC) which would replace the Interim Industrial Training Council. The NITC would include representatives of the Government, industry and trade unions, and would be financed jointly by the Government and industry. In addition to administering the ITC it would provide extension arrangements for craft training evening courses in the senior high schools for out-of-school youth and adults, it would serve as a forum for general discussion of training matters, and would help coordinate skill training throughout The Bahamas. The Government has agreed to establish by June 30, 1982 the NITC and to establish by December 31, 1982 a monitoring and evaluation system for assessing annually the effectiveness and impact of the training programs administered by the NITC. It has also agreed to make available to the Bank, for review and comments, during the project period, annual evaluation reports of the NITC's training activities (Section 3.03 of the Loan Agreement).

29. Senior High Schools. This component would provide 14 new and 5 refurbished workshops and science/food laboratories, and learning materials to 12 senior high schools for a total of about 285 student places to enable them to implement effectively their technical education program. When the facilities are completed, about 750 students would be able to take industrial courses, with an annual output of some 300 students. Such training would lay the foundation for further studies in technology and science at the higher level; however, many students would attain a skill level which would be sufficient for employment upon graduation. These schools would also conduct craftsman training courses in the evening through extension arrangements to be made by the NITC. Four of these schools are in New Providence and eight in the Family Islands. They have been selected on the basis of their size and existing facilities, local manpower requirements, and regional equity. Nine additional teachers would be required for this program. They would initially be trained in the Technical Teacher Education Unit of The College of The Bahamas to be established under the project and would receive regular in-service training. The curricula for the technical courses would be further developed by the Curriculum Development Unit under the Office of the Director of Education with technical assistance to be provided under the project.

30. The College of The Bahamas (COB). The Divisions of Applied Science, Technical Studies, and Business and Administration Studies of the COB would be transferred from the Soldier Road campus to the Oakes Field campus. The transfer of these divisions would enable the COB to integrate all its activities into one campus, realizing economies of scale in the offering of courses and the use of facilities. This transfer would require the construction, equipping and furnishing of new classrooms, workshops, laboratories and other ancillary facilities at the Oakes Field campus. The new Applied Science/Technical Division would offer 4-semester, post-secondary programs and produce about 90 technicians annually. Students not meeting standard entrance requirements would be able to take a 2-semester, preparatory course. The 21 teachers who would transfer from the Soldier Road campus would be sufficient for the new courses. Curricula would be upgraded by the faculty, but specialists and fellowships provided under the project would assist in the curriculum development of electrical and mechanical technology. The new Division of Business and Administration Studies would provide about 200 student places, which would permit an annual output of about 100 middle-level graduates. This output is expected to be adequate to meet the country's needs in accounting, banking and finance, marketing and management, data processing and business economics areas. Three additional teachers would be required for the Division of Business and Administration Studies.

31. In addition, a Technical Teachers Education Unit will be established at the C.O.B. This Unit would annually produce about 15 technical junior and senior high school teachers, which would meet annual requirements. The program would consist of three years of training. Provisional admissions would be made for those who do not meet the requirements and wish to take preparatory courses. In collaboration with the Divisions of Education and Technical Studies, i.e., utilizing their shops, laboratories and teaching staffs, the Unit would organize its courses, which would include in-service training arrangements.

32. The project would also provide for a central Library/Learning Resource Center which will support all the programs of the COB.

33. The Hotel Training College. This component would provide for the construction and refurbishing of classrooms and practical teaching facilities at the New Providence campus and equip the teaching facilities at the Grand Bahama campus. This would enable the College at New Providence to expand its fulltime enrollment capacity by 60, i.e., from 60 to 90 students for the 2-year diploma course, and by 30 students for a new one-year post-diploma course. The College would be able, through day and evening courses, to offer 23 different programs for 330 full-time students and on part-time basis for about 100 more students. It will continue organizing industry-based courses for about 1,000 persons every year. The Grand Bahama campus would continue to operate mainly industry-based courses. At present 18 teachers are working at both campuses. Nine additional teachers are required for the New Providence campus and two for the Grand Bahama campus. The College would continue to meet its operating costs through equally shared financing by Government and the Private Sector.

34. Department of Nursing Education. The project would provide for replacement of the facilities for the Department of Nursing Education to improve its teaching program with modern workshops, laboratories and equipment and to increase its enrollment from about 180 to about 240 trainees--180 trainees for basic nursing courses (registered and clinical nursing) and 60 trainees for advanced nursing (community, midwifery and psychiatric) and other upgrading courses. In addition to the 17-member teaching staff, 2 new members would be needed to serve the increased enrollment.

35. National Manpower Data Base System. This component would assist the Government to establish a national manpower data base system to enable it to estimate and project the technical/vocational needs of the country. It would finance (a) installation of appropriate software on the Ministry of Finance computer and training of staff in its use; (b) institution of a master data file on computer through utilization of registration information compiled by the National Insurance Board (NIB); and (c) implementation of procedures for annually updating the master file.

36. Technical Assistance. The project would finance the equivalent of 75 man-months of specialist services and 489 man-months of fellowships in support of the project components as follows: (a) Specialist Services: (i) to assist the Government in the organization and management of the National Industrial Training Council; (ii) to advise the College of The Bahamas in curriculum development, teaching technology, measurement/evaluation, and maintenance procedures; and (iii) to assist the Hotel Training College in the curriculum development for the advanced management program. (b) Fellowships: (i) to upgrade teachers of senior high schools, the Industrial Training Center, the College of The Bahamas, the Hotel Training College, and the Department of Education; and (ii) to train the staff of the Ministry of Education in education planning, curriculum development, education evaluation, and learning resource center activities. The Government agreed that all specialists, their terms of reference and conditions of employment would be acceptable to the Bank, and that candidates for the fellowship programs would be selected and placed following criteria and procedures acceptable to the Bank (Section 3.04 of Loan Agreement).

Cost Estimates and Financing Arrangements

37. The total project cost is estimated at US\$18.4 million and is exempt from taxes. It includes physical contingencies of US\$1.44 million and price contingencies of US\$5.32 million. Specialist services are costed at about US\$6,000 per man-month, and fellowships at US\$1,550 per man-month. Project management costs are calculated at US\$0.6 million. The proposed Bank loan of US\$7.0 million, equivalent to 38% of the project cost, would finance 57% of the foreign exchange component. The balance of project costs would be borne by the Government.

38. Recurrent expenditures generated by the project in 1985 are estimated at B\$1.5 million (at 1980 prices) which is about 2.9% of the Government's total recurrent education budget in 1980. This level would not create a substantial burden on Government recurrent expenditures. The cost of consumable materials included in the project-generated recurrent costs is expected to be partly met by the sale of goods produced and the services rendered at the Industrial Training Center and the Hotel Training College. By special agreement the private sector and the Government equally share the recurrent cost of the Hotel Training College. A similar arrangement is expected to be worked out for the Industrial Training Center.

Project Execution

39. A project unit has been established in the Ministry of Finance, with the express purpose of implementing the project in a timely and cost-efficient way. The Project Unit would be responsible for implementation of the entire project, including monitoring and coordinating of the technical assistance program. Its staff consists of a project coordinator, two architects, the necessary support staff and two liaison officers appointed by the Ministries of Education and Health. In addition, the Project Unit would be supported part-time by an accountant, and a procurement officer, supplied by the Ministry of Finance. Selected technical staff from the ministries of Education and Health and the project institutions under their jurisdiction would offer whatever support is necessary to the project unit for the preparation of educational specifications, furniture and equipment lists, terms of reference for specialist services, and for the monitoring of the preparation or restructuring of the various training programs to be implemented by these institutions. The Government plans to keep the Project Unit intact after construction of the project is completed to become the nucleus of an entity that would be used for the formulation, preparation and execution of the country's development projects.

40. Professional Services. Architectural designs would be prepared by the project unit and engineering designs, cost estimates and supervision of construction of project institutions would be undertaken by consulting firms selected and appointed on terms and conditions acceptable to the Bank. The Project Unit staff would review the civil works designs and equipment and furniture lists before submitting them and the bidding documents to the Bank, certifying that they meet the agreed economic and functional standards and the educational objectives of the project. The Government already owns the sites required for all project institutions. Designs for the College of The Bahamas, acceptable to the Bank, have been sufficiently advanced to allow tendering to begin in July 1981.

Procurement

41. Contracts for furniture and equipment would be awarded on the basis of international competitive bidding in accordance with Bank guidelines. However, furniture and equipment that cannot be grouped into packages of at least US\$100,000 would be procured through local procedures acceptable to the Bank. Procurement under this procedure is not expected, in the aggregate, to exceed US\$700,000 equivalent, or about 20% of the total costs of furniture and equipment to be procured. In the case of procurement under international competitive bidding procedures, domestic manufacturers would receive a margin of preference of 15% of the c.i.f. cost or the applicable customs duty, whichever is lower. Prior Bank approval would be required for the award of any furniture and equipment contracts exceeding US\$50,000.

Disbursements

42. Disbursements of the proceeds of the proposed loan would be made for 100% of total expenditures of technical assistance, and the manpower data base system; 95% of equipment and furniture; and 70% of professional fees and project administration. These percentages represent approximately the foreign exchange component of costs in these categories. Civil works will be financed entirely by the Government. The Government's auditors would audit the Project Unit's accounts, including statements of expenditures for project administration. Yearly audit reports would be sent to the Bank for information. To bring the project to an appropriate state of readiness expeditiously, retroactive financing not exceeding \$100,000 would be provided to cover expenditures incurred after January 1, 1981 for designs, professional services, technical assistance and project administration.

Benefits and Risks

43. Benefits. The proposed project would: (a) have a major impact on increasing the number and quality of graduates in key fields of skill training. The annual output of the project institutions when in full operation would be about 1,300 skilled personnel, which is expected to be adequate to cover the country's needs for 1980-90; (b) improve the relevance of training to the employment requirements of the country by developing trade standards for skilled workers; by introducing appropriate curricula for the various technical and vocational training programs; by assisting in the establishment or the refurbishing of learning resource centers and by supplying them with learning materials supportive of technical and vocational training activities; and by promoting a program for the training and upgrading of technical teachers and supervisory staff; (c) help strengthen the institutional capacity of the technical/vocational education system by establishing a national manpower data base system for the assessment of manpower needs of the country; by strengthening the education planning unit of the Ministry of Education; by improving the administrative and organizational structure of the College of The Bahamas; and by establishing the National Industrial Training Council to develop appropriate machinery for the overall coordination of the various skill activities to ensure efficient use of human and material resources; and

(d) distribute training opportunities to less developed areas by supporting the appropriate educational institutions of the Family Islands. This would help reduce the high rate of migration from the Family Islands to New Providence, which takes place, among other things, for purposes of further education and training, and would assist the development of tourism and other industries on the Family Islands.

44. Risks. The only significant risk is that delays in project execution may occur because of the complexity of the project and lack of experience in The Bahamas to execute it. Hiring of experts and consultants to assist in the execution of the project, and close supervision by the Bank at the initial stage of project execution are expected to minimize these risks.

PART V - LEGAL INSTRUMENTS AND AUTHORITY

45. The draft Loan Agreement between the Bahamas and the Bank and the Report of the Committee provided for in Article III, Section 4(iii) of the Articles of Agreement are being distributed to the Executive Directors separately. Special conditions of the project are listed in Annex III, Section 3.

46. I am satisfied that the proposed loan would comply with the Articles of Agreement of the Bank.

PART VI - RECOMMENDATION

47. I recommend that the Executive Directors approve the proposed loan.

Robert S. McNamara
President
by
Ernest Stern

Attachments

March 4, 1981

TABLE 3A
BAHAMAS - SOCIAL INDICATORS DATA SHEET

LAND AREA (THOUSAND SQ. KM.)	BAHAMAS			REFERENCE GROUPS (WEIGHTED AVERAGES - MOST RECENT ESTIMATE) ^{/b}		
	1960	/b	1970	MOST RECENT ESTIMATE	/b	
TOTAL	13.9					
AGRICULTURAL	0.2					
				MIDDLE INCOME	MIDDLE INCOME	
				LATIN AMERICA & CARIBBEAN	EUROPE	
GNP PER CAPITA (US\$)	1290.0		2110.0	2780.0	1562.9	2749.5
ENERGY CONSUMPTION PER CAPITA (KILOGRAMS OF COAL EQUIVALENT)	1824.0		4604.0	7354.0	1055.9	1641.4
POPULATION AND VITAL STATISTICS						
POPULATION, MID-YEAR (MILLIONS)	0.11		0.17	0.23	.	.
URBAN POPULATION (PERCENT OF TOTAL)	64.6		57.6	54.4	63.4	53.9
POPULATION PROJECTIONS						
POPULATION IN YEAR 2000 (MILLIONS)				..	.	.
STATIONARY POPULATION (MILLIONS)				..	.	.
YEAR STATIONARY POPULATION IS REACHED				..	.	.
POPULATION DENSITY						
PER SQ. KM.	8.0		12.0	16.2	28.1	77.2
PER SQ. KM. AGRICULTURAL LAND	733.0		1000.0	1100.0	81.7	129.5
POPULATION AGE STRUCTURE (PERCENT)						
0-14 YRS.	44.1		43.6	41.0	41.4	30.6
15-64 YRS.	52.3		52.9	55.0	54.7	61.1
65 YRS. AND ABOVE	3.6		3.5	4.0	3.9	8.2
POPULATION GROWTH RATE (PERCENT)						
TOTAL	4.4/c,d		4.5/d	3.9/d	2.7	1.6
URBAN	..		3.3	..	4.1	3.3
CRUDE BIRTH RATE (PER THOUSAND)						
CRUDE BIRTH RATE (PER THOUSAND)	30.0		27.6	27.4	34.8	22.8
CRUDE DEATH RATE (PER THOUSAND)	7.6		6.2	9.6	8.9	8.9
GROSS REPRODUCTION RATE	..		1.7	1.6	2.5	1.5
FAMILY PLANNING						
ACCEPTORS, ANNUAL (THOUSANDS)	..		..	..	.	..
USERS (PERCENT OF MARRIED WOMEN)	..		..	..	..	..
FOOD AND NUTRITION						
INDEX OF FOOD PRODUCTION						
PER CAPITA (1969=71=100)	..		100.0	84.0	106.9	113.1
PER CAPITA SUPPLY OF CALORIES (PERCENT OF REQUIREMENTS)						
PER CAPITA SUPPLY OF CALORIES (PERCENT OF REQUIREMENTS)	94.0		101.0	96.0	107.4	125.3
PROTEINS (GRAMS PER DAY)	69.0		72.0	62.2	65.6	91.0
OF WHICH ANIMAL AND PULSE	44.0		49.0	38.3	33.7	39.6
CHILD (AGES 1-4) MORTALITY RATE						
CHILD (AGES 1-4) MORTALITY RATE	7.0		6.0	4.0	8.4	4.3
HEALTH						
LIFE EXPECTANCY AT BIRTH (YEARS)						
LIFE EXPECTANCY AT BIRTH (YEARS)	62.6		65.7	69.0	63.1	67.8
INFANT MORTALITY RATE (PER THOUSAND)						
INFANT MORTALITY RATE (PER THOUSAND)	52.0		35.2	25.0	66.5	55.9
ACCESS TO SAFE WATER (PERCENT OF POPULATION)						
TOTAL	..		65.0	65.0	65.9	..
URBAN	..		100.0	100.0	80.4	..
RURAL	..		12.0	13.0	44.0	..
ACCESS TO EXCRETA DISPOSAL (PERCENT OF POPULATION)						
TOTAL	..		66.0	65.0	62.3	..
URBAN	..		100.0	100.0	79.4	..
RURAL	..		13.0	13.0	29.6	..
POPULATION PER PHYSICIAN						
POPULATION PER PHYSICIAN	1815.0		1151.0	1459.0	1849.2	1030.1
POPULATION PER NURSING PERSON	295.0		192.0/e	381.0	1227.5	929.4
POPULATION PER HOSPITAL BED						
POPULATION PER HOSPITAL BED	192.0		182.0	245.0	480.3	289.7
URBAN	..		114.0	..	..	..
RURAL	..		1025.0	..	..	..
ADMISSIONS PER HOSPITAL BED						
ADMISSIONS PER HOSPITAL BED	..		17.0	..	..	17.0
HOUSING						
AVERAGE SIZE OF HOUSEHOLD						
TOTAL	4.1/f		4.1	..	..	..
URBAN	4.0/f		..	..	..	..
RURAL	4.2/f		..	..	..	..
AVERAGE NUMBER OF PERSONS PER ROOM						
TOTAL	1.2/f		..	..	..	..
URBAN	1.2/f		..	..	..	..
RURAL	1.2/f		..	..	..	..
ACCESS TO ELECTRICITY (PERCENT OF DWELLINGS)						
TOTAL	58.0/f		..	..	..	..
URBAN	73.0/f		..	..	..	..
RURAL	31.0/f		..	..	..	..

TABLE 3A
BAHAMAS - SOCIAL INDICATORS DATA SHEET

	BAHAMAS			REFERENCE GROUPS (WEIGHTED AVERAGES - MOST RECENT ESTIMATE) ^{/e}	
	1960 ^{/b}	1970 ^{/b}	MOST RECENT ESTIMATE ^{/b}	MIDDLE INCOME LATIN AMERICA & CARIBBEAN	MIDDLE INCOME EUROPE
EDUCATION					
ADJUSTED ENROLLMENT RATIOS					
PRIMARY: TOTAL	78.0	135.0	.. *	99.7	105.9
MALE	..	..	..	101.0	109.3
FEMALE	..	139.0	..	99.4	103.0
SECONDARY: TOTAL	56.0	75.0	.. *	34.4	64.0
MALE	..	..	..	33.5	71.1
FEMALE	..	79.0	..	34.7	56.9
VOCATIONAL ENROL. (% OF SECONDARY)	1.0	2.0	.. *	38.2	28.8
PUPIL-TEACHER RATIO					
PRIMARY	55.0	44.0	.. *	30.5	29.4
SECONDARY	..	32.0	.. *	14.5	26.1
ADULT LITERACY RATE (PERCENT)	90.0 ^{/f}	93.0	.. *	76.3	..
CONSUMPTION					
PASSENGER CARS PER THOUSAND POPULATION					
	71.0	261.0	175.5	43.0	84.6
RADIO RECEIVERS PER THOUSAND POPULATION					
	142.0	452.0	462.0	245.3	192.2
TV RECEIVERS PER THOUSAND POPULATION					
	19.0	..	..	84.2	118.5
NEWSPAPER ("DAILY GENERAL INTEREST") CIRCULATION PER THOUSAND POPULATION					
	94.0	163.0	152.0	63.3	93.0
CINEMA ANNUAL ATTENDANCE PER CAPITA					
	..	..	..	..	5.7
LABOR FORCE					
TOTAL LABOR FORCE (THOUSANDS)					
	52.0 ^{/f}	70.0	93.9	.	.
FEMALE (PERCENT)					
	..	..	47.3	22.2	30.4
AGRICULTURE (PERCENT)					
	16.0	7.0	5.0	37.1	37.0
INDUSTRY (PERCENT)					
	..	19.6	16.7	23.5	29.3
PARTICIPATION RATE (PERCENT)					
TOTAL	..	..	41.3	31.5	40.9
MALE	..	..	46.9	48.9	55.9
FEMALE	..	..	35.8	14.0	26.2
ECONOMIC DEPENDENCY RATIO	0.9	1.3	1.1	1.4	1.0
INCOME DISTRIBUTION					
PERCENT OF PRIVATE INCOME RECEIVED BY					
HIGHEST 5 PERCENT OF HOUSEHOLDS	..	20.7	..	..	..
HIGHEST 20 PERCENT OF HOUSEHOLDS	..	50.6	..	..	..
LOWEST 20 PERCENT OF HOUSEHOLDS	..	3.4	..	..	..
LOWEST 40 PERCENT OF HOUSEHOLDS	..	12.2	..	..	..
POVERTY TARGET GROUPS					
ESTIMATED ABSOLUTE POVERTY INCOME LEVEL (US\$ PER CAPITA)					
URBAN	..	..	..	..	..
RURAL	..	..	..	190.8	..
ESTIMATED RELATIVE POVERTY INCOME LEVEL (US\$ PER CAPITA)					
URBAN	..	..	..	474.0	..
RURAL	..	..	..	332.5	385.8
ESTIMATED POPULATION BELOW ABSOLUTE POVERTY INCOME LEVEL (PERCENT)					
URBAN	..	..	..	..	..
RURAL	..	..	..	..	..

.. Not available
. Not applicable.

NOTES

^{/a} The group averages for each indicator are population-weighted arithmetic means. Coverage of countries among the indicators depends on availability of data and is not uniform.

^{/b} Unless otherwise noted, data for 1960 refer to any year between 1959 and 1961; for 1970, between 1969 and 1971; and for Most Recent Estimate, between 1974 and 1978.

^{/c} 1953-63; ^{/d} Due to migration, population growth rate is higher than the rate of natural increase; ^{/e} Personnel in government services only; ^{/f} 1963.

Most recent estimate of GNP per capita is for 1979, all other data are as of April, 1980.

* The appraisal mission obtained the following data for education for 1979:

<u>Enrollment Ratios</u>		<u>Pupil Teacher Ratios</u>	
Primary	99%	Primary	24%
Secondary	75%	Secondary 19	19%
Vocational	10%	Adult Literacy Ratio	93%

DEFINITIONS OF SOCIAL INDICATORS

Notes: Although the data are drawn from sources generally judged the most authoritative and reliable, it should also be noted that they may not be internationally comparable because of the lack of standardized definitions and concepts used by different countries in collecting the data. The data are, nonetheless, useful to describe orders of magnitude, indicate trends, and characterize certain major differences between countries.

The reference groups are (1) the same country group of the subject country and (2) a country group with somewhat higher average income than the country group of the subject country (except for "Capital Surplus Oil Exporters" group where "Middle Income North Africa and Middle East" is chosen because of stronger socio-cultural affinities). In the reference group data, the averages are population weighted arithmetic means for each indicator and shown only when at least half of the countries in a group has data for that indicator. Since the coverage of countries among the indicators depends on the availability of data and is not uniform, caution must be exercised in relating averages of one indicator to another. These averages are only useful in comparing the value of one indicator at a time among the country and reference groups.

LAND AREA (thousand sq. km.)

Total - Total surface area comprising land area and inland waters.
Agricultural - Estimate of agricultural area used temporarily or permanently for crops, pastures, market and kitchen gardens or to lie fallow; 1977 data.

GNI PER CAPITA (US\$) - GNP per capita estimates at current market prices, calculated by same conversion method as World Bank Atlas (1977-79 basis); 1960, 1970, and 1979 data.

ENERGY CONSUMPTION PER CAPITA - Annual consumption of commercial energy (coal and lignite, petroleum, natural gas and hydro-, nuclear and geothermal electricity) in kilograms of coal equivalent per capita; 1960, 1970, and 1978 data.

POPULATION AND VITAL STATISTICS

Total Population, Mid-Year (millions) - As of July 1; 1960, 1970, and 1978 data.

Urban Population (percent of total) - Ratio of urban to total population; different definitions of urban areas may affect comparability of data among countries; 1960, 1970, and 1978 data.

Population Projections

Population in year 2000 - Current population projections are based on 1980 total population by age and sex and their mortality and fertility rates. Projection parameters for mortality rates comprise of three levels assuming life expectancy at birth increasing with country's per capita income level, and female life expectancy stabilizing at 77.3 years. The parameters for fertility rate also have three levels assuming decline in fertility according to income level and past family planning performance. Each country is then assigned one of these nine combinations of mortality and fertility trends for projection purposes.

Stationary population - In a stationary population there is no growth since the birth rate is equal to the death rate, and also the age structure remains constant. This is achieved only after fertility rates decline to the replacement level of unit net reproduction rate, when each generation of women replaces itself exactly. The stationary population size is estimated on the basis of the projected characteristics of the population in the year 2000, and the rate of decline of fertility rate to replacement level.

Year stationary population is reached - The year when stationary population size has been reached.

Population Density

Per sq. km. - Mid-year population per square kilometer (100 hectares) of total area.

Per sq. km. agricultural land - Computed as above for agricultural land only.

Population Age Structure (percent) - Children (0-14 years), working-age (15-64 years), and retired (65 years and over) as percentages of mid-year population; 1960, 1970, and 1978 data.

Population Growth Rate (percent) - total - Annual growth rates of total mid-year populations for 1950-60, 1960-70, and 1970-78.

Population Growth Rate (percent) - urban - Annual growth rates of urban populations for 1950-60, 1960-70, and 1970-78.

Crude Birth Rate (per thousand) - Annual live births per thousand of mid-year population; 1960, 1970, and 1978 data.

Crude Death Rate (per thousand) - Annual deaths per thousand of mid-year population; 1960, 1970, and 1978 data.

Gross Reproduction Rate - Average number of daughters a woman will bear in her normal reproductive period if she experiences present age-specific fertility rates; usually five-year averages ending in 1960, 1970, and 1977.

Family Planning - Acceptors, Annual (thousands) - Annual number of acceptors of birth-control devices under auspices of national family planning program.

Family Planning - Users (percent of married women) - Percentage of married women of child-bearing age (15-64 years) who use birth-control devices to all married women in same age group.

FOOD AND NUTRITION

Index of Food Production per Capita (1969-71=100) - Index of per capita annual production of all food commodities. Production excludes seed and feed and is on calendar year basis. Commodities cover primary goods (e.g. sugarcane instead of sugar) which are edible and contain nutrients (e.g. coffee and tea are excluded). Aggregate production of each country is based on national average producer price weights; 1961-65, 1970, and 1978 data.

Per capita supplies (percent of requirements) - Computed from energy equivalent of net food supplies available in country per capita per day. Available supplies comprise domestic production, imports less exports, and changes in stock. Net supplies exclude animal feed, seeds, quantities used in food processing, and losses in distribution. Requirements were estimated by FAO based on physiological needs for normal activity and health considering environmental temperature, body weights, age and sex distribution of population, and allowing 10 percent for waste at household level; 1961-65, 1970, and 1977 data.

Per capita supply of protein (grams per day) - Protein content of per capita net supply of food per day. Net supply of food is defined as above. Requirements for all countries established by USDA provide for minimum allowance of 60 grams of total protein per day and 20 grams of animal and pulse protein, of which 10 grams should be animal protein. These standards are lower than those of 75 grams of total protein and 23 grams of animal protein as an average for the world, proposed by FAO in the Third World Food Survey; 1961-65, 1970 and 1977 data.

Per capita protein supply from animal and pulse - Protein supply of food derived from animals and pulses in grams per day; 1961-65, 1970 and 1977 data.

Child (ages 1-4) Mortality Rate (per thousand) - Annual deaths per thousand in age group 1-4 years; to children in this age group; for most developing countries data derived from life tables; 1960, 1970 and 1977 data.

HEALTH

Life Expectancy at Birth (years) - Average number of years of life remaining at birth; 1960, 1970 and 1978 data.

Infant Mortality Rate (per thousand) - Annual deaths of infants under one year of age per thousand live births.

Access to Safe Water (percent of population) - total, urban, and rural - N. Number of people (total, urban, and rural) with reasonable access to safe water supply (includes treated surface waters or untreated but uncontaminated water such as that from protected boreholes, springs, and sanitary wells) as percentages of their respective populations. In an urban area a public fountain or standpost located not more than 200 meters from a house may be considered as being within reasonable access of that house. In rural areas reasonable access would imply that the housewife or members of the household do not have to spend a disproportionate part of the day in fetching the family's water needs.

Access to Excreta Disposal (percent of population) - total, urban, and rural - Number of people (total, urban, and rural) served by excreta disposal as percentages of their respective populations. Excreta disposal may include the collection and disposal, with or without treatment, of human excreta and waste water by water-borne systems or the use of pit privies and similar installations.

Population per Physician - Population divided by number of practicing physicians qualified from a medical school at university level.

Population per Nursing Person - Population divided by number of practicing male and female graduate nurses, practical nurses, and assistant nurses.

Population per Hospital Bed - total, urban, and rural - Population (total, urban, and rural) divided by their respective number of hospital beds available in public and private general and specialized hospital and rehabilitation centers. Hospitals are establishments permanently staffed by at least one physician. Establishments providing principally custodial care are not included. Rural hospitals, however, include health and medical centers not permanently staffed by a physician (but by a medical assistant, nurse, midwife, etc.) which offer in-patient accommodation and provide a limited range of medical facilities. For statistical purposes urban hospitals include specialized hospitals and maternity centers, and rural hospitals local or rural hospitals and medical and maternity centers.

Admissions per Hospital Bed - Total number of admissions to or discharges from hospitals divided by the number of beds.

HOUSING

Average Size of Household (persons per household) - total, urban, and rural - A household consists of a group of individuals who share living quarters and their main meals. A boarder or lodger may or may not be included in the household for statistical purposes.

Average number of persons per room - total, urban, and rural - Average number of persons per room in all urban, and rural occupied conventional dwellings, respectively. Dwellings include non-permanent structures and unoccupied parts.

Access to Electricity (percent of dwellings) - total, urban, and rural - Conventional dwellings with electricity in living quarters as percentage of total, urban, and rural dwellings respectively.

EDUCATION

Adjusted Enrollment Ratios

Primary school - total, male and female - Gross total, male and female enrollment of all ages at the primary level as percentages of respective primary school-age populations; normally includes children aged 6-11 years but adjusted for different lengths of primary education; for countries with universal education enrollment may exceed 100 percent since some pupils are below or above the official school age.

Secondary school - total, male and female - Computed as above; secondary education requires at least four years of approved primary instruction; provides general, vocational, or teacher training instructions for pupils usually of 12 to 17 years of age; correspondence courses are generally excluded.

Vocational enrollment (percent of secondary) - Vocational institutions include technical, industrial, or other programs which operate independently or as departments of secondary institutions.

pupil-teacher ratio - primary, and secondary - Total students enrolled in primary and secondary levels divided by numbers of teachers in the corresponding levels.

Adult literacy rate (percent) - Literate adults (able to read and write) as a percentage of total adult population aged 15 years and over.

CONSUMPTION

Passenger Cars (per thousand population) - Passenger cars comprise motor cars seating less than eight persons; excludes ambulances, hearses and military vehicles.

Radio Receivers (per thousand population) - All types of receivers for radio broadcasts to general public per thousand of population; excludes unlicensed receivers in countries and in years when registration of radio sets was in effect; data for recent years may not be comparable since most countries abolished licensing.

TV Receivers (per thousand population) - TV receivers for broadcast to general public per thousand population; excludes unlicensed TV receivers in construction and in years when registration of TV sets was in effect.

Newspaper Circulation (per thousand population) - Shows the average circulation of "daily general interest newspaper", defined as a periodical publication devoted primarily to recording general news. It is considered to be "daily" if it appears at least four times a week.

Cinema annual attendance per Capita per Year - Based on the number of tickets sold during the year, including admissions to drive-in cinemas and mobile units.

LABOR FORCE

Total Labor Force (thousands) - Economically active persons, including armed forces and unemployed but excluding housewives, students, etc. Definitions in various countries are not comparable; 1960, 1970 and 1978 data.

Female (percent) - Female labor force as percentage of total labor force.

Agriculture (percent) - Labor force in farming, forestry, hunting and fishing as percentage of total labor force; 1960, 1970 and 1978 data.

Industry (percent) - Labor force in mining, construction, manufacturing and electricity, water and gas as percentage of total labor force; 1960, 1970 and 1978 data.

Participation Rate (percent) - total, male, and female - Participation or activity rates are computed as total, male, and female labor force as percentages of total, male and female population of all ages respectively, 1960, 1970, and 1975 data. These are ILO's participation rates reflecting age-sex structure of the population, and long time trend. A few estimates are from national sources.

Economic Dependency Ratio - Ratio of population under 15 and 65 and over to the total labor force.

INCOME DISTRIBUTION

Percentage of Private Income (both in cash and kind) - Received by richest 5 percent, richest 20 percent, poorest 20 percent, and poorest 40 percent of households.

POVERTY TARGET GROUPS

Estimated Absolute Poverty Income Level (US\$ per capita) - urban and rural - Absolute poverty income level is that income level below which a minimal nutritionally adequate diet plus essential non-food requirements is not affordable.

Estimated Relative Poverty Income Level (US\$ per capita) - urban and rural - Rural relative poverty income level is one-third of average per capita personal income of the country. Urban level is derived from the rural level with adjustment for higher cost of living in urban areas.

Estimated Population Below Absolute Poverty Income Level (persons) - urban and rural - Percent of population (urban and rural) who are "absolute poor".

BAHAMAS: ECONOMIC DEVELOPMENT DATA

	CURRENT US\$ MILLION				ESTIMATE 1979	Average Annual REAL GROWTH RATE 1976-79	As Percentage of GDP					
	1975	1976	1977	1978			1977	1978	ESTIMATES 1979	1977	1978	1979	1980
<u>NATIONAL ACCOUNTS</u>												
Gross Domestic Product	517.4	550.0	588.8	677.3	804.4	5.0	100.0	100.0	100.0			
Imports (including MRS)	497.1	535.9	558.9	667.6	780.6	94.1	95.6	97.0				
Exports (including MRS)	614.4	656.2	672.9	791.2	925.1	116.3	116.8	115.0				
Consumption	357.0	355.2	411.2	463.9	553.8	69.8	68.5	68.8				
Investment	431.1	74.5	63.6	69.8	106.1	10.8	10.3	13.2				
Domestic Savings	150.4	194.8	177.6	213.4	230.6	30.2	31.5	31.2				
National Savings	88.6	118.8	120.2	116.4	144.3	20.4	17.2	17.9				
<u>PERFORMANCE TRADE</u>												
Imports	70.5	83.2	66.0	n.a.	n.a.	18.8	n.a.	n.a.				
Consumer Goods	42.2	47.7	47.7	n.a.	n.a.	12.2	n.a.	n.a.				
Intermediate Goods (excl. fuels)	15.4	16.2	12.7	n.a.	n.a.	36.4	n.a.	n.a.				
Fuels and Lubricants	44.9	48.8	40.7	n.a.	n.a.	11.6	n.a.	n.a.				
Capital Goods	69.4	78.5	140.4	n.a.	n.a.	21.0	n.a.	n.a.				
Other	378.6	437.8	437.3	481.4	602.6	100.0	100.0	100.0				
Exports	26.0	38.7	38.6	n.a.	n.a.	48.5	n.a.	n.a.				
Pharmaceuticals	18.4	13.1	13.4	n.a.	n.a.	10.2	n.a.	n.a.				
Rum	4.0	7.0	8.1	n.a.	n.a.	1.3	n.a.	n.a.				
Crustfish	6.9	6.0	1.0	n.a.	n.a.	9.8	n.a.	n.a.				
Salt	4.4	6.0	7.8	n.a.	n.a.	100.0	100.0	100.0				
Other	52.5	76.1	79.6	90.0	116.2							
Total												
<u>PUBLIC FINANCES (General Government)</u>												
Fiscal Year as (Current US\$ Million)	1975	1976	1977	1978	1979	1980						
Current Revenue	131.2	143.6	154.2	182.0	219.7	245.7	25.3	26.1	26.2	26.9	27.3	26.2
Current Expenditure	114.5	130.3	146.8	163.6	179.6	203.8	22.1	23.7	24.9	24.2	22.3	22.0
Current Account Savings	16.7	13.3	7.4	18.4	40.1	41.9	3.2	2.4	1.3	2.7	5.0	4.5
Capital Expenditure	17.6	28.8	18.0	33.6	28.8	30.4	3.4	5.2	3.1	5.8	3.6	3.3
Overall Balance	-0.9	-15.5	-10.6	-15.2	11.3	11.5	-0.2	-2.8	-1.8	-2.2	-4.4	-1.2
<u>TOTAL EMPLOYMENT</u>												
Thousands	1975	1977	1975	1977	1977	1977						
Agriculture and Fishing	5412	4092	872	575	-13.0%							
Manufacturing and Construction	3502	5013	372	675	426.0%							
Services	4823	14367	727	1973	33.3%							
Other	8023	14367	1222	1973	33.3%							
Total/Average	66418	74453	100.0	100.0	5.9%							

BALANCE OF PAYMENTS
EXTERNAL ASSISTANCE AND DEBT
(US\$ million at current prices)

SUMMARY BALANCE OF PAYMENTS	ACTUAL				EST. 1979
	1975	1976	1977	1978	
Exports (including NFS)	614.4	656.2	672.9	791.2	925.1
Imports (including NFS)	497.1	535.9	558.9	647.6	780.6
Resource Balance (X-M)	117.3	120.3	114.0	143.6	144.5
Factor services (net)	-76.5	-80.9	-62.8	-104.6	-118.7
Interest on public debt.	(-9.1)	(-6.9)	(-6.1)	(-9.0)	(-11.3)
Other (net)	(-67.4)	(-74.0)	(-56.7)	(-95.6)	(-107.4)
current transfers (net)	4.7	4.9	5.4	7.6	12.4
Balance on Current Account	45.5	44.3	56.6	46.6	38.2
Net public disbursements	-12.9	-10.3	4.6	-10.2	5.8
Gross disbursements	(1.1)	(3.0)	(18.4)	(4.6)	(27.2)
Amortization	(-14.0)	(-13.3)	(-13.8)	(-14.8)	(-21.4)
Net Private Sector Investment	50.9	17.4	34.8	-15.6	9.9
Capital transactions n.e.i.	-79.3	-57.0	-76.6	-29.6	-34.3
Changes in reserves (-increase)	-4.2	5.6	-19.4	8.8	-19.6
<u>Grant and Loan Commitments</u>					
(official grant and grant-like) + (public medium & long-term loans)					
IBRD	-	10	-	-	-
IDA	-	-	-	-	-
Other Multilateral Governments (bilateral)	-	-	-	-	-
Suppliers					
Private Banks					
Bonds					
Public Loans n.e.i.					
Total Public Medium & Long Term Loans					

External Public Debt (repayable in foreign currency)	Outstanding and Disbursed as of December 31, 1979	
	US\$ million	Percent
IBRD	1.4 a/	1.4
IDA		
Other multilateral Governments	0.0 b/	0.0
Suppliers		
Private Banks		
Bonds		
Public Debts n.e.i.		
Total Public Medium & Long Term Loans	96.9	100.0

External Debt and Debt Service	Actual				Estimate	
	1975	1976	1977	1978	1979	1980
	(US\$ million)					
Public Debt						
Outstanding Debt at end of period	87.5	80.3	104.1	92.7	96.9	n.a.
Outstanding Debt at beginning	98.6	87.5	80.2	104.1	92.7	96.9
Interest on Public Debt	9.1	6.9	6.1	9.0	11.3	n.a.
Repayment on Public Debt	14.0	13.3	13.8	14.8	21.4	20.5
Total Public Debt Service	23.1	20.2	19.9	23.8	32.7	n.a.
Other Debt Service	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Burden of Public Debt on Non-Oil Export Earnings (%)	3.8	3.1	3.0	3.0	3.5	n.a.
Average Terms of Public Debt						
Interest as % prior year	9.2	7.9	7.6	8.7	12.2	n.a.
Amortization as % prior year	14.2	15.2	17.2	14.2	23.1	21.2
IBRD Debt Outstanding & Disbursed (end of year)	-	-	0.4	0.6	0.9	2.8
IBRD as % Public Debt Outstanding and Disbursed	-	-	0.4	0.7	0.9	n.a.
IBRD as % Public Debt Outstanding and Disbursed Service	-	-	-	-	1.0	3.0
IDA Debt Outstanding & Disbursed	-	-	-	-	-	-

a/ as of April 1980.

b/ as of end 1980 debt to Interamerican Development Bank was US\$459,000.

STATUS OF BANK GROUP OPERATIONS IN THE BAHAMAS

A. Statement of Bank loans as of December 31, 1980.

<u>Loan</u>	<u>Year</u>	<u>Borrower</u>	<u>Purpose</u>	US\$ million		
				<u>Bank</u>	<u>IDA</u>	<u>Undisbursed</u>
1320-BB	1976	The Bahamas Water and Sewerage Corporation	Water and Sewerage	10.0	-	6.4
Total				10.0	-	6.4
of which has been repaid				.9	-	.9
Total now Outstanding				9.1	-	7.3

B. Statement of IFC Investments as of December 31, 1980

None

C. Projects in Execution

Loan No. 1320-BB Water and Sewerage Project; US\$10.0 million Loan of September 10, 1976; Closing Date June 30, 1981; After initial delays in the executing the institutional components of the project, i.e., the establishment and staffing of the Water and Sewerage Corporation the execution of the project shows continuous improvement. The project is expected to be completed in the latter part of 1982. The total cost of the project is expected to exceed estimates made at appraisal by about 20%. These costs are mainly related to compliments outside the Bank project.

THE BAHAMAS - VOCATIONAL AND TECHNICAL EDUCATION PROJECT

SUPPLEMENTARY PROJECT DATA SHEET

Section I: Timetable of Key Events

(a) Project Preparation

- (i) Identification 6/29/79
- (ii) Preparation (UNESCO) 11/26/79

(b) Project Preparation Agencies

- (i) Ministry of Finance) with assistance by
- (ii) Ministry of Education) IBRD/UNESCO cooperative program

- (c) Appraisal Mission March 1980
- (d) Completion of Negotiations February 12, 1981
- (e) Loan Effectiveness Planned June 30, 1981

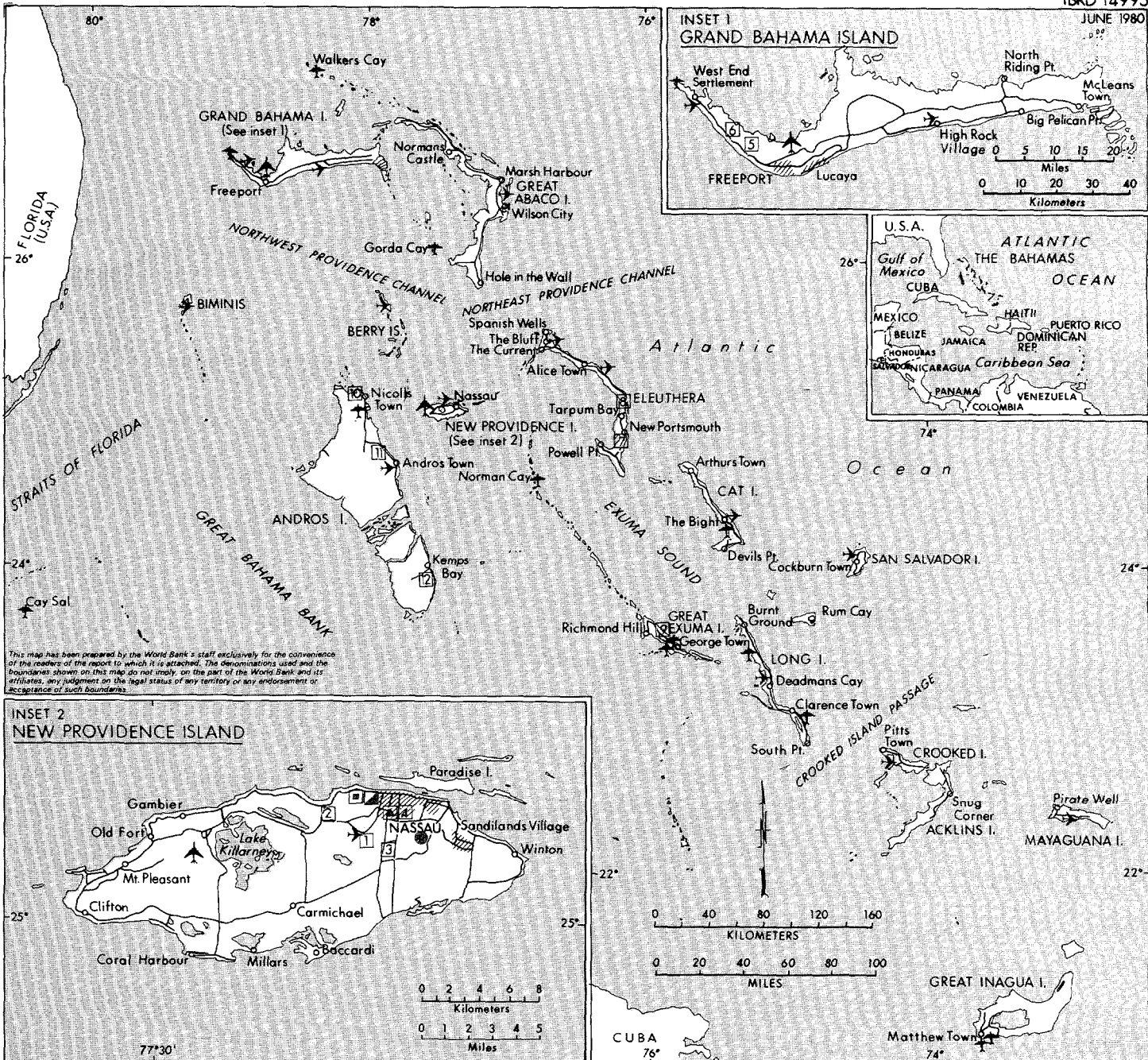
Section II: Special Bank Implementation Action

None

Section III: Special Conditions

The Government has agreed to:

- (a) establish by June 30, 1982 the National Industrial Training Council which would be responsible for the new craft courses at the Soldier Road Campus and for the training and upgrading of skilled workers (para. 28);
- (b) establish by December 31, 1982 a monitoring and evaluation system for assessing annually the effectiveness and impact of the training programs administered by the Council. The Council would provide to the Bank for review and comments annual evaluation reports of the Council's training activities (para. 28);
- (c) hire all specialists on terms of reference and conditions of employment acceptable to the Bank and select the candidates for the fellowship programs following criteria and procedures acceptable to the Bank (para. 36).



This map has been prepared by the World Bank's staff exclusively for the convenience of the readers of the report to which it is attached. The denominations used and the boundaries shown on this map do not imply, on the part of the World Bank and its affiliates, any judgment on the legal status of any territory or any endorsement or acceptance of such boundaries.

BAHAMAS FIRST EDUCATION PROJECT

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|--|--|--------------|--------------|------------------|----------------------|-----------------|---------|----------------|-----------------|--------------|-------------------|-------------------|-----------------|--|
| <ul style="list-style-type: none"> ● INDUSTRIAL TRAINING CENTER ▣ COLLEGE OF THE BAHAMAS ▢ HOTEL TRAINING COLLEGE ▤ DEPARTMENT OF NURSING EDUCATION ▥ SENIOR HIGH SCHOOLS | <p>SENIOR HIGH SCHOOLS</p> <table border="0"> <tr> <td>1 GOVERNMENT</td> <td>7 ROCK SOUND</td> </tr> <tr> <td>2 C. C. SWEETING</td> <td>8 GOVERNOR'S HORBOUR</td> </tr> <tr> <td>3 A. F. ADDERLY</td> <td>9 EXUMA</td> </tr> <tr> <td>4 R. M. BAILEY</td> <td>10 NORTH ANDROS</td> </tr> <tr> <td>5 HAWKS BILL</td> <td>11 CENTRAL ANDROS</td> </tr> <tr> <td>6 EIGHT-MILE ROCK</td> <td>12 SOUTH ANDROS</td> </tr> </table> | 1 GOVERNMENT | 7 ROCK SOUND | 2 C. C. SWEETING | 8 GOVERNOR'S HORBOUR | 3 A. F. ADDERLY | 9 EXUMA | 4 R. M. BAILEY | 10 NORTH ANDROS | 5 HAWKS BILL | 11 CENTRAL ANDROS | 6 EIGHT-MILE ROCK | 12 SOUTH ANDROS | <ul style="list-style-type: none"> — MAIN ROADS ✈ INTERNATIONAL AIRPORTS ➤ MAJOR AIRFIELDS ✈ MINOR AIRFIELDS |
| 1 GOVERNMENT | 7 ROCK SOUND | | | | | | | | | | | | | |
| 2 C. C. SWEETING | 8 GOVERNOR'S HORBOUR | | | | | | | | | | | | | |
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