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Report No. 15447

**IMPLEMENTATION COMPLETION REPORT**

**THE BAHAMAS**

**SECOND TECHNICAL AND VOCATIONAL TRAINING  
(LOAN 3004-BM)**

**MARCH 20, 1996**

**Human Resources Division  
Country Department III  
Latin America and the Caribbean Region**

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## **CURRENCY EQUIVALENT**

Currency Unit=Bahamian Dollar (B\$)  
B\$ 1.00=US\$ 1.00

## **FISCAL YEAR**

January 1 - December 31  
July 1 - June 30 (since 1992)

## **PRINCIPAL ABBREVIATIONS AND ACRONYMS USED**

<b>BHTC</b>	<b>Bahamas Hotel Training College</b>
<b>BTTC</b>	<b>Bahamas Tourism Training Center</b>
<b>COB</b>	<b>College of the Bahamas</b>
<b>CSTC</b>	<b>Community Skills Training Center</b>
<b>ITC</b>	<b>Industrial Training Center (of NTC)</b>
<b>MET</b>	<b>Ministry of Education and Training</b>
<b>MOEI</b>	<b>Ministry of Employment and Immigration</b>
<b>MOLHRAT</b>	<b>Ministry of Labour, Human Resources and Training</b>
<b>MOT</b>	<b>Ministry of Tourism</b>
<b>NACITET</b>	<b>National Advisory Committee for Industrial and Technical Education and Training</b>
<b>NTC</b>	<b>National Training Council</b>
<b>PIU</b>	<b>Project Implementation Unit</b>
<b>UWI-CHTM</b>	<b>University of the West Indies Center for Hotel and Tourism Management</b>
<b>SAR</b>	<b>Staff Appraisal Report</b>
<b>TA</b>	<b>Technical Assistance</b>
<b>TVET</b>	<b>Technical and Vocational Education Training</b>

## **SCHOOL YEAR**

September - August

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# **IMPLEMENTATION COMPLETION REPORT**

## **COMMONWEALTH OF THE BAHAMAS**

### **SECOND TECHNICAL AND VOCATIONAL TRAINING PROJECT**

#### **PREFACE**

This is the Implementation Completion Report (ICR) for the Second Technical and Vocational Training Project in the Commonwealth of the Bahamas, for which Loan 3004-BM in the amount of US\$10.0 million was approved on December 8, 1988 and made effective on May 9, 1989.

The Loan was closed on June 30, 1995. An amount of US\$7.3 million was disbursed and the outstanding balance of US\$2.5 million was canceled as of October 31, 1995. The last disbursement was on November 29, 1994. The balance of US\$244,273.35 is still in the special account. However, eligible expenditures for US\$191,029 have been identified. The balance of US\$64,697.31 is in the process of being recovered.

The ICR was prepared by Ms. Ines Girsback of the Human Resources Division of the Latin America and Caribbean Regional Office Country Department III (Preface, Evaluation Summary, Parts I and II), and reviewed by Mr. Julian Schweitzer, Chief of the Human Resources Division and Mr. Robert Crown, Project Advisor. The Borrower made inputs to Part I and the Statistical Annexes, and prepared a separate completion report which is included as an Appendix B.

Preparation of this ICR is based, *inter alia*, on the Staff Appraisal Report (Report No. 7263-BM, dated October 24, 1988), the Loan Agreement, supervision reports, review of the files of correspondence between the Bank and the Borrower, and internal Bank memoranda and discussion with Bank staff involved in supervision of the project. There has been no special ICR mission. However, the last supervision mission left a comprehensive Aide Memoire (Appendix A) which covered activities to be done until the closing of the project.



# **IMPLEMENTATION COMPLETION REPORT**

## **COMMONWEALTH OF THE BAHAMAS**

### **SECOND TECHNICAL AND VOCATIONAL TRAINING PROJECT**

#### **EVALUATION SUMMARY**

##### **Introduction**

1. The project objective was to help implement major elements of the second phase of the Government's long term plan to expand and upgrade the country's training system. The project was appraised in April 1988, and a loan approved by the Board on December 8, 1988. Total project costs were estimated at US\$17.4 million, of which the proposed Bank loan was US\$10.0 million. About 75% of the original loan amount was disbursed, and the undisbursed balance of US\$2.5 was canceled as of October 31, 1995. The project was implemented within the initially estimated time-frame of six years, which is consistent with the experience of the Ministry of Education and Training in implementing the First Technical and Vocational Education Project.

##### **Project Objectives and Achievements**

2. **Objectives:** The project pursued two key objectives, namely: (i) to provide institutional development and improved policy implementation in training management and finance; and (ii) to expand and upgrade training capacity in combination with measures to use existing training capacity more effectively. In order to achieve these goals, the project comprised four integral supporting components: institutional development and policy implementation, including increased cost recovery in training (8% of project cost); skills training, including curriculum development and limited improvement of training facilities (36%); tourism training, including construction and equipment of a new Hotel Training Institute (50%); and project management (6%).

3. **Achievements:** The overall outcome of the project has been rated as moderately satisfactory. All civil works components have been completed, and related equipment has been distributed and installed, with the exception of project components in the Family Islands. Overall training has been expanded and upgraded with enrollment and output meeting and sometimes exceeding appraisal estimates. The capacity to train vocational instructors and practical subject teachers has been enhanced while still dependent on outside expertise. However, the project was less successful in meeting its institutional strengthening and policy objectives. These shortcomings were due mainly to the establishment of overly ambitious project objectives, related to:

- the speed of achievement of major policy changes, such as private sector financing of training, and greater cooperation among the autonomous tertiary level institutions involved in the Bahamas Tourism Training Center (BTTC);
- an underestimation of project support needed to achieve major changes in the management of the apprenticeship system and the labor market information system; and
- insufficient training of subject specialists for technical and vocational education, which has left the Borrower still dependent on outside expertise for major training program changes.

4. The project was successful in improving the management and sustainability of training, although more is still needed. The new Government that took office in the summer of 1992, formed a Task Force to evaluate the education system and make recommendations. As a result, new policy directions emerged, and education sector priorities and budgets were reallocated in favor of a massive rehabilitation program for the public schools in the country. The Master Plan for Post Secondary Education prepared under the project was never implemented and its recommendations discarded by the Task Force.

### **Detailed Project Results**

5. The civil works component comprising the construction of the Bahamas Tourism Training Center (new Hotel Training Institute), and the addition of three workshops to the Industrial Training Center (ITC) in Freeport have been completed and related furniture and equipment have been installed. Supplemental equipment for the ITC in Nassau has been installed. Phase 1 of the Community Skills Training Centers (CSTCs) at Crooked Island Secondary, Crooked Island and Old Bight Secondary, and Cat Island was completed, with related equipment and furniture largely distributed and installed. Renovations to existing workshops/laboratories in the Family Islands have been largely completed, and supplemental equipment for these has also been distributed and installed. The same is true for the CR Walker Secondary School at Nassau.

6. Overall, training has been expanded and upgraded, and is operational. The mobile training component to be put in place in the Family Islands was not fully implemented. Modular training programs have been developed in response to labor market needs, and the capacity to train instructors and managers has been developed. The technical assistance component to strengthen the various key agencies in the education sector was only partially implemented, namely the establishment of a Labor Market Information System (LMIS); strengthening of the apprenticeship program; and establishment of national advisory committees. Cost sharing and cost recovery measures were implemented at the Bahamas Hotel Training College (BHTC), but not at the ITC because of insufficient support from the National Advisory Committee for Industrial and Technical Education and Training (formerly the National Training Council) and the Government's wish to stimulate attendance at the ITCs to respond to demands of the labor market. In addition, the project provided for fellowship programs, but not all funds for this purpose were utilized (i.e. 43 person months out of a total of 46 planned).

7. The major shortcomings have been the result of the lack of counterpart financing and a shift in Government priorities in 1992. These shortcomings include: (i) suspension of the construction of 16 of the 18 CSTCs intended for the Family Islands; (ii) non-establishment of a

new system to maintain buildings and equipment at project schools and centers, and to instruct teachers in maintenance programs (now being envisaged under an IDB education project); and (iii) failure to establish graduate tracer systems at BHTC and ITCs. Procurement of the mobile units for the mobile training programs was not undertaken. Additional equipment to upgrade the LMIS and the apprenticeship system, as well as the automation of the administrative offices of BHTC and the ITCs which were proposed by the last Supervision Mission was not procured.

### **Project Experience**

8. The differences between actual and planned project activities were largely the result of Government financial constraints (exacerbated by hurricane damage in August 1992), and a shift of Government education priorities. The 1992 change of Government resulted in increased Government interest in the Family Islands but with a reorientation of the education sector priorities towards secondary education. The Master Plan for Post Secondary Education prepared under the project and submitted to the former Government was overtaken by a detailed sector study commissioned by the new Government, which provided a more satisfactory basis for education policy at the post-secondary level. In addition, focus of the education program was shifted towards an extensive rehabilitation and construction program to improve access to basic education. This policy change primarily affected the already delayed Family Islands component, which had been designed to redress the traditional neglect of outlying areas. The 1993-94 budget allocation for the project was used for an emergency rehabilitation program of civil works, especially in the Family Islands where the sector study found the situation regarding the conditions of schools to be quite unsatisfactory. At this point, the project should have had to be restructured, but overoptimistic ratings during supervision of the project mislead the need of redirection of the policy component. No budgetary provision for the project was made for fiscal year July 1994/June 1995, and this further delayed the distribution of equipment which had been procured under the project for some of the training workshops, and which remained in storage. In September 1995, most of the equipment has been distributed and installed in the workshops in two new secondary schools of Grand Bahama. The remainder is being distributed in existing secondary schools outside the project.

### **Project Sustainability**

9. The achievement of the core of the project objectives fell within the expected time frame, even though long-term project sustainability in terms of institutional strengthening, and completion of physical components (i.e. civil works, and equipment and furniture) in the Family Islands is uncertain. Most of the key training centers under the project were strengthened, and their role in the economic and social development of the country was increased.<sup>1</sup> The gains achieved under the project are financially sustainable. Recurrent cost

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<sup>1</sup> The key training institutions that were strengthened are the Bahamas Tourism Training Center – which houses the Bahamas Hotel Training College under the Ministry of Education and Training, the Center for Hotel Training Management within the University of the West Indies, and the BahamaHost which is under sponsorship of the Ministry of Tourism – in addition to the Industrial Training Centers, and the Community Skills Training Centers. The achievements in regard to Community skills Training Centers was much more limited.

**financing of these training institutions does not pose a significant problem in the future. However, beyond the increased training capacity, the project did not achieve significant expansion of the role of the private sector in TVET financing, or the introduction of new cost recovery mechanisms.**

### **Key Lessons Learned**

**10. Key lessons learned can be summarized as follows:**

- Policy on sector development should be based on detailed sector work, a broader stakeholder participation and better commitment building, which would have minimized the risk of major changes in policy at the mid-implementation stage of the project.**
- The Bank should initiate restructuring of projects when political priorities change, in order to retain ownership.**
- Project objectives as defined with the governments in the SAR should be realistic, focused, and take into consideration the feasibility of achieving major policy and institutional changes over the short term.**
- Supervision missions should be appropriately staffed. Adequate field visits should be undertaken and supervision reports should accurately document actual progress in attaining developmental objectives.**

**IMPLEMENTATION COMPLETION REPORT**  
**COMMONWEALTH OF THE BAHAMAS**  
**SECOND TECHNICAL AND VOCATIONAL TRAINING PROJECT**  
**(LOAN 3004-BM)**

**PART I. PROJECT IMPLEMENTATION ASSESSMENT**

**A. Project Objectives and Description**

1. **Project Objectives:** The project, which was appraised in April 1988 and approved by the Board in December 1988, was the final pregraduation lending operation for the Bahamas. The project was designed to assist the second phase of the Government's long term strategy to develop the country's training system. Its objectives were to: (i) develop an institutional and policy framework for management and financing of training that would make more efficient use of available training resources, both public and private; and (ii) improve planning of post-secondary education and training, upgrade and expand training capacity, primarily for the hotel and tourism sectors, and expand training opportunities in selected Family Islands.

2. **Project Description:** In order to achieve these objectives, the project comprised four components. The *Institutional Development and Policy Implementation Component* aimed at making the entire training system more responsive to labor market needs by: (a) improving the labor market information system, (b) expanding the apprenticeship system, (c) strengthening the National Training Council (NTC), and establishing national advisory committees, (d) increasing cost recovery from trainees and cost sharing by Government, employers and unions in training, and (e) introducing a graduate tracer system. The *Skills Training Component* was to support the infrastructure and hospitality (tourism) services through the provision of: (a) new training programs and related complementary equipment and facilities, including mobile units, and a maintenance and supply center; and (b) in-service training at two existing Industrial Training Centers (ITCs) and 18 new Community Skills Training Centers (CSTCs). The *Tourism Training Component*, representing half of the total project cost, comprised technical assistance to strengthen and coordinate training programs for the tourism industry; and civil works, furniture and equipment for a new Hotel Training Institute. The *Project Management Component* included expanded staffing and training for the existing project implementation unit.

3. **Linkage with Sector Strategy:** Skills training in the Bahamas had advanced significantly in the 1980s, with Bank assistance provided through the First Technical and Vocational Training Project (Loan 1962-BM of US\$7.0 million for which the Agreement was signed in May 1981). Loan 3004-BM supported the Government's evolving education and training strategy, as updated in 1986, which emphasized improvement in the quality and efficiency of vocational and technical training, as well as increased outputs based on (i) an improved Labor Market Information System (LMIS), and (ii) government- and privately-

funded development plans for major employment initiatives (i.e., Family Islands). Major areas of training involved the hotel and tourism industry, and other degree-level higher education programs, aimed at gradually reducing the reliance on expatriates at the middle and higher technical and middle management levels, thus helping to keep tourism costs competitive.

### **B. Achievement of Project Objectives**

4. As Table 1 in the Statistical Annexes indicates, the overall outcome of the project was rated moderately satisfactory with achievements in every major area, especially in physical aspects -- completion of the civil works and installation of related equipment -- except on the institutional side. Training in the system was upgraded and expanded, and is now fully operational, with the exception of mobile training. The capacity to train instructors was expanded. One of the major policy objectives was to overcome the traditional neglect of the Family Islands, and this was only partly achieved under the project itself. On the institutional side, shortcomings reflected mainly unrealistic objectives (especially in regard to rationalizing the programs of autonomous higher level training institutions and introducing cost recovery and cost sharing of training), and insufficient project support for achieving the objectives. The LMIS has been established but need more staffing and equipment for optimum usage; the apprenticeship program management has been expanded in New Providence but is still virtually non-existent in Grand Bahama; advisory committees have been established in Nassau, but in only 5 of the 9 major Family Islands; the graduate tracer system is incomplete at the ITCs and at the Bahamas Hotel Training College (BHTC). However, for lack of equipment-automation of administrative offices, only a partial follow-up of graduates has been achieved.

5. With the establishment of the new Government in August 1992, the implementation of the remaining project activities in the Family Islands came to a halt partly because of redistribution of responsibilities between the Ministry of Education and Training (MET) and the Ministry of Labor, Human Resources and Training (MOHLRAT). The Master Plan for Post Secondary Education, prepared under the project and submitted to the former Cabinet, was overtaken by a detailed sector study commissioned by the new Government, which was a more satisfactory way of proceeding towards a sector development policy. Education sector priorities as well as corresponding budget allocations were revised towards the implementation of a massive public school rehabilitation program across the country. Consequently, project components that were yet to be implemented in the Family Islands were suspended because of lack of Government financing. However, despite clear signs of increasing lack of ownership, the Bank failed in restructuring the project to better focus on new developmental objectives.

### **C. Implementation Record and Major Factors Affecting the Project**

6. **Civil Works:** : All prototype designs for civil works were completed according to the planned schedule. As Table 5 indicates, the civil works component comprising the construction of the Bahamas Tourism Training Center (BTTC) Nassau, and the addition of three workshops at the ITC Freeport were completed satisfactorily. In addition, the construction of two community skills training centers in the Family Islands at the Crooked Island Secondary (Crooked Island) and Old Bight Secondary (Cat Island) was completed as planned, as prototype design plans were ready upon loan approval. However, the construction of the remaining 16 community skills training centers in the Family Islands was never completed, even though the architectural designs had been carried out by the Ministry of Public Works, through a contract with a private firm, according to the planned schedule of

November 1990. The tendering process for the Family Islands civil works program was suspended upon installation of the new Government in the summer of 1992. Education sector priorities were revised following a detailed sector study commissioned by the Government, and US\$16.0 million was allocated to rehabilitate the public schools throughout the country. Consequently, funds were in short supply to improve access to training as well as for quality improvement in the underserved Family Islands. Renovations to the 50 existing training centers were completed as planned, including renovations to the building at CR Walker Secondary School in Nassau, necessary to accommodate the project-supplied instructional equipment.

7. **Equipment:** Most of the equipment procured for the ITCs in Nassau and Freeport as well as for the BTTC Nassau was received and installed according to the planned schedule. However, because of errors in design arising from lack of liaison between staff involved in equipment procurement and staff in architectural design work, selected electrical systems needed to be upgraded in order to permit installation of items requiring three-phase electricity. The equipment procured for the three new workshops of the ITC in Freeport was installed with a twelve-month delay because of an equivalent delay in the completion of civil works. This delay was largely due to managerial and financial problems encountered by the contractor, and to irregular payments by the Government. Equipment for the seven new CSTCs in the Family Islands was duly procured, but was stored pending progress on construction works. Purchase of equipment for (i) the mobile training program, (ii) the MIS system to be established at the ITCs, and (iii) the further improvement of the LMIS and expansion of the apprenticeship management system was approved by the Bank, but has yet to be acted upon by the Government at the time of project closing. While an effort was made to involve the teachers (end-users) in the original equipment list preparation, no specific training in the use and maintenance of materials and equipment has taken place.

8. **Fellowships:** Of the about 46 person-months of fellowship programs provided under the project, 43 person months were actually completed – all being short-term fellowships for coordinators and instructors of trade industrial (six fellowships) and home economics education (six fellowships), with the exception of one long-term (equivalent to one year) fellowship to benefit the labor market information system. The short-term fellowships intended to benefit arts and crafts instructors did not materialize. In general, the participants' assessment was that the fellowship programs failed to provide them with the adequate pedagogical skills to design future training programs, and hence to eliminate their dependency on external expertise. Moreover, the issue of a salary adjustment for instructors upon completion of their local training was discussed at the level of MOHLRAT, and abandoned when the Ministry was abolished.

9. **Training:** Overall training was expanded and upgraded. For instance, enrollment growth at the ITC, Nassau, has far exceeded appraisal expectations. From an enrollment of 400-500 in 1988, the ITC grew to 1,300 in 1992, and 2,500 in 1993. The initially-launched Technical Instructor Training Program, and the Home Economics and Hotel Training Programs have become ongoing instructional programs and are now part of the summer training programs. For eight of the ten originally-planned mobile training programs for adults and out-of-school youth in high demand skills in the Family Islands, curriculum proposals were received from the technical assistance experts, but have yet to be implemented. The mobile training units, which were expected to provide flexibility in responding to the training demand in the islands that had no training facilities, however, were never procured. In addition, the

proposal to replace single-skill vocational subjects in the secondary schools by clusters of related skills (e.g., construction) was only partially carried out. Curricula were prepared and a workshop was held in the summer of 1991 for 45 instructors, but the training program was not launched in the Family Islands because of sector policy changes adopted in 1992 and 1993.

10. **Institutional Development:** Institutional development was largely provided through the provision of technical assistance. The initial objectives of strengthening key agencies in the education sector were partially achieved. The contracted consultancy services were successful in helping to establish the labor market information system; to expand the apprenticeship program to four more trades (out of the originally planned six) – carpentry, masonry, auto mechanics and auto body repair – in New Providence; and to design Mobile Training Programs in ten priority areas, Clusters of Related Skills in five priority clusters, the Technical Instructor Training Program, the Home Economics Teacher Training Program, and a Master Plan for Post-Secondary Education and Higher Education in the Bahamas. The cost sharing and cost recovery measures intended to ensure project sustainability have been at the BHTC although below the levels envisaged at appraisal.<sup>1</sup> Inadequate staffing, staff training and logistical support have hampered the regular production and dissemination of labor market reports, as well as the full expansion of the apprenticeship program. In addition, lack of institutional support from the National Advisory Committee for Industrial and Technical Education and Training (NACITET - formerly the National Training Council), and insufficient political commitment undermined the implementation of such cost sharing measures in the Industrial Training Centers. No progress was made in providing for the NACITET to spend funds on training contracts with employers.

11. **Project Management:** The Project Implementation Unit (PIU) housed in the MET, was headed by a director, and comprised a civil works coordinator and a procurement specialist on a full-time basis, as well as an accountant on a part-time basis. During the summer of 1992, the accountant was replaced by a less qualified person. In 1992, with the revised education sector priorities changed in favor of a massive public school rehabilitation program throughout the country, the civil works coordinator was transferred to the Ministry of Public Works to assist in this program. Her project supervisory responsibilities were at first given to the Ministry of Public Works and then, when this proved unsatisfactory, to a private independent architectural firm, which had been contracted together with the Ministry of Public Works to complete the prototype designs for the construction of project facilities (i.e., Bahamas Tourism Training Center, Industrial Training Centers, Community Skills Training Centers).

12. **Project Costs:** At project completion, the total project cost was US\$14.2 million (IBRD: US\$7.3 million and Government: US\$6.9 million), in comparison to an SAR estimate of US\$17.4 million (IBRD: US\$10.0 million and Government: US\$7.4 million). The decrease in cost is largely the result of the lack of execution of the Family Island activities, following the policy changes implemented by the new Government in 1992. As Table 8C indicates, all expenditure categories (civil works, and equipment and furniture), were affected by the decrease in project financing.

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<sup>1</sup> Student fees cover about 14 percent of the total cost, the balance being borne primarily by the MET, the Bahama Hotels Association, with the Hotel Workers' Union contributing a nominal amount.

#### **D. Project Sustainability**

13. The core project objectives were achieved within the expected time frame even though long-term project sustainability is uncertain with respect to institutional strengthening and completion of physical components in the Family Islands. Key training institutions --the Bahamas Tourism Training Center (which houses the Bahamas Hotel Training College under the MET, the Center for Hotel Training Management of the University of the West Indies, and the BahamaHost which is under sponsorship of the Ministry of Tourism) the Industrial Training Centers, and the Community Skills Training Centers-- were strengthened under the project, and their role in the economic and social development of the country was increased. Recurrent cost financing of these training institutions does not seem to pose a significant problem in the future. However, increased participation of the private sector in the financing of training, and the introduction of new cost recovery mechanisms were not implemented and may have been unrealistic objectives to begin with.

#### **E. Bank Performance**

14. The total time consumed for pre-Board activities was 70 staff weeks (SW) during the FY87-89 period, or about 23 SW per year. The average time (including field and headquarters) actually allocated to supervision activities was only five SW per year during FY89-95, which is about half of the originally planned ten SW (the Bank's norm in the education sector). On average, the frequency of supervision missions was adequate: two supervision missions per year were carried out in FY89-90 and FY92-93, as against one supervision mission in FY91 and FY94-95. With the exception of the first and last two supervision missions, all other eight missions were carried out by a single Bank contracted consultant technical educator (Table 13). The quality of project supervision was uneven. First, the consultant only superficially covered institution tutoring aspects. Second, the consultant made no on-site visits, outside Providence and Grand Bahama Islands, concentrating his activities in the capital area. During the first year, the consultant was accompanied by a Bank Technical Training Specialist to ensure the readiness of the PIU to launch project activities in a timely matter (contrary to the first TecVoc Project, which experienced serious delays in the early implementation years). The last two supervision missions were carried out by Bank staff, an education specialist, and then an operations officer, who, among other activities, reassessed implementation of components related to the civil works, equipment, institution building, and compliance with legal covenants. At the time of the last mission in September 1994, the assessment of compliance with Legal Covenants was revised to reflect the dormant status of the civil works component in the Family Islands, resulting in a unsatisfactory rating for project development objectives. Supervision reports were prepared following each mission, but the quality of the reports prepared prior to 1993 was unsatisfactory. The review of project performance in terms of achieving the project objectives was weak and project shortcomings were masked by portraying them as about to be resolved. The Bank, however, failed to react to these shortcomings until recently. The lesson learned is two-fold: (1) that supervision reports should clearly document the status of project implementation; and (2) that the Bank should carefully supervise the performance of consultants undertaking supervision.

## **F. Borrower Performance**

15. The project was the second Bank lending operation in technical and vocational education implemented by the Borrower. The Borrower's decision to have the PIU established at the time of negotiations was designed to ensure prompt start up of project activities. Funds, however, were disbursed at a slower rate than expected during the earlier project implementation years, because of delays in the execution of the Family Island component. The Borrower has complied with submission of the annual audit reports, even though with significant delays. The annual reports were punctually prepared and submitted, except for the January/June 1994 and the July 1994/June 1995 report, which are still outstanding.<sup>2</sup>

## **G. Assessment of Outcome**

16. Over the implementation of the project, the attainment of the overall developmental objectives was consistently rated highly satisfactory, except at the time of the last two missions when it was rated satisfactory. This difference arose from the fact that the last two missions undertook a much more searching review including, in the case of the last mission, the only visit to a Family Island by a supervision mission. At the time of the Loan closing, about 80 percent of initially agreed project components were implemented. However, the construction of 16 CSTCs in the traditionally neglected Family Islands some of which were expected to be done during the last year of the project, had not occurred as planned. The Borrower approached the Bank to request an extension of the Closing Date in order to complete the implementation of the outstanding project activities. The Bank declined the request on the basis that the country had graduated in 1988, and would be able to complete project activities using its own resources. As a consequence, US\$2.5 million were cancelled as of October 31, 1995.

## **H. Future Operation**

17. The vocational and technical education and training system has significantly improved since the implementation of the First TecVoc project in 1981, and the subsequently Second TecVoc project in 1988. Particularly noteworthy are the qualitative and quantitative improvements in hotel and tourism training programs provided by key institutions (e.g., BHTC, ITCs). In addition, the accomplishments in improving these key institutional capabilities in terms of planning, implementing and administering the training system were important. Even though access to the training workshops has not expanded as much as anticipated in the Family Islands, and selected institutional components need additional strengthening (e.g. LMIS, apprenticeship, private sector involvement), the overall project outcome is moderately satisfactory. Through careful internal planning, the Government should be able to make the necessary adjustments to maintain and upgrade the training programs as labor market needs change to meet the new high technology challenges.

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<sup>2</sup> Fiscal Year was changed from a calendar year to July/June basis, hence the need for a semiannual report January/June 1994 to cover the additional six months.

## **I. Key Lessons Learned**

**18. Key lessons learned can be summarized as follows:**

- **Policy on sector development should be based on detailed sector work, a broader stakeholder participation and better commitment building, which would have minimized the risk of major changes in policy at the mid-implementation stage of the project.**
- **The Bank should initiate restructuring of projects when political priorities change, in order to retain ownership.**
- **Project objectives as defined with the governments in the SAR should be realistic, focused, and take into consideration the feasibility of achieving major policy and institutional changes over the short term.**
- **Supervision missions should be appropriately staffed. Adequate field visits should be undertaken and supervision reports should accurately document actual progress in attaining developmental objectives.**



## PART II. STATISTICAL ANNEXES

**Table 1: Summary of Assessments**

<b>A. <u>Achievement of objectives</u></b>	<b><u>Substantial</u></b>	<b><u>Partial</u></b>	<b><u>Negligible</u></b>	<b><u>Not applicable</u></b>
Macro Policies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sector Policies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial objectives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Institutional development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Physical objectives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poverty reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other social objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Public sector management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private sector development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>B. <u>Project sustainability</u></b>	<b><u>Likely</u></b>	<b><u>Unlikely</u></b>		<b><u>Uncertain</u></b>
	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
<b>C. <u>Bank performance</u></b>	<b><u>Highly satisfactory</u></b>	<b><u>Satisfactory</u></b>		<b><u>Deficient</u></b>
Identification	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Preparation assistance	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Appraisal	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Supervision	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
<b>D. <u>Borrower performance</u></b>	<b><u>Highly satisfactory</u></b>	<b><u>Satisfactory</u></b>		<b><u>Deficient</u></b>
Preparation	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Implementation	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Covenant compliance	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Operation (if applicable)	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>E. <u>Assessment of outcome</u></b>	<b><u>Highly satisfactory</u></b>	<b><u>Moderately Satisfactory</u></b>	<b><u>Unsatisfactory</u></b>	<b><u>Highly unsatisfactory</u></b>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Table 2: Related Bank Loans

Loan Title	Purpose	Year of Approval	Status
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## Preceding operations in lending program

1. Loan	First Technical and Vocational Education Project	1981	disbursed (Loan 1962-BM)
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## Following operations in lending program \*

None

## Comment:

\* Country graduated in 1988, the year that Loan 3004-BM for the Second Technical and Vocational Training Project was approved.

Table 3: Project Timetable

Date actual/ latest estimate	Date planned
---------------------------------	--------------

## Identification (Executive Project Summary)

Nov 1986	n/a
Sep 1987	n/a
Apr 1988	Mar 1988
Sep 1988	Aug 1988
Dec 1988	Sep 1988
Feb 1989	Feb 1989
May 1989	May 1989
May 1989	May 1989
n/a	n/a
Dec 1994	Dec 1994
Jun 1995	Jun 1995

## Comment:

1/ Planned data related to Preparation, Appraisal, and Negotiation are extracted from "Request for Use of the Project Preparation Facility".

Table 4: IBRD Disbursements: Cumulative Estimated and Actual

(US\$ million)

IDA FY	1989	1990	1991	1992	1993	1994	1995
Appraisal estimate 1/	0.8	2.8	5.2	7.2	8.9	9.6	10.0
Actual	0.3	0.8	0.9	1.6	6.2	6.7	7.5
Actual as % of estimate	38.0%	29.0%	17.0%	22.0%	70.0%	70.0%	75.0%
Date of final disbursement:	November 29, 1994						

1/ Figures taken from SAR

Table 5: Key Indicators for Project Implementation

I. Project Component	Estimated Completion Date	Actual Completion Date	Variance Months
<b>1. Civil Works</b>			
<i>Bahamas Tourism Training Center (BTTC)</i>			
Design and Bidding Documents	March 1989	March 1989	0
Tendering for Construction <sup>1</sup>	April 1990	June 1990	2
Negotiated Revisions	December 1990	December 1990	0
Construction of Works	June 1993	June 1993	0
<i>Industrial Training Workshops— ITC, Freeport</i>			
(3)	November 1990	November 1990	0
Design and Bidding Documents	June 1992	June 1992	0
Tendering for Construction	January 1993	October 1993	9
Construction of Works <sup>2</sup>			
<i>Community Skills Training Centers (CSTCs) (18)</i>			
<u>Phase I (2 centers)<sup>3</sup></u>			
Construction	September 1991	September 1991	0
<u>Phase II (5 centers)<sup>4</sup></u>			
Standard Designs Completed	November 1990	November 1990	0
Tendering	December 1991	December 1991	0
Contracted	n/a	n/a	n/a
Works Initiated	n/a	n/a	n/a
North Long Island (3 centers)	July 1993	n/a	n/a
NGM Major (2 centers)	July 1993	n/a	n/a
<u>Phase III (3 centers)<sup>4</sup></u>			
Standard Designs Completed	November 1990	November 1990	0
Tendering	n/a	n/a	n/a
Arthur's Town (2 centers)	August 1993	n/a	n/a
Old Bight Secondary (1 center)	August 1993	n/a	n/a
<u>Phase IV (8 centers)<sup>4</sup></u>			
Standard Designs Completed	November 1990	November 1990	0
Tendering	n/a	n/a	n/a
	December 1994	n/a	n/a

<sup>1</sup> The delay was due to last minute revisions to the bidding documents required by the Bank and the late issue of the Bill of Quantities.

<sup>2</sup> The delay was due largely to the sudden death of the president and principal owner of the contracting firm, cash flow problems of the contractor and the irregularity of payments by the Government.

<sup>3</sup> The two centers (Crooked Island and Old Bight) were planned for construction prior to Loan approval.

<sup>4</sup> Construction of these centers was put on hold by the new Government after the General Elections in August 1992.

I. Project Component	Estimated Completion Date	Actual Completion Date	Variance Months
Abaco High (1 center)	December 1994	n/a	n/a
Central Andros (1 center)	December 1994	n/a	n/a
Mangrove Cay (1 center)	December 1994	n/a	n/a
Preston Albury (2 centers)	June 1994	n/a	n/a
L.N. Coakley (1 center)	June 1994	n/a	n/a
Inagua (1 center) <sup>5</sup>	June 1994	n/a	n/a
West End (1 center) <sup>5</sup>			
Renovations of Existing Shops (50)			
Detailed review of needs completed by PIU Civil Works Coordinator	June 1992 1993/94	June 1992 1993/94	0
Phased renovations, largely by trainees <sup>6</sup>			0
<b>2. Furniture and Equipment (F &amp; E)</b>			
Procurement Documents Preparation	October 1989	October 1989	0
Equipment Lists and Specifications	December 1990	December 1990	0
Supplemental F & E for Existing Workshops - ITC Nassau & Freeport:			
Tendering	November 1991	November 1991	0
Evaluation of tenders & contracts	March 1992	March 1992	0
Receipt and installation	November 1992	November 1992	0
Supplemental F & E for 59 Existing Skills Training Shops - Family Islands:			
Tendering	November 1991	November 1991	0
Evaluation of tenders & contracts	March 1992	March 1992	0
Receipt and installation	November 1992	November 1992	0
Furniture and Equipment for Ten New Skills Training Centers - Family Islands:			
Tendering	November 1991	November 1991	0
Evaluation of tenders and contracts	March 1992	March 1992	0
Receipt and installation (one shop) <sup>7</sup>	November 1992	November 1992	0
Furniture and Equipment for Five New Skills Training Centers - New Providence:			
	November 1991	November 1991	0

<sup>5</sup> These centers were reassigned to NGM Major and Abaco High with the Bank's approval.

<sup>6</sup> Renovations were done by local contractors during a massive refurbishment of public schools throughout the country during the CYs 1993/94.

<sup>7</sup> Science Lab, Old Bight Secondary.

<sup>8</sup> Completed ahead of schedule.

<sup>9</sup> One coordinator and five instructors of industrial arts were on study tour abroad (Canada) for three months. Also one coordinator and five department heads of home economics were on study tour abroad (USA) for three months and eight weeks respectively.

<b>I. Project Component</b>	<b>Estimated Completion Date</b>	<b>Actual Completion Date</b>	<b>Variance Months</b>
<b>Tendering</b>	<b>March 1992</b>	<b>March 1992</b>	<b>0</b>
Evaluation of tenders and contracts	November 1992	November 1992	0
Receipt	February 1993	February 1993	0
Installation			
<b>Furniture and Equipment for Three New Workshops - ITC Freeport:</b>	<b>November 1991</b>	<b>November 1991</b>	<b>0</b>
<b>Tendering</b>	<b>March 1992</b>	<b>March 1992</b>	<b>0</b>
Evaluation of tenders and contracts	November 1992	November 1992	0
Receipt	February 1993	February 1993	9
Installation			
<b>Furniture and Equipment for New Tourism Training Center in Nassau</b>			
<b><u>1st Phase</u></b>	<b>November 1991</b>	<b>November 1991</b>	<b>0</b>
<b>Tendering</b>	<b>March 1992</b>	<b>March 1992</b>	<b>0</b>
Evaluation of tenders & contracts	March 1993	March 1993	0
Receipt and installation			
<b><u>2nd Phase</u></b>	<b>December 1992</b>	<b>December 1992</b>	<b>0</b>
<b>Tendering</b>	<b>May 1993</b>	<b>May 1993</b>	<b>0</b>
Evaluation of tenders and contracts	September 1993	September 1993	0
Receipt and installation			
<b>Furniture and Equipment for all remaining needs to be carried out in 1993 and 1994</b>	<b>December 1994</b>	<b>n/a</b>	<b>n/a</b>
<b>3. Technical Assistance</b>			
<b><i>Specialist Services:</i></b>			
<b>Labor Market Information System</b>	<b>December 1990</b>	<b>December 1990</b>	<b>0</b>
Phase I	April 1993	April 1993	0
Phase II	June 1994	June 1994	0
Phase III	December 1990	n/a	n/a
Apprenticeship	March 1993	March 1993	0
Subject Matter Advisory Committees	March 1992	n/a	n/a
Maintenance and Materials Supply	July 1991	July 1991	0
Mobile Training Specialists	December 1991	December 1991	0
Clusters of Related Skills	November 1991	November 1991	0
Technical Instructor Training	October 1991	October 1991	0
Home Economics Instructor Training	April 1992	November 1991	-5

I. Project Component	Estimated Completion Date	Actual Completion Date	Variance Months
<b>Master Plan for Post-Secondary Education<sup>8</sup></b>	June 1992	n/a	n/a
<b>Hotel and Tourism Management</b>	June 1992	n/a	n/a
<b>Arts &amp; Crafts Training Development</b>			
<i>In-Service Teacher Improvement:</i>	August 1994	August 1994	0
Improvement of Instructional Skills	August 1994	n/a	n/a
Industrial Internships			
<i>Study Tours Abroad:</i>	August 1993	August 1993	0
Short Term <sup>9</sup>			

Table 6: Key Indicators for Project Monitoring and Evaluation

OBJECTIVE	COMPONENTS/SUB-COMPONENTS	INDICATORS	PLANNED COMPLETION	ACTUAL COMPLETION	VARIANCE (Months)
Institutional Dvlp & Financing of Training	<b>A. Institutional Dvlp &amp; Policy Implementation</b>				
	<b>1. MOE</b>				
	1.1 Establish Labor Market Information System	% of Furniture and Equipment installed - 100 % of Specialist Assistance implemented - 100	31-Dec-90	31-Dec-90	0
		Phase I	14-Dec-90	14-Dec-90	0
		Phase II	30-Apr-93	30-Apr-93	0
		Phase III	10-Jun-94	10-Jun-94	0
	1.2 Expand Apprenticeship System	% of Furniture and Equipment installed - 100 % of Specialist Assistance implemented - 0	31-Dec-90 31-Dec-90	31-Oct-90 n/a	-2 n/a
	<b>2. MOE and National Training Council (NTC)</b>				
	2.1 Establish advisory committees for:				
	(a) major industrial trades	% of Specialist Assistance - 0 % Implemented - 100	31-Dec-89 31-Dec-89	n/a 31-Dec-91	n/a 24
	(b) local training	% of Specialist Assistance - 0 % Implemented - 56	31-Dec-89 31-Dec-89	n/a n/a	n/a n/a
	2.2 Develop and implement plans for improved utilization and mnngt of ITCs and staff training	% of Specialist Assistance - 0 % Implemented - 75	30-Jun-90 30-Jun-90	n/a n/a	n/a n/a
	2.3 Implement policies for cost sharing and cost recovery in training	% of Specialist Assistance implemented - 0	30-Jun-89	n/a	n/a
	2.4 Prepare master plan for the future dvlp of post-secondary and higher education	% of Specialist Assistance implemented - 100	31-Dec-91	30-Nov-91	-1
	2.5 Implement Graduate Tracer System	% of Specialist Assistance - 0 % Implemented - 50	31-Dec-89 31-Dec-89	n/a n/a	n/a n/a
	<b>3. Bahamas Hotel Training College (BHTC)</b>				
	3.1 Achieve at least 50% employer	% implemented - 100	31-Dec-91	31-Dec-91	0

OBJECTIVE	COMPONENTS/SUB-COMPONENTS	INDICATORS	PLANNED COMPLETION	ACTUAL COMPLETION	VARIANCE (Months)
	financing of preservice training				
	3.2 Implement Graduate Tracer System	% implemented - 50	31-Dec-89	n/a	n/a
	<b>B. Skills Training</b>				
	1. Upgrade and expand pre- and inservice skills training programs for adults and out-of-school youth	# of centers using new program - 2 % of Specialist Assistance implemented - 100 % of Training implemented - 100	30-Jun-90 30-Jun-90	1991/1994 30-Jun-94	
	2. Increase relevancy of training in vocational training programs through devp of "clusters of related skills"	No. of training packages devpd - 5 % of centers using new programs - 75 % of Specialist Assistance implemented - 100	30-Jun-90 30-Jun-90	30-Jun-91 31-Dec-91	12 18
	3. Develop and implement mobile training programs	% of Specialist Assistance implemented - 100	30-Jun-90	31-Jul-91	13
	4. Implement supply and maintenance system	% of Specialist Assistance implemented - 0	30-Jun-90	n/a	n/a
	5. CMI Works				
	Skills Training Centers	% completed - 11	30-Sep-91	30-Sep-91	0
	Maintenance Center	% completed - 0	30-Jun-90	n/a	n/a
	Freeport - Industrial Training Center	% completed - 100	31-Jan-93	30-Oct-93	9
	6. Furniture, Equipment & Educ Materials				
	59 Existing Workshops (Supplemental Equipmt)	% installed - 90	30-Nov-92	30-Nov-92	0
	10 Skills Training Centers	% installed - 40	30-Nov-92	30-Nov-92	0
	5 Skills Training Centers	% installed - 100	28-Feb-93	28-Feb-93	0
	Maintenance Center	% installed - 100	30-Jun-93	n/a	n/a
	Nassau & Freeport (Supplemental Equipmt) -ITCs	% installed - 100	30-Nov-92	30-Nov-92	0
	Freeport-New Workshops (3)	% installed - 100	28-Feb-93	1994	12-15
	NTC Mobile Training	% delivered - 0	30-Jun-95	n/a	n/a
<b>Technical and Operational Improvements</b>	<b>C. Tourism Training</b>				
	1. Implement recommendations of PPF-financed study.				
	1.1 Improve articulation among different tourism training programs	% of Specialist Assistance implemented - 0	30-Sep-94	n/a	n/a

OBJECTIVE	COMPONENTS/SUB-COMPONENTS	INDICATORS	PLANNED COMPLETION	ACTUAL COMPLETION	VARIANCE (Months)
	1.2 Design curricula in several new specializations and incorporate new programs including inservice training 1.3 Teacher training and devp of training materials  2. Civil Works  3. Furniture, Equipment & Educ Materials 3.1 Hotel and Tourism Training Facility	% of Specialist Assistance implemented - 0*  % of Specialist Assistance implemented - 0  % completed - 100  % installed - 100	31-Aug-94  30-Jun-93  Phase I: Mar-93 Phase II: Sep-93	n/a  30-Jun-93  31-Mar-93 30-Sep-93	n/a  0  0 0

\* College of Bahamas introduced a two-year Tourism Training Program in January 1991.

**Table 7: Studies Included in the Project**

<b>Study</b>	<b>Purpose as defined at appraisal</b>	<b>Status</b>	<b>Impact of Study</b>
<b>PPF Special Study of Tourism Training in The Bahamas</b>	<b>To improve and expand training directly related to the hotel and tourism industry</b>	<b>Completed June 1988</b>	<b>Raised the need for: (i) reforming training programs as guided by market; (ii) constructing and equipping tourism specific training facilities; (iii) establishing institutional coordination; (iv) increasing outputs in areas of the hotel and tourism industry where capacity has been inadequate; and (v) rationalizing programs to reduce costs</b>

**Table 8A: Project Cost (US\$ thousands)**

(Including Taxes and Duties) Project Component	Appraisal Estimate			Actual		
	Local costs	Foreign costs	Total	Local costs	Foreign costs	Total
A. Institutional Dvlp & Policy Impl.	1,015	261	1,276	-	270	270
B. Skills Training	1,402	3,891	5,293	207	1,791	1,998
C. Tourism Training	2,019	5,219	7,238	5,979	5,194	11,173
D. Project Mgmt.	650	185	835	686	-	686
<b>TOTAL BASE LINE COSTS</b> (1986 Prices)	<b>5,086</b>	<b>9,558</b>	<b>14,643</b>	<b>6,872</b>	<b>7,255</b>	<b>14,127</b>
Physical Contingencies	321	1,043	1,364	N/A		
Price Contingencies	507	894	1,402	N/A		
<b>TOTAL PROJECT COST</b>	<b>5,914</b>	<b>11,494</b>	<b>17,408</b>	<b>6,872</b>	<b>7,255</b>	<b>14,127</b>

Note: Totals may not add up due to rounding. Taxes and duties on equipment and furniture purchased CIF were exempted by the Borrower.

**Table 8B: Project Financing**

(US\$ million equivalent)

Source	Appraisal Estimate			Actual		
	Local costs	Foreign costs	Total	Local costs	Foreign costs	Total
Domestic contribution	5.9	1.5	7.4	6.9	-	6.9
IBRD	0.0	10.0	10.0	-	7.3	7.3
<b>TOTAL</b>	<b>5.9</b>	<b>11.5</b>	<b>17.4</b>	<b>6.9</b>	<b>7.3</b>	<b>14.2</b>

Totals may not add up due to rounding.

**Table 8C: Project Financing by Expenditure**

(US\$ million equivalent)

Category	Appraisal Estimate			Actual		
	IBRD	Gvmt	Total	IBRD	Gvmt	Total
Civil Works	5.0	4.2	9.2	3.6	5.6	9.2
Furniture/Equipment	3.5	1.1	4.6	2.3	-	2.3
Technical Assistance	1.4	0.0	1.4	0.6	-	0.6
Operating Costs	0.1	2.1	2.2	-	-	-
Additional Expenditures 1/				0.8	1.3	2.1
<b>TOTAL</b>	<b>10.0</b>	<b>7.4</b>	<b>17.4</b>	<b>7.3</b>	<b>6.9</b>	<b>14.2</b>

1/ Additional expenditures include refund for PPF study and US\$500,000 in Special Account.

Totals may not add up due to rounding.

**Table 9: Economic Costs and Benefits**

Not applicable

**Table 10: Status of Legal Covenants - May 1995**

**The Bahamas  
Second Technical and Vocational Education Project  
(Loan. 3004-BM)**

<i>Loan Agreement Section</i>	<i>Covenant Type</i>	<i>Status</i>	<i>Due Date</i>		<i>Description of covenant</i>	<i>Comments</i>
			<i>Original</i>	<i>Revised</i>		
3.01 (b)(c)(d)	5	C	05/09/89-		PIU to be fully established and staffed with specified personnel.	The PIU has been established. The post of full-time civil works coordinator has been replaced, with Bank Agreement, by a contract with an architectural firm.
3.01 (e)	9	C	03/30)each 09/30) year		Semiannual progress report	Fully met
3.03 (a)	12	C	12/31/89	10/03/90	Subject matter advisory committees for industrial and business trades.	Fully met
3.03 (a)	12	CP	12/31/89	1993/94	Local training committees for 9 major Family Islands.	Co-opted Advisory Committees of the National Advisory Committee on Industrial and Technical Education & Training have been established in 5 major Family Islands to determine skills/trades training needs.
3.03 (b)	2-11-12	CP	06/30/89	12/31/92	Special funding procedures for NTC training financed under contracts with employers and/or with tuition fees to be established under the project.	This has not been formalized; nonetheless, ITC, Nassau, has been engaging in training under Contracts with employers.
3.03 (c)	11-12	C	12/31/89	12/31/92	Criteria and procedures to ensure that stipends for trainees in NTC programs are on basis of individual need and training performance.	The payment of stipends has ceased.
3.03 (d)	12	CP	06/30/89	12/31/90	Establish Labor Market Information Systems.	The system has been established but needs more staff, staff training and equipment to function properly.
3.03 (e)	10	NC	06/30/90		Establish system for regular maintenance and supply of materials.	A system exists-- the traditional one; not that envisaged under the Agreement.
3.03 (f)	10	CP	12/31/90	04/22/90	Expand apprenticeship system to 6 trades in New Providence	Expansion in New Providence achieved; a

Loan Agreement Section	Covenant Type	Status	Due Date		Description of covenant	Comments
			Original	Revised		
					and Grand Bahama Island.	proper system does not exist in Grand Bahama.
3.03 (g)	12	CP	12/31/89	12/31/94	Establish and implement a graduate tracer system for all graduates of NTC and BHTC.	Tracer studies done by BHTC, ITC, Nassau, were suspended for lack of equipment-automation of the administrative offices - procurement of which could not proceed due to unavailability of counterpart funds.
3.03 (h)	11-12	C	12/31/91		At least 50% private sector financial participation in tourism training at BHTC.	In CY 1993 employers contributed 25%, the Hotel Workers Union 0.5%, Tuition and other fees 25.7%, and MOE 48.7%. Hence, the total private sector contribution has surpassed 50%.
3.03 (i)	12	C	12/31/91	04/20/92	Completion of Master Plan for Post-Secondary Education and Training in the Bahamas.	The Master Plan, as per Agreement with the contracting consultant, was scheduled for completion in Dec. 1991 but was actually completed in November 1991 and subsequently submitted to Cabinet.
3.04(a)	10	CP	06/30/90		Furnish to Bank an action program for utilizing and managing ITCs and CSTCs.	While the action plan has not been sent, steps have been taken to train instructors of the centers.
3.04 (b)	12	CP	06/30/90		Complete new curricula and syllabi for training programs, and mobile training.	Most of the training programs have been prepared; the main exception is mobile training for which equipment had not been procured due to lack of counterpart funds.
3.04 (c)	12	C			After preparing above programs and action plan and, taking Bank comments into account, promptly carry them out in accordance with a timetable satisfactory to the Bank.	Programs generally being carried out when ready except for mobile training.
4.01 (a)	2-3	C			Maintain separate records and accounts for project, including Special Account.	Special Account was established and accessible to Government.
4.01 (b)	2-3	CP			Have such accounts in (a)	

Loan Agreement Section	Covenant Type	Status	Due Date		Description of covenant	Comments
			Original	Revised		
4.01 (c)	2-3	C			including the Special Account, audited for each fiscal year and submit to Bank within four months of end of each year.	
					Requirements for records, and accounts of expenditures from Loan Account made on basis of SOEs; and the auditing and reporting to the Bank.	

### Key

#### Covenant types:

- 1 Accounts/audit
- 2 Financial performance/generate revenue from beneficiaries
- 3 Flow and utilization of project funds
- 4 Counterpart funding
- 5 Management aspects of the project or executing agency
- 6 Environmental covenants
- 7 Involuntary resettlement

- 8 Indigenous people
- 9 Monitoring, review, and reporting
- 10 Project implementation not covered by categories 1-9
- 11 Sectoral or cross-sectoral budgetary or other resource allocation
- 12 Sectoral or cross-sectoral policy/regulatory/institutional action
- 13 Other

#### Present status:

- C = covenant complied with  
 CD = complied with after delay  
 NC = not complied with  
 SOON = compliance expected in reasonably short time  
 CP = complied with partially  
 NYD = not yet due

**Table 11: Compliance with Operational Manual Statements**

Fully complied with.

**Table 12: Bank Resources: Staff Inputs**

Stage of project cycle	Planned		Revised		Actual	
	Weeks	US\$ (1)	Weeks	US\$ (1)	Weeks	US\$ (1)
Through appraisal					41.3	
Appraisal - Board					28.7	
Board - effectiveness					0.0	
Supervision	68.0	228,820	52.5	176,662	35.2	118,448
Completion					11.3	38024.50
<b>TOTAL</b>					105.2	

#### Comment

(1) Dollar figures prior to FY90 are unavailable. Table assumes an average cost of US\$175,000 per staff year (52 SW) based on the latest FY96 business plan rates, thus 1 SW = US\$3,365. The actual supervision staff week (SW) allocation, an average of about 5 SW per year during FY89-95, represents about half of the original planned 10 SW, and 67% of the revised SW allocation.

**Table 13: Bank Resources: Missions**

Stage of project cycle	Months/Year	Number of persons	Days in field	Specialized staff skills represented 1/	← Performance Rating →		Types of Problems
					Implemen- tation status 2/	Development Objectives	
<b>Through Appraisal</b>							
Identification	Jan-87						
Preparation 3/	Jan-88	2	9	Sr. Tech Training Specialist Technical Educator (C)			
Pre-appraisal	Mar-88	2	5	Sr. Tech Training Specialist Technical Educator (C)			
<b>Appraisal through Board approval</b>							
Appraisal	Apr-88	3	14	Sr. Tech Training Specialist Architect (C) Technical Educator (C)			
Post Appraisal		1	7	Operations Assistant			
<b>Negotiation</b>							
<b>Board approval through effectiveness</b>							
Supervision 1	Dec-88	2	5	Sr. Tech Training Spec. Technical Educator (C)	1	1	
Supervision 2	May-89	1	5	Technical Educator (C)	1	1	
Supervision 3	Nov-89	1	7	Technical Educator (C)	1	1	
Supervision 4	May-90	1	7	Technical Educator (C)	1	1	
Supervision 5	Dec-90	1	7	Technical Educator (C)	2	1	
Supervision 6	Jul-91	1	7	Technical Educator (C)	2	1	
Supervision 7	Nov-91	1	5	Technical Educator (C)	2	1	
Supervision 8	Jul-92	1	7	Technical Educator (C)	2	1	
Supervision 9	Dec-92	1	7	Technical Educator (C)	2	1	
Supervision 10	Nov-93	1	7	Pr. Education Specialist	S	S	Institutional (local training committees, maintenance system, app action program on (TCs and CSTCs) and financial (funding proced insufficient participation of private sector) problems.
Supervision 11	Sep-94	2	5	Operations Officer Pr. Education Specialist	U	S	
Supervision 12	Feb-96	1	2	Disbursement Assistant	U		

1/ C= Consultant

2/ New performance rating system was introduced during FY94. Numerical classification (1,2,3,4) was changed to alphabetical ranking (HS, S,U,HU).



**APPENDICES**



**A. Mission's Aide-Memoire:**

There has been no special ICR mission. However, the Aide Memoire left by the last supervision mission (attached) indicates a series of activities to be performed until the closing of the Loan. Due to the lack of counterpart funding, activities during the last year came to a halt. A representative of the Disbursements Department visited Nassau on February 11-12, 1996 to ascertain the status of funds that might still be available in the special account #2105060714 opened in the Central Bank with an allocation of US\$500,000. No Aide Memoire was prepared during this visit, but a back-to-office report with the findings is attached.

**BAHAMAS: SECOND TECHNICAL/VOCATIONAL TRAINING PROJECT (Ln.3004-BM)**  
**Supervision Mission September 26 - 30, 1994**  
**AIDE MEMOIRE**

1. A World Bank mission comprising Mrs. Maria Victoria Lister, Task Manager, and Mr. Ralph Romain, Education Specialist, visited the Bahamas September 26-29, 1994 for the purpose of supervision of project implementation and to assess measures needed to bring the project to a state of completion by the Closing Date of June 30, 1995.
2. The mission acknowledges with deep gratitude the assistance and courtesies extended to it by all the Government agencies with which it met.
3. The mission notes that the Closing Date is fast approaching and that there is a modest amount of roughly US\$2.5 million remaining in the Loan Account that can be used by the Closing Date to further the objectives of the project. The mission therefore urges that the Government focus on the steps needed to achieve the full use of these resources to maximize project impact.

**Progress Since Last Supervision Mission**

4. The mission observed that considerable progress in some areas had been made since the last supervision mission in November 1993:
  - (a) **Civil Works**      The ITC (Freeport) and the Tourism Training Center (TTC) complex have been completed with only some surviving defects to be remedied. In addition, the renovations to the building at CR Walker Secondary School, Nassau, necessary to accommodate the project supplied instructional equipment are almost complete: The requirement under the Loan Agreement that a full time Civil Works Coordinator be appointed has been replaced (by agreement with the Bank) by a contract with an architectural firm.
  - (b) **Equipment**      Equipment has been installed at the ITC and TTC; equipment lists (including the trailers) have been prepared for the Mobile Training Program and for the automation of the administration of the ITC.
  - (c) **Mobile Training**      A coordinator for the Mobile Training Component which had been lagging behind has been appointed on a full-time basis and he has made an energetic start on defining equipment needs and cost estimation.
  - (d) **Institutional Strengthening**      Well considered proposals to build permanent capacity in Labor Market Information, the management of the Apprenticeship system, management of technical/vocational training, and to strengthen the management of the Industrial Training Centers (ITC) and the Bahamas Hotel Training College (BHTC) have been put forward; these are generally in keeping with project objectives and with the recommendations of the previous supervision mission.

**(e) Training of Instructors has continued**

Training at level 3 has been undertaken for technical/vocational instructors while the secondary school practical subject teachers have been trained at both levels 1 and 2. However, as progress has been made on the issue of salary increments for trained instructors, although some proposals have been prepared to be submitted to Government.

**(f) Advisory Committees**

A schedule has been prepared for visits to each of the Family Islands concerned to discuss the setting up of the Advisory Committees.

**MAJOR ISSUES**

5. Several areas of project implementation give cause for concern especially in the light of the short period of time left for project completion. These include the delays arising from Government review of sector priorities, the relatively slow pace of execution in regard to the Family Islands, the best use of the funds remaining in the Loan Account to reinforce project objectives, special problems concerning project management and the minor (but by no means negligible) shortcomings regarding civil works and equipment.

**Review of Sector Priorities**

6. The project has suffered delays in the past for reasons of Government financial constraints and hurricane damages. In 1992 a change of Government resulted in a suspension of certain project items while the new government considered what the new priorities should be. This affected principally the already delayed Family Islands Component which had been designed to redress the traditional neglect of these outlying areas. The Task Force appointed to examine the education system reported in January 1994 and Cabinet has accepted its far-reaching recommendations. The Task Force had reported, on an interim basis, that the system required an urgent rehabilitation program for primary schools especially in the Family Islands, and so the Government launched an extensive school repair and construction program (\$14.8 million in 1993/94) which has continued into this fiscal year. As a result, budgetary allocations for work on the Family Islands component were frozen last year and the Government has been slow to make budgetary provision for the project in the first few months of this FY. It has now decided to allocate the funds needed to continue project implementation and officials have confirmed that the Government is still committed to the project but had to respond to the crisis that had developed in terms of school places in basic education.

**Family Islands**

7. Regardless of sector priorities, it was noted that the Family Islands Component continued to lag behind the rest of the project. The mission noted that virtually no progress had been made in this component since the last supervision mission while there was progress in the components in Grand Bahamas and New Providence. Most of the necessary equipment has been procured and remains in storage.

### Use of the Balance in the Loan Account

8. It has become a priority to apply the remaining project investment in such a way as to maximize project benefits. Accordingly, the mission has consulted with officials and received proposals in various stages of preparation to achieve institutional strengthening in a permanent manner in the Ministry of Labor, Human Resources and Training (MOLHRAT). These have been discussed with Borrower officials and the mission estimates that they are responsive to project objectives and that they fall within the scope of the remaining resources available (Annex 1). This should, therefore, guide the various agencies in refining the details of their proposal.

### Project Management

9. Performance in managing the project has always been satisfactory to the Bank and it is to be hoped that this will continue. However two problems have arisen that should be drawn to the attention of the Borrower. The first is that the mission understands that the contract of the current project director expires at the end of this calendar year, and the Bank has not to date received proposals from the Government, pursuant to its obligations under the Loan Agreement, on its arrangements for continuing project management after December 31, 1994. The second is that the mission experienced some difficulty ascertaining the up to date position regarding the total of commitments (contracts entered into) under the project. In the forthcoming months, the success in committing all funds by June 30, 1995, the Closing Date, will depend heavily on up to date information on commitments on a regular and frequent basis.

### Shortcomings Regarding Civil Works and Equipment

10. Government officials are well aware of the residual problems in completed buildings that have been handed over and in the installed but non-functional equipment of which several were discussed with the mission. It is normal to encounter such problems; however, remedial action is necessary and the role of the Project Unit is crucial in this - in seeking out and arranging to rectify the situations with the suppliers. The lack of a civil works coordinator within the Project Unit and of a procurement specialist explains to some extent why follow-up has not been as swift and decisive as it should have been.

### Recommended Action

11. Bearing in mind the very short time horizon for project execution, namely the need to ensure that all commitments eligible for financing out of Loan process are entered into before June 30, 1995 (the Closing Date) and to effect reimbursement by October 31, 1995, the Borrower should take the following steps urgently and the Bank should promptly respond where no objections or comments may be required:

- (a) The Borrower should prepare and send to the Bank proposals for fellowships including as far as possible:
  - (i) names and resumes of candidates;
  - (ii) the proposed training institutions or agencies for attachments or study tours;

- (iii) cost estimates for the fellowships; and
- (iv) data on any fellow already sent abroad that the Government wishes to include on the fellowship program.

In order to ensure that Bank comments can be received and given due consideration in good time, these proposals should be forwarded as soon as each one is available.

- (b) The list of new equipment to be procured, (including that for the Mobile Training, ITC automation, improvement of the LMIS and Apprenticeship) and the estimated cost should be sent to the Bank as soon as possible. It is noted that some of these lists have been substantially prepared but not as yet forwarded to the Bank. These should be completed and sent to the Bank as early as possible.
- (c) In respect of the Family Islands - the Borrower should prepare and send to the Bank by November 1994 its program of action for these schools regarding:
  - (i) civil works to be undertaken;
  - (ii) the disposition of all of the equipment already procured; and
  - (iii) the equipment that is yet to be procured.

In addition, the Borrower should proceed with the establishment of Advisory Committees and inform the Bank of progress made in the next Semi Annual Progress Report.

- (d) The schedule of accommodation for the proposed Resource Center for the ITC Nassau and the estimated cost of civil works, furniture and equipment should be sent to the Bank for its comments by November 1994.
- (e) The Borrower should send to the Bank for comment its proposals for filling the position of Project Director after December 31, 1994; these proposals should reach the Bank not later than November 1994 to enable the comments of the Bank to be considered in time to avoid a break in tenure of this key position.
- (f) The Borrower should actively follow up the remediation of deficiencies noted in regard to civil works and equipment at the project institutions and advise the Bank in the next Semi-Annual Progress Report of the progress made. If necessary a person or persons should be assigned on a full-time basis to assist the Project Unit in these matters.

**PARAMETERS TO BE CONSIDERED IN MAKING PROPOSALS FOR USE  
OF AVAILABLE BALANCE IN THE LOAN ACCOUNT**

(Estimated at \$2.5 Millions)

PROJECT ITEM	CIVIL WORKS	FURNITURE EQUIPMENT SUPPLIES	EXPERT SERVICES	FELLOWSHIP LONG-TERM (1 YEAR)	FELLOWSHIP SHORT-TERM (STUDY TOURS)	TOTAL COST
Labor Market Information (LMIS)	-	12,000	2 months (preferably from Caribbean) 30,000	2 persons (2 staff years - one including work on computer applications) 70,000	1 person (USA, B'dos, T.T., Jamaica) 12,000	124,000
Apprenticeship	-	8,000	-	1 person (1 year with attachment) 40,000	2 persons at 4 weeks each (B'dos, T.T.) 10,000	58,000
Family Islands	1.0 m for workshops	150,000 (for additional equipment)	-	-	-	1,150,000
Mobile Training	-	180,000	-	-	-	180,000
Ministry of Labor (MOLHRAT) (See note (a) below)	-	-	-	5 persons at 1-2.5 yrs. each (average 2 years) for Bachelors/Masters degree 10 yrs. \$350,000	-	350,000
ITC (See note (b) below)	1.0 m for Resource Center	200,000 (To equip Resource Center) 100,000 (To automate Management Information System at Nassau and Freeport)	-	-	2 Managers 6 Head of Dept. at 4 weeks each \$56,000	1,356,000
BHTC	-	-	-	-	as above for ITC \$56,000	56,000
Ministry of Educ. (MOE) (See note (c) below)	-	-	-	2 pers. Home Economics 2 pers. Inst. Arts Total 6 years 210,000	5 persons in Home Economics 23,000	233,000
<b>TOTAL COST</b>	<b>2,000,000</b>	<b>650,000</b>	<b>30,000</b>	<b>670,000</b>	<b>157,000</b>	<b>3,507,000</b>
Govt. Financing	1,000,000	-	-	-	-	1,000,000
Loan Financing	1,000,000	650,000	30,000	670,000	157,000	2,507,000

Note: (a) MOLHRAT: Program of fellowships to focus on planning and management of technical/vocational education and training, standards, testing, program design and evaluation, instructional materials and instructor training.

(b) ITC: Resource Center subject to approval by Bank and subject to being first victim of downward adjustment of program and costs.

(c) MOE: Program of fellowships for degree training (post graduate level) in the content area, management of practical subject areas, curriculum design, instructional materials, testing, training of teachers in the respective fields and planning for these areas. Any thesis should be on the Bahamas.

October 7, 1994

Hon. Cornelius A. Smith  
Minister of Education  
P. O. Box N 3913/14  
Nassau, The Bahamas

Hon. Maurice E. Moore  
Minister of Labour, Human Resources  
and Training  
P. O. Box N 3002  
Nassau, The Bahamas

Subject: Second Technical/Vocational Training Project  
(Ln 3004-BM)

Dear Mr. Ministers:

I wish to thank the staff of the Ministry of Education and Culture (MOEC) and the Ministry of Labour, Human Resources and Training (MOLHRAT) for the cooperation and hospitality extended to the recent supervision mission composed of Mrs. Maria Victoria Lister and Mr. Ralph Romain. I am confirming Bank management agreement with the recommendations made in the Aide-Memoire attached to this letter.

I am pleased to note that considerable progress in some areas had been made since the last supervision mission. However, areas of concern are the delays arising from Government review of sector priorities, the relatively slow pace of execution in regard to the Family Islands, the definition of the best use of the funds remaining in the Loan Account to reinforce project objectives, the replacement of the project manager, and the minor (but by no means negligible) shortcomings regarding civil works and equipment.

Taking into consideration that the closing date of the project is June 30, 1995, and that reimbursements for commitments entered into before that date can take place until October 31, 1995, it is important to proceed expeditiously with the plan of action discussed during the mission, and stated in the Aide-Memoire. As you see, Annex 1 to the Aide-Memoire summarizes your proposals for fellowships and study tours, but does not include activities for the Family Islands, for which the Government has yet to take decisions. Cost estimates indicated in Annex 1 should be used only as parameters for your final submittal, which should contain clear details and costs for each proposed activity.

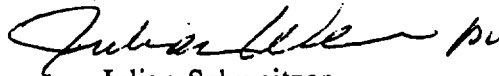
In respect to the Family Islands, a program of action for these schools should include: (i) civil works to be undertaken; (ii) the disposition of all the equipment already procured; and (iii) the list of the equipment that is yet to be procured. The Government's plan of activity for the last year of the project should be received by the Bank by early November 1994 for review and comments. In addition, the Government should proceed with the establishment of Advisory Committees for the Family Islands.

It is imperative that the MOEC writes immediately to the Ministry of Finance requesting the necessary additional budget allocation for project implementation.

We would like to draw your attention to the fact that the contract with the current Project Director expires at the end of this calendar year, and the Bank has not to date received indications from the Government, pursuant to its obligations under the Loan Agreement, on its arrangements for continuing project management after December 31, 1994. Your proposals should reach the Bank not later than November 1994 to enable the comments of the Bank to be considered in time to avoid a break in tenure of this key position.

Lastly, the Ministries should actively follow up the remediation of deficiencies noted in regard to civil works and equipment at the project institutions. If necessary, a person or persons should be assigned on a full-time basis to assist the Project unit in these matters.

Sincerely,



Julian Schweitzer

Division Chief

Human Resources Operations Division

Country Department III

Latin America and the Caribbean Region

cc: Mr. L Darville  
Project Manager, MOEC

**PARAMETERS TO BE CONSIDERED IN MAKING PROPOSALS FOR USE  
OF AVAILABLE BALANCE IN THE LOAN ACCOUNT**  
(Estimated at \$2.5 Millions)

PROJECT ITEM	CIVIL WORKS	FURNITURE EQUIPMENT SUPPLIES	EXPERT SERVICES	FELLOWSHIP LONG-TERM (1 YEAR)	FELLOWSHIP SHORT-TERM (STUDY TOURS)	TOTAL COST
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Govt. Financing	1,000,000	-	-	-	-	1,000,000
Loan Financing	1,000,000	650,000	30,000	670,000	157,000	2,507,000

- Note: (a) MOLHRAT: Program of fellowships to focus on planning and management of technical/vocational education and training, standards, testing, program design and evaluation, instructional materials and instructor training.
- (b) ITC: Resource Center subject to approval by Bank and subject to being first victim of downward adjustment of program and costs.
- (c) MOE: Program of fellowships for degree training (post graduate level) in the content area, management of practical subject areas, curriculum design, instructional materials, testing, training of teachers in the respective fields and planning for these areas. Any thesis should be on the Bahamas.

The World Bank/IFC/MIGA  
O F F I C E M E M O R A N D U M

DATE: February 27, 1996 07:12pm

TO: MARIA VICTORIA LISTER

( MARIA VICTORIA LISTER@A1@WBHQB

FROM: Carmen Brinckhaus, LOAEL

( CARMEN BRINCKHAUS@A1@WBWASH )

EXT.: 84124

SUBJECT: BAHAMAS IBRD 3004 - Back to Office Report

According to Terms of Reference dated January 29, 1996, I visited Nassau, Bahamas on February 11 and the morning of February 12, 1996 to determine the current status of the subject special account.

A meeting was held at the Ministry of Education and Training attended by Ms. Anita Bernard, Permanent Secretary, Ministry of Education and Training, Mr. L. B. Darville, Project coordinator until June 1995, Mr. Carleton Blair, Project Director for IDB and acting Project Director for IBRD's project and Mr. Benjamin Rahming, Advisor to the Financial Secretary, Ministry of Finance and Planning. We revisited the purpose of the mission and was immediately informed that a visit to the Central Bank would not accomplish its purpose because the "owner" of the account is the Treasury and as such the only authorized party to access it. I was further informed that all documents pertaining to the project would be found at the Ministry of Finance and Planning.

The afternoon and following morning was spent at the office of Mr. Rahming in the Ministry of Finance and Planning. Together with Mr. Darville, we went through the project's files to identify eligible expenditures paid with special account funds. Mr. Rahming insisted with his counterparts at Treasury for prompt submission of the special account latest bank statement which was sent on Tuesday morning. Upon receipt of the bank statement, it was determined that as of February 12, 1996, the unutilized balance in the S/A was \$244,273.35. It was agreed that such amount should be promptly refunded to the Bank. Supporting documents of eligible expenditures paid from the S/A in the amount of \$187,029.34 were identified. Thus leaving a balance of \$68,697.31 of expenditures paid for with special account funds for which the documentation was not easily identified or there was no documentation on files. I informed Mr. Rahming that in the event that no documentation is found for this difference, the Borrower would be responsible for refunding \$68,697.31.

Summarizing

initial deposit to the S/A	\$500,000.00
less current balance in the account	244,273.35

less eligible expenditures identified, appl. to be submitted	187,029.34
balance not identified	<u>\$ 68,697.31</u>

In an effort to assist the Borrower in clearing this issue, we are reviewing our records, helping reconcile the special account by identifying individual entries from the special account bank statement against each application for replenishment.

Before departing Mr. Rahming showed me: a letter dated February 13, 1996 awaiting Ms. Ruth Miller, Financial Secretary's signature addressed to Mr. Schweitzer informing him that the unutilized balance was being refunded and an internal memorandum for Ms. Miller's signature requesting Treasury to instruct the Central Bank of Bahamas to refund \$244,273.35 to our account at Federal Reserve Bank. Specific instructions for the refund were provided. As of date no refund has been received.

Draft facsimile, following up the mission, for Mr. Schweitzer's signature is attached.

CC: JULIAN SCHWEITZER	( JULIAN SCHWEITZER@A1@WBHQB )
CC: Nancy Hwang	( NANCY HWANG@A1@WBWASH )
CC: Joseph Formoso	( JOSEPH FORMOSO@A1@WBWASH )
CC: Cecilia Balchun	( CECILIA BALCHUN@A1@WBWASH )
CC: LEONARD GOOD	( LEONARD GOOD@A1@EDSEL )

The World Bank/IFC/MIGA  
O F F I C E M E M O R A N D U M

DATE:

TO: Telex & Facsimile System ( WDIAL@TELEX )

FROM: Carmen Brinckhaus, LOAEL ( CARMEN BRINCKHAUS@A1@WBWASH )

EXT.: 84124

SUBJECT: BAHAMAS IBRD 3004 - SPECIAL ACCOUNT

OINFO

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-SUBJECT : BAHAMAS IBRD 3004 - SPECIAL ACCOUNT

-DRAFTED BY: CARMEN BRINCKHAUS

EXT: 84124

-AUTHORIZED BY: JOSEPH FORMOSO  
-----

FAX

-FAX # 90118093271618

-#RETURN 202 522 1649

-MR. BENJAMIN RAHMING, ADVISOR TO THE FINANCIAL SECRETARY

-MINISTRY OF FINANCE AND PLANNING

-NASSAU, BAHAMAS

FAX

-FAX # 90118093226327

-#RETURN 202 522 1649

-MRS. ANITA BERNARD, PERMANENT SECRETARY

-MINISTRY OF EDUCATION

-NASSAU, BAHAMAS

BT

WASHINGTON, D.C. 27-Feb-1996

REF. IBRD 3004 BM, UNUTILIZED SPECIAL ACCOUNT

UPON HER RETURN, MS. BRINCKHAUS HAS INFORMED US THAT THE SPECIAL ACCOUNT HELD AT THE CENTRAL BANK HAS AN UNUTILIZED BALANCE OF USD244,273.35. IT WAS INDICATED TO MS. CARMEN BRINCKHAUS, THAT THE REFUND WOULD BE EXECUTED IMMEDIATELY. OUR ACCOUNTING DEPARTMENT HAS CONFIRMED THAT AS OF DATE, NO REFUND HAS BEEN RECEIVED. SHE FURTHER INDICATED THAT A TOTAL OF USD187,029.34 IN DOCUMENTATION OF ELIGIBLE EXPENDITURES PAID FOR WITH SPECIAL ACCOUNT FUNDS WAS IDENTIFIED AND A REPLENISHMENT APPLICATION SHOULD BE FORTHCOMING.

NOW THAT A TOTAL OF USD431,302.69 HAS BEEN IDENTIFIED, WE URGE YOU TO INSTRUCT THE CENTRAL BANK TO REFUND THE USD244,273.35 WITHOUT FURTHER DELAY. SHOULD YOU NEED ASSISTANCE IN PREPARING THE APPLICATION FOR THE USD187,029.34, PLEASE CONTACT MR. FORMOSO, DISBURSEMENT OFFICER FOR BAHAMAS AT 202 473-3882, FACSIMILE 202 522 1649.

FURTHER WE HOPE THAT SINCE HER MISSION, THE DIFFERENCE OF USD68,697.31 BETWEEN THE INITIAL DEPOSIT (USD500,000.00) AND THE

IDENTIFIED AMOUNTS ABOVE (USD431,302.69) HAVE BEING IDENTIFIED BY ELIGIBLE SUPPORTING DOCUMENTATION. IF SUCH DOCUMENTATION HAS BEEN IDENTIFIED, PLEASE SUBMIT AN APPLICATION FOR REPLENISHMENT SOONEST. IF THAT IS NOT THE CASE, WE ASK THAT YOU REFUND THE AMOUNT TO THE WORLD BANK AS SOON AS POSSIBLE.

BECAUSE OF THE IMPORTANCE IN RESOLVING THIS LONG OUTSTANDING ISSUE, WE ARE SENDING COPY OF THIS COMMUNICATION TO THE HON. WILLIAN C. ALLEN, MINISTER OF FINANCE AND PLANNING, THE HON. DAME IVY L. DUMONT, MINISTER OF EDUCATION, MS. RUTH MILLER, FINANCIAL SECRETARY, MINISTRY OF FINANCE AND PLANNING AND MR. LEONARD GOOD, EXECUTIVE DIRECTOR FOR THE BAHAMAS, WORLD BANK.

SINCERELY, JULIAN SCHWEITZER, DIVISION CHIEF, HUMAN RESOURCES DIVISION, LATIN AMERICA AND THE CARIBBEAN.

**B. Borrower Contribution to the ICR:**



MINISTRY OF EDUCATION AND TRAINING

P. O. Box N3913/14 Nassau Bahamas

---

Mr. Julian Schweitzer  
 Division Chief  
 Human Resources Division  
 Room I - 5131  
 The World Bank  
 1818 H Street N.W.  
 Washington, DC 20433  
 USA

---

**Your reference**

**Our reference** EDU/CF/134

**Date** 26 February, 1996

Dear Mr. Schweitzer,

**SECOND TECHNICAL AND VOCATIONAL TRAINING PROJECT  
 (LOAN NO. 3004 - BM)**

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Further to my letter of even reference dated 19 February, 1996 on the captioned subject, I submit herewith the Borrower's comments on the draft Project Completion Report (ICR).

It should be noted that since the Borrower has been making inputs by way of review of the Bank's drafts (Evaluation Summary, most of Part I and all of Part II) submitted by Ms. Ines Girsback to Mr. L. B. Darville, Project Director, prior to his retirement as of June 30, 1995, the draft ICR is therefore considered in part a collaborative effort of the Bank and the Borrower.

The delay in response to this matter is regrettable.

Yours sincerely,

Anita Bernard  
**PERMANENT SECRETARY**

AB/sg

cc: Minister of Education and Training  
 Financial Secretary, Ministry of Finance and Planning

**COMMENTS OF THE GOVERNMENT OF THE BAHAMAS  
ON THE DRAFT IMPLEMENTATION COMPLETION REPORT (ICR)  
SECOND TECHNICAL AND VOCATIONAL TRAINING PROJECT  
(LOAN NO. 3004 - BM)**

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In paragraph 3 of the PREFACE it is inferred that Ms. Ines Girsback prepared the ICR. In fact it was in the main a collaborative effort as the Borrower had made substantial inputs in the initial stages of preparation by way of reviews of drafts (Evaluation Summary, most of Part I and all of Part II) submitted by Ms. Girsback to the Project Director (Mr. L. B. Darville) prior to his retirement on June 30, 1995.

**C. Implementation Record and Major Factors Affecting Project**

6. **Civil Works:** The inference that the architectural designs for the community skills training centers in the Family Islands was carried out by the Ministry of Public Works is incorrect. The designs were done by a private firm (Bruce LaFleur and Associates) contracted for the purpose with the approval of the Bank.

The \$16.0 million allocated by the Government to rehabilitate the public schools throughout the country included renovations to the 50 existing training centers in the Family Islands and the remodeling of a building at C. R. Walker Secondary School in New Providence as a training center to accommodate instructional equipment supplied under the project. Additionally, during FYs 1993/95 the Government built three primary schools with capacities for 700 (Grand Bahama), 350 (New Providence) and 100 (Long Island) students each, an extension to a primary school (New Providence) for 350 students, increasing its capacity to 700, a primary school in New Providence for 300 students, and two secondary schools in Grand Bahama for 1,000 students each. The approximate cost of these infrastructural developments was B\$17 (\$7 million - a gift from the Grand Bahama Port Authority towards the construction of the two secondary schools and \$10 million - Government). Consequently, funds were in short supply, therefore, access to training as well as quality improvement has been less than anticipated in the Family Islands.

7. **Equipment:** Equipment was procured at an estimated cost of \$160,000.00 for eight new CSTCs in the Family Islands and stored pending progress in construction. Also, equipment procured at an estimated cost of \$20,000.00 for a workshop constructed outside the project at the Crooked Island Secondary School was also stored as a commercial supply of electricity is not yet available on the island. Most of the equipment has been distributed and installed in the workshops in the two new secondary schools completed and commissioned in Grand Bahama in September 1995. The remainder is being distributed and installed in existing workshops in secondary schools in New Providence that did not benefit from assistance under the Bank's First and Second Technical and Vocational Projects (Loans Nos. 1962 - BM and 3004 - BM).

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8. **Fellowships:** The inference that the issue of a salary adjustment for instructors upon completion of their local training was presented to the Government and the Public Service Commission is not correct. In fact, discussions were at the level of MOHLRAT and were abandoned when that ministry was abolished.

To strengthen the Labour Market Information Unit, a one-year full in-service award (1994/95) toward a first degree in statistics was given to Ms. Cyprianna Winters at a cost of US \$13,102.59 at the University of South Carolina.

9. **Training:** The enrollment and output growth at some of the institutions has far exceeded appraisal expectations especially at ITC (Nassau) and Bahamahost as shown in Table I below.

**Table I: Enrollment and Output of Institutions**

<b>Institution</b>	<b>Academic Year</b>	<b>Enrollment</b>	<b>Output (Bahamians)</b>	<b>Appraisal (1988)</b>
I) ITC(Nassau)	1992/93	1,148	940	600 annually
	1993/94	1,800	1,534	
	1994/95	1,226	836	
ii) ITC(Freeport)	1992/93	271	212	300 annually
	1993/94	273	168	
	1994/95	351	318	
iii) Bahamahost	1993/94	1,500 approx	1,450 approx	700 - 1200 annually
	1994/95	1,500 approx	1,450 approx	
iv) BHTC(Nassau)	1992/93	97	95	300 annually including UWI-CHTM
	1993/94	138	128	
	1994/95	284	147	
v) UWI-CHTM	1992/93	7	7	
	1993/94	10	10	
	1994/95	8	8	
vi) COB	January 1991/95	18	10	

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10. **Institutional Development:** While no progress has been made for NACITET to provide and expend funds on training contracts with employers, ITC (Nassau) has been engaged in training contracts with the Bahamas Electricity Corporation which also donated training equipment to the value of \$73,000.00 to the Center, Morton Salt Bahamas, Sandypport Development and the Royal Bahamas Defence Force.

11. **Project Management and Implementation:** During the summer of 1992, the accountant was replaced by less qualified persons and this resulted in somewhat shoddy record keeping especially since September 1994. An independent architectural firm, approved by the Bank, was contracted to design BTTC, workshops at ITC (Freeport), and skills training workshops in the Family Islands, and supervise construction. Because of the government's massive program of rehabilitation of public schools throughout the country, the Civil Works Coordinator was transferred back to the Ministry of Public Works to assist in this exercise and was therefore not able any longer to supervise the project, but, nonetheless, continued supervision of the construction of BTTC in collaboration with the independent architectural firm.

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**Notes on Table I:**

1. ITCs figures include both full-time and part-time students pursuing 9-month and 3-month programs.
2. Bahamahost figures are approximates representing a cross section of the population and the program is a 42 to 49-hour training program. Additionally, approximately 250 students in secondary schools were trained during 1993/95, and during the same period 1,600 grade 7 - 10 students were involved in the Tourism Education Awareness Module, a 10-hour program that familiarizes students with the demands of the hospitality industry.
3. BHTC (Nassau) figures include students in 3-month, 1st, 2nd, and 3rd year programs, both full-time and part-time. The enrollment and output at BHTC (Freeport) were:

Academic Year	Enrollment	Output
1992/93	154	118
1993/94	133	109
1994/95	169	158

These figures include both full-time and part-time students in the 1st, 2nd and 3rd year programs.

4. UWI-CHTM programmes comprise the second and final years (Level II) of the three-year bachelor's degree - B.Sc. in Hotel Management and B.Sc. in Tourism Management.
5. COB's program is a two-year Associate Degree program in Tourism (Associate of Applied Science Degree).

On the whole project implementation proceeded satisfactorily until the change of government in August 1992 when the project was put on hold while the government was considering new policy directions. As a consequence a National Task Force on Education was appointed to examine and evaluate the education system and to make recommendations. The impact on the project was that the Master Plan for Post Secondary Education, prepared under the project and submitted to government, was overtaken by the deliberations of the Task Force which revealed an appalling state of disrepair and under-provision of schools in the country especially in the Family Islands. This resulted in an emergency program of works for which an allocation of B\$16 was made in the summer of 1993, including the counterpart budget allocation of B\$1.804 million for the project for FY 1993/94. No provision was made in the 1994/95 budget for the project because of financial constraints, consequently the project component in the Family Islands was cancelled.

12. **Project Costs:** The total project was US\$14.2 million (IBRD: US\$7.3 million and Government: B\$6.9 million). These figures are based on records available.

#### F. **Borrower Performance**

It should be noted that semi-annual reports were punctually prepared and submitted up to February 28, 1994. Subsequent reports up to June 30, 1995 were not considered necessary as the project, particularly the Family Islands component, was put on hold and subsequently cancelled. The Bank was fully aware of the circumstances and status of the project through correspondence from the Borrower prior to the mission in September 1994 and thereafter.









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