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STAFF APPRAISAL REPORT

SAINT LUCIA

BASIC EDUCATION REFORM PROJECT

DECEMBER 22, 1994

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

CURRENCY EQUIVALENTS

Currency Unit = Eastern Caribbean Dollars (EC)
EC 1.00 = US$0.37
US$ 1.00 = EC 2.7

FISCAL YEAR

April 1 - March 30

ACADEMIC YEAR

September - June

PRINCIPAL ABBREVIATIONS AND ACRONYMS USED

CAMDU	Curriculum and Materials Development Unit
CDB	Caribbean Development Bank
CEE	Common Entrance Examination
CEO	Chief Education Officer
CO	Curriculum Officer
CXC	Caribbean Examinations Council
DEO	District Education Officer
DMU	Data Management Unit
DTEAA	Division of Teachers Education and Administration, SALCC
EC	Eastern Caribbean Dollars
EO	Education Officer
EPDO	Education Planning and Development Office
EPU	Education Planning Unit
ETX	Educational Testing and Examinations Unit
GCE	General Certificate of Education
MOE	Ministry of Education, Culture and Labor
OECS	Organization of Eastern Caribbean States
OERS	OECS Education Reform Strategy
PIM	Project Implementation Manual
PMU	Project Management Unit
SALCC	Sir Arthur Lewis Community College
UWI	University of the West Indies

SAINT LUCIA
BASIC EDUCATION PROJECT

Table of Contents

This report is based on sector discussions over the 1993-94 period, culminating in a project identification mission in May 1994, and subsequent project preparatory work carried out with a Policy and Human Resource Development (PHRD) Fund grant from the Government of Japan, complemented by preparation missions in June/July 1994 and appraisal mission in September/October 1994 comprised of Ms. Karen Lashman (Principal Operations Officer and Mission Leader) and Mr. Ralph Romain (Principal Education Specialist, ESP). Mr. Esteban Garcia de Motiloa (Consultant) assisted in organizing project preparatory work, Mr. Marco Mantovanelli (Consultant) assisted in project costing, Mr. Badrul Haque (Consultant) assisted in analyzing project sustainability, and Ms. Ines Girsback (Consultant) in organizing preparatory work, project costing, and compiling sector data. Ms. M. Christine Theodore provided support in document preparation. Ms. Marlaine Lockheed (ESP) and Mr. Richard Cambridge (SA2DR) served as peer reviewers. The Department Director, Project Advisor and Sector Division Chief were Messrs. Yoshiaki Abe, Robert Crown and Julian Schweitzer, respectively.

SAINT LUCIA

BASIC EDUCATION REFORM PROJECT

LOAN AND CREDIT AND PROJECT SUMMARY

Borrower:	Saint Lucia
Implementing Agency:	Ministry of Education, Culture and Labor
Beneficiary:	Ministry of Education, Culture and Labor
Poverty:	Not applicable
Amount:	Loan of US$ 3.364 million equivalent Credit of SDR 2.3 million (US$ 3.364 million equivalent)
Terms:	Loan repayment in 15 years, including a grace period of 5 years, with level payment schedule, and interest at the Bank's standard variable rate; and Credit repayment in 35 years, including a grace period of 10 years, at standard IDA terms.
Commitment Fee:	For loan, 0.75% on undisbursed loan balances, beginning 60 days after signing; for credit, 0.50% on undisbursed credit balances, beginning 60 days after signing.
Financing Plan:	See para. 6.8.
Net Present Value:	Not Applicable
Staff Appraisal Report:	13646-SLU
Map:	IBRD 26505

BASIC DATA SHEET

A.	**General Country Data**		**Year**	**Source**
	1. Population Estimate (thousand)	156	1994	b
	2. Population Projection (thousand)	162	2000	a
	3. GNP per Capita (US$)	3,040	1993	b
	4. GNP per Capita -- Real Growth Rate (%)	2.7	1993	b
	5. Urban Population (as % of Total)	45	1990-95	c
B.	**Social Indicators**			
	1. Crude birth rate (per 1,000)	26.4	1992	c
	2. Crude death rate (per 1,000)	6.6	1992	c
	3. Average Annual Rate of Population Growth (%)	1.6	1990-95	b
	4. Total Fertility Rate (births per woman)	3.0	1992	b
	5. Infant Mortality Rate (per 1,000 live births)	17	1991	f
	6. Life Expectancy at Birth (years)	72	1992	c
	7. Female Labor Force (% of total)	n/a		
C.	**Education Data**			
	1. Net Enrollment Rates (% of age group enrolled)			
	Primary	98	1993	d
	Secondary	54	1993	g
	Higher	n/a		
	2. Efficiency Data			
	Student/Teacher Ratio			
	Primary	27:1	1993	d
	Secondary	17:1	1993	d
	Dropout Rates (% per year)			
	Primary	0	1992	d
	Secondary	2	1992	d
	Repetition Rates			
	Primary	1	1992	d
	Secondary	7	1992	d
	Illiteracy Rates			
	Female	n/a		
	Total	n/a		
	3. Expenditure Data			
	Total Public Education Spending as a % of GNP	7	1994	e
	Total Public Recurrent Education Spending as a % of Central Govt budget	24	1994	e
	Shares of Public Recurrent Education Expenditures			
	Primary	50	1994	e
	Secondary	27	1994	e
	Higher	13	1994	e
	Other	10	1994	e

Sources: a Census, 1991 and Government estimate
b The World Bank Atlas
c Social Indicators of Development, 1994
d Statistical Digest 1992-93/Ministry of Education Culture and Labor
e Budget Estimates of St. Lucia 1993/94
f Vital Statistics Report, St. Lucia 1991
g Ministry of Education, Culture and Labor

SAINT LUCIA

BASIC EDUCATION REFORM PROJECT

1. BACKGROUND

1.1 Saint Lucia is the most populous of the member countries of the Organization of Eastern Caribbean States (OECS), with a current population of 156,000. In the 1980s, real annual growth of gross domestic product (GDP) averaged about 7 percent. Sound economic management, with fiscal savings amounting to about 10 percent of GDP annually between 1988 and 1993, coupled with expansion of export markets for traditional products, and success in the highly competitive tourism industry, contributed to this strong performance. Amid a rapidly changing external environment, however, GDP growth slowed to 4 percent over the 1990-93 period. Social indicators reflect relatively high standards of living, and limited poverty. Environmental awareness is high.

1.2 Despite sound economic management, its continued dependence on tourism and bananas, coupled with vulnerability to natural hazards, renders the economy highly susceptible to external events. This was most recently evidenced by the September 1994 tropical storm "Debbie," which resulted in an estimated banana income loss equivalent to 7 percent of GDP. Increased competition in banana exports from Latin American producers under the new European Union banana regime and the implementation of NAFTA, combined with reduced concessional aid flows, are likely to impact adversely on economic prospects. The country faces a difficult period of economic transition.

1.3 The recently prepared Medium Term Economic Strategy Paper and the National Environmental Action Plan underscored the need for St. Lucia to reposition itself in the international economy. To this end, St. Lucia recognizes that it must accelerate diversification while rapidly increasing the efficiency of banana production. The success of its desired economic transition will depend in important part on human resource development, thus ensuring a labor force well poised for an increasingly competitive international economy. To secure the requisite modern labor force, standards of education and learning must be raised significantly. This will necessitate a major reform of its education sector, with special attention to enhancing the effectiveness and efficiency of the system, and the equity of access to educational opportunities.

2. SECTORAL CONTEXT

A. Current Educational Situation

2.1 Strong political commitment to education in St. Lucia has been accompanied by sustained, relatively high levels of public investment in school construction and allocation of the highest proportion of public recurrent budget to education of any OECS country (averaging 22 percent over the past five years). The education system is widely recognized as among the most advanced and innovative in the Eastern Caribbean. The expansion in coverage has been rapid. At the primary level, the present network includes 84 schools, geographically dispersed across the nation's distinct regions, albeit heavily concentrated in the Castries area. In 1993/94 a total of 31,487 children were enrolled in the primary system, representing a gross enrollment rate of 128 percent and net enrollment rate of 98 percent. Thus, the country has achieved almost universal access to primary education.

2.2 Though primary school coverage has increased, the actual number of children enrolled in primary schools has been falling steadily in recent years (amid a slowdown in population growth to a current average annual rate of 1.6 percent) from a peak enrollment of 32,809 in the 1987/88 academic year (Annex 1, Figure 1). Primary enrollments decreased by 501 children between the 1992/93 and 1993/94 academic years alone. At present population growth rates, the primary school age population is projected to decline further until around the Year 2000, and then remain more or less constant.

2.3 The attainment of almost universal coverage at the primary level, however, masks continuing serious inequities in access to learning opportunities, as reflected in several indicators. First, many primary schools are seriously overcrowded, particularly in the urbanized northeastern part of the island, thereby hampering delivery of good quality education. Enrollment pressures, particularly in Castries, have forced about 6 percent of primary students to be accommodated in schools with double shift systems. There is also pressure on the system to maintain open classrooms in dilapidated buildings, posing serious safety and health threats to children and teachers. Widespread overcrowding also precludes many children from entering school at the age of five. At present, about 600 students over the age of 5 cannot gain entry to primary schools in Castries. Such delayed entry increases the risk of repetition and dropout.

2.4 Notably, this overcrowding does not represent a nationwide supply constraint. In fact, a recently completed school mapping exercise underscores that with the exception of the Gros Islet District, an adequate number of primary school places exists throughout the country, assuming that all facilities were well utilized. Key factors contributing to this overcrowding are: (i) parental preference for Castries schools, especially among the middle class and civil servants; and (ii) the serious shortage of secondary school places, as discussed below.

2.5 Strong pressure has long been exerted on the Government to expand school infrastructure in Castries because a large proportion of the labor force is employed there. Enrolling children in close proximity to work places enables parents to provide a free after-school refuge for their children in their offices, as is common practice. The resultant heavy concentration of capital investment for primary schools in the Castries area has tended to discriminate against those children whose parents reside and work outside Castries. Many of these children are from relatively poorer families.

2.6 Serious access problems exist at the secondary level of the education system, with transition rates from primary to secondary education among the lowest in the OECS. Notably, of every 1,000 children entering primary school, only about 500 continue their education in bona fide secondary schools. (Annex 1, Chart 1) In 1993/94, even with the nation's 14 public secondary schools (including 12 government-run and two government-assisted) filled beyond the capacity for which they were designed, only 9,721

students were accommodated, representing 54 percent of the 12-17 age cohort.[1] The two private secondary schools provided only an additional 670 places for secondary education that year.

2.7 The exceptionally low transition rates from primary to secondary reflect serious constraints in the supply of secondary places, not in the demand for them. In fact, any augment in places, as happened in recent years largely through expansion of existing secondary schools and conversion of several junior secondary schools into five-year schools, has been immediately filled (Annex 1, Figure 2). Thus, net enrollments rose from 33 percent of youth 12-17 years of age in 1991, to its present level of 54 percent. The 90 percent completion rate for those who enter secondary schools reflects the high value attached to such education by those students who gain entry and their families. (Annex 1, Chart 2)

2.8 Notwithstanding progress made to date in expanding access to secondary education, the overall shortfall in places remains significant. With a current cohort of secondary school age (i.e., 12-17 years) of some 18,000 youth, the total number of secondary places would have to be almost doubled to attain the Government's objective of universal access to secondary education. Thus, even with the planned addition of 1,675 secondary places under this proposed project, and other school construction planned in the medium-term Public Sector Investment Program, universal coverage would not be attainable until well into the first decade of the next century unless significant additional resources can be mobilized and/or efficiency measures instituted to release resources for further expansion of places.

2.9 Amid present shortages, secondary school places are severely rationed via the Common Entrance Examination (CEE), commonly known as the 11+ exam, given at the end of Grade/Standard 7. Since only one in two children gain entry to secondary education, the stakes on this exam are exceptionally high, as perceived by students, parents and teachers alike (Annex 1, Table 1). Succeeding in the CEE, thus, tends to become the driving force of primary education, particularly at the upper grade levels, thereby substantially distorting teaching practices away from mastery of the curricula and toward the areas to be tested on the exam itself.

2.10 Moreover, with such substantial shortfalls in secondary school spaces, each year significant numbers of children who actually attain the benchmark passing score on the CEE cannot gain access to secondary schools. In 1993, for example, some 375 students who received passing grades were not placed and had to remain in primary schools.

2.11 Given shortages of secondary places, and a compulsory education cycle spanning ages 5 through 15, large numbers of children each year have had no educational alternative available to them except to complete the compulsory cycle in all-age or senior primary schools, thereby leading to overcrowding at the primary level with over-age youth. In the 1993/94 academic year, the all-age and senior primary schools enrolled, respectively, 3,272 and 1,316 youth between 12 and 15 years of age. Notably, for the vast majority of these students, this schooling reflects the terminal point in their formal education.

2.12 The system permits that some of those not admitted to secondary at the time of the CEE ultimately gain entry to secondary schools via achieving the requisite scores on a Middle School Exam administered at the end of the third year of senior primary school. In actuality, "second chances" are extremely limited. Not only is eligibility to take the Common Middle School Exam (CMSE) open only to those students attending the three senior primary schools, but generally poor performance on the CMSE, coupled with the serious shortages of secondary school places, preclude entry for most. In 1993, for example, only slightly more than one-third (36 percent) of those attempting the CMSE, or 153 students, achieved secondary school placement. Further, 43 students who attained the pass mark of 100 could not be assigned due to shortage of space (Annex 1, Table 2). Additionally, successful candidates must enter at Form 3 level, in effect repeating one year of schooling, thus graduating from Form 5 one

[1] Preliminary data for 1994/95 indicate that secondary enrollments have increased to 10,229 students or some 57 percent of this cohort.

year later than if they had entered through the CEE. Moreover, the shortages of qualified teachers to serve these schools, coupled with the noted lower standards applied in the curricula itself, suggest limited value-added to the education of youth over their three or so post-primary years of schooling, thus also exacerbating problems of their absorption into the labor force upon leaving school.

2.13 The regressive effects of prevailing school location policies favoring Castries, which seriously circumscribe the number of secondary school places in many other areas, are illustrated by the relatively high average school transport costs incurred by parents residing in the southeastern portion of the island. For example, even with a limited (and declining) Government-provided transport subsidy for secondary students, the average household outlay to contract a bus driver to provide roundtrip transportation for students from Micoud District to Castries is around EC$1,200 (or US$444 equivalent) per academic term--a significant financial burden for poorer families who typically have more than one child in school. Further, while the Government transport subsidy has been reduced significantly in recent years, it still represents a large burden on the education system budget, amounting in 1993 alone to US$750,000 equivalent, or approximately three-quarters of the construction cost of a new secondary school. This underscores the desirability not only of extending the secondary school system to currently un- or under-served areas of the country, but also of adopting a means test, as is used in other public social assistance programs, to determine a student's eligibility for any public allowance for transport or other school-related assistance.

B. The Organizational Structure and Institutional Framework

2.14 **Organizational Structure**. As in other countries in the subregion, the education system of Saint Lucia is organized into four principal levels--pre-school, primary, secondary and tertiary education. Pre-school education is voluntary; an estimated 80 percent of children attend at least some period of pre-school programs, all of which are privately financed and delivered. As delineated in Annex 2, Chart 1, students commence their compulsory education cycle at around 5 years of age at the primary level which is organized into two phases: an "infant" program comprising three "stages", which many children complete in two years, followed by a four-year "primary" education, encompassing four grades or "standards."

2.15 Those students who obtain the best scores on the Common Entrance Examination taken at the end of Grade 7 are assigned to secondary schools where they pursue a five-year course of study, organized into Forms 1-5. Upon completion of Form 5, those students who perform well enough in the Caribbean Examinations Council (CXC) or General Certification Examination (GCE) have the option of moving into tertiary education; the remainder move into the labor market. Given compulsory education through age 15, students who are not assigned to secondary schools subsequent to the CEE pursue a three-year "senior primary" course, provided in all-age and senior primary schools.

2.16 Those students placed in this alternative, (upper primary school) stream follow one of two routes. At the end of the senior primary course, those who pass the Common Middle School Examination are given a "second chance" by being placed in Form 3 of the secondary school, to the extent that places are available. For the majority of students, however, senior primary schooling reflects the terminal point in their formal education. Presently, some 1,500 youth around 15 years of age exit senior primary schools annually. Since national labor laws prohibit employment of youth until 16 years of age, the ensuing hiatus between the end of their formal education and possibility of labor force entry places numbers of youth at social risk. As a result, the Government is considering raising the compulsory age for schooling to 16 years.

2.17 The country has one tertiary education institution--the Sir Arthur Lewis Community College (SALCC). Within SALCC, courses are distributed across five units--the Departments of Nursing Education and Midwifery and of Continuing Education, and the Divisions of Arts, Sciences and General

Studies, of Technical Education and Management Studies, and of Teachers Education and Education Administration (DTEAA). Those students wishing to pursue more advanced studies attend overseas institutes, colleges and universities. Until recently, Form 6, which prepares students for entry into university level courses, was offered only at the SALCC. Given SALCC's location in Castries, access was difficult for many students from the southern portion of the island. The MOE has introduced Form 6 at the Vieux Fort Comprehensive Secondary, effective the 1994/95 academic year, to open places for students in the South. Assuming sufficient demand will exist to ultimately fill the new class, this holds potential for cost savings over time both to families (who are spared the transport costs) and to the system, given unit cost differentials between secondary schools and SALCC (see para. 3.41).

2.18 **The Institutional Framework** Primary responsibility for educational policy and programs is vested in the Ministry of Education, Culture and Labor (MOE). Beyond its role in formulating education policy and standards, it designs and oversees operation of the school system, consistent with its mandate under the National Education Act. It also is charged with ensuring that delivery of the nation's education program is consistent with the Five Year Sector Plan.

2.19 Organizationally, the Ministry comprises eight discrete sections: Education, Communications, Administration, UNESCO National Commission, Culture, Library Services, and Labor. (Annex 3, Chart 1) The Administration Section is responsible for all financing and budgeting activities of the sector, and the Ministry's Examinations and Statistics Unit. The Education Section, under the management of the Chief Education Officer (CEO), is assisted by a team of professional and support staff, including a Deputy Education Officer, Education Officers for Infant, Primary, Secondary, Planning, Adult Education and Curriculum, and six District Education Officers (DEOs) responsible for overseeing primary school operations at their respective district level. The DEOs collaborate closely with the Curriculum Officers (CO) from the Ministry's Curriculum and Materials Development Unit (CAMDU), the unit responsible for developing, testing and disseminating education materials to the school system.

2.20 The overall administration is highly centralized in terms of personnel, resources and decision making, with limited discretionary authority assigned to the district or school level. In addition, several key posts remain vacant for extended periods of time in the already understaffed Head Office. At the school level, principals are appointed with authority that is defined in the Education Act. The principals assign teachers as "year" heads (each coordinating a primary school grade level) and department heads (each responsible for a subject area at the secondary school).

2.21 Education data collection, processing and reporting and feedback to the system are inadequate quantitatively and qualitatively either to inform management in a timely, reliable fashion, or to form a basis for policy making in the sector. Limited staffing in the Examinations and Statistics Unit, coupled with the lack of a well defined data collection and reporting system, and of computerized equipment, preclude the timely processing of key education statistics. Moreover, financial and personnel records are maintained manually, hampering effective monitoring and analysis of expenditures and staffing.

2.22 Presently, six education districts are operative, to each of which one DEO is assigned (although one has had a long-term vacancy). The distribution of schools and teachers is highly uneven among these districts, with Districts 1 and 4 encompassing one half the total number of teachers and 45 percent of all primary schools (Annex 1, Table 3). Since DEOs have the primary responsibility for day-to-day oversight of school operations, the size of the District as well as the capacity of the DEO has a direct impact on the performance of this key role. In fact, most of the DEOs have had limited, if any, training in educational administration. Given that the Government's decentralization plan ultimately expects all publicly provided services to be organized into common administrative groupings, paralleling the country's eight districts, it is anticipated that, over the next few years, two new education districts will be created.

2.23 The church plays a significant role in education. It is formally represented by the Denominational Boards and its authority to approve appointments of principals to church-affiliated schools is recognized in the Education Act No. 18 of 1977. The majority (64) of the primary schools, and two of the secondary schools are managed by a denomination, largely the Catholic Church, albeit that their operating costs are met by the Government.

3. SECTOR ISSUES AND GOVERNMENT STRATEGY

A. Issues

1. Quality and Effectiveness of Teaching and Learning

3.1 **Student Achievement.** The thrust of educational testing to date has been on terminal exams oriented toward measurement of aptitude and used as screening tools to select those students who will be provided the opportunity to advance to the next level of education. Hence, no reliable indicators exist to measure the quality of primary education within the primary cycle, either in individual schools or across schools. Promotion is automatic, with no systematic test of achievement at the end of each grade and, hence, no marker of an individual student's mastery of subject matter until the end of the cycle.

3.2 Student scores on the Common Entrance Examination (CEE), given at the end of Grade 7, suggest low overall achievement levels. Of the 4,867 children who sat the CEE in 1993, only 2,400 or 49 percent received the passing grade of 100 or higher; of these 2,025 were assigned to secondary schools (Annex 1, Table 1). CEE scores also indicate wide disparities in student achievement and hence, most likely, in teaching and learning quality across schools and districts. For example, in 1993, secondary school admission was gained by 81 percent of students sitting the CEE from one of the traditional primary schools in Castries, with a mean CEE score at this school of 120. In contrast, only 6 percent of children attending one of the Castries rural schools secured the cutoff score of 100 or higher and gained secondary school admission (with a mean score in the latter school of 90).

3.3 Recent CEE results further suggest quality problems across the primary education level, with only a slight improvement over 1988 scores (Annex 1, Table 4). In the CEE administered at the end of academic year 1992/93, the mean scores in select areas within the core subjects were extremely low; in mathematics problem solving, the mean score was only 12.0 out of a maximum possible raw score of 50, and in the English summary and essay, 19 out of a maximum of 50. Moreover, large numbers consistently fail select portions of that exam. Notably, girls outperform boys in all subjects on the CEE, with 56 percent of girl candidates scoring at least 100 in the 1992/93 academic year, compared to 43 percent of boys (Annex 1, Table 5). The gender gap is marked in the language area.

3.4 As at the primary level, inadequate information exists to adequately assess the quality of secondary education. Students with the highest scores on the CEE are assigned to available secondary places. The relatively high secondary school completion rates belie the significant obstacles to learning that most encounter, ranging from a large proportion of untrained teachers and inadequate equipment and supplies in key subject areas, such as the sciences, to poor physical plant conditions.

3.5 Moreover, student and parental preference for secondary schools which generally achieve the highest average CXC scores, in effect streams children between schools according to their CEE scores. In the 1992/93 academic year, CEE scores of incoming secondary students ranged from 121.785-135.866 at the long established schools in Castries, to 100.50-115.202 at one of the newer secondary schools. Students, parents and teachers expectations often low for those assigned to what are perceived as the more

marginal schools with large proportions of children at the lower end of the CEE distribution. This tends to perpetuate often large differentials in student academic performance between schools, as reflected in subsequent variations in scores in the CXC examination, taken at the end of the five-year secondary cycle.

3.6 Like the CEE, the CXC, is an imperfect measure of student achievement or the overall quality of education. Nevertheless, the overall results of the CXC indicate some slight improvement in scores in recent years but still unacceptably low levels of student mastery of curricula throughout the system. In 1992, for example, while almost all students enrolled in Form 5 sat the CXC exam, only slightly more than one in ten (13 percent) of the 464 students who attempted four or more subjects at the general level obtained passes at Grade II or better in four or more CXC or General Certificate of Education (GCE) subjects--the criterion used for gaining admission not only to higher education but also to many jobs in the Region. One in twenty of those attempting four or more subjects at the general level in 1992 failed to pass any subject. Between 1992 and 1994, the number of students attempting at least four subjects at the general/technical level as a proportion of the total number sitting the CXC increased from 35 percent to 96 percent; however, only 15 percent received a Grade II or better pass in four or more subject areas of those who attempted four or more (Annex 1, Table 6).

3.7 Significant inter-school differentials exist in student achievement and, thus, possibly in education quality. In the 1993/94 academic year, almost half (46 percent) of the students who received 5+ passes in the CXC/GCE subjects came from two traditional schools in Castries. This contrasts sharply with many newer secondary schools, in one of which half of the students sitting the CXC exam, i.e. 47 of 93, received no passes.

3.8 **Factors Contributing to Low Achievement.** To date, no systematic analysis has been undertaken of the causes of low student performance in many schools. Existing information, however, suggests several key contributing factors. These include: (a) quantitative and qualitative problems with regard to major education system inputs, particularly the teaching cadre, educational equipment and supplies, and facilities; (b) inadequate supervision of instructional delivery by Curriculum Officers (COs), District Education Officers (DEOs), and principals; (c) poor articulation of curricula and educational standards within and between grades; (d) distortion of the primary curriculum by the pressure of competition for secondary school places; and (e) weak institutional capacity to plan, manage or monitor performance of a system that will respond to the needs of students of wide ability ranges.

3.9 **Teacher Qualifications**. Project preparatory studies have highlighted a state of crisis with regard to the quality of teachers and teaching throughout basic education. High proportions of unqualified teachers are engaged in the system. The situation is particularly critical at the primary level, adversely affecting teaching and learning in the core subjects: English, mathematics, social studies and sciences.

3.10 Despite major progress over the last decade in expanding the intake and output of the teacher training college, the Division of Teacher Education and Administration (DTEAA) of SALCC, only 62 percent of primary school teachers have been trained (i.e., completed a teachers college program). Moreover, performance of the bulk of trained teachers, in terms of their mastery of content and method, is barely distinguishable from that of untrained teachers. Many such primary teachers became "qualified" via a mass, short-term upgrading program in 1988 which has proven to have serious qualitative shortcomings.

3.11 In St. Lucia, as elsewhere in the OECS, most candidates for primary teacher training are drawn from the teaching service, that is from among those already employed by the MOE. The traditionally generally low academic qualifications for entry into the system limit the number of candidates who can easily master the curriculum of the DTEAA. The average trainee barely attains the passing grade in the final examination of the teacher training program; thus, the comparatively high unit cost of teacher training has limited payoff, in fact perpetuating a vicious cycle of low achievement among students,

because in part, they are being taught by many teachers who, even when trained, have limited attainment themselves.

3.12 Teacher training problems are compounded by several factors. Among the most critical is the continued heavy emphasis of the training program on content or mastery of subjects, with inadequate attention to teaching methods, coupled with limited in-service training programs for these teachers upon their return to the education system. Moreover, in-service training to date has been provided largely by the MOE, with little input from, and hence feedback to, the teachers college which many have attended. The absence of any teachers college outreach program hampers its considerable potential to contribute to in-service training. Closer interaction and coordination between the teachers college and the school system is essential to improve the teacher training program.

3.13 In pursuit of increased professionalization of the teaching corps, over recent years the Government has raised the entry requirements for admission to the teachers college. All new teacher candidates must have CXC passes in both English and mathematics. While this is a step in the right direction, even more rigorous teacher training college entry and graduation requirements must be adopted if desired teacher upgrading objectives are to be met. Additionally, since the teachers entering training are drawn from teachers already working in the system, complementary steps will need to be taken to raise the entry level for recruitment into the teaching profession, and establish some form of Teacher Training Committee to give the MOE greater influence (as employer) over the training program.

3.14 At the secondary level, where expansion of enrollments has been rapid and for which no in-country teacher training program exists, just 40 percent teachers are university graduates. The paucity in the number of St. Lucian university graduates is striking, and is acute in select academic areas such as science and mathematics (Annex 1, Figure 3). The lack of an adequate pool of trained national secondary teachers has resulted in a high dependence on foreign contracted teachers, especially in the sciences. Moreover, given the traditionally small number of secondary places, many teachers have limited experience, with 43 percent in the service for five years or less (Annex 1, Figure 4).

3.15 Throughout the system, teacher performance is also adversely affected by poor working conditions. The lack of basic educational materials and equipment to complement and support classroom teaching and learning, and of minimum physical plant requirements, including electricity, water and sanitation facilities, constitutes an obstacle to efficient performance. In some schools, especially the most disadvantaged ones in terms of resources, teacher absenteeism and attrition rates are marked, the latter particularly problematic among many younger, better qualified teachers who have employment alternatives.

3.16 Unlike married teachers and other female civil service employees, traditionally pregnant unmarried teachers were liable to dismissal, albeit that if trained, at the MOE's option, they could be reemployed, after giving birth, on a month-to-month basis. However, after the second such pregnancy the trained teacher was dismissed. Since some 80 percent of primary school teachers and 60 percent of secondary teachers are female, this policy represented a significant waste of basic and in-service training investments made in them, as well as was inequitable by comparison with Government policy in other sectors. The Government recently rescinded this policy.

3.17 **Performance Evaluation.** Educational research has shown that the quality of education is highly correlated with the intensity of supervision and monitoring and feedback in the system. In recognition of this, St. Lucia has been the first OECS government to initiate several measures to strengthen performance monitoring, particularly at the primary level. These include launching of an "Effective Schools Project" initially targeted at problem primary schools as identified by CEE results and now expanded nationwide. It also has instituted of a School Performance Assessment system. Under the latter effort, some 10 schools per year are reviewed by a panel of personnel, and their performance assessed against a comprehensive set of indicators, encompassing not only results in terms of student achievement,

but also administrative and organizational factors. These initiatives notwithstanding, no regular, system-wide school performance review is undertaken; and although a form for conducting performance evaluations of teachers and principals has been introduced, it has neither been refined nor universally applied. The lack of systematic performance evaluations hampers attainment of desired quality improvements.

3.18 **Curricula.** Curriculum development and educational materials preparation and production is the responsibility of the Curriculum and Materials Development Unit (CAMDU) of the MOE. The Unit is seriously understaffed to fulfill its functions, and has limited technical expertise in production and publishing of educational materials. At present, 17 Curriculum Officers oversee the select areas of the primary school curriculum with which they are charged. In addition to preparation of course materials at the various grade levels, COs are expected to spend much of their time traveling to school sites to observe classroom teaching and, complementing the work of the DEOs, providing technical support to principals and teachers, as appropriate. Because of the limited number of COs relative to the size of the education system, many schools experience long periods between such technical support visits. Moreover, many of the COs have had limited formal training in the subject area for which they are responsible, having advanced to CO from the general teaching cadre.

3.19 With regard to the actual curricula, at the primary level, analysis over the project preparatory phase indicates that syllabi and teaching tend to focus predominantly on teaching of basic facts; limited attention is given to developing critical thinking skills or fostering student research and investigation, even in such core subjects as science. Recent intensive review and revision of the primary school's language arts program by CAMDU has culminated in the development of a updated curriculum and new supporting texts, the publication of which is soon anticipated. Similar curriculum upgrading is needed in other core subjects. Project preparatory work further suggests the desirability of reviewing the language arts policy, with special attention to exploring the potential in the early primary school years of building a better bridge between English, the official language of instruction, and "creole," the first language of many households, especially outside Castries.

3.20 Curricula at both the primary and secondary levels have become overloaded. In an attempt to respond to demands for more diversified courses, particularly in the technical and vocational areas, subjects have been added in an *ad hoc* manner, without adequate attention to their cost implications or the integrity of the whole curriculum. As a result, primary schools are insufficiently focused on the basic, core subjects and secondary schools often offer many uneconomical course options to students, with average class sizes of less than 10 not uncommon in such subject areas.

3.21 **Educational Materials.** At both the primary and secondary levels, current processes of development or selection, publication, manufacturing, and distribution of educational materials, including textbooks, contribute to their relatively high price and limit access to the poorest groups. Of major note in this context is traditional contracting of publication of CAMDU-developed materials to foreign publishing houses, which then must be re-imported to Saint Lucia, at comparatively high prices relative to similar material sold elsewhere, with the bulk of the profit or royalties going to the publisher. Project preparatory work suggests prices of textbooks and materials may be up to 20 percent higher than would be the case with more cost-effective approaches, including potential joint public/local private sector partnerships and international competitive bidding for publication and production of CAMDU materials. At the same time, the MOE's present direct involvement in the stocking and sale to students of CAMDU material may not be the most efficient approach vis-a-vis alternatives, such as transfer of this function to private booksellers. Such preliminary reports suggest the need for an intensive review and modification of present operating procedures.

3.22 A few of the CAMDU materials used in the schools have been manufactured (printed) in St. Lucia. Some of the smaller runs of materials for teachers and pilot testing of new materials are printed by CAMDU. With printing runs of 5,000 books representing an economical threshold, according to

analysis undertaken during the project preparatory phase, scope exists to increase local (particularly private sector) participation in the provision of textbooks and other educational materials at the primary level. To support a more vigorous program of testing and in-service teacher training and production of supplementary materials, the capacity of CAMDU in desktop publishing would need to be upgraded. At the secondary level, where the driving force of curricula is the CXC syllabi, adopted throughout the Caribbean, and enrollment levels and hence the quantities of educational materials demanded are considerably below that of primary schools, continued reliance on importing basic textbooks and supportive materials is the most cost-effective option.

3.23 To fulfill its significant potential to improve curricula, and availability of supportive educational materials, particularly at the primary level, and thus contribute to desired improvements in the quality of education, CAMDU requires: (i) upgrading, as well as a modest expansion of its technical staff, with special attention to building institutional capacity in educational materials preparation and production, including editing and publishing, the latter of which will assist the Ministry to become more market-wise in its contracting processes; (ii) furniture, equipment and supplies to permit it to expand desk top publishing, as appropriate, as well as advance the publishing readiness of material it produces, thereby reducing costs of external publication and manufacturing; (iii) improved methods of selection of secondary textbooks from the broad choices available on the international market which are responsive to the CXC syllabi.

3.24 **Instructional Materials and Equipment.** Shortages exist of equipment and supplies to support teaching, with the situation most problematic at the primary level (i.e., lack of reading materials in classrooms or libraries to promote reading, enrich vocabulary, enhance reading and writing skills; of mathematics and science equipment; of maps, globes, etc. to complement social studies). Further, the majority of schools lack basic equipment, e.g., reprographic equipment, to assist in providing supplementary teaching material, or resource materials for teachers to draw upon to upgrade their skills. Notably, many teachers at the primary and secondary level are not even provided with the required textbooks for the given course of study for which they are responsible. Thus, like the students, they must purchase copies from their own personal funds.

3.25 **State of Physical Plant.** The current state of much of the physical plant is not conducive to adequate teaching or learning. Many primary schools were constructed in the 1970s when, with substantial assistance from the Canadian Government, the country embarked on a major education expansion program. The two decades that have since passed, with minimal maintenance or repair of facilities, have taken their toll. A survey undertaken in 1990, and presently being updated, documents widespread deterioration, with half of all schools in need of repair or renovation with regard to plumbing, roofing, ceilings, electrical wiring, corrosion of metal frames and columns (exacerbated by constant sea blast), drainage, lighting and fencing. Many lack working lavatories.

3.26 School maintenance jobs are contracted out to private firms, under the oversight of the MOE's maintenance unit, which includes a Chief Maintenance Officer and two regional maintenance officers, one for the Southern and one for the Northern education districts, and one Building Officer. In actuality, the limited budgetary allocation to maintenance, coupled with limitations on the monthly travel allowance permitted for these maintenance officers, severely circumscribe preventive as well as repair-oriented maintenance of plant. The system operates with no independent audit and no competitive bidding and hence no guarantee that best prices are being obtained. The strain on resources is exacerbated by widespread school vandalism. Efforts to adopt more innovative approaches to maintenance, including provision of kits to select schools via financing from the CDB Basic Needs Trust Fund, have had very limited success. While no research has been undertaken on this area, it is likely that the "open" enrollment policy, in which many children do not attend schools within their own community, makes more difficult the various attempts to create a sense of local ownership and hence collective responsibility for protecting school property, or to mobilize community participation in maintenance.

3.27 Beyond pervasive disrepair, much school plant has inadequate space to support high quality teaching or to permit adoption of innovative approaches, such as team or group teaching. For example, staff rooms are cramped, serving far more teachers than their original design envisaged; many classrooms must share one large room, separated only by movable blackboards, resulting in high levels of noise and distraction for students and teachers. In several urban schools, excess enrollments have necessitated conversion of resource rooms such as libraries and staff rooms into classrooms.

2. Efficiency of the Educational System

3.28 Current teacher to student ratios are 1:27 at the primary level and 1:17 at the secondary level. At the primary level, the ratio exceeds the reasonable Government prescribed standard of 1:35 (Annex 4). At the secondary level, in schools without a sixth Form, a ratio of 1:25 would be more appropriate. Extensive research has shown effecting adjustments of this magnitude in the teacher to student ratio does not adversely affect either the quality of education provided or the levels of learning and achievement.

3.29 The relatively high existing ratios reflect the absence of close monitoring of costs and efficiency, and lack of detailed planning and programming of school enrollments and the recruitment and deployment of teachers. A key underlying factor is the significant diversification of the curriculum in recent years, particularly at the secondary level. The implications of the proposed reductions in teacher to student ratios are significant. At the primary level, there will be a continuing decline in enrollments over the next few years, reflecting demographic change. Consequently the demand for teachers will decline. Special measures will, therefore, need to be carefully programmed to cope with these demographic changes and, hence, reduced demand for primary school places. At the very least, there will be a need to reduce sharply the recruitment of new teachers over a period of about five years, to transfer some primary teachers to the secondary level, and to adopt revised strategies for teacher training, focusing on attaining a 100 percent trained service and improving educational standards.

3.30 On the other hand, the implications of not effecting these changes to the ratios are serious. In their absence, either qualitative improvements such as those to be supported under the Basic Education Reform Project will not be able to be financed, or the Government will have to raise the education sector share of the national budget to around 27 percent, which is highly unlikely given current and projected fiscal constraints associated with the banana crisis.

3.31 Limited vigilance with respect to growth in the teacher to student ratios has exacted a heavy financial as well as qualitative toll on the education system. The high proportion of the recurrent education budget which presently is expended to meet salary and other personnel emolument requirements (representing 95 percent of recurrent allocations to primary schools in 1993/94) seriously constrains resource availability for other key educational inputs, particularly improved management, educational equipment and supplies, and the maintenance of school plant and equipment (Annex 5, Table 2).

3. Equity of Access to Educational Opportunities

3.32 Significant gender inequalities in access to education exist in Saint Lucia, as elsewhere in the OECS. Of increasing social concern are the significant gender differentials in student achievement, commencing at the primary level, with girls outperforming boys on the CEE and subsequently at the CXC. As earlier noted, at the primary level not only does virtually universal access exist. However, given that the CEE raw scores are used to select students for secondary places, girls are securing the predominant share of such places (as well as ultimately a rapidly increasing share of tertiary education). Neither the underlying causes nor the long term consequences of this phenomenon are known, but the potential negative ramifications for economic and social development already are raising alarms of a country of "men at risk."

3.33 Further, the poor face special geographic constraints to access to good quality education. The heavy urban, particularly Castries, concentration of secondary schools limits their availability to many poor, rural families. At the same time, the weak CEE performance of many students attending schools outside Castries restricts their access to secondary education, increasingly important for labor force entry.

3.34 Significant economic constraints to secondary education also exist. While public education is provided free, with no tuition fee, other annual education-related expenditures which must be borne by the household can be considerable. These include: uniforms; school bus transport, which as earlier noted can average over US$400 equivalent per student per academic year; textbooks and other educational materials which outlays have been estimated to range from around US$100 per student at the primary level to US$370 equivalent at the secondary level; and various levies imposed by individual school's administration. With regard to textbooks, the high average costs are attributable largely to two factors: (a) the large number of textbooks required per subject, with overlap in material estimated to be on the order of 80 percent; and (b) inefficiencies in procedures used for procuring textbooks and other educational materials, which results in prices exceeding international market prices.

B. Government Sectoral Policy and Financing

3.35 **Education Policy.** National education policy is formally articulated in the 1992/93-1996/97 Provisional Education Plan. Consistent with the OECS Education Reform Strategy, that Plan assigns highest priority over the five-year period to improving access to and the quality of basic, compulsory education, encompassing the primary (Grades 1-7) through lower secondary (Form 1-3) levels, through the following measures: (a) phasing out the remaining all-age primary schools; (b) upgrading the three existing senior primary schools to full-scale secondary schools; (c) rehabilitating or replacing primary school buildings, as appropriate, and constructing new secondary schools in un- and under-served areas; and (d) standardizing the curricula across the island. The proposed structure of the education system once this reform process is completed and is presented in Annex 2, Chart 2.

3.36 As an integral part of this reform process, the MOE has embarked on a pilot project to identify the factors contributing to more "effective schools," and to attempt to replicate these factors, particularly in poorer performing schools, as identified by the School Performance Assessment. Efforts are underway to complement the terminal exams by introducing, on a pilot basis, minimum standards testing of students at key, interim points in the education cycle to better measure the performance both of individual students and, aggregating such results, of schools.

3.37 The strong commitment of the Government to education was reaffirmed in the 1994 budget speech by the Prime Minister in which the linkage between accelerated human resource and economic development was noted. Recent policy pronouncements by the Minister of Education further underscore the Government's desire to move rapidly toward achievement of universal access to secondary education. Notwithstanding the political commitment to sector reform, in addition to effecting changes in the education system per se, it will be necessary to undertake institutional and policy reforms to attain desired improvements in the effectiveness and efficiency of the system, and enhance equity of access to educational opportunities and, ultimately, learning outcome.

3.38 **Sector Financing.** Policy commitments have been backed by relatively high resource allocations to the sector since at least the late 1980s. Average annual outlays in education over the past five years have exceeded 20 percent of total recurrent expenditures, and in 1993/94 amounted to 24 percent of such outlays (Annex 5, Table 1). This proportion exceeds average allocations to education by other OECS Governments, which represent about 17 percent of recurrent budgets. The share of the public budget allocated to education is not likely to increase significantly over the near term. Thus, the Government recognizes the need to assign high priority to improving the efficiency of use of education sector resources.

3.39 Traditionally, the distribution of recurrent education expenditures by level of education was similar to that of other Caribbean countries, with approximately 60 percent allocated to primary, 30 percent to secondary and 10 percent to tertiary education. However, since at least 1990/91 there have been modest fluctuations in the allocations to tertiary education rising to about 13 percent of the recurrent budget (Annex 5, Table 1). One must be cautious in interpreting these data, however, since this increase reflects in part the expansion of Form 6, as well as increases in enrollment in such associate degree programs as technical and vocational and teacher training. Notwithstanding these caveats, close monitoring is needed to preclude any major shift in intra-sectoral allocations away from primary and secondary education, given the serious problems confronting these levels.

3.40 In the public financing of primary and secondary schools, the mix of salary and non-salary allocations is grossly inefficient. Salaries consume 95 percent of total recurrent allocations to primary schools and 91 percent of the allocations to secondary schools (Annex 5, Table 2). At the two most efficiently performing secondary schools, salary allocations represent only 83 percent of total cost. The negligible allocation available to most schools for supplies, materials, equipment maintenance and general operations, severely circumscribes the effectiveness of the teachers, especially at the primary level.

3.41 Significant variations exist in the per student recurrent expenditure by level of education. Unit costs in 1992/93 ranged from US$323 equivalent at the primary level, and US$540 equivalent at the secondary level, to US$3099 equivalent at the tertiary level, or almost 10 times that of primary education, and almost six times that of secondary education (Annex 5, Table 3). Moreover, were the expenditures on Form 6 to be reallocated from the SALCC to the secondary school where Form 6 is now being re-introduced, the recurrent per student outlays of secondary and tertiary would be even higher.

3.42 Capital investment on education represented about 7 percent of the Government's capital budget in 1993/94, consistent with the OECS regional average of 7 percent, but reflecting a decrease in the sectoral share of the past few years (Annex 5, Table 1). The focus of past investment programs has been rehabilitation of primary schools and construction of new secondary schools. According to the 1994-96 Public Sector Investment Program, the education sector will receive a significant 14 percent share of total investment funds (Annex 5, Table 4). Notwithstanding the large capital outlays, major needs remain to expand and upgrade school infrastructure.

4. SECTORAL ASSISTANCE STRATEGY

A. The Bank's Role and Strategy

4.1 The Country Assistance Strategy for St. Lucia, under preparation as part of a Bank regional OECS assistance strategy, seeks to support the Government program of economic transition, with special attention to: (i) acceleration of private sector-led economic diversification into tourism and export services, with IDF grants mobilized to evaluate the potential for informatics and other export services; (ii) restructuring of the public sector to ensure sustained adequate levels of public savings, while promoting greater regional collaboration; (iii) human resource development and poverty alleviation; and (iv) natural resource management. To these ends, the Bank is pursuing a three-pronged approach in Saint Lucia, as elsewhere in the sub-region. First, through ESW, it is providing intellectual leadership, in collaboration with the IMF and CDB, to strengthen the institutional capacity of the country to identify priority policies and programs and effectively implement them. Second, the Bank is strengthening CDB capacity in human resource development and environmental management, so that in full partnership with the Bank, it increasingly can undertake ESW and lending in these key development areas, including the

channeling of increased Bank resources to these sectors through CDB. Third, the Bank is proactive in donor coordination, including mobilizing the scarce external financing available to OECS countries, the main forum for which coordination will continue to be the Caribbean Group for Cooperation in Economic Development (CGCED).

4.2 The proposed project supports fully the CAS, targeting the priority area of human resource development, catalyzing an education sector adjustment process to improve efficiency of public resource use, providing a model for education sector reform to promote greater regional collaboration, and working closely from project preparation through planned implementation and supervision with the CDB, which is co-financier. Via the economic and sector work (ESW) carried out over the preparatory phase, the Bank has sought to strengthen St. Lucia's institutional capacity to identify and implement priority development policies and programs. To this end, with financial support from a grant from the Government of Japan, throughout the comprehensive analytical phase of project preparation, multidisciplinary teams comprising international consultants and consulting firms, local consultants and local counterparts, assessed in depth key issues within the education sector, and collaboratively identified cost-effective approaches to address them.

4.3 Notably, the project represents the first, pilot phase in a longer term program of assistance to the OECS countries to meet their human resource development needs. By initiating an education reform process in one of the most advanced, innovative education systems in the region, a number of cost-effective approaches to education sector problems common throughout the OECS can be launched, with a view toward their replication, as appropriate, in a subsequent project to encompass the other four active Bank member countries in the OECS--Dominica, Grenada, St. Vincent and the Grenadines, and St. Kitts and Nevis.

4.4 To further promote increased regional collaboration, project preparatory work has drawn heavily on Caribbean technical expertise. The use of a common core of consultants across the OECS countries has promoted exchange of ideas between countries. Moreover, such project preparation has been carried out in close consultation with the OECS Secretariat, building on its extensive work to formulate and promote rapid implementation of an OECS Education Reform Strategy (OERS), to which the OECS Governments are committed. The project emphasis on sector planning and institutional development, qualitative improvement of basic education, and expansion of access to secondary education reflects the priority actions identified in the OERS. Moreover, to the extent that this project is intended to serve as a pilot for education system reform in the OECS, it provides a potential model for other OECS countries to follow, thus helping to accelerate OERS implementation. Further, by strengthening the institutional capacity of a key member country in the education sector, the project is expected to both complement ongoing efforts of the OECS Secretariat to establish an Education Reform Unit, with support from the Canadian International Development Agency (CIDA), and to contribute to the Reform Unit, by enabling St. Lucia to participate more fully in the OECS regional efforts.

4.5 The OERS envisages activities at both the national and regional level. While unexpected delays have occurred in establishment of the regional machinery, at their meeting in Montserrat in November 1993, the OECS Governments agreed that the national governments should proceed with their own urgently needed education investment programs, consistent with the Reform objectives. This project is in keeping with that decision. The proposed investments also are consistent with priority sector development needs identified in the Bank report, "Access, Quality and Efficiency in Caribbean Education: A Regional Study," prepared at the request of member governments in the Caribbean, discussed widely in the region, and formally presented at the June 1992 meeting of the Caribbean Group for Cooperation in Economic Development (CGCED), and the request emanating from that CGCED meeting for direct Bank technical and financial support to accelerate human resource development in this region.

4.6 In order to achieve the desired transition of its economy, Saint Lucia is fully committed to accelerate human resource development, consistent with the Provisional Education Plan. Key to a

successful transition will be reform of its education system to ensure that youth are well prepared to fully participate in its rapidly evolving labor market. Such reform inherently will be a long term process. Although quantitative, qualitative and policy challenges exist at all levels of the education system, the logical starting point for this effort is at the compulsory, basic education level (Grades 1-9) where the most serious problems of quality and equity of access to educational opportunities exist. This project, thus, represents the first step in what is expected to be longer term IBRD, IDA and CDB support of the economic transition process in St. Lucia.

B. Bank Sector Experience and Lessons Learned

4.7 The Bank has had limited sector experience in St. Lucia and other OECS countries. Its only sector involvement was in support of the OECS Regional Vocational and Technical Education Project, Credit 1785-CRG, in the amount of SDR 4.8 million (US$ 6.5 million equivalent) with a total project cost of US$ 13.5 million equivalent, co-financed by the Organization of Petroleum Exporting Countries (OPEC) and the CDB, the latter of which also served as project executing agency. The Credit was approved by the Board in 1987, became effective in 1987, and the Credit was closed on June 30, 1994. While national coordinators were appointed by each of the five participating OECS Governments, the locus of project implementation work was at CDB in Barbados. Consequently, the OECS Governments, including St. Lucia, did not gain experience with Bank-financed project execution, procurement, disbursement, and other procedures.

4.8 An Implementation Completion Report (ICR) is in the process of being prepared for the Regional Vocational and Technical Education Project. Review to date indicates that the overall performance of the project was mixed. Notable achievements include a substantial increase in technical and vocational education capacity in the participating countries, particularly in St. Lucia which accounted for the largest single investment--construction of an extensive Technical and Vocational Education block at the SALCC. Project investments also led to extensive overseas training of technical and vocational teachers for the respective education systems. The pre-vocational curricula developed under project auspices, though developed only for the first year of study and introduced too late during the project implementation to be fully evaluated, holds promise of providing, with possible adjustments, a solid orientation to technical fields to be pursued later through higher education. Notwithstanding actual and potential contributions, the project also experienced significant problems. Many of the civil works experienced substantial delays in start-up and completion of construction, leading to price increases and creating the need for long-term storage of equipment and furniture delivered according to the original implementation schedule; and pervasive lack of maintenance of new and rehabilitated facilities led, in the latter cases in particular, to facilities being virtually indistinguishable within two years of completion of such civil works from those without any "renovation." Problems also arose with regard to the quality and quantity of procured instructional equipment, and as a result of insufficient attention to its commissioning and utilization. Many of the problems relating to safety and security of equipment and civil works ultimately were successfully addressed via an Action Plan collaboratively developed and implemented by the Bank and CDB. Shortfalls in execution of other major project activities nevertheless hampered the full achievement of project objectives. For example, the project laid the groundwork for labor market information systems to provide needed linkages and feedback between tech/voc. training and the labor market; and three countries produced labor bulletins. However, the lack of direct project financing for this, as well as other "soft," institutional development-oriented areas, coupled with shortages of staff at the country-level, hampered actual establishment of the planned systems, and the conduct of annual labor surveys on which they depend. Weak consultant reports, and insufficient Government commitment or incentives, led to abandonment of envisaged cost recovery and savings measures intended to ensure program sustainability. Attempts were made to establish the envisaged Regional Training Board to coordinate tech/voc programs across the OECS, building on experience gained by the project in establishing, with difficulty, several National Boards; and a few regional meetings were held. However, insufficient commitment to such a Board, and insufficient project resources to build the requisite policy constituency, ultimately undermined such efforts.

4.9 **Lessons Learned.** Review of this OECS project, as well as of education projects in Jamaica (Second and Third Education Projects, respectively Loan 727-JM and Loan 2070-JM), Barbados (First Education and Training Project, Loan 1642-BAR), and Haiti (Third Education Project, Credit 1305-HA) reveals that it is essential to: (a) link project objectives to the broader sector and macro policy objectives to enhance overall commitment to, and hence success in execution of, the project; (b) carefully evaluate local procurement and project implementation capacities to ensure that adequate and timely institutional support is available for the smooth operation of the project; (c) ensure on an annual basis that Government budgets provide the requisite project financing so that the planned pace and breadth of project activities can be sustained, and the project completed according to schedule; (d) involve all major stakeholders in an education reform process (i.e., the Ministry staff, principals, teachers and teachers unions, and parents and community groups) from the early stages of project design; and (e) relatedly, ensure that the policy environment within which the project will operate is supportive of project objectives and enables conduct of the needed systemic and institutional reforms.

4.10 These lessons are taken into account in the proposed project design. The project objectives are drawn from the St. Lucia Provisional Education Plan, recommendations of the OECS Education Reform Strategy paper, endorsed by all OECS member governments, and the Bank's report "Access, Quality and Efficiency in Caribbean Education: A Regional Study." Extensive preparatory work has been undertaken with a Japanese Grant to evaluate institutional capacities, and identify sector development constraints, in order to ensure adoption of the most cost-effective approaches to achieving desired education system improvements. This preparatory phase included wide consultation with all major entities in the sector, including the Teachers' Union, the teacher training college, private sector employers, etc. The appointment of the Permanent Secretary of Education as the coordinator of project preparation, and establishment of a team of persons to work with him from key departments of the MOE, working in close collaboration with the Ministry of Planning, provided a valuable vehicle for dialogue on investment and policy and institutional reform requirements. As civil works represent 56 percent of total project cost, much attention was given in the project preparatory phase to development of prototype designs which take into account local building standards and experiences, and environmental (including climatic) and other factors. Emphasis also was placed on preparation of preliminary drawings for all facilities to be financed under the project by a respected international architectural firm to preclude the significant civil works problems encountered under the earlier Vocational and Technical Education Project in which excessive reliance was placed on the local Ministries of Public Works, which proved to have limited institutional capacity to guide this process. The selection and methods for procurement of educational equipment and furniture have been carefully assessed to ensure that detailed technical specifications are developed with participation of end users, high quality-low cost sources are identified and tapped, and comprehensive plans exist for operationalizing and pilot testing new equipment, and training teachers in their appropriate use. All these measures should considerably reduce the risk of repeating the serious problems in these areas encountered in the earlier OECS education project.

5. THE PROJECT

A. Project Objectives and Concept

5.1 The proposed Basic Education Reform Project responds to a request from the Government of Saint Lucia to assist it in initiating a reform of its education system. The decision to focus the project on the basic, compulsory education cycle, and agreement on the scope of a possible project were reached over the course of extensive dialogue over the 1993-94 period between Government officials and Bank and CDB staff. The actual project content was defined and the components prepared over the June-

September 1994 period by the Government, with the technical assistance of a multi-disciplinary team of international consultants and one consulting firm and local consultants, financed by Policy and Human Resource Development funds from the Government of Japan.

5.2 The project has the overall objective of accelerating human resource development to ensure that the requisite manpower exists to attain the desired economic transition in Saint Lucia. It supports the first stage of a major reform of basic education, aimed at increasing the efficiency and effectiveness of the education system, and at enhancing equity of access to educational opportunities. To these ends, a dual strategy will be pursued. The first part seeks to strengthen the planning and institutional capacity of the MOE to guide and carry out the long-term development of the sector, while enabling it to initiate significant, urgent measures to address system-wide qualitative problems and expansion needs at the secondary level. As a second, integral part of the strategy, the project catalyzes a major adjustment process, focused on revision to more reasonable levels of primary and secondary teacher to student ratios, in line with ratios of countries at similar levels of economic and social development. Such adjustment is critical to ensure that already relatively high levels of resource allocations to public education better respond to current and projected needs, including increased financing for system management and educational equipment and supplies, and school facilities and equipment maintenance--all of which areas presently are significantly underfinanced. The planned adjustment also is crucial to ensure that sufficient resources are available to support initiatives being launched under the Basic Education Reform Project and, hence, that these reforms are sustainable. An impact analysis of this adjustment process, to which the Government is committed, is provided in Annex 4.

B. Detailed Project Description

5.3 The project comprises three major components. A *Sector Planning and Institutional Strengthening Component* would reorganize, upgrade staff, and create better linkages between key MOE operating units; reinforce sector planning and analysis capacity, and formulate a long-term sector development plan; initiate development of an integrated education data system comprising student, school, financial and personnel information to facilitate improved sector analysis, administration and management, and policy making; establish a permanent project development and management capacity within the MOE; and finance special studies critical to guide future policy and program development. A *Qualitative Improvement of Basic Education Component* would enhance the quality of teaching and learning, through: upgrading basic teacher training and revising and intensifying in-service training for all teachers (with special attention to science, mathematics and language arts) and, concurrently, ensuring their more appropriate utilization and job satisfaction through improved personnel supervision, management and career development; formulating and adopting improved curricula (especially in core subjects); establishing an educational testing and measurement capacity to monitor student and system performance; and identifying and instituting more cost-effective methods of selection, production, procurement and distribution of educational materials. An *Expansion of Access to Schools Component* would increase secondary places in the most underserved districts, and replace and increase places at the secondary school destroyed by the recent tropical storm, all of which investments also will significantly reduce overcrowding and improve educational opportunities at the primary level; and would provide funding for urgently needed rehabilitation of selected primary schools.

Sector Planning and Institutional Strengthening Component
(US$0.9 million equivalent, or 8 percent of total base costs)

5.4 At the outset of project implementation, the MOE would conduct an audit of its organization, procedures and functions with a view to rationalizing the use of existing resources (human and financial) and improving its overall efficiency in guiding the education system. As an urgent, interim measure to facilitate improved education planning and directly support project implementation, by Loan and Credit Effectiveness, the MOE would reorganize its educational planning and development functions into an

Education Planning and Development Office (EPDO). The new Office will comprise three units--an education planning unit (EPU), a project management unit (PMU) and a data management unit (DMU). The DMU would be formed by the partition of the existing Examinations and Statistics Unit into: (i) a Educational Testing and Examinations (ETX) Unit; and (ii) the DMU. The proposed new organizational structure of the MOE is provided in Annex 3, Chart 2. As a condition of Loan and Credit Effectiveness, the Government will have indicated in an agreed Education Strategy Letter to the Bank and Association that an organizational restructuring of the MOE had been carried out to establish an Educational Planning and Development Office (EPDO) with three constituent units--a Project Management Unit (PMU), a Data Management Unit, and an Education Planning Unit (EPU)--and that the respective new posts had been created within EPDO, and the funding for such posts had been included in the 1995/96 "St. Lucia's Annual Estimates of Expenditure" request.

5.5 Over the course of project implementation, the Government has agreed that it will maintain these three Units of the EPDO with functions and responsibilities satisfactory to the Association and the Bank, and that these Units will at all times be staffed with professionals with qualifications satisfactory to the Association and the Bank, and be provided with adequate space to carry out their respective responsibilities. It has been further agreed that during project implementation, select existing units of the MOE will be strengthened via incorporation of additional staff, as delineated in Annex 6, which units and staff are required to support project implementation.

5.6 Sector Planning. To meet the challenges presented by the education reform process, facilitate introduction of timely adjustments to the system, and foster closer interaction of education systems across the OECS, the project would assist in expanding and strengthening the EPU of the MOE, one of the first tasks of which would be preparation of a long-term sector development plan for the period 1996-2005.

5.7 To these ends, the project would finance:

(a) Fellowships (2 staff years) for two persons to pursue one-year advanced training in educational planning; each would also have a short overseas attachment to an appropriate planning unit.

(b) Expert services (6 months, concentrated in the first two years of project implementation) to assist the EPU to identify and analyze key sub-sectoral and sectoral issues, establish approaches to long range planning and lay the groundwork for the long-term sector plan;

(c) Office furniture, equipment and supplies, computers and related software and printers, and equipment maintenance; and

(d) Local training, via a series of workshops on education planning principles targeted at school supervisory staff and selected principals to facilitate their understanding, participation and cooperation in the planning process.

5.8 Project financing would also be provided to conduct select planning and policy-related studies and surveys, to be carried out under the overall coordination of the EPU, and to include, in the first two years of project implementation, studies on: education and training implications of economic and social development and labor market demands (including the relationship of curricular trends to the requirements of higher education and the labor market); teacher effectiveness and teacher attrition (in collaboration with DTEAA); progress in achieving the goals of the Effective Schools Initiative via an impact analysis of the school supervision and performance assessment systems; and a study of reading practices among the population and use of the public library services. Studies for the third through fifth years of project implementation would be identified and specified in the respective annual project work program, to be approved by IBRD and IDA. At negotiations, the Government, IBRD and IDA reached agreement on the targeted completion dates for the Project-supported planning and policy-related studies to be carried

out during the first two years of project implementation, as noted in Annex 7. It was further agreed at negotiations that this timetable, as well as processing requirements for all studies, will be included in the Project Implementation Manual.

5.9 Educational Data System The project would assist in launching the first phase of development of an integrated education data system, by establishing the DMU which would collect, collate, analyze and disseminate statistical information on the sector and assist other units of the MOE in investigation and research. A computerized data base would be instituted to include core integrated information on students, enrollments, teachers, and schools as well as financial records and expenditures and personnel records to support improved management, policy making and research. The data collection and analysis systems to be adopted would respond to MOE management needs, including necessary linkages to other data systems at the national and district levels, e.g., labor market information system; National Accounting Office. The data system will be compatible with the planned OECS education reporting system, thus facilitating exchange of information between OECS member countries.

5.10 The project would finance:

(a) Fellowships (2 staff years) for two persons to pursue advanced studies, one in statistics and one in a combined statistics and computer programming program. Of the two statisticians, one would have a psychology or sociology background to support the MOE in socio-metrics and psycho-metrics ;

(b) Expert services (6 months) to assist in establishing and operationalizing the DMU;

(c) Local training, via a series of workshops to orient MOE headquarters and district level staff and principals, teachers, and bursars at the school level to the new data system; and

(d) Office furniture, computers, related software, printers, storage equipment, supplies, and maintenance of equipment.

5.11 General Administration. In order to assist the MOE: to better rationalize and utilize sector resources; to identify and elaborate strategies to adapt, develop and modernize education system administration consistent with the evolution of the sector, including revision, as appropriate, of its laws and regulations; and to incorporate these strategies in the long term sector development plan, the project will provide:

(a) Fellowships (2 staff years) for two persons to pursue one-year advanced training in financial management and analysis and education administration, respectively;

(b) Expert services (4 months) to conduct an audit of the MOE management system and assist in the implementation of reforms, as needed, to rationalize its administrative and organizational structure and functions; and to assist in the conduct of a technical and administrative evaluation of the MOE for the mid-term project implementation review to assess progress in its restructuring and provide recommendations for future improvements in its structure, staffing, procedures, etc;

(c) Study tours (3 months) for two senior staff to review education reform processes in other countries and attend relevant seminars and courses in such areas as effective schools and education policy analysis; and

(d) Supplementary office equipment and supplies, to complement existing MOE equipment including for the additional staff to be hired to meet education reform process needs, equipment maintenance, and literature and reference material for professional updating on educational developments worldwide.[2]

5.12 Project Management and Development. As noted in paragraph 5.4, at negotiations it was agreed that a project management unit (PMU) would be established and maintained, with functions and responsibilities satisfactory to the Bank and the Association, to include *inter alia*: (a) coordination of project implementation; (b) project monitoring and evaluation; and (c) preparation of the requisite annual and mid-term project reports (see paragraphs 7.26-7.28). As further agreed, the PMU would be headed by a full-time Project Manager, assisted by two other full-time professional staff, a Procurement Officer to oversee procurement, and an accountant to manage project accounts, to be supported by clerical staff. To the extent possible, administrative and operating procedures to be adopted for execution of the Basic Education Reform Project would become the *modus operandi* of the MOE in these respective areas. These PMU personnel will not be financed under the project. As further agreed at negotiations, the PMU will be established as a permanent entity within the Ministry of Education, and upon Project completion, would assume responsibility for management of all projects executed by the MOE.

5.13 To support strengthened project management and development objectives, the project would finance:

(a) Four (4) months of study tours for three PMU staff to gain experience and skills in areas relevant to their responsibilities in the Unit, such as review of operations of Education Project Management Units elsewhere in the Caribbean (e.g. Barbados, Jamaica and Trinidad & Tobago), and/or to attend World Bank or CDB seminars on topics such as disbursements/accounting, procurement, etc., and for short-term attachment of the Procurement Officer to a suitable procurement agency for training purposes;

(b) Expert services (10 months) to include: 8 months of full-time services of a Project Management Expert to assist in project coordination and in setting up the PMU and establishing its procedures; and 2 months of services of a Procurement Expert to assist the PMU team at critical points in the procurement process; and

(c) Office furniture, equipment and supplies, including computers, related software, printers, photocopier, etc., and equipment maintenance.

Qualitative Improvement of Basic Education Component (US$2.8 million equivalent, or 25 percent of total base costs)

5.14 The generally poor quality of primary education constrains many students from fully benefitting from a secondary education program, even when it is available to them. Hence, concomitant with expanding access to secondary schools, thus increasing educational opportunities, the project assigns high priority to improving the quality of primary education, particularly in the core subject areas. This component, encompassing improvement of major educational inputs--teachers, curricula, educational materials, testing and measurement, and supervision--is expected to lead to significant improvements in educational outcome in terms of learning and student achievement.

5.15 Substantial improvements in CXC performance are expected to accrue from the quality-oriented

[2] Relevant literature and reading materials needed for all institutional strengthening and quality improvement components are included under this area of project support. These materials would be consigned to the MOE Documentation Centre for optimal organizing and accessibility.

project investments at the primary and secondary level. Notwithstanding such potential, over the immediate term the education system still must face the problem of many poorly qualified students leaving at the end of Form 5 inadequately prepared for the labor market or higher education. The Government's longstanding policy of not permitting repetition of the fifth Form of secondary schooling has served, in fact, to permit admission of far more entrants to the first year of tertiary education than would have been the case were there no such automatic promotion policy. This policy, however, has imposed a high cost on the education sector by forcing the tertiary system to provide remedial secondary education to many students at a per capita cost much higher than at the secondary level (Annex 5, Table 3). The provision of three new secondary schools under the project provides an important, heretofore absent, but only short-term window of opportunity: it would permit selected students demonstrating academic promise, but not successful in some subjects in their initial CXC attempt, to gain a second chance by spending one additional year in a secondary school with good facilities and trained teachers. Additional space at Forms 4-5 in the new secondary schools could be used to provide these selected students a special intensive course in three to four CXC subjects. Such a program could increase, at relatively modest cost, the number of qualified secondary graduates available for labor market entry and higher education. At the same time, such a window will exist only for a short period, as new secondary school intakes at Forms 1 and 3 advance up the grade ladder, ultimately filling all available secondary school space. Hence, this opportunity should be promptly exploited.

5.16 To contribute to enhanced educational quality objectives, as well as provide a basis for the more effective participation of St. Lucia in the OECS Education Reform Strategy initiative, the project will support five closely integrated and inter-dependent areas, as follows.

Teacher Training. This subcomponent seeks to improve teacher training at the basic and in-service levels and, thus, contribute to improved teaching and ultimately learning through financing two principal types of investments:

(a) Fellowships (4 staff years) to train staff of the DTEAA of SALCC as teacher educators, to include one candidate for each of the four core subject areas, i.e., science, mathematics, language arts and social studies. To this end, at negotiations, the Government agreed to ensure that members of the academic staff of SALCC are designated to receive fellowships under the project in order to strengthen SALCC teacher trainer capabilities;

(b) Fellowships (24 staff years) to train 8-12[3] persons to the undergraduate degree level in science and mathematics teaching, thus reducing secondary school teacher shortages in these critical areas; and

(c) Conduct of in-service training programs for primary school teachers oriented toward content and teaching methods/pedagogy. The program would support development of, and provide a systematic summer in-service training and upgrading system for teachers at two levels: (i) the basic level, to raise to an acceptable level the competence of teachers in the four core subject areas; and (ii) the advanced level to facilitate specialization in the teaching of the core subject areas. The program would draw on the services of staff of DTEAA, secondary schools, SALCC, and UWI, as needed, and take full advantage of suitable existing materials. The scope of this program will be agreed upon in advance with the Bank on a year-to-year basis, as part of the annual project programming exercise. Overall, it is projected that, the basic level training will serve

[3] As the exact educational background of the prospective candidates will not be known until they have been selected competitively, the amount of time required for each to earn the proposed B.Ed. degree, and thus the amount of financial support that would be required for each candidate, cannot be precisely determined at this stage. However, the total number to be trained will be circumscribed by the available funding for this subcomponent.

about 300 teachers and the advanced level around 225 teachers. Those teachers successfully completing the advanced level training courses would be given an increment within their salary scales. The project would provide funding for lecturers' fees and per diem for overseas lecturers, costs of materials and supplies to support the in-service training program, and supplementary travel allowances for trainees, consistent with eligibility criteria specified in the Project Implementation Manual.

5.17 Curriculum Development. To provide the requisite technical expertise to continually review and revise, as appropriate, the syllabi for the primary and lower secondary curricula, with special attention to the core subjects--mathematics, language arts, social studies and science, and the need to streamline the curricula, the project would strengthen CAMDU, via financing of:

(a) Fellowships (4 staff years) for four persons to pursue one-year advanced level training in curriculum design, research and evaluation, each fellow to specialize in one of the four core subject areas;

(b) Expert services (4 months) to assist in and advise on curriculum design and research and to help establish a system for continuous evaluation and upgrading of curricula;

(c) Supplementary furniture, equipment and supplies, including computers, software, data storage equipment, printers for CAMDU and equipment maintenance; and

(d) Local training, via workshops for curriculum officers, principals and teachers to be conducted by the returned fellows.

5.18 To support improved curricula at the school level, the project would finance:

(a) Science kits (including priority science equipment identified during the preparatory phase to support the curriculum) and related storage units for this equipment for the 84 primary schools, to complement equipment and training being provided by United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Organization of American States (OAS) Basic Education Project, thus further enhancing science teaching;

(b) On a pilot basis, in one new and two existing secondary schools that have a business studies program, a computer lab to help to familiarize teachers and students with broad computer applications, including interactive learning techniques and the CXC information technology course; and

(c) Science equipment and supplies to supplement existing laboratories in 8 secondary schools presently inadequately equipped (Micoud, Dennery, Corinth, Entrepot, Choiseul, Vieux Fort Campus A, Vide Bouteille, and George Charles).

5.19 Production and Procurement of Educational Materials. The project also would strengthen the capacity of CAMDU to prepare and produce educational materials (including textbooks, supplementary materials, teacher support materials, etc.). With expert assistance, MOE would review cost-effective options regarding preparation, publication, manufacturing and distribution of textbooks and supporting materials, with a view to maximizing local (including private sector) participation in these processes, as appropriate. MOE would also adopt improved methods of textbook selection, standardizing and streamlining the number of textbooks per subject, to the extent feasible, as well as exploring additional measures to ease the financial burden of textbook purchase on parents.

5.20 In specific, the project would provide:

(a) Fellowships (2 staff years) for two persons holding degrees to pursue one-year advanced training, one in general editing and publishing and the other in art editing and publishing, including subsequent attachments to appropriate publishing houses;

(b) Expert services (8 months) for two specialists to include: (1) 6 months of assistance to help the MOE to reshape, as appropriate, its policy and role in regard to preparing, publishing and distributing educational materials and to evaluate and adopt, as appropriate, alternative methods of procuring materials, and (ii) 2 months of assistance to advise on educational materials production and desktop publishing. Both experts would train local staff in publishing and production tasks;

(c) Office furniture, equipment and supplies to support expanded and improved manuscript development, word processing and desk top publishing, etc., and equipment maintenance;

(d) Funding for a limited supply of basic textbooks for use by teachers at all primary and secondary schools; and storage units for primary textbooks; and

(e) Funds for local printing of new educational materials to be pilot tested.

5.21 Educational Testing and Measurement. To implement project-supported testing and measurement activities, an Educational Testing and Examinations (ETX) Unit would be established within the MOE. The principal functions of the Unit would be to: (a) evaluate and modify, as appropriate, current terminal examinations given at the end of primary and lower secondary education, i.e., the Common Entrance Examination, Common Middle School Examination, and the School Leaving Certificate Examination; (b) develop, pilot test, and introduce new marker exams to be given nationwide at Stage 3 and Standard 2 of the primary school and Form 3 of the secondary school (Grades 2, 4 and 9, respectively) to better measure student and school performance; (c) develop norms for, and standards of, achievement; and (d) conduct research on achievement. To these ends, at negotiations, the Government provided assurances that, not later than March 31, 1996, it would have established, and subsequently would maintain within the MOE, such an ETX Unit, with functions and responsibilities, and staffed with an adequate number of professionals with qualifications and responsibilities, satisfactory to the Bank and Association; and that the ETX at all times would be provided with adequate, secure, air-conditioned space, and the necessary transport to support timely, effective implementation of this project subcomponent, with one vehicle to be assigned full-time to the ETX.

5.22 To complement project-financed activities, local on-the-job training would be provided to include item writing workshops as well as orientation seminars for principals and teachers in the interpretation and constructive use of test scores. To directly support the new ETX Unit, the project would provide:

(a) A Fellowship (1 staff year) for one person to pursue advanced studies in Educational Testing and Measurement, thus complementing current Government efforts to build such capacity through its support for ongoing overseas training of two persons in this field. A suitable short-term attachment subsequent to training (possibly at the Caribbean Examinations Council--CXC) would be arranged for the fellowship holder.

(b) Expert services (9 months) to assist in establishing the ETX Unit;

(c) Installation of a vault and other facilities to ensure the security of testing materials;

(d) Office furniture, equipment and supplies for data analysis, word processing, scoring (including optical scanning), desktop publishing, and equipment maintenance; and

(e) Funding for studies, including pilot testing of new tests, establishment of norms and standards of achievement and for school evaluation (including school-based continuous assessment), development of curriculum evaluation methodologies, and studies of learning differentials, with special attention to gender disparities in achievement.

5.23 School Supervision. The project seeks to build the capacity of the district level school supervisory service to better monitor and assist the schools in such key areas as: (a) performance assessment of teachers, principals and schools, and (b) in-service training and orientation of teachers and principals in school management concepts, and effective school operations. To support these objectives, the project would provide:

(a) Fellowships (2 staff years) for two persons to pursue one-year programs in school supervision, with particular attention to training in methods of promoting school effectiveness, coupled with brief attachments to relevant external agencies; upon completion of training, fellows would be assigned to the District Education Offices or central Ministry;

(b) Expert services (3 months) to review progress to date in establishing the School Performance Assessment system, and the effective schools initiative, and advise on approaches to strengthen supervision and school performance;

(c) Construction and establishment of a new District Education Office in Vieux Fort and extension of the existing one at Choiseul, both to include office space for the respective EOs and field work of curriculum officers, a lecture room for seminars and workshops, meetings, etc. and a library for teachers and education staff; and

(d) Furniture, equipment and supplies, including computers and software, for the new and expanded District Education Offices and instructional aids and reprographic equipment and supplies to improve operations at the existing District Offices in Micoud and Soufriere; and equipment maintenance.

5.24 To complement project-financed activities under this sub-component, local on-the-job training would be carried out by the MOE to include:

(a) periodic training courses for supervisors and principals to keep them abreast of system developments/reforms in planning, curriculum, testing, educational materials and teacher training, thereby helping to build the requisite support system for the reform process; and

(b) training by supervisors and other specialized MOE and DTEAA staff, as required, for principals and teachers on the above topics, with the same objective; and

Expansion of Access to Schools Component (US$7.5 million equivalent, or 67 percent of total base costs)

5.25 The project would expand access to basic (in particular, secondary) education and assist the MOE to rehabilitate selected primary schools in urgent need of such action. A school mapping exercise conducted by the MOE planning staff, with expert assistance, during project preparation highlighted the importance of redressing serious shortfalls in secondary school places, while concomitantly achieving a more equitable geographic distribution of such places and improving primary to secondary transition rates. The project-supported increase of 1,675 secondary places, distributed outside of Castries, will both relieve current overcrowding at select primary schools and ease existing high pressure on the primary

curriculum exerted by the CEE bottleneck. This additional space, coupled with planned adjustments to the teacher to student ratios over the project implementation period, are expected to permit primary to secondary transition rates to rise to around 66 percent by the Year 2000.

5.26 To these ends, the project would finance:

(a) Civil works, furniture and equipment, and equipment maintenance for three new secondary schools to increase coverage in presently un- or under-served areas, as identified by the school mapping exercise, i.e., at Laborie, Laborie District (525 places); Babonneau, Gros Islet District (525 places); and Anse Ger, Micoud District (525 places); and for replacement of the Soufriere Comprehensive School (700 places, or a net addition of 100 places) destroyed by the September 1994 tropical storm "Debbie;" and

(b) Rehabilitation of selected primary schools with urgent needs, as identified in an October/November 1994 school facilities inventory, through an intensive program, concentrated over the initial two years of project implementation, and targeted toward those civil works which could contribute to a significant improvement in the operations of such schools, subject to a ceiling of US$100,000 equivalent for any discrete rehabilitation work.

5.27 To complement project-financed activities, the Government, via the MOE, would undertake the training of select school staff in preventive maintenance and mobilization of community support for maintenance, utilizing the kits provided by the CDB Basic Needs Trust Fund.

6. PROJECT COST AND FINANCING PLAN

A. Project Costs

6.1 The total project cost is estimated at US$12.838 million equivalent, including duties and taxes (US$0.721 million equivalent) and physical and price contingencies. The foreign exchange component represents US$9.0 million equivalent, or 70 percent of total project cost. A summary of project costs by major component and subcomponent is provided in Table 6.1. As highlighted, as a percentage of base costs, financing for the three major components is as follows: Sector Planning and Institutional Strengthening (8), Qualitative Improvement (25), and Expansion of Access (67). Table 6.2 provides project cost by key categories of expenditure, disaggregated by investment and recurrent costs. Detailed cost tables are provided in Annex 8.

6.2 The cost estimates are based on prices as of September 1994. To the base cost of the civil works related to construction of three new and one replacement secondary schools and district education offices, 12 percent has been added to cover the costs of professional, consultant services, to meet the needs for architectural design and tender preparation (5 percent), and contract administration (7 percent). To the base cost of civil works relating to establishment of the new Examinations and Testing (ETX) Unit and those relating to primary school rehabilitation, 7 percent has been added to cover the costs of consultants for civil works who will be contracted for design review or preparation, where necessary, to oversee construction, and to provide the IBRD and IDA or CDB, depending on the financing source, with the requisite certification that work has been efficiently, fully and satisfactorily completed.

Table 6.1

St. Lucia
Basic Education Project
Components Project Cost Summary

	(EC$ '000)			(US$ '000)			% Foreign	% Total Base
	Local	Foreign	Total	Local	Foreign	Total	Exchange	Costs
A. Sector Planng & Inst. Strengthg	303	2,254	2,557	112	835	947	88	8
B. Qualitative Improvement	1,346	6,144	7,490	498	2,276	2,774	82	25
C. Expansion of Access	7,391	12,885	20,276	2,737	4,772	7,510	64	67
Total BASELINE COSTS	9,040	21,284	30,323	3,348	7,883	11,231	70	100
Physical Contingencies	987	1,889	2,876	366	700	1,065	66	9
Price Contingencies	500	1,109	1,609	168	373	542	69	5
Total PROJECT COSTS	10,526	24,282	34,808	3,882	8,956	12,838	70	114

Table 6.2

St. Lucia
Basic Education Project
Expenditure Accounts Project Cost Summary

	(EC$ '000)			(US$ '000)			% Foreign	% Total Base
	Local	Foreign	Total	Local	Foreign	Total	Exchang	Costs
I. Investment Costs								
A. Civil Works	6,559	9,838	16,397	2,429	3,644	6,073	60	54
B. Goods	419	5,808	6,227	155	2,151	2,306	93	21
C. Training	747	0	747	277	0	277	0	2
D.Technical Assistance	985	5,352	6,337	365	1,982	2,347	84	21
E. Studies	251	167	419	93	62	155	40	1
Total Investment Costs	8,961	21,165	30,126	3,319	7,839	11,158	70	99
II. Recurrent Costs	79	118	197	29	44	73	60	1
Total BASELINE COSTS	9,040	21,284	30,323	3,348	7,883	11,231	70	100
Physical Contingencies	987	1,889	2,876	366	700	1,065	66	9
Price Contingencies	500	1,109	1,609	168	373	542	69	5
Total PROJECT COST	10,526	24,282	34,808	3,882	8,956	12,838	70	114

6.3 Contingency Allowances. Total contingencies of US$1.6 million equivalent represent 14 percent of baseline project cost. These include physical contingencies of US$1.1 million equivalent, averaging 9 percent across the discrete components. Price contingencies (US$0.5 million equivalent), represent 5 percent of project baseline cost, and are based on the following assumptions: (a) a local inflation rate of 3.6 percent in 1995, and 3.0 percent per year thereafter; and (b) price increases for foreign costs, estimated in US dollars, of 3.3 percent in 1995, and 2.7 percent for the remaining four years of project implementation. Cost calculations also assume a nominal, constant exchange rate of EC$2.7 to US$1.00 for the five-year project implementation period.

B. Recurrent Costs and Project Sustainability

6.4 Incremental Recurrent Costs. Incremental recurrent costs to be generated by this project are estimated to be US$0.46 million equivalent in 1995 and to rise thereafter to about US$2.4 million equivalent by the end of the decade in current prices. Detailed estimates of incremental recurrent costs to be generated by the project are presented in Annex 9. These additional costs are attributable mainly to: (a) increased allocations required to adequately staff and operate the key units of the MOE involved in the education reform process; (b) operational and maintenance costs for the three new schools and additional 100 student places at the replacement secondary school to be constructed with project financing and for the equipment and furniture to be provided for the new, replacement and existing schools; (c) maintenance costs for the buildings to serve as the new District Education Office in Vieux Fort, and the expanded office in Choiseul, and for maintenance of the furniture and equipment to be provided to four district education offices (including the new and upgraded one, and existing DEOs in Soufriere and Micoud); and (d) maintenance costs for other equipment and supplies to be procured under the project, including computers and software for computer labs to be established in select schools, science equipment for primary and secondary schools, and for equipment for curriculum development, teaching materials production, and testing and examinations.

6.5 Within these overall incremental recurrent costs, those associated with the various measures to be taken to improve the quality of education, as well as with the additional positions to be created to strengthen educational administration, and the overheads related to enhanced administration of the system, are projected to be US$1.3 million in the Year 2000. These incremental costs will be offset by the US$1.5 million equivalent in savings projected to be generated by that year from the downward adjustments in the teacher to student ratios planned for the 1995-2000 period (Annex 4.). This underscores the importance of rapid implementation of, and adherence to, such an adjustment process.

6.6 Project Sustainability. The proposed project enjoys broad political support, with planned qualitative improvements and expansion of access to secondary education widely viewed as essential to achieve desired economic growth and social development objectives. Requisite Government financing for the project, including its contribution of US$2.3 million equivalent (net of taxes), and incremental debt service associated therewith, can be easily met, as they represent less than 0.3 percent of GDP. Further, projected annual incremental recurrent costs of US$2.4 million equivalent in current prices, to be generated by the end of project implementation, are less than 0.4 percent of GDP (Table 6.3).

Table 6.3. **Average Annual Fiscal Implication of the Proposed Basic Education Project**
(In Percent of GDP)

	1995-99	2000-2010
Estimated Incremental Cost	0.27	0.34
Incremental Debt Service	0.00	0.06
Total Incremental Cost	0.27	0.40
Memorandum item: Public Sector Current Surplus	7.96	8.00

6.7 The technical assistance program included in this project, detailed in Annex 11, has been designed to maximize development of local expertise and capacity in order to sustain project benefits well into the future. The mix of expert services and fellowships, structured to complement one another, emphasizes staff development. Orientation seminars and study tours have been included to familiarize senior staff with key aspects of educational reform. Eligibility criteria for all project-supported training will be specified in the Project Implementation Manual. Fellows will be selected with attention to their capacity to benefit from the respective training program and the program will be tailored to their job needs in St. Lucia and be complemented in several cases by short attachments to relevant agencies or entities abroad. These fellows will be drawn largely from the public service (teaching and the civil service). Their job experience will sharpen awareness of their own training needs. In keeping with normal Government policy, all fellows will be bonded for a duration of time pro-rated with the length of their training. Upon completion of training and return to St. Lucia, all fellows will be expected to produce reports on their training experience and to conduct seminars to disseminate their newly acquired knowledge to others. Most of the expert services will be provided in a series of short term consultancies, with these services timed in order that: (a) while local staff remain in direct control of operations, they will receive external assistance at certain critical junctures; and (b) the tenure of fellowships and expert service periods are optimally synchronized. Finally, all experts will be required to train staff and to prepare manuals to help guide staff in how specific key tasks should be organized and programmed.

C. Financing Plan

6.8 The proposed project would be financed via an IBRD Loan and an IDA Credit totaling US$6.728 million equivalent, representing 52 percent of the total project cost. The combined Loan and Credit would cover US$6.3 million equivalent or 70 percent of total foreign exchange expenditures, and US$0.5 million equivalent or 15 percent of estimated total local costs (net of taxes). The CDB would finance US$3.1 million equivalent of total project cost, including US$2.3 million equivalent or 26 percent of total foreign exchange expenditures, and US$0.7 million equivalent or 24 percent of local costs (net of taxes). CDB financing would be provided on a blend basis. The Government would finance US$3.0 million equivalent including US$0.4 million equivalent or 4 percent of total project foreign costs, US$1.9 million equivalent or 62 percent of its local costs (net of taxes), and US$0.721 million equivalent in taxes.

6.9 Table 6.4 provides a summary of the project financing plan. Annex 10 includes the detailed financing plan per project year, and by component. At negotiations, Government assurances were obtained that it would allocate in "St. Lucia's Annual Estimates of Expenditure" for the years 1995 through 1999, the following minimum equivalent amounts, representing the total amounts of Project financing required, regardless of source of funds, for Project implementation: (a) US$4.072 million in 1995; (b) US$6.590 million in 1996; (c) US$1.368 million in 1997; (d) US$0.468 million in 1998; and (e) US$0.338 million in 1999. It also was agreed that the counterpart funds of a capital investment nature required to support implementation of the civil works to be carried out under the project would be deposited directly into a Project Account. At negotiations, it was further agreed that, as a condition of

Loan and Credit Effectiveness, the Government would have opened a Project Account in a bank acceptable to the Bank and the Association, and deposited into such account an amount equivalent to not less than US$270,000 for implementation of the civil works to be carried out under the project. Moreover, it was agreed that the Government would maintain a positive balance in the Project Account equal to at least the equivalent of US$270,000 in 1995; US$455,000 in 1996; and US$75,000 in 1997, the period 1995 through 1997 being the period during which all civil works are expected to be fully executed.

Table 6.4 **Financing Plan**

	US$ Million (including contingencies and taxes)	Share
Government	3.048	24
IBRD/IDA	6.728	52
Caribbean Development Bank	3.061	24
TOTAL	12.838	

*Note: Totals do not add due to rounding

6.10 Retroactive financing of up to SDR450,000 (US$670,000 equivalent), or 10 percent of combined IBRD and IDA project financing, would be provided to reimburse the Government for eligible expenditures incurred after November 3, 1994, to enable the Government to immediately commence requisite steps to expedite the reform process, to include: (a) equipping of the newly established Project Management Unit, training of its staff in such general areas as procurement, and Bank-specific procedures, and provision of study tours for them to visit other project units in the Caribbean and of expert services to assist in operationalizing the Unit and formulating the Project Implementation Manual; (b) architectural design and tenders preparation for the civil works; and (c) preparation of specifications for the educational equipment and furniture to be procured under the project. This retroactive financing is required to permit these important outlays to be eligible for consideration for immediate reimbursement upon Loan and Credit Effectiveness to release thus expended Government resources for urgent reconstruction and economic recovery activities in the aftermath of tropical storm "Debbie."

7. PROJECT IMPLEMENTATION

A. Project Management and Coordination

7.1 The project would be executed by the Ministry of Education, Culture and Labor. As noted in paragraph 5.4, as a condition of Loan and Credit Effectiveness, the Government would indicate in the agreed Education Strategy Letter to the Bank and Association that an organizational restructuring of the MOE had been carried out to create an Educational Planning and Development Office (EPDO), to include establishment of a Project Management Unit (PMU) with functions and responsibilities satisfactory to the Bank and the Association; that the PMU had been staffed, and the Government agrees to maintain it at all times, with at least three full-time professional personnel, to include a Project Manager, Procurement Officer, and an Accountant, with qualifications satisfactory to the Bank and Association, assisted by

sufficient numbers of clerical staff; and that the PMU is provided with adequate space to carry out its responsibilities.

7.2 To support and facilitate the establishment and smooth operation of the PMU, the Bank and Association would permit a portion of the SDR450,000 in retroactive financing to be provided from the Credit proceeds to be utilized for meeting specific needs related to the establishment and operationalization of the PMU, as noted in paragraph 6.10. In implementing the project, the PMU and other entities involved in project execution would be guided by a Project Implementation Manual (PIM). The PIM will include the following main areas, *inter alia*: (a) organizational arrangements, including specific relationships, responsibilities and linkages between distinct entities of the MOE and the PMU relating to project execution; (b) operational procedures to be followed in project implementation, to include criteria for: rehabilitation of primary schools; for eligibility for, and processing requirements relating to, project-supported training (fellowships, in-service and study tours); selection of planning and policy-related studies; (c) disbursement and procurement arrangements, to include the standard bidding documents to be used for works and goods, and standard consultant contracts; (d) financial management and control arrangements, including Terms of Reference (TORs) for internal and external project audits; (e) agreed project monitoring and evaluation indicators, to guide assessment of project implementation performance during the Annual and Mid-Term Project Reviews; (f) TORs for the staff of the PMU; and (g) a timetable delineating targeted completion dates for the project-supported planning and policy-related studies. The Manual also will provide a summary of the technical contents of the components and sub-components of the project. At negotiations, the Government and the Bank and Association reached agreement on the content of the PIM. As a condition of Loan and Credit Effectiveness, the Government will have ensured that the PIM had been issued, in terms satisfactory to the Bank and Association, and provided appropriate assurances that this Manual is in full force and effect.

B. Institutional Arrangements

7.3 As a source of advice and counseling during project implementation, a Project Advisory Committee (PAC) will be established with representation from the MOE (with the Project Manager serving as Secretary), and from the Ministries of Finance, Planning, and Training. The PAC will meet periodically to review implementation performance and will be convened, as needed, to address any urgent matters which might arise over the course of project execution. To ensure achievement of project objectives, the MOE will need to collaborate closely with several other government entities, including the Ministry of Finance, a representative of which will countersign all disbursement applications for the project, and the SALCC, including its DTEAA.

7.4 The project will support and complement several other externally financed education initiatives. The primary school rehabilitation program, to be financed under the project, will complement investments in maintenance kits for select schools financed from the CDB Basic Needs Trust Fund (BNTF) project. The training of science and mathematics teachers at the primary and secondary level will expand upon efforts already underway to upgrade primary teachers in science and mathematics with support from UNESCO and the Organization of American States (OAS).

C. Implementation Program

7.5 The project will be implemented over the five-year period 1995-1999. A detailed Implementation Program, by component and subcomponent, is presented in Annex 12. The project Completion Date would be December 31, 1999, and the Loan and Credit Closing Dates would be June 30, 2000. Civil works execution, overseas fellowships, and provision of expert services are heavily concentrated over the first two years of project implementation in order to ensure these key inputs are rapidly completed so that the education reform process can be launched as expeditiously as possible. Thus, as highlighted in Annex

10, US$10.7 million equivalent or 83 percent of total project financing is expected to be disbursed over the initial 24 months of project execution.

7.6 At negotiations, the Government provided assurances that not later than six months after the Closing Dates, or such later dates as may be agreed for this purpose, it will prepare and furnish to the Bank and Association a plan of such scope and detail as IBRD and IDA may reasonably request, for the future operation of the Project, will exchange views with IBRD and IDA on such plan, and will carry out such plan, taking into account IBRD and IDA comments on it.

D. Procurement

7.7 Current procurement methods pursued in the MOE do not ensure the most efficient acquisition of civil works, goods or services. Problems occur throughout virtually all stages of the procurement process, relating to: (a) limited technical knowledge of optimum types and sources of educational equipment, materials, supplies, and hence difficulties in writing precise and appropriate technical specifications; (b) inexperience in packaging contracts to obtain potential economies of scale of purchase; (c) difficulties in appropriately timing the placement of orders in order to synchronize delivery dates with the actual time that the given goods will be required, particularly to coincide with the state of readiness of civil works; (d) limitations in existing procedures for conduct of technical evaluation of bids; (e) the common failure to incorporate clauses in bidding documents which would promote local purchasing, where appropriate; (f) insufficient attention to inspection of goods and bills of lading upon arrival of procured items; and (g) the virtual neglect of enforcement of insurance and warranty clauses.

7.8 Several steps have been taken to ameliorate such problems in this project. First, prior to commencement of project implementation, the Procurement Officer, to be appointed full-time to the staff of the PMU, will receive intensive, practical training, including an attachment to an appropriate external agency experienced in international procurement, and attendance at relevant Bank-sponsored courses. Second, expert services will be provided at critical points in the procurement process to assist as well as further train the Procurement Officer. Third, to both guide and expedite the procurement process, specification lists for goods to be procured with project financing, and bidding documents for civil works and goods based on standard Bank documents, will be prepared according to the Implementation Program (Annex 11). To further advance preparation of civil works, architectural designs will be completed, and retroactively financed, in order to permit initiation of the actual bidding process immediately upon declaration of Loan and Credit Effectiveness.

7.9 The designation of a full-time Procurement Officer to the PMU responds directly to the experience gained in the OECS Regional Vocational and Technical Education Project (Credit 1785-CRG), in particular the need for constant, careful attention to detailed selection and specifications of goods (i.e., furniture and educational and related equipment and materials) to be purchased, and to contracting procedures, ensuring: (a) upstream, compliance with Bank guidelines for selection of consultants and consulting firms, and of civil works contractors; and (b) downstream, that acquired goods meet specifications and that equipment is appropriately and safely installed and utilized. Procurement procedures to be followed for all major categories of expenditures to be financed by IBRD and IDA are described below and summarized in Table 7.1.

Civil Works

7.10 Civil works to be procured with project financing (expected to total US$ 7.2 million equivalent, including contingencies) consist of the following: (i) four secondary schools, to include construction of three new schools of 525 places each in Babonneau, Anse Ger and Laborie, and the replacement of the Soufriere Comprehensive Secondary School to include 700 places (representing a net addition of 100 places); (ii) construction of one new District Education Office in Vieux Fort and

extension of the existing District Office in Choiseul; (iii) refurbishing of space and installation of a vault for the new Education Testing and Examinations (ETX) Unit; and (iv) rehabilitation of selected primary schools. Civil works for the Babonneau and Anse Ger schools would be procured according to the guidelines of CDB, which is financing this construction. For the remaining civil works, all of which are to be IBRD and IDA-financed, all contracts above US$0.5 million would be awarded on the basis of International Competitive Bidding (ICB), consistent with IBRD and IDA guidelines. Civil works estimated to cost the equivalent of US$100,000 or more but less than the equivalent of US$500,000 per contract, up to an aggregate amount equivalent to US$300,000 equivalent, may be procured on the basis of local competitive bidding. Civil works estimated to cost the equivalent of US$100,000 or less per contract, up to an aggregate amount equivalent to US$470,000 (to include contracts for civil works for rehabilitation of selected primary schools), may be procured through local shopping procedures, consistent with IBRD and IDA guidelines. All primary school rehabilitation works would require full documentation to include: certification by the MOE that the works were of a priority nature, consistent with the October/November 1994 school facilities inventory; an approved budget for the subject work; review by the consultants for civil works of designs and/or bidding documents prior to initiating any such works, and certification by the consultants for civil works that the work was efficiently, fully and satisfactorily completed; and appropriate documentation of local shopping procedures applied in the selection of contractors, all of which documentation would be maintained for review by IBRD and IDA supervision missions.

Goods

7.11 School Equipment and Furniture, other than computer hardware and software (expected to total US$814,000 and US$457,000 equivalent, respectively, including contingencies). Contracts above US$150,000 would be awarded on the basis of ICB. School equipment and furniture estimated to cost the equivalent of US$25,000 or more but less than the equivalent of US$150,000 per contract, up to an aggregate amount equivalent to US$200,000 respectively, may be procured through local competitive bidding procedures (LCB), consistent with IBRD and IDA guidelines. Contracts for such goods estimated to cost less than the equivalent of US$25,000 per contract, up to an aggregate amount equivalent to US$30,000 respectively, may be procured on the basis of local shopping procedures, consistent with IBRD and IDA guidelines.

7.12 Computer hardware and software (expected to total US$427,000 equivalent, including contingencies). All items would be grouped, to the extent possible, in packages estimated to cost the equivalent of US$50,000 or more, and would be procured via International Competitive Bidding procedures, consistent with IBRD and IDA guidelines. Bidding eligibility criteria would specify that the manufacturer have established maintenance facilities and services in St. Lucia or neighboring countries.

7.13 Textbooks, and other educational materials (expected to total US$440,000 equivalent, including contingencies) would be procured through international shopping procedures, consistent with IBRD and IDA guidelines, given the relatively small value of such contracts and the varied nature of the goods to be procured.

7.14 Office supplies and miscellaneous items (expected to total US$390,000 equivalent, including contingencies). Procurement of all such goods would be based on grouping them, to the extent feasible but taking into account actual level of needs, into packages with an estimated cost equivalent to less than US$50,000, and following international shopping procedures, consistent with IBRD and IDA guidelines.

Technical Assistance

7.15 Professional service contracts (expected to total US$736,000 equivalent) for architectural design, tendering, and supervision/administration of contracts relating to the execution of IBRD and IDA-financed civil works would be procured according to Bank guidelines for the use of consultants.

7.16 Expert Services (expected to total US$647,000 equivalent, including contingencies), to include contracts for consultants and consulting firms would be awarded in accordance with the World Bank guidelines for the use of consultants. Details on project-financed Expert Services are provided in Annex 11.

Studies

7.17 With reference to studies (expected to total US$176,000 equivalent, including contingencies), the project would disburse for consulting services, transport costs, and materials printing and supplies related to the conduct of planning and policy-related studies to be carried out under the project. The consulting services would be procured in compliance with guidelines of the Government, which is financing 100 percent of these outlays.

IBRD and IDA Review

7.18 At negotiations, Government assurances were obtained that: (a) prior to initiating any civil works or acquisition of goods to be procured through ICB, and for those civil works and goods to be procured via LCB with an estimated cost of US$100,000 equivalent or more, it will submit to the Bank for its prior review all relevant documentation; and (b) with regard to consultants and consulting firms, all proposed contracts and related terms of reference, short lists of candidates, proposed fees, etc. would be submitted for prior IBRD and IDA review to ensure consistency with Bank guidelines on use of consultants.

St. Lucia
Basic Education Project
Procurement Arrangements - Non ICB/LC
(US$ '000)

	Procurement Method					
	International Competitive Bidding	Local Competitive Bidding	Other a/	Consulting Services	N.B.F.	Total
A. Civil Works						
Construction	3,510	238	462	-	2,997	7,207
	(2,246)	(153)	(345)			(2,744)
B. Goods						
1. Equipment and Furniture						
Computers and Softw.	427	-	-	-	-	427
	(427)					(427)
Other Equipment	584	200	30	-	-	814
	(584)	(200)	(30)			(814)
Furniture	227	200	30	-	-	457
	(227)	(200)	(30)			(457)
2. Books&Educat.Materials	-	-	440	-	-	440
			(364)			(364)
3. Supplies&Miscell.	-	-	390	-	-	390
			(390)			(390)
C. Training	-	-	-	-	306	306
D. Technical Assistance						
Works Design/Eng./SPN	-	-	-	423	313	736
				(274)		(274)
Experts	-	-	-	647	-	647
				(647)		(647)
Fellowships	-	-	610	-	544	1,154
			(610)			(610)
E. Studies	-	-	-	-	176	176
F. Maintenance						
Equipment	-	-	-	-	84	84
Total	4,748	638	1,962	1,070	4,419	12,838
	(3,485)	(553)	(1,770)	(921)	-	(6,728)

Note: Figures in parenthesis are the respective amounts financed by IBRD and IDA

a/ Varies according to expenditure category. Civil works valued at less than US$100,000, up to an aggregate of US$470,000 would be procured through local shopping procedures acceptable to IBRD and IDA; between US$0.1 - $0.5 million, up to an aggregate of US$300,000, through LCB; above US$0.5 million through ICB. Contracts valued at less than US$25,000 for furniture and school equipment, other than computers may be procured on the basis of local shopping procedures up to an aggregate of US$30,000, respectively; between US$25,000-150,000 up to aggregate of US$200,000, respectively, through LCB; and above US$150,000 through ICB. Computers and related software equipment will be procured through ICB. Office and school supplies would be provided through international shopping procedures acceptable to IBRD and IDA. Textbooks and other educational materials would be provided through international shopping. Experts services and services for design, engineering and supervision of civil works would be procured according to Bank guidelines for use of consultants.

E. Disbursements and Accounts

7.19 The proposed operation, to include a Loan of US$3.364 million equivalent and Credit of SDR2.3 million (US$3.364 million equivalent), would be disbursed over a five-year period, typical of other IBRD and IDA-supported social sector projects. Annex 13, Table 1 presents the disbursement forecast for the Loan and Credit, by semesters and by financier. The Loan and Credit is expected to be fully disbursed over 10 semesters, commencing immediately at Loan and Credit Effectiveness with the disbursement for retroactive financing and the initial disbursement into the project Special Account. To facilitate timely project implementation, the Government would establish, maintain and operate, under terms and conditions satisfactory to IBRD and IDA, a Special Account in US dollars at the National Commercial Bank of St. Lucia. The Authorized allocation for the Special Account would be US$0.5 million equivalent, with an initial deposit to be made of US$0.25 million equivalent, and such allocation to remain limited to an amount equivalent to US$0.25 million until the aggregate amount of withdrawals from the Credit Account, plus the total amount of all outstanding special commitments entered into by the Association, shall be equal to or exceed the equivalent of US$1.0 million . The Special Account will be managed by the Project Management Unit (PMU) of the MOE, with all disbursements made under authorized signatures from designated representatives of both the Ministry of Finance and the PMU. At negotiations, Government assurances were provided that withdrawal applications for replenishment of the Special Account will be prepared by the PMU in accordance with Bank policies and procedures.

7.20 Additionally, as noted in paragraph 6.9, as a condition of Loan and Credit Effectiveness, the Government would open a Project Account in a bank acceptable to IBRD and IDA and deposit into such account an amount equivalent to not less than US$270,000, for purposes of financing the implementation of civil works to be carried out under the project. The Government further agreed that it would maintain a positive balance in such account over the 1995-1997 period, in the amounts stipulated in the Development Credit Agreement, during which period all civil works are expected to be fully executed.

7.21 Annex 13, Table 2 contains the projected Loan and Credit disbursement allocations. Disbursements would be effected against the following expenditure categories, by percentage of IBRD and IDA financing: (a) civil works, for construction of the new secondary school at Laborie and the replacement Soufriere Comprehensive Secondary School, the District Education Offices at Vieux Fort and Choiseul, and refurbishing of the ETX Unit and for professional fees related there to for design, tender preparation and contract administration--64 percent of total cost; (b) civil works for rehabilitation of selected primary schools and professional fees related thereto 75 percent of total cost, subject to a maximum not to exceed US$100,000 per contract; (c) goods to include all equipment, furniture, educational materials, computers and software, and supplies and miscellaneous--100 percent of foreign expenditures and 100 percent of local expenditures (ex-factory costs), except basic textbooks for primary and secondary teachers and storage units for primary textbooks--50 percent of eligible expenditures); (d) technical assistance, including expert services and fellowships (but excluding fellowships at the undergraduate level in the subjects of science and education, and mathematics and education)--100 percent. An unallocated category of disbursements also would be established. CDB would finance civil works and related professional fees for Babonneau and Anse Ger secondary schools and for undergraduate level study in science and education and mathematics and education. Loan and Credit proceeds would not be used for training (including workshops), studies or equipment maintenance, all of which categories of expenditure will be 100 percent financed by the Government.

7.22 Withdrawal applications for goods and civil works with a contract value of US$25,000 or more equivalent would be supported by full documentation. Disbursements for all contracts for goods and civil works of less than US$25,000 equivalent, including works associated with the rehabilitation and repair of primary schools, would be made on the basis of Statements of Expenditure (SOEs)

certified by the PMU. Supporting documentation for these latter expenditures, as delineated in paragraph 7.10 would be retained by the PMU, and be readily available for periodic review by IBRD and IDA supervision missions. With regard to fellowships, at negotiations Government assurances were provided that, prior to initiating any IBRD or IDA-financed fellowships, the PMU will submit to the IBRD and IDA for their approval the proposed candidate and training institution to ensure their suitability for the respective staff development area.

F. Financial Management, Accounting and Audits

7.23 An evaluation of existing financial management procedures and the accounting systems and administrative controls was carried out by the Bank. The evaluation concluded that the country's financial management system is highly centralized, with the Ministry of Finance responsible for general financial control of the entire executive branch. At the level of the MOE, financial activities are circumscribed to suggestions for budget formulation, partial processing of payments, and limited maintenance of basic accounting chronological information (all done by hand). The review determined that the existing financial management system in the executive branch would require strengthening over the medium-term in order to support the country's needs in general and the modernization of the administration of the MOE in specific. The evaluation noted three areas in need of improvement, including: accounting, budgeting and planning, and debt management. To these ends, the project supports overseas graduate training of a MOE staff member in financial management, as well as the establishment of an integrated, computerized education data system, to include financial records. The Project Implementation Manual, which will be prepared and provided to the Bank and Association as a condition of Loan and Credit Effectiveness, will delineate financial management and control procedures, and provide TORs for internal and external audits, satisfactory to IBRD and IDA.

7.24 The technical review conducted during the preparatory phase further concluded that the Government Audit Department has the required independence to meet Bank audit requirements, as it reports directly to Parliament. With regard to its technical capacity, senior staff have obtained overseas training and have adequate skills to conduct audits required for this project. To help expand the technical knowledge of this Department's staff in current international auditing approaches in general, and Bank audit requirements in specific, the Bank is considering the conduct of a project accounting and auditing seminar in 1995, with broad participation of member countries in the Caribbean region.

7.25 The MOE would keep separate accounts for project incurred expenditures according to the proposed Charts of Accounts (as detailed in Schedule I of the Loan and Credit Agreements) and prepare a monthly statement of expenditures. This procedure will facilitate the withdrawal application preparation and expedite the disbursement process. Annual audits of all project accounts, including the Special Account, will be undertaken by an independent auditor. Initially, it is proposed that this independent auditor be a private sector firm. At negotiations, the Government provided assurances that the requisite audit reports would be submitted to the Bank and Association not later than four months after the end of each fiscal year[4], i.e, not later than July 31, under TORs satisfactory to IBRD and IDA. It was further noted at negotations that should the Government Audit Department be able to carry out such audits in a timely fashion, the use of this Department would be acceptable to the Bank and the Association.

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[4] Fiscal year differs from the calendar year, and runs from April 1 to March 31.

G. Project Monitoring and Evaluation

Project Performance Reporting

7.26 Overall responsibility for monitoring, evaluation and reporting of project performance would be assigned to the PMU. The PMU also would be responsible for preparation of the Borrower's section of the Implementation Completion Report (ICR) that would be transmitted to the IBRD and IDA not later than six months after the Closing Date. To ensure and expedite fulfillment of periodic reporting requirements of the project co-financiers relating to project implementation status, and to facilitate the conduct of regular project supervision missions, at negotiations the Government and IBRD and IDA agreed that: (a) consolidated project progress reports would be prepared by the PMU each six months, i.e., on September 30 and March 31 each year, and would be distributed to IBRD and IDA, and may be distributed to CDB; and (b) the March 31 report would serve as the basis for an annual in depth review of project performance to be carried out by the Government, IBRD and IDA, and may include the participation of CDB.

7.27 The annual March 31 project status report will include: (i) a summary of the project performance over the past year, including agreed project monitoring and evaluation indicators, as were agreed with the Government at negotiations, and are delineated in Annex 14; and (ii) a detailed work program and budget (to include planned contracting of expert services and initiation of planning and policy-related studies over the given year) for the forthcoming year of project implementation, to include a realistic implementation schedule and targets for moving the project toward its successful completion. As agreed with the Government during negotiations, the Project Monitoring and Evaluation Indicators will be delineated in the PIM.

Project Reviews

7.28 Annual reviews of project performance would take place no later than May 31 each year between the IBRD and IDA and Government (which may have participation of CDB). A joint Mid-Term Review of the performance of the Basic Education Reform Project and the education reform process which it supports would be undertaken not later than September 30, 1997. For such review, the PMU would prepare, and jointly IBRD, IDA and the Government (which may have participation of CDB) would review a summary report to include assessment of: (a) the overall implementation performance of the project during its first two-and-one-half years in terms of its progress toward achieving the agreed project objectives, targets and indicators; (b) the adequacy of available and planned project financing; (c) compliance with IBRD and IDA procurement and disbursement requirements, and (d) the outcome of the annual audit reports. Subsequent to this review, a plan of action to guide the successful completion of the project will be prepared. A Project Supervision Plan is provided in Annex 14. As part of such Annual Review, the MOE may be asked to prepare an action plan, satisfactory to IBRD and IDA, to make adjustments in project implementation, as the review process may indicate is needed to achieve project objectives. In such case, the Government should furnish this action plan to IBRD/IDA no later than one month after conclusion of the respective review, and shall thereafter carry out such action plan in accordance with its terms. At negotiations, the Government provided assurances that it would comply fully and timely with the above noted Project reporting and review requirements.

H. Environmental Impact

7.29 The proposed project does not represent environmental risks. It has been assigned a "C" environmental classification.

8. EXPECTED BENEFITS AND RISKS

A. Benefits

8.1 The proposed project would significantly increase educational opportunities, particularly for youth from the more remote areas. An additional 1,675 children, or 9 percent of the secondary school age cohort, will have access to secondary education via project-financed civil works. Major improvements are expected in education provided throughout the compulsory cycle and, hence, in student achievement and employment potential, from the considerable investments targeted toward enhancing quantitatively and qualitatively the major educational inputs, i.e., trained teachers, curricula, educational materials, testing and measurement, and school plant. An improved quality of primary education is expected to help ensure that many more students will be prepared to benefit fully from secondary education, as access to it increases. The project also should contribute significantly to building institutional capacity, particularly at the MOE central Headquarters, district and school levels. It promotes increased collaboration between key public and private sector entities involved in the education sector at the national and regional level; and provides a model for initiating education sector reform, consistent with the OECS Education Reform Strategy, for other OECS countries embarking on this process. Project support to such discrete areas as achievement testing, integrated education data systems, and expansion and upgrading of educational materials production, will create a basis for OECS regional collaboration, given common interest in these initiatives.

B. Risks

8.2 The principal risks associated with the project relate to: (i) inadequate institutional capacity to carry out the education reform process, including possible failure to augment the MOE with requisite additional qualified staff; (ii) unavailability of sufficient Government financing to sustain reforms; (iii) failure to adjust and/or to closely monitor compliance with adjusted teacher to student ratios in primary and secondary schools; (iv) reluctance to adopt regional, collaborative approaches, given their inherent delays, even when these may represent the most efficient and effective long-term approaches; and (v) PMU problems in meeting the administrative demands presented by heavy front loading of implementation over the first two years, given limited Bank project execution experience. To mitigate against potential institutional failures, strong emphasis is placed on sector planning and institutional strengthening, including extensive staff upgrading via both overseas and local training, and Government assurances that the MOE personnel complement will be expanded to ensure expertise exists to fulfill its broad education sector development mandate.

8.3 Given vulnerabilities of this small economy to external factors and shocks, Government project financing has been kept within easily met ranges at present and projected GDP, and has been concentrated on local cost-intensive investments, i.e., studies, local training, equipment maintenance and the local cost portion of civil works. Incremental recurrent costs, often hampering achievement of education sector reforms, will be partially offset by resources to be released from adjusting teacher to student ratios over the project implementation period, presentation of a schedule for which is a condition of Loan and Credit Effectiveness.

8.4 To actively promote inter-country collaboration, high priority has been, and will continue to be, assigned to pooling technical resources, encouraging use of Caribbean expertise, sharing of experiences, and developing regional interventions, where appropriate and feasible. Experience gained in preparing and launching this project will help other OECS Governments in the design and initiation of their education sector reform initiatives. Several measures are being taken to facilitate smooth, timely project implementation, amid front loading of investments, including: (a) advancing crucial start-up activities, e.g., architectural designs and equipment and furniture specification lists, to be carried out before Effectiveness, via Japanese grant funds; (b) training of PMU staff in key

management areas prior to project commencement, to be facilitated by retroactive financing; and (c) provision of 8 months of Project Management expert services to support the PMU over the initial months of project execution.

9. AGREEMENTS REACHED AND RECOMMENDATION

A. Agreements Reached

9.1 *At negotiations*, Saint Lucia presented a draft Education Strategy Letter, which was discussed in depth. The Government and IBRD and IDA reached agreement on the content of the final Education Strategy Letter to be presented to the Association and the Bank as a condition of Credit and Loan Effectiveness. It will describe its education sector reform strategy, and the priority actions it will take to effect such reform, with special attention to the compulsory, basic education cycle.

9.2 At negotiations, the Government also reached final agreement with IBRD and IDA on: (a) the content of the Project Implementation Manual (PIM); (b) targeted completion dates for the planning and policy-related studies to be carried out over the first two years of project implementation; and (c) project monitoring and evaluation indicators and targets (to be included in the PIM) to be reviewed during the Annual and Mid-Term Project Reviews.

9.3 The Government further provided assurances that: (a) not later than March 31, 1996, it would have established, and subsequently would maintain within the MOE, an ETX Unit, with functions and responsibilities, and staffed with an adequate number of professionals with qualifications and responsibilities, satisfactory to the Bank and Association; and that the ETX at all times would be provided with adequate, secure, air-conditioned space, and the necessary transport to support timely, effective implementation of this project subcomponent, with one vehicle to be assigned full-time to the ETX; (b) it would allocate in "St. Lucia's Annual Estimates of Expenditure" for the years 1995 through 1999, the following minimum equivalent amounts, representing the total amounts of project financing required, regardless of source of funds, for project implementation: (i) US$ 4.072 million in 1995; (ii) US$6.590 million in 1996; (iii) US$1.368 million in 1997; (iv) US$0.468 million in 1998; and (v) US$0.338 million in 1999; (c) it shall cause SALCC to appoint candidates from its staff members to receive project-financed fellowships; and (d) prior to initiating any IBRD or IDA financed fellowships, the PMU will submit to the IBRD and IDA for its agreement the proposed candidate and training institution to ensure their suitability for the respective staff development area.

9.4 Further, the Government provided assurances at negotiations that it would comply fully with standard Bank procedures relating to implementation of the project, with special attention to the following: (a) regarding prior review, before initiating any civil works or acquisition of goods to be procured through ICB, and for those civil works and goods to be procured via LCB with a value of US$100,000 equivalent or more, it will submit to the Bank and Association for their prior review all relevant documentation; and with regard to consultants and consulting firms, all proposed contracts and related terms of reference, short lists of candidates, proposed fees, etc. would be submitted for prior IBRD and IDA review to ensure consistency with Bank guidelines on use of consultants; (b) withdrawal applications for replenishment of the Special Account will be prepared by the PMU in accordance with Bank policies and procedures; (c) an independent auditor, acceptable to the Bank and Association, would undertake the requisite annual audits of project accounts under Terms of Reference acceptable to IBRD and IDA, and it would provide copies of the audited statements to the Bank and Association within four months of the end of each fiscal year; (d) via the PMU, the MOE

would submit to IBRD and IDA project progress reports on March 31 and September 30 of each year; and the progress report of March 31 each year would serve as the basis for the annual project review, and shall include: (i) an assessment of overall implementation progress over the past year, including project monitoring and evaluation indicators as delineated in Annex 14; (ii) a detailed work plan for the forthcoming year to include planning and policy-related studies to be undertaken; and an updated budget for project implementation for the fiscal year ending the following March with a realistic implementation schedule and targets for moving the project toward its successful completion; (e) Annual Reviews of project performance to be carried out jointly by the Government and IBRD and IDA (which may have participation of CDB), would take place no later than May 31 each year, on the basis of the March 31 progress report; and no later than September 30, 1997, a Mid-Term Review would be carried out jointly by the Government and IBRD and IDA (which may have participation of CDB), to evaluate the project performance against the agreed objectives, targets and indicators; the adequacy of available and planned project financing; compliance with IBRD and IDA procurement and disbursement requirements, and the outcome of the annual audit reports.

9.5 *As conditions of Loan and Credit Effectiveness*, the Government will present to the Bank and Association the agreed Education Strategy Letter to include: (a) a schedule delineating annual targets for adjusting the teacher to students ratios over the project implementation period; (b) its commitment to ensure over the project implementation period the adequacy of sector financing for non-salary expenditures, including for school system administration; and (c) indication that an organizational restructuring of the MOE had been carried out to establish an Educational Planning and Development Office (EPDO) with three constituent units--a Project Management Unit (PMU), a Data Management Unit, and an Education Planning Unit (EPU)--and that the respective new posts had been created within EPDO, and the funding for such posts had been included in the 1995/96 "St. Lucia's Annual Estimates of Expenditure" request. Additionally, the Government would have opened a Project Account in a bank acceptable to the Bank and the Association, and deposited into such account an amount equivalent to not less than US$270,000 for implementation of the civil works to be carried out under the project; and ensured that the Project Implementation Manual had been issued, in terms satisfactory to the Bank and Association, and that this Manual would have become effective.

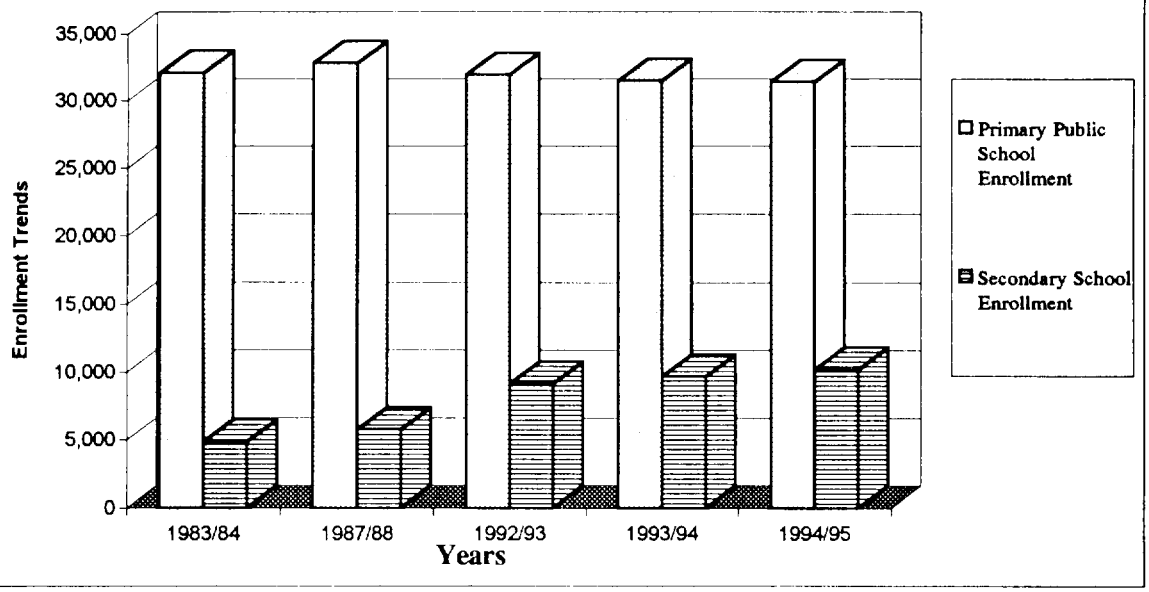
B. Recommendation

9.6 With the above agreements and assurances, the Project would constitute a suitable basis for a Loan of US$ 3.364 million equivalent and a Credit of SDR 2.3 million (US$ 3.364 million equivalent) to Saint Lucia.

Figure 1

ST. LUCIA BASIC EDUCATION REFORM PROJECT

Enrollment Trends at Public Primary and Secondary Schools



Year	1983/84	1987/88	1992/93	1993/94	1994/95	
Primary Public School Enrollment	32,107	32,809	31,928	31,487	31,400	*
Secondary School Enrollment	4,854	5,784	9,179	9,721	10,229	*

Preliminary Estimates

Source: Ministry of Education, Culture and Labour

Figure 2

ST. LUCIA BASIC EDUCATION REFORM PROJECT

Number of Public Secondary Schools (1960-1994)

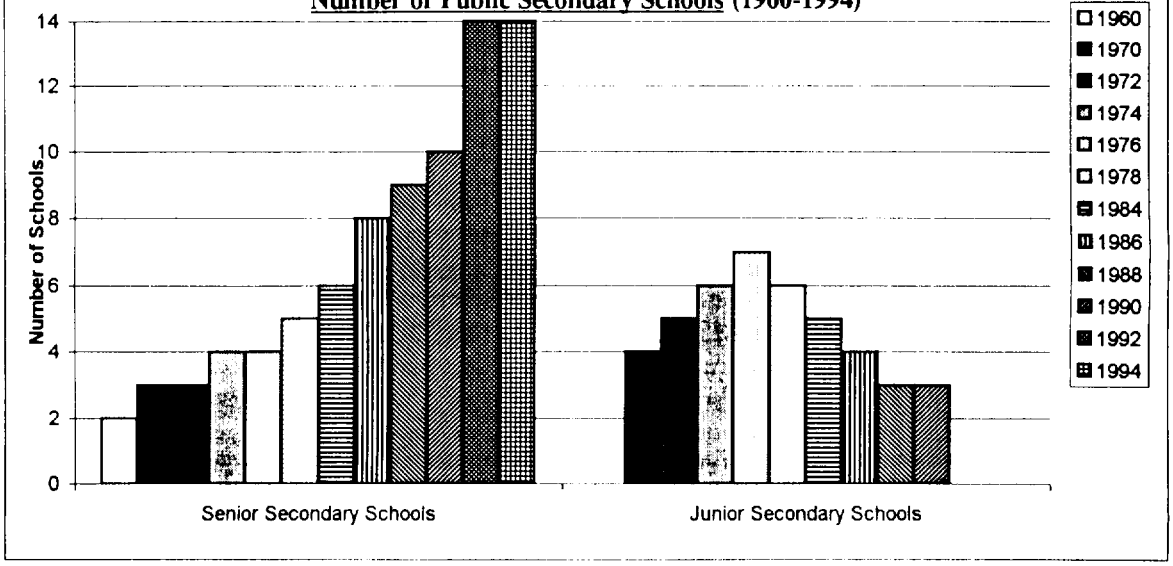


Table 1

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Common Entrance Examination (CEE)

Year	Number taking Exam	<----------Students scoring >=100---------->					
		TOTAL	%	Assigned to Secondary School	As % of those >=100	Not Assigned to Secondary School	As % of those >=100
1988	5,061	2254	44.5	1,391	62	863	38
1989	5,128			1,627		n/a	
1990	5,151	2526	49	1,648	65	878	35
1991	4,950			1,972		n/a	
1992	4,799			2,193		n/a	
1993	4,867	2400	49	2,025	84	375	16

Note: 100 is the designated passing score.

Source: Ministry of Education, Culture and Labor

Table 2

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Common Middle School Examination

Year	Number taking Exam	<----------Students scoring >=100---------->					
		TOTAL	%	Assigned to Secondary School	As % of those >=100	Not Assigned to Secondary School	As % of those >=100
1988	501	238	48	197	83	41	17
1989	n/a			n/a		n/a	
1990	558	171	31	171	100	0	
1991	320	150	47	109	73	41	27
1992	516			277		n/a	
1993	418	198	47	153	77	45	23

Note: 100 is the designated passing score.
Source: Ministry of Education, Culture and Labor

Table 3

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Distribution of Primary School Supervision Workload
by Education District 1992/93

Districts	Number of Teachers	Number of Students	Number of Schools
1. Urban Castries	292	9,242	18
2. Laborie	130	3,325	13
3. Dennery/Micoud	154	4,642	12
4. Rural Castries	253	6,774	20
5. Vieux Fort	189	5,193	11
6. Soufriere	77	2,311	10
TOTAL	1095	31,487	84

Source: Ministry of Education, Culture and Labor

Table 4

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Common Entrance Examination (CEE) Scores by Subject
1988 and 1993

Subjects:	1988			1993	
	Max Raw Score	F	M	Max Raw Score	Mean Score (both sexes)
General Paper				60	30.6
Mathematics (Problems)	50	12.5	11.7	50	12.0
Mathematics (Multiple Choice)	50	11.5	9.7	50	24.5
Essay and Summary	45	18.2	13.8	50	19.1
Spelling	12	4.9	3.5	10	5.7
Word Usage	12	4.2	3.4	10	5.7
Punctuation	12	3.1	2.5	10	5.5
Vocabulary	12	2.0	1.6	10	5.0
Reading	12	4.7	3.6	10	6.0

Sources:
1988: Ministry of Education, Culture and Labor
1993: Ministry of Education, Culture and Labor, Statistical Digest 1992-93, Table 33, p.52

Table 5

ST. LUCIA
BASIC EDUCATION REFORM PROJECT

Common Entrance Examination (CEE Scores) 1993
Proportion of Students Scoring > = 100, by Sex

	Number of Students Taking Exam	Number Scoring > = 100	Number Scoring < = 100 as % taking Exam
Male	2469	1051	43
Female	2398	1349	56
Total	4857	2400	

Table 6

ST. LUCIA
BASIC EDUCATION REFORM PROJECT

Caribbean Examination Council (CXC) Results 1994
(by number of subjects offered)

# Subjects offered/# Passes	# Sat	No Passes	1 Subj	2 Subj	3 Subj	4 Subj	5 Subj	6 Subj	7 Subj	8 Subj	9 Subj	10 Subj
1 Subjects	9	3	6									
2 Subjects	14	5	7	2								
3 Subjects	4	3	1	0	0							
4 Subjects	10	0	4	2	2	2						
5 Subjects	44	7	10	14	5	8	0					
6 Subjects	150	8	23	28	40	26	28	6				
7 Subjects	231	6	2	20	32	46	44	51	30			
8 Subjects	249	0	2	8	12	28	24	50	58	67		
9 Subjects	31	0	0	0	0	2	2	1	5	7	14	
10 Subjects	2	0	0	0	0	0	0	0	0	0	0	2
TOTAL	753	32	55	74	91	112	98	108	93	74	14	2

Note: The number in which grade II or better was achieved for candidates offering no basic and at least one general/technical.

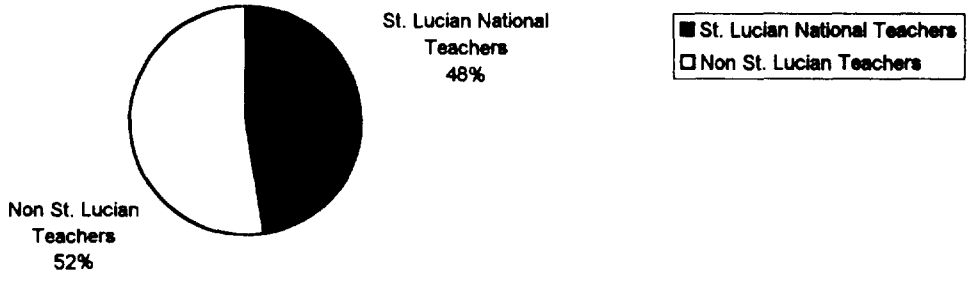
Source: Caribbean Examinations Council (CXC)

ST. LUCIA BASIC EDUCATION REFORM PROJECT

Figure 3

Graduate Teachers at Secondary Schools

(October 1992)

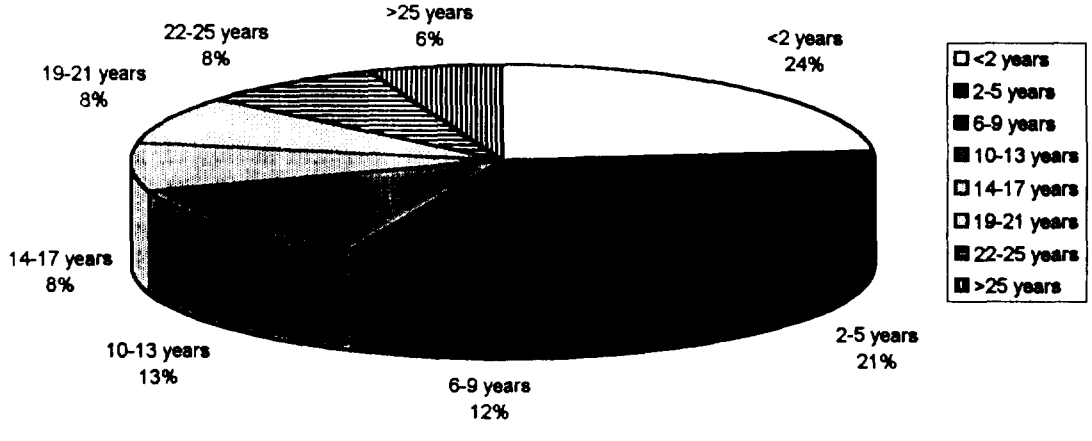


Source: Ministry of Education, Culture and Labour, Statistical Digest 1992/93

ST. LUCIA BASIC EDUCATION REFORM PROJECT

Figure 4

Teaching Experience of Secondary Teachers: 1992/93



Source: Ministry of Education, Culture & Labour, Statistical Digest 1992/93

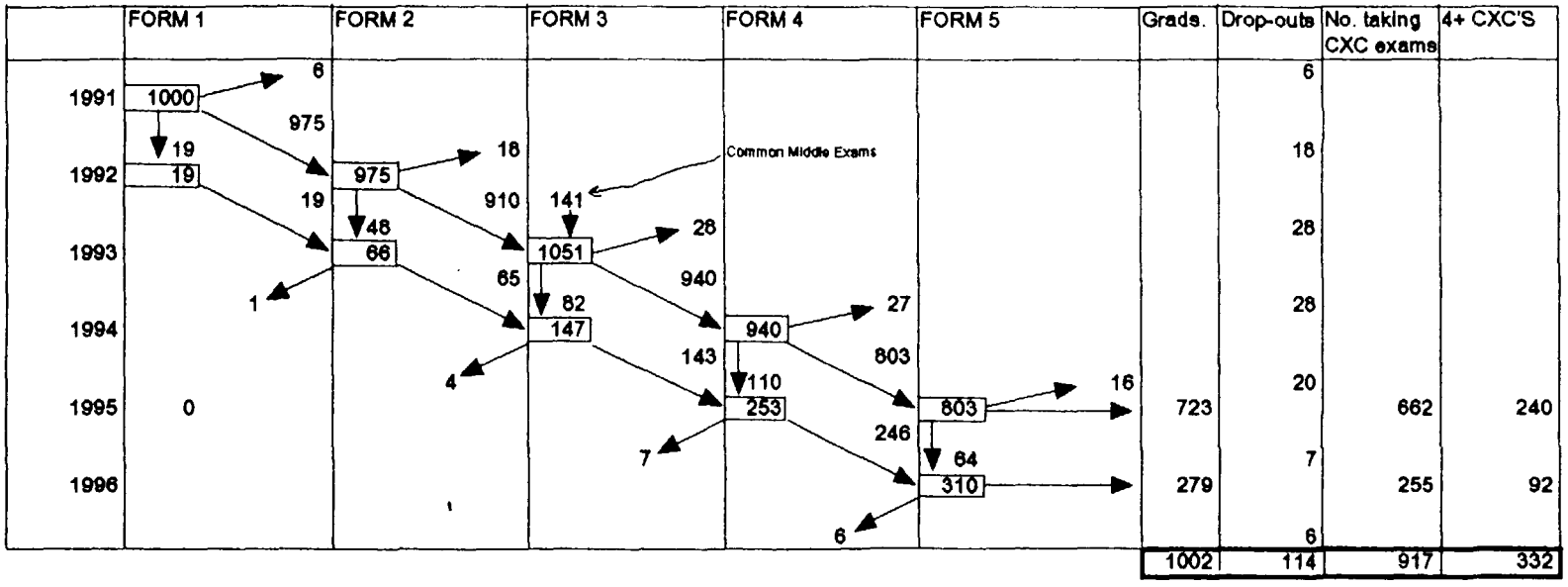
Basic Education Statistics Annex 1
Chart 1

COHORT ANALYSIS: FLOW OF STUDENTS THROUGH PRIMARY SCHOOL - ST. LUCIA (based on 1991/92 flow rates)

(Student flows per 1,000 enrolment)

	Gde1	Gde2	Gde3	Gde4	Gde5	Gde6	Gde7	Gde8	Gde9	Gde10
Repetition Rate	0.00	0.01	0.01	0.01	0.01	0.01	0.03	0.03	0.07	0.02
Promotion Rate	0.99	0.95	0.97	1.00	0.99	1.02	0.65	0.66	0.41	0.00
Drop-out Rate							-0.05	0.00	0.11	0.17
Grad. Rate							0.36	0.31	0.42	0.55
Sec. Trans. Rate	0.01	0.04	0.03	-0.01	0.00	-0.03				0.26

COHORT ANALYSIS: STUDENT FLOW THROUGH SECONDARY SCHOOL - ST.LUCIA



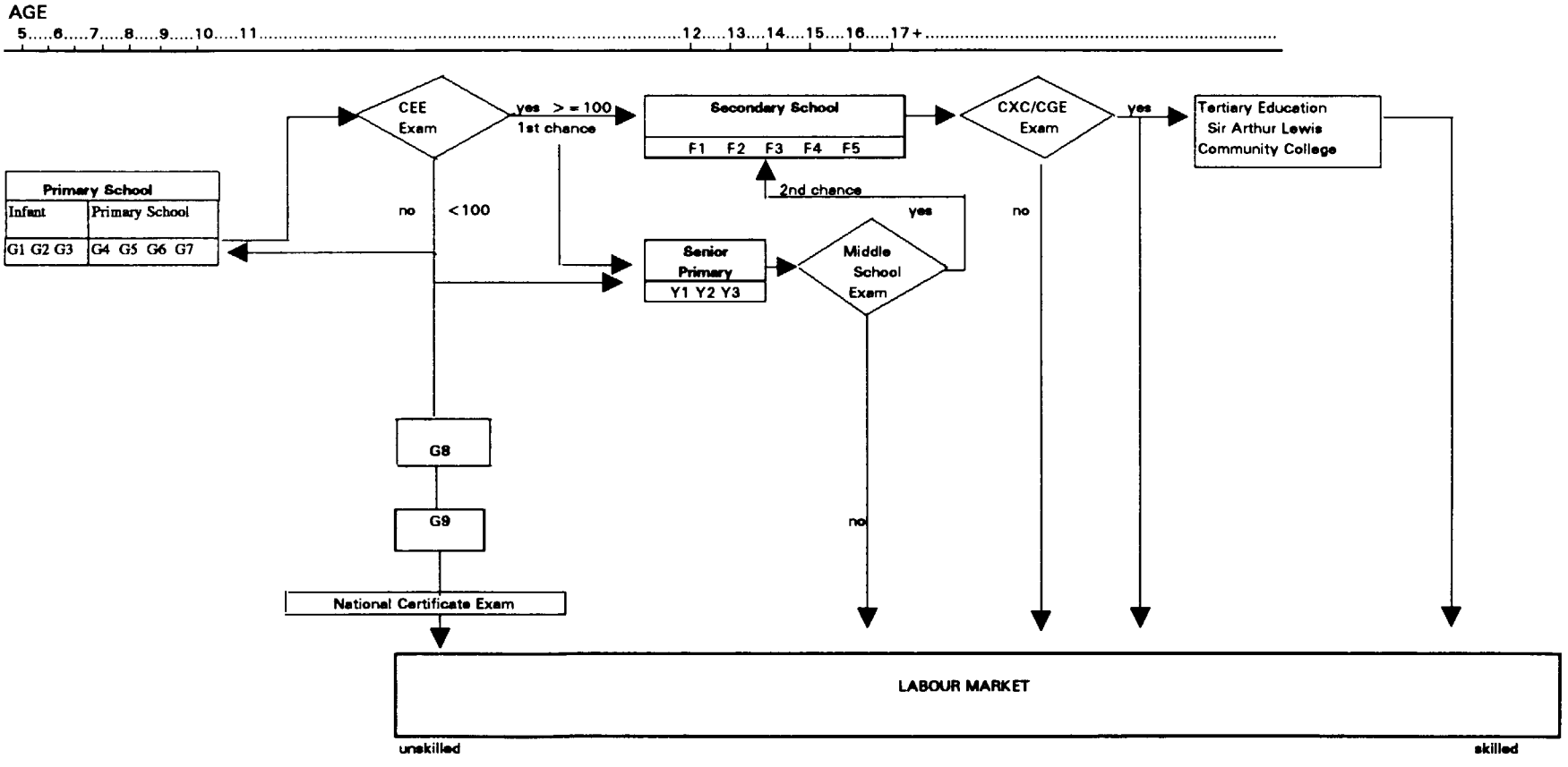
	FM1	FM2	FM3	FM4	FM5
Drop-out Rate	0.01	0.02	0.03	0.03	0.02
Promotion Rate	0.98	0.93	0.9	0.85	0.9
Repetition Rate	0.02	0.05	0.08	0.12	0.08
Foreign Trans. Rate	0.00	0.00	0.01	0.01	0.00

Graduation rate

Rate taking CXC : 0.624 of Form 5 enrolment
Rate scoring 4+ CXC subjects : 0.362 of number taking exams.
Common Middle transfer rate : approx. 0 .141 of Form 1 intake

ST. LUCIA

Current Structure of Education System

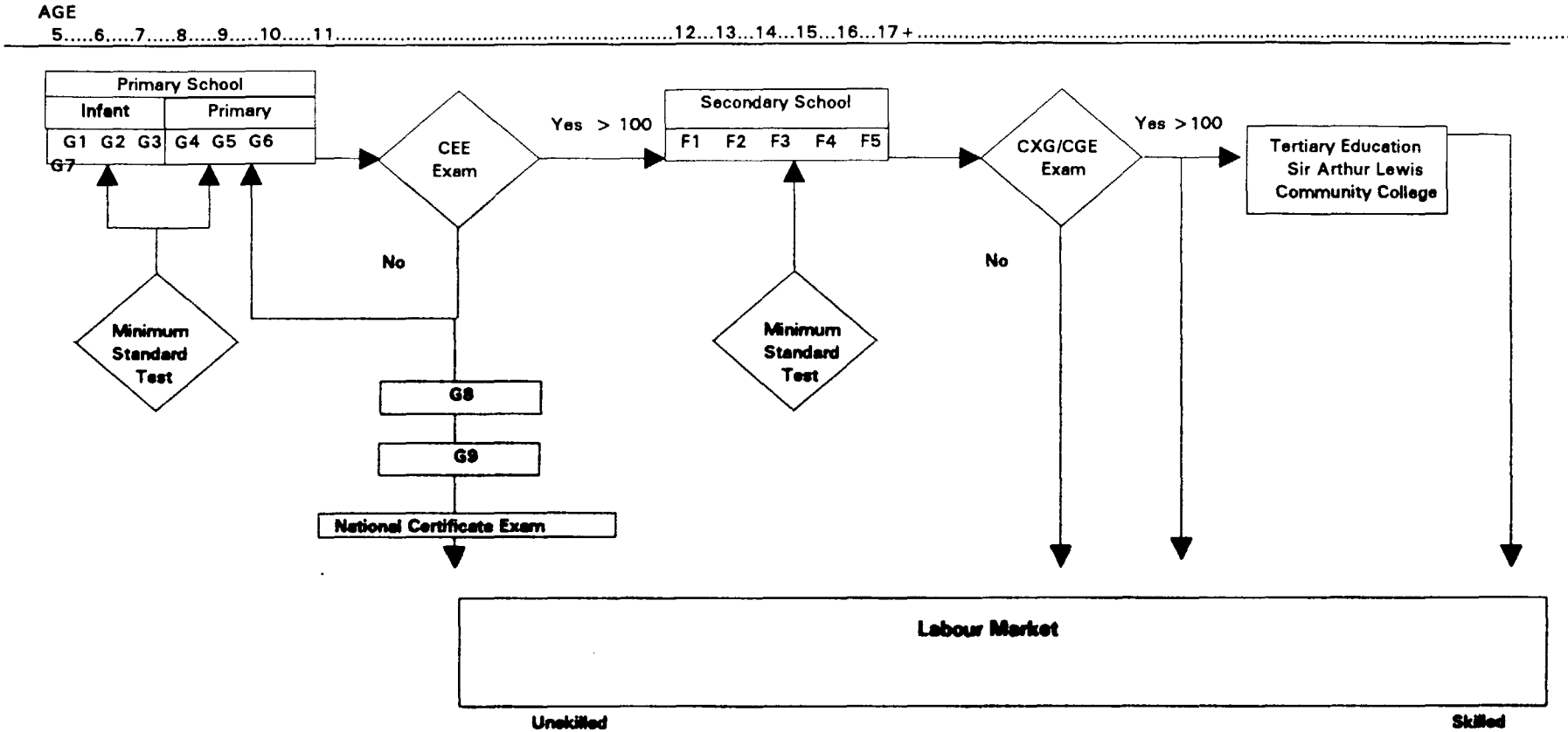


CEE = Common Entrance Examination
CXC = Caribbean Examinations Council
GCE = General Certificate of Education (Cambridge or London)

Source: Bank/IDA mission

Structure of Education System: Annex 2
Chart 1

Proposed Structure of Education System at end of Education Reform Process



Source: Bank/IDA mission

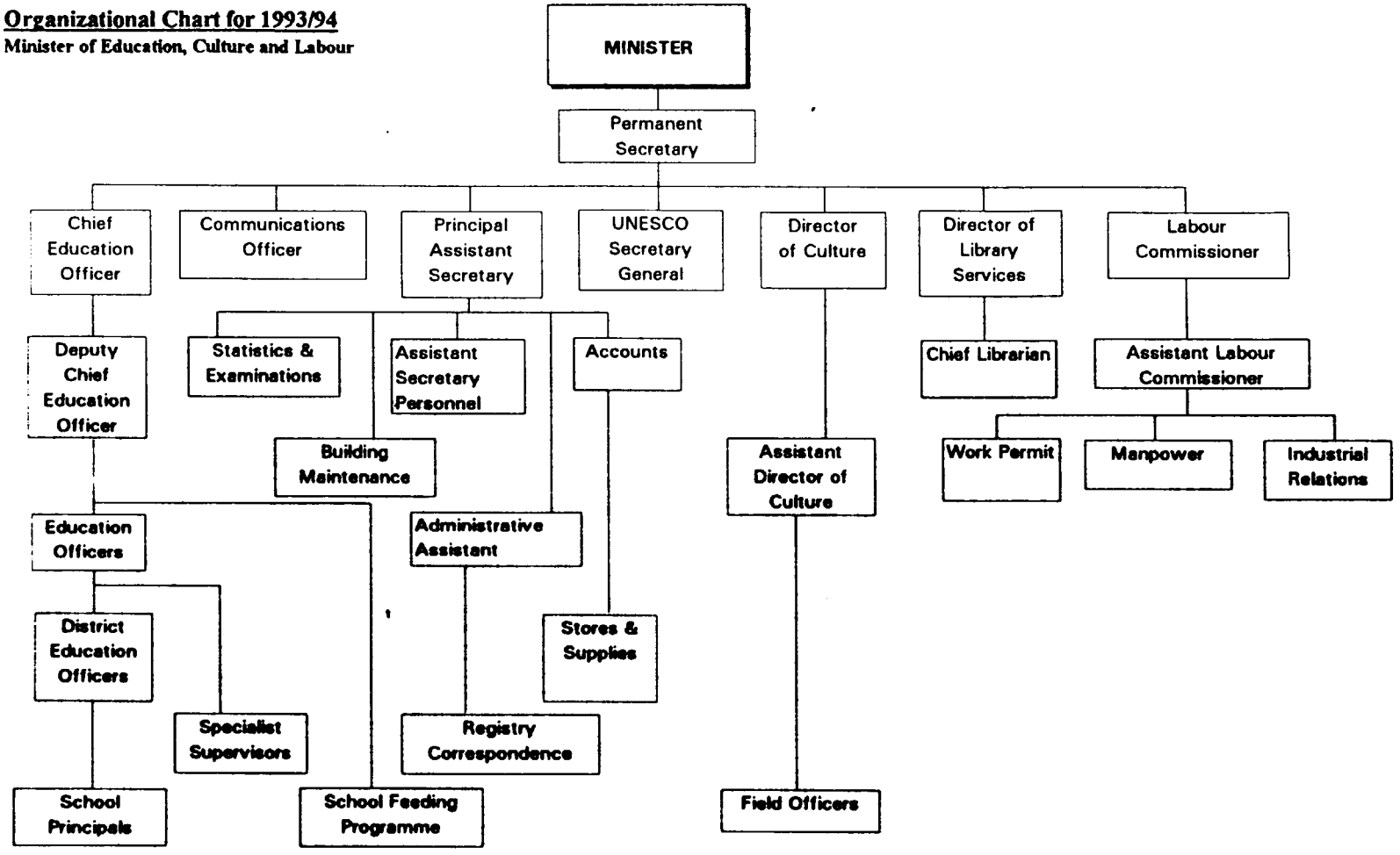
Structure of Education System: Annex 2
Chart 2

Annex 3
Chart 1

ST. LUCIA

Organizational Chart for 1993/94

Minister of Education, Culture and Labour



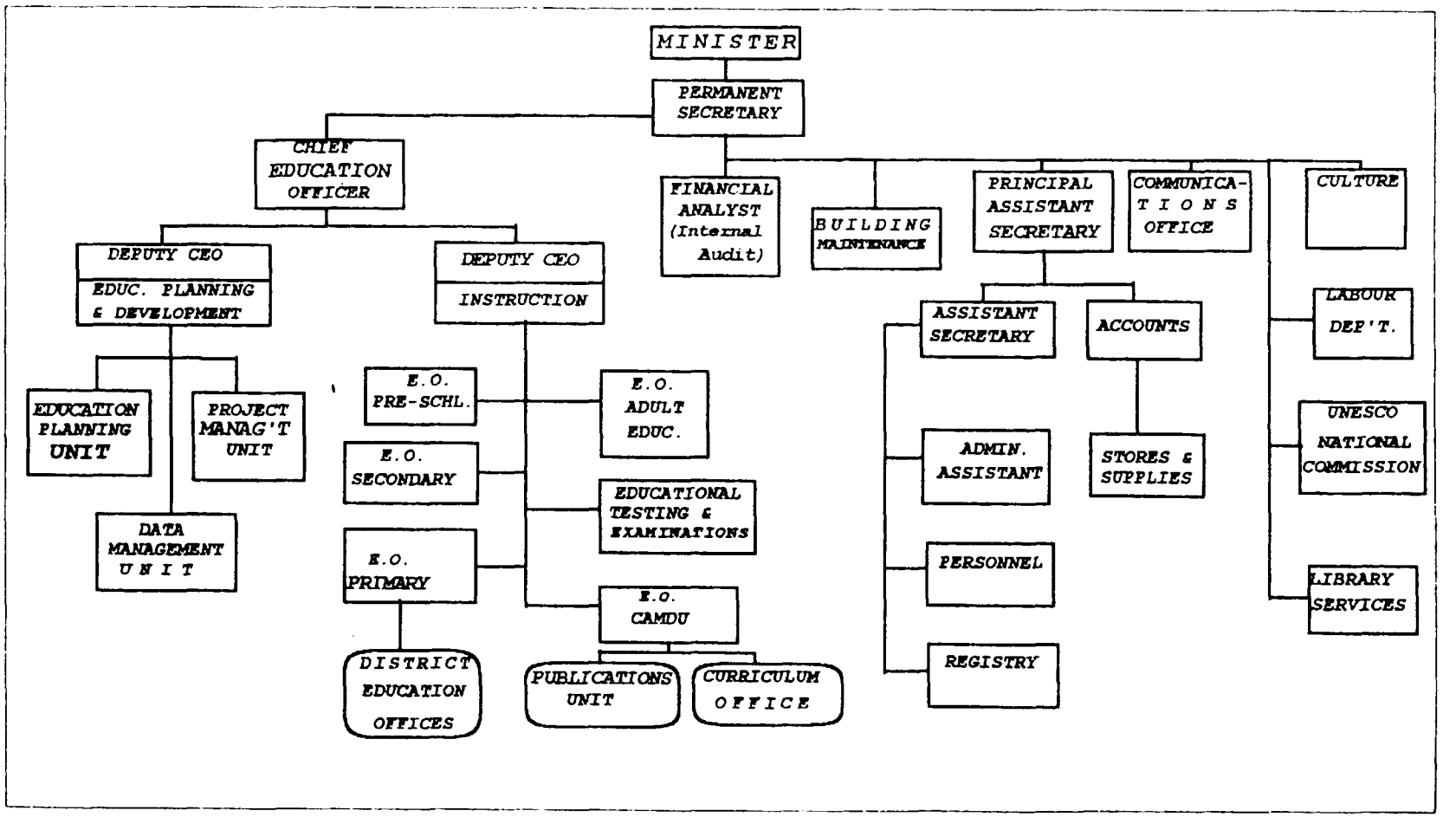
Organization Chart of MOE

Annex 3
Chart 2

Organization Chart of MOE:

St. Lucia: Basic Education Project

PROPOSED ORGANIZATIONAL CHART OF THE MINISTRY OF EDUCATION, CULTURE & LABOUR



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ST. LUCIA: BASIC EDUCATION PROJECT
IMPACT OF ADJUSTMENT OF TEACHER TO STUDENT RATIOS

1. In view of developments in the banana industry and their likely fiscal impact, while the St. Lucia Government might be able to maintain roughly its present high level of financial support for education, it is unlikely that there can be any substantial sustained increase. The proposed project addresses key institutional weaknesses and educational quality issues and poses the legitimate question as to where the recurrent financing will be found for the various increases in spending that will be required.

2. The 1993-94 teacher to student ratios in primary and secondary schools were, respectively, 1:27 and 1:17.1. These ratios are generous by the standards of developing countries of the income level of St. Lucia.[5] The situation at individual schools varies widely; some secondary schools have ratios above 1:15 which is the norm for Liberal Arts Colleges. Three points are noteworthy. First, the current generous ratios have not guaranteed high quality, if one judges by the examination results of the school system at primary and secondary levels. Indeed, some of the best performing primary and secondary schools in the country operate with ratios that are less generous than average.[6] Second, research has shown that, within certain limits, teacher to student ratios have little bearing on student performance. In basic education, ratios of 1:50 and even as low as 1:60 can still lead to good results. Third, the provision of basic requirements for effective teaching and learning--instructional materials, equipment and supplies, well maintained buildings, good curricula, reliable testing and feedback, and good school supervisory services--has been severely constrained by lack of funds. At the secondary level, the non-salary allocation for Government schools in 1993/94 was 7.32% of the sub-sector budget; by contrast, for the excellently performing Assisted Schools, the proportion was 16.81%. At the primary level, the non-salary share was 5.5%. Ironically, the provision of a level of teachers that is generous by comparison with other countries has deprived both the teachers and students of the very investments needed to make them and the learning process productive.

3. At both levels of education there has been an unfortunate trend toward diversification, overloading and fragmentation of curricula. New courses and programs have been added without weeding out old or existing ones. Each addition exerts pressure on the teacher to student ratio in the form of demand for additional or new staff. Maintaining any fixed ratios requires externally (at the level of MOE) careful programming of recruitment of staff and internally (at the school level) efficient deployment of teaching staff. The fundamental controls should be on:

a. teaching loads--ensuring that they are fair but adequate; a standard of 75% of the total weekly periods

---

[5] Data from a sample of countries according to the UNESCO Statistical Yearbook 1993

Country	*Primary*		*Secondary*	
	Year	*Students per teacher*	*Year*	*Students per Teacher*
Cameroon	*1990*	*51*	*1989*	*32*
Gabon	*1991*	*44*	*1991*	*32*
Zimbabwe	*1992*	*38*	*1990*	*27*
Jamaica	*1990*	*37*	*1985*	*31*
Trinidad & Tobago	*1990*	*26*	*1990*	*20*
Korea	*1992*	*33*	*1992*	*24*
Philippines	*1991*	*33*	*1991*	*32*

[6] The best performing secondary school had a ratio of 1:18.8 in 1992-93 compared to a national average of 1:18.0. One consistently outstanding primary school in Castries had a ratio of 1:35 in 1992-93 compared to the national average of 1:27.

comprising class teaching is reasonable at the secondary level; at the primary level free periods are not considered a norm;

b. class sizes--to avoid the uneconomic sizes of classes and related inefficient use of public resources, reasonable thresholds, below which no class would be put on, need to be established and adhered to;

c. flexibility in the use of teachers--placing the emphasis in small scale situations on multi functions (i.e multi-grade teaching, teachers who carry more than one subject specialization, use of specialist teachers to teach both special and general subjects, etc.); and

d. streamlining of curricula--for example, instead of adding environment as a separate new subject to the curriculum, one might intersperse its elements in the geography, hygiene, science, social science and agriculture syllabi; a mainstream of the essential, important and affordable disciplines needs to be agreed upon for both general and comprehensive schools. The more expensive the education program is, the lower the number of persons that can be exposed to education.

In the final analysis, therefore, the problem is one of close monitoring which the Ministry is currently ill-equipped to undertake. Thus, again ironically, the lack of sufficient staff at the Ministry to oversee the sector, instead of saving money, actually creates conditions in which scarce resources are wasted.

4. The urgent financial issue is two-fold--how to ensure availability of the resources for non-salary inputs so as to support and sustain high quality and how to generate the funding for improved management of the system. The only reasonable recourse is to adjust the presently over-generous teacher to student ratios.

5. The following calculations are intended to show that a reasonable pace of adjustment of teacher to student ratios can have a considerable financial impact.

At Primary Level

Year	Enrollment Projection	Students per Teacher (Projected Ratios)	Total Teachers needed	Decline in demand	Attrition p.a. (resignation, etc. @ 3%)	Net Recruitment Required
1992-93	31,900	27	---	--	--	--
1993-94	31,700	27	1,174	--	--	--
1994-95	31,500	27.5	1,145	29	34	5
1995-96	31,200	28	1,114	31	33	2
1996-97	31,000	28.5	1,088	26	32	6
1997-98	30,700	29	1,059	29	31	2
1998-99	30,400	29.5	1,031	28	31	3
1999-2000	30,000	30	1,000	31	30	(1)

At secondary level

Year	Enrollment Projection (1992-94 Actual)	Demand for teachers at current ratio (1:17.1)	Proposed number of students per teacher	Teachers required	Attrition (@ 3%)	Net Recruitment Required
1992-93	9,169	507(1:18.1)	--	--	--	--
1993-94	9,721	569(1:17.1)	--	--	--	--
1994-95	10,229	595	18.0	568	17	16
1995-96	10,715	630	18.5	579	17	26
1996-97	11,247	662	19.0	591	18	30
1997-98	11,630	684	19.5	596	18	23
1998-99	11,944	703	20.0	597	18	19
1999-2000	12,259	721	20.5	598	18	19

6. The cost comparison can be presented as follows:

	Primary	Secondary
Average teacher salary 1993-94	in EC$ $15,362	in EC$ $19,768
1999-2000 total teachers' salaries under current ratios	$17,067,182	$14,252,728
1999-2000 total teachers' salaries under reduced ratios	$15,362,000	$11,821,264
Net Saving	**$ 1,705,182**	**$ 2,431,464**

7. Thus, the total net saving in 1999-2000 would be EC$4,136,646 at current prices in constant dollars.

8. It is most important to note: first, that the incremental cost for new posts under the project and for the related overheads (travel, training, office & general) would by 1999-2000 amount to EC$1,435,000. (Annex 9); and second, that a more reasonable budget for supplies, materials, operations & maintenance and office & general expenses at the schools would add the amount of EC$2,086,900. (Annex 9) In other words, the saving from this very modest adjustment of teacher to student ratios would more than offset the increase of EC$3,521,900 under the categories indicated. This reallocation of resources would provide a more efficient and cost effective mix of the resources required to produce high quality education and management. It is a window of opportunity available to the sector in St. Lucia to better provide for the current and future generation of children.

9. It is also important to be realistic about this challenge. There will be no need to retrench teachers if one proceeds at the modest pace indicated. Yet, as imperceptible as this change may seem, it will be felt by the teachers; the Ministry should, therefore, ensure that there are compensating benefits in terms of better supplies and a more responsive and efficient administration of school affairs, if morale is not to be further depressed. It will, however, be necessary to apply the brakes hard on recruitment at the primary level until the current trend toward declining enrollments is reversed, as it probably will be in 6-7 years' time. At the secondary level, the deceleration in recruitment of new teachers will not

be as great, but there will still be need for restraint. This change in the evolution of the number of teachers will facilitate concentration on raising the average qualifications of teachers at both primary and secondary levels, which will also raise the overall cost, but simultaneously provide a better yield in terms of education.

10. The Ministry should, therefore:

a. take steps to curtail the recruitment of new primary teachers;

b. design and implement guidelines for all schools to follow on the controls cited in para. 3 above and accordingly monitor their time-tabling, and

c. produce the necessary detailed annual programming (as part of the proposed planning and the annual budget preparation) of the changes in respect of the civil establishment, the teaching service and the budgetary allocations for non-salary supports, as these are phased in over the next five years.

Table 1

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Education Expenditures
(as percentage of Public Budget)

Year / Type of Expenditures	1988/89	1989/90	1990/91	1991/92	1992/93	1993/94
Recurrent	22	23	23	21	21	24
of which distribution is:						
Primary	54	48	51	47	49	50
Secondary	29	25	28	30	25	27
Tertiary	10	10	14	12	13	13
Other	7	7	7	11	13	10
Capital	10	10	10	12	9	7

Source: Ministry of Planning, Personnel, Establishment & Training, 1993

Table 2

ST.LUCIA
BASIC EDUCATION REFORM PROJECT
Salary and non salary Budget Allocations at the School Level
(Recurrent Budget in EC$ - 1993/94)

	Teachers Salaries	School Staff (Salaries/Wages)*	Total Budget for the Schools	Budget Allocation		
				% to Teachers Salaries	% to total Salary & Wages	% to Non-salary purposes
Primary All Schools	27,051,113	29,532,698	31,247,518	86.57	94.51	5.49
Secondary:						
12 Gov Secondary Schools	(11,846,234)	(13,715,877)	(14,799,302)	(80.05)	(92.68)	(7.32)
2 Assisted Secondary Schools	(2,076,913)	(2,248,282)	(2,702,697)	(76.85)	(89.19)	(16.81)
Total Secondary Schools	13,923,147	15,964,159	17,501,999	79.55	91.21	8.79

* Includes all staff at the schools.
Source: Budgetary Estimates of St. Lucia 1993-94

Table 3

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Recurrent Education Expenditures per Pupil and Level
(in EC$ and %)

Education Level	1989/90 Amount			1992/93 Amount		
	EC$	US$	As multiple of primary cost	EC$	US$	As multiple of primary cost
Primary	757	280	1	873	323	1
Secondary	1,697	628	2.2	1,459	540	1.7
Tertiary	7,064	2,616	9.3	8,368	3,099	9.5

Source: Ministry of Education, Culture and Labor

Table 4

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Public Sector Investment Program by Key Social Sectors
(as percent of total PSIP)

	1993/94	1994/95	1995/96	1994/96
Education	21	13	8	14
Housing and Community Services	9	5	3	7
Health	9	5	10	8
Total Social Sectors	39	26	21	29
Total PSIP (in million EC$)	267.2	207.3	236.1	217.6

Source: Ministry of Planning, Personnel, Establishment & Training, 1993

ST. LUCIA
BASIC EDUCATION REFORM PROJECT
Incremental Staff Positions Required in Ministry of Education, Culture and Labor under Education Reform Process

POSITION TITLE	UNIT TO WHICH ASSIGNED
Project Manager	Project Management Unit (PMU)
Procurement Officer	Project Management Unit (PMU)
Accountant II	Project Management Unit (PMU)
Clerk/Typist	Project Management Unit (PMU)
Statistical Officer	Data Management Unit (DMU)
Three (3) Curriculum Officers: (1) Mathematics; (2) Social Studies; (3) Science	Curriculum and Materials Development Unit (CAMDU)
Clerk/Typist	Curriculum and Materials Development Unit (CAMDU)
Two (2) Education Officers, Testing	Education Testing and Examinations Unit (ETX)
Two (2) Executive Officers	Education Testing and Examinations Unit (ETX)
Handyman	Education Testing and Examinations Unit (ETX)
Financial Analyst/Internal Auditor	Internal Audit
Two Building Officers (Building Maintenance)	Building Maintenance Unit
Deputy Chief Education Officer (CEO)	Education Planning & Development Office (EPDO)
Two (2) Secretaries to Deputy Chief Education Officers (CEOs)	Deputy CEO Education Planning & Development Office (EPDO) & Deputy CEO Instruction
Two (2) District Education Officers (for new districts)	Deputy CEO Instruction
Education Officer Secondary	Deputy CEO Instruction

Studies to be carried out under Basic Education Reform Project: Annex 7

ST. LUCIA
BASIC EDUCATION REFORM PROJECT

Studies to be Carried out by the Ministry of Education, Culture and Labor
1995-1996

Study	Targeted Completion Date
Management Audit of MOE	September 1995
Education and Training Implications of Economic and Social Development and Labor Market Demands	June 1996
Teacher Effectiveness and Attrition	September 1997
Effective Schools Initiative: Impact Analysis of School Supervision and School Performance Assessment Systems	Interim Report September 1997 Final Report September 1998
Survey and Analysis of Reading Habits and Practices among Children and Adults and Use of Public Library Services	September 1997

St. Lucia
Basic Education Project
Components Project Cost Summary

	(EC$ '000)			(US$ '000)			% Foreign	% Total Base
	Local	Foreign	Total	Local	Foreign	Total	Exchange	Costs
A. A. Institutional Strengthening								
A1. Planning	210	634	844	78	235	313	75	3
A2. Educ Data Mngt	32	516	548	12	191	203	94	2
A3. Project management	32	580	612	12	215	227	95	2
A4. General Administration	29	524	552	11	194	205	95	2
Subtotal A. Institutional Strengthening	303	2,254	2,557	112	835	947	88	8
B. B. Qualitative Improvement								
B1. Teacher Training	799	1,508	2,308	296	559	855	65	8
B2. Curriculum Development	84	1,769	1,853	31	655	686	95	6
B3. Testing and Measurement	100	784	884	37	290	327	89	3
B4. Education Materials	77	1,077	1,154	28	399	427	93	4
B5. School Supervision	286	1,006	1,292	106	373	478	78	4
Subtotal B. Qualitative Improvement	1,346	6,144	7,490	498	2,276	2,774	82	25
C. C. Expansion of Access								
C1. Four Secondary	6,911	12,166	19,077	2,560	4,506	7,066	64	63
C2. Rehab. of Primary Schools	480	719	1,199	178	266	444	60	4
Subtotal C. Expansion of Access	7,391	12,885	20,276	2,737	4,772	7,510	64	67
Total BASELINE COSTS	9,040	21,284	30,323	3,348	7,883	11,231	70	100
Physical Contingencies	987	1,889	2,876	366	700	1,065	66	9
Price Contingencies	500	1,109	1,609	168	373	542	69	5
Total PROJECT COSTS	10,526	24,282	34,808	3,882	8,956	12,838	70	114

St. Lucia
Basic Education Project
Expenditure Accounts Project Cost Summary

	(EC$ '000)			(US$ '000)			% Foreign	% Total Base
	Local	Foreign	Total	Local	Foreign	Total	Exchange	Costs
I. Investment Costs								
A. Civil Works								
Construction	6,111	9,166	15,277	2,263	3,395	5,658	60	50
Rehab /Repair Primary	448	672	1,121	166	249	415	60	4
Subtotal Civil Works	6,559	9,838	16,397	2,429	3,644	6,073	60	54
B. Goods								
1. Equipment and Furniture								
Computers, Printers and Software	21	1,040	1,062	8	385	393	98	4
Other Equipment	40	1,963	2,004	15	727	742	98	7
Furniture	317	813	1,130	117	301	418	72	4
Subtotal Equipment and Furniture	378	3,817	4,195	140	1,414	1,554	91	14
2. Books&Educat.Materials	22	1,078	1,100	8	399	407	98	4
3 Supplies and Miscell.	19	913	932	7	338	345	98	3
Subtotal Goods	419	5,808	6,227	155	2,151	2,306	93	21
C. Training	747	-	747	277	-	277	-	2
D. Technical Assistance								
Works Design/Eng./SPN	763	1,145	1,909	283	424	707	60	6
Experts	81	1,539	1,620	30	570	600	95	5
Fellowships	140	2,668	2,808	52	988	1,040	95	9
Subtotal Technical Assistance	985	5,352	6,337	365	1,982	2,347	84	21
E. Studies	251	167	419	93	62	155	40	1
Total Investment Costs	8,961	21,165	30,126	3,319	7,839	11,158	70	99
II. Recurrent Costs								
A. Maintenance								
Equipment	79	118	197	29	44	73	60	1
Total Recurrent Costs	79	118	197	29	44	73	60	1
Total BASELINE COSTS	9,040	21,284	30,323	3,348	7,883	11,231	70	100
Physical Contingencies	987	1,889	2,876	366	700	1,065	66	9
Price Contingencies	500	1,109	1,609	168	373	542	69	5
Total PROJECT COSTS	10,526	24,282	34,808	3,882	8,956	12,838	70	114

St. Lucia
Basic Education Project
Expenditure Accounts by Financiers
(US$ '000)

	010 IBRD/IDA		020 The Government		030 Caribbean Development Bank		Total		For.	Local (Excl.	Duties &
	Amount	%	Amount	%	Amount	%	Amount	%	Exch.	Taxes)	Taxes
I. Investment Costs											
A. Civil Works											
Construction	2,410	35.6	1,835	27.1	2,517	37.2	6,762	52.7	4,057	2,029	676
Rehab./Repair Primary	334	75.2	110	24.8	-	-	445	3.5	267	133	44
Subtotal Civil Works	2,744	38.1	1,945	27.0	2,517	34.9	7,207	56.1	4,324	2,162	721
B. Goods											
1. Equipment and Furniture											
Computers, Printers and Software	427	100.0	0	-	-	-	427	3.3	419	9	-
Other Equipment	814	100.0	0	-	-	-	814	6.3	798	16	-
Furniture	457	100.0	0	-	-	-	457	3.6	329	128	-
Subtotal Equipment and Furniture	1,699	100.0	0	-	-	-	1,699	13.2	1,546	153	-
2. Books&Educat.Materials	364	82.7	76	17.3	-	-	440	3.4	431	9	-
3. Supplies and Miscell.	390	100.0	0	-	-	-	390	3.0	382	8	-
Subtotal Goods	2,453	97.0	76	3.0	-	-	2,529	19.7	2,359	170	-
C. Training	-	-	306	100.0	-	-	306	2.4	-	306	-
D. Technical Assistance											
Works Design/Eng./SPN	274	37.3	461	62.7	-	-	736	5.7	441	294	-
Experts	647	100.0	0	-	-	-	647	5.0	614	32	-
Fellowships	610	52.9	0	-	544	47.1	1,154	9.0	1,097	58	-
Subtotal Technical Assistance	1,531	60.4	461	18.2	544	21.4	2,537	19.8	2,152	384	-
E. Studies	-	-	176	100.0	-	-	176	1.4	70	105	-
Total Investment Costs	6,728	52.8	2,964	23.2	3,061	24.0	12,754	99.3	8,906	3,128	721
II. Recurrent Costs											
A. Maintenance											
Equipment	-	-	84	100.0	-	-	84	0.7	50	34	-
Total Recurrent Costs	-	-	84	100.0	-	-	84	0.7	50	34	-
Total Disbursement	6,728	52.4	3,048	23.7	3,061	23.8	12,838	100.0	8,956	3,161	721

St. Lucia
Basic Education Project
Expenditure Accounts by Components - Totals Including Contingencies
(US$ '000)

	A. Sector Planng & Inst. Strengthg				B. Qualitative Improvement				C. Expanding Access to Schools			
	A1. Planning	A2. Educ Data Mngt	A3. Project anageme	A4. General Administration	B1. Teacher Training	B2. Curriculum eveiopmen	B3. Testing and easuremen	B4. Education Materials	B5. School Supervision	C1. Four Secondar	C2. Rehab/Repair of Primary Schools	Total
I. Investment Costs												
A. Civil Works												
Construction	-	-	-	-	-	-	17	-	238	6,507	-	6,762
Rehab./Repair Primary	-	-	-	-	-	-	-	-	-	-	445	445
Subtotal Civil Works	-	-	-	-	-	-	17	-	238	6,507	445	7,207
B. Goods												
1. Equipment and Furniture												
Computers, Printers and Software	22	26	20	18	-	190	69	38	44	-	-	427
Other Equipment	5	8	14	8	-	17	16	14	54	679	-	814
Furniture	11	10	9	5	-	24	20	9	18	352	-	457
Subtotal Equipment and Furniture	38	44	43	31	-	230	104	61	117	1,030	-	1,699
2 Books&Educat Materials	-	-	-	15	-	259	-	152	13	-	-	440
3 Supplies and Miscell	41	36	47	33	-	75	52	58	47	-	-	390
Subtotal Goods	79	79	90	80	-	565	156	272	178	1,030	-	2,529
C Training	1	1	-	-	295	4	-	-	6	-	-	306
D. Technical Assistance												
Works Design/Eng./SPN	-	-	-	-	-	-	1	-	25	679	31	736
Experts	78	78	128	51	-	52	119	102	38	-	-	647
Fellowships	59	59	22	86	663	118	29	59	59	-	-	1,154
Subtotal Technical Assistance	137	137	150	138	663	170	149	161	122	679	31	2,537
E. Studies	125	-	-	-	-	-	28	23	-	-	-	176
Total Investment Costs	342	217	240	217	957	739	350	456	543	8,216	476	12,754
II. Recurrent Costs												
A. Maintenance												
Equipment	5	5	5	5	-	11	9	7	3	35	-	84
Total Recurrent Costs	5	5	5	5	-	11	9	7	3	35	-	84
Total PROJECT COSTS	347	221	245	222	957	750	359	462	547	8,251	476	12,838
Taxes	-	-	-	-	-	-	2	-	24	651	44	721
Foreign Exchange	259	208	232	210	630	716	318	431	423	5,243	285	8,956

ST. LUCIA: BASIC EDUCATION REFORM PROJECT
ESTIMATED INCREMENTAL RECURRENT COSTS GENERATED BY THE PROJECT

1. Incremental recurrent costs would be generated by the project by the year 2000 for the following: a) new positions in the administrative establishment; b) increased allowances for materials, supplies, operations & maintenance in primary, and the same plus office & general in secondary schools: c) expenditure increases for headquarters in areas such as travel, training, operations, office & general and for new (and strengthened existing) District Offices; and d) operating expenditures for the new secondary school places provided under the project;

New Positions

2. The new positions expected to be created in connection with this project (and the related salaries) are estimated to be of the order of EC$ 750,000.

Increased Allowances at the School Level

3. An increase in the budget for materials and supplies at the primary schools particularly but also at secondary schools, will be essential to any reform and improvement effort. Without this increase, the entire investment would yield little actual qualitative gains. The suggested scale of these increases, based on the assessment of problems cited by the consultants during project preparation and of MOE staff throughout project generation, is as follows:

	Budgetary Allocation (1994-95) (EC$)	Proposed Allocation (Year 2000) (EC$)	Net Increase (EC$)
Primary	1,760,000	3,402,000	1,642,000
Secondary	851,100	1,296,000	444,900
TOTAL	2,611,100	4,698,000	2,086,900

The basis for these increases is as follows:

Item	Primary		Secondary	
	US Dollars	EC Dollars	US Dollars	EC Dollars
Allowance per school	15,000[7]	40,500	40,000	108,000
Cost for all schools	1,260,000	3,402,000	480,000	1,296,000
Per student Cost	40.54	109.46	57.14	154.27
Current per student costs (1993-94)		56.63		101.41
Percentage increase over current costs		93.4		52.1

Expenditure Increases at Head Office

4. It would be impossible to calculate all additional overhead administrative costs for Head Office; nevertheless, it is clear that there will be additional expenditure requirements for travel of new staff scheduled as travelling officers, especially for the PMU and ETX, and such other units as CAMDU. With the reform emphasis on in-service training, there will be need for an increased number of workshops, seminars and courses. Office and general expenses would also rise.

5. A notional picture of these additional costs in EC dollars is as follows:

	Travel	Training	Office & General
General Admin.	40,000	15,000	10,000
CAMDU	30,000	20,000	25,000
ETX	20,000	15,000	120,000
PMU	40,000	10,000	50,000
DMU	10,000	10,000	30,000
Building Maintenance	20,000	20,000	25,000
EOs Primary & Secondary	30,000	50,000	15,000
New District Ed Offices	--	50,000	15,000
Improved Dist. Ed Offs	--	10,000	5,000
TOTAL	190,000	200,000	295,000

Total: EC$ 685,000

[7] This would comprise $7,500 for materials and supplies and $7,500 for operations and maintenance.

Operating expenditure for new Secondary places

6. The total budget (1993-94) for the 12 Government-run schools amounted to EC$14,799,302 for 8,460 students:

School	Expenditure	No. of Students	Cost per Student
Vieux Fort Comp.	2,350,301	1,408	1,669.25
Choiseul	869,389	481	1,807.46
Clendon Mason	1,018,574	604	1,686.38
Castries Comp.	2,041,628	771	2,648.02
Soufriere Comp.	1,088,004	564	1,929.09
Leon Hess Comp.	1,438,920	736	1,955.05
Entrepot	1,117,776	615	1,817.52
Corinth	1,095,738	642	1,706.76
Micoud	1,269,021	781	1,624.87
Vide Bouteille	1,015,480	658	1,543.28
George Charles	693,984	463	1,498.89
Sir Ira Simmons	800,487	737	1,086.14
Total	14,799,302	8,460	1,749.32

Although there were significant differences in unit costs at the various schools, the average unit cost of $1,749.32 could reasonably be used. This would produce, for the 1,675 additional places to be provided under the project, a total incremental cost of EC$2,929,575 (US$1,085,028 equivalent).

SUMMARY

7. The incremental recurrent cost may therefore be stated as follows:

i. Additional Administrative/Technical Posts..... 750,000
ii. Increased non-salary allowances at schools....2,086,900
iii. Selected operating overheads at MOE..... 685,000
iv. Operating cost of new school places.....2,929,575

TOTAL...EC$6,451,475

Table 1

SAINT LUCIA
BASIC EDUCATION REFORM PROJECT
Financing Plan by Year
(US$ thousand)

	GOVERNMENT		IDA/IBRD		CDB		TOTAL	
Year	Amount	%	Amount	%	Amount	%	Amount	%
1995	926	23	2,252	55	894	22	4,072	100
1996	1,450	22	3,624	55	1,516	23	6,590	100
1997	394	29	534	39	440	32	1,368	100
1998	154	33	164	35	150	32	468	100
1999	126	37	152	45	60	18	338	100
Total	**3,048**	**24**	**6,728**	**52**	**3,061**	**24**	**12,838**	**100**

Note: Figures may not add due to rounding

St. Lucia
Basic Education Project
Components by Financiers
(US$ '000)

	010 IBRD/IDA		020 The Government		030 Caribbean Development Bank		Total		For. Exch.	Local (Excl. Taxes)	Duties & Taxes
	Amount	%	Amount	%	Amount	%	Amount	%			
A. A. Sector Planng & Inst. Strengthg											
A1. Planning	217	62.5	130	37.5	-	-	347	2.7	259	88	-
A2. Educ Data Mngt	216	97.5	5	2.5	-	-	221	1.7	208	13	-
A3. Project management	240	98.1	5	1.9	-	-	245	1.9	232	13	-
A4. General Administration	217	97.9	5	2.1	-	-	222	1.7	210	12	-
Subtotal A. Sector Planng & Inst. Strengthg	890	86.0	144	14.0	-	-	1,035	8.1	910	125	-
B. B. Qualitative Improvement											
B1. Teacher Training	119	12.4	295	30.8	544	56.8	957	7.5	630	328	-
B2. Curriculum Development	734	97.9	16	2.1	-	-	750	5.8	716	34	-
B3. Testing and Measurement	316	87.8	44	12.2	-	-	359	2.8	318	40	2
B4. Education Materials	357	77.1	106	22.9	-	-	462	3.6	431	31	-
B5. School Supervision	443	81.0	104	19.0	-	-	547	4.3	423	100	24
Subtotal B. Qualitative Improvement	1,969	64.0	563	18.3	544	17.7	3,076	24.0	2,517	533	26
C. C. Expanding Access to Schools											
C1. Four Secondary	3,511	42.6	2,222	26.9	2,517	30.5	8,251	64.3	5,243	2,357	651
C2. Rehab/Repair of Primary Schools	358	75.2	118	24.8	-	-	476	3.7	285	146	44
Subtotal C. Expanding Access to Schools	3,869	44.3	2,340	26.8	2,517	28.8	8,726	68.0	5,529	2,502	695
Total Disbursement	6,728	52.4	3,048	23.7	3,061	23.8	12,838	100.0	8,956	3,161	721

ST. LUCIA: BASIC EDUCATION PROJECT
TECHNICAL ASSISTANCE REQUIREMENTS

Project Subcomponent/ Category	No. of Persons	Duration in months	Timing	PURPOSE
A. EXPERTS				
Sector Planning & Institutional Strengthening				
Educational Planning	1	4	Summer '95, '96	Advise on and assist in preparing a long-range integral plan for education & training; to identify the major issues in the development of the sector (including institutional, qualitative and quantitative aspects) and the medium and long term solutions, the program of studies and research to be undertaken in support of the planning effort and the programming of change and growth. To train planning staff and orient other staff toward a more collaborative in the planning process.
Data Management	1	6	Summer '95, '96	Assist in establishing a data management system for MOE, prepare manuals on, and train staff in, its use. The system would include data bases encompassing all students, teachers, schools and provide details of budget, finance and physical plant of the system.
Project Management	1	8	Feb-Oct 1995	Assist in establishing and organizing the PMU and train staff; and identify scope for the procedures developed in the PMU to be diffused throughout MOE.
	1	2	Mar-Apr 1995	Assist in procurement of equipment and civil works.
General Administration:				
Management Audit	1	6	Summer '95, '96	Review organization, operations, systems and procedures of MOE (Head Office, sub-offices & schools) and their efficiency and effectiveness; identify key issues and the requirements for improving efficiency of delivery of service to the schools and prepare the outline of a plan for institutional development within MOE.
Qualitative Improvement:				
Curriculum Development	1	4	Summer '95, '96	Assist in coordinating curriculum development; advise on approaches used in developing curricula and the links to be maintained with other related services; identify research requirements and priorities and propose strategies to be used in curriculum implementation and supervision.
Educational Materials Production	1	2	Jan-Feb 1996	Advise and train CAMDU staff in desktop publishing and in production tasks generally and use and care of production equipment. Examine the scope for expanded education local production of teaching materials.
Textbook Publishing	1	6	Summer '95, '96	Review and advise Government on policy and procedures regarding publishing & procurement of teaching materials; train CAMDU staff in publishing techniques (selecting & training writers, illustrators, the editing role, etc); consult with OECS on sub-regional and regional collaboration.
Educational Testing & Measurement	1	9	Summer '95, '96; Jan-Mar 1997	Advise and assist in establishing the Testing and Examinations Unit, establish (ETX) the system for improving existing tests & developing new ones, prepare research proposals and designs, assist in developing norms and standards, advise on testing and research priorities and prepare manuals and train staff of ETX and MOE generally in the area of specialization (item writing, interpretation of results, design of tests and test batteries etc.).
School Supervision	1	3	Jun-Aug '95	Advise on promoting school effectiveness and on coordinating the necessary contributions of specialized staff toward this end.
TOTAL	10	50		

Project Subcomponent	No. of Persons	Duration	Timing	PURPOSE
B. FELLOWSHIPS				
Educational Planning	2	2 y.	(i) 9/95-7/96; (ii)9/96-7/97	Advanced training in Educational Planning & Development
Data Management	2	2 y.	9/95-7/96	Advanced training in Statistics (1); Advanced training in statistics and use of computers (1).
Project Management	3	12 w.	1-3/95	Study tours to other Project Units in Caribbean countries, visit to Bank for orientation in project procurement, management and disbursement and accounting requirements; and suitable attachment of Procurement Officer to procurement agency.
General Administration:				
Financial management	1	1 y.	9/95-7/96	Training in financial analysis and financial management
Education Administration	1	1 y.	9/95-7/96	Advanced training in Educational Management with special attention to managing reform.
Education Administration	2	12 w.	8-10/95	Study Tours to countries undergoing Education Sector reform, attendance at seminars on policy analysis, effective schools etc.
Teacher Training	4	4 y.	9/95-6/96:2 9/96-6/97:2	Training in the training of teachers.
	8	24 y.	9/95-6/98:4 9/96-6/99:4	Training to the B.Ed level in Science/mathematics.
Curriculum Development	4	4 y.	9/95-8/96	Advanced training in curriculum design, research and supervision with attachments (one in each core subject).
Education Materials	2	2 y.	9/95-8/96	Advanced training in general editing and publishing (1) and art editing and publishing (1) and related attachments.
Educational Testing and Measurement	1	1 y.	9/95-8/96	Advanced training in educational testing, measurement and related research and attachment to CXC.
School Supervision	2	2 y.	9/95-8/96	Advanced training in school supervision and management and related attachment.
TOTAL	32	43.5 y.		

ST. LUCIA: BASIC EDUCATION REFORM PROJECT
IMPLEMENTATION PROGRAM

Category	CY94	CY95				CY96				CY97			
	O N D	J F M	A M J	J A S	O N D	J F M	A M J	J A S	O N D	J F M	A M J	J A S	O N D
CIVIL WORKS a.Schools	E E	D D D	D I I	I B A	C C C	C C C	C C C	C C C	G G G	G G G			
b. DEOs	E E	D D D	D D D	I I I	B B A	C C C	C C C	C C C	G G G	G G G			
c. Rehab.	D D	I I B	A A C	C C C	D D D	I I B	A A C	C C C					
Equipment[8] a. Hqtrs[9]	L L	I I I	B A A	Y Y Y	Y Y Y	-----							
b.Primary	L L	I I I	B B A	A A -	Y Y Y	----							
c.Secondary & DEOs	L L	L L L	L L I	I I I	B B A	A A -	Y Y Y	Y N N					
TA:Experts													
(EPU)	R	R R R	R R O	O O -	- - -	- - -	- - O	O - -	- - -				
(DMU)	R	R R R	R R R	O O O	- - -	- - -	- - -	O O O	- - -				
(PMU)	R	R O O	O O O	O O O	O - -	- - -	- - -	- - -	- - -				
(ADM)	R	R R R	R R -	O O -	- - -	- - -	- - -	- O O	- - -				
(CUR)	R	R R R	R R O	O - -	- - -	- - -	- - O	O - -					
(PUB)	R	R R R	R R O	O O O	- - -	- - -	- - O	O - -					
(PRO)	R	R R R	R R R	R R R	R R R	O O -	- - -						
(T&M)	R	R R R	R R O	O O -	- - -	- - -	- - -	O O O	- - -	O O O	- - -		
(SPN)	R	R R R	R R O	O O -									
TA:Fellows													
EPU-1 staff	S S	P P P	- - -	- - -	T T T	T T T	T T T	T T O	- - -	- - -			
EPU-1 staff	S S	S S S	O O O	O O O	O O O	O O O	O O O	O O O	T T T	T T T	T T T	T T O	- - -
DMU-2 staff	S S	S S S	P O O	O O O	T T T	T T T	T T T	T O O	- - -				
PMU-3 staff	S S	T T O	- - -										
ADM-2 staff	S S	S S S	P P P	P P P	T T T	T T T	T T T	T O O	- - -				
ADM-2 staff	S S	S P P	P P P	P T T	T O O	- - -							
TT--2 staff	S S	S P P	P P P	P P P	T T T	T T T	T T T	T O O	- - -				
TT--2 staff				S S P	P P P	- - -	- - -	- - -	T T T	T T T	T T T	T O O	- - -
TT--4 staff	S S	S P P	- - -	- - -	T T T	T T T	T T T	O O O	T T T	T T T	T T T	- - -	T T T
TT--4 staff		- - -		S P P	- - -	- - -	- - -	- - -	T T T	T T T	T T T	- - -	T T T
Misc[10] staff	S S S	S P P	P P P	P P P	T T T	T T T	T T T	T T T	O O O	- - -			
Local Trg: a. Special Program	- - -	- - -	- - -	X X -	- - -	- - -	- - -	X X -	- - -	- - -	- - -	X X -	- - -
b.Workshops	- - -	- - -	- - -	X X -				X X -				X X -	
Studies.	- - -	- - -	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

[8] Includes equipment, furniture, books, materials and supplies (for offices and schools as indicated).

[9] Includes EPU, DMU, PMU, Admin., ETX, CAMDU (Teaching Materials & Curriculum).

[10] Includes Curriculum (4), General Editing (1), Art Editing (1), Testing (1), Supervision (2); all with formal training plus attachments.

Category	CY98 J F M	A M J	J A S	O N D	CY99 J F M	A M J	J A S	O N D
Civil Works- c. Rehab								
Fellows TT-4	T T T	T T T	O O O	- - -				
--ditto---	T T T	T T T	- - -	T T T	T T T	T T T	O O O	- - -
Local Trg. a. Special Program	- - -	- - -	X X -	- - -	- - -	- - -	X X -	
b. Workshops			X X -				X X -	
Studies.	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

LEGEND:
A: Award of Contracts
B: Bid Analysis
C: Construction (Civil Works)
D: Architectural Designs and Bidding Documents
E: Site survey/acquisition
G: Liability/Guaranty Period
I: Invitation to Bid
L: Preparing equipment Lists & specifications
N: Installing & Commissioning Equipment etc.
O: On the job
P: Placement of fellows
R: Recruitment of experts
S: Selection of candidate for fellowship
T: Tenure of fellowship (on training course)
X: Study or workshop on-going
Y: Supply/delivery of equipment, furniture books etc.

Table 1

St. Lucia
Basic Education Project
Disbursements by Semesters and Government Cash Flow
(US$ '000)

	Financing Available			Costs to be Financed	e Government	
	010 IBRD/IDA	030 Caribbean Development Bank		Project	Cash	Cumulative
	Amount	Amount	Total	Costs	Flow	Cash Flow
1	1,126	447	1,573	2,036	-463	-463
2	1,126	447	1,573	2,036	-463	-926
3	1,812	758	2,570	3,295	-725	-1,651
4	1,812	758	2,570	3,295	-725	-2,376
5	267	220	488	684	-197	-2,573
6	267	220	488	684	-197	-2,769
7	82	75	158	234	-77	-2,846
8	82	75	158	234	-77	-2,922
9	76	30	106	169	-63	-2,985
10	76	30	106	169	-63	-3,048
Total	6,728	3,061	9,789	12,838	-	-2,985

Table 2

SAINT LUCIA
BASIC EDUCATION REFORM PROJECT
Disbursement Allocations

CATEGORY	ALLOCATION		PERCENTAGE
	SDR (000)	IBRD (US $000)	
1. Civil Works			New Schools [1] and other construction/refurbishing:
1.a. Construction and Professional Fees	790.0	1173.0	64% of total cost
1.b. Rehabilitation of Primary Schools and Professional Fees	120.0	179.0	75% of total cost
2. Goods			
2.a. Equipment, Furniture, Educ. Materials, Computers and software, Supplies, misc.	760.0	1132.0	100% of foreign expenditures 100% of local expenditures (ex-factory costs)
2.b. Basic Textbooks	30.0	36.0	50% of eligible expenditures
3. Technical Assistance			
3.a. Expert Services	210.0	308.0	100%
3.b. Fellowships	200.0	290.5	100% [2]
4. Unallocated	190.0	245.5	
TOTAL	2,300.0	3364.0	

[1]: Construction of a new secondary school in Laborie District, and replacement and expansion of size of Soufriere Comprehensive Secondary School.

[2]: Excluding fellowships at the undergraduate level in the subjects of science and education and mathematics and education, which will be financed by the Caribbean Development Bank.

ST. LUCIA: BASIC EDUCATION REFORM PROJECT
MONITORING AND EVALUATION INDICATORS

1. The project comprises three distinct but interrelated components: a sector planning and institutional strengthening component, a qualitative improvement component, and an expansion program for secondary education along with provision for rehabilitation and repair of primary schools. The method of monitoring and evaluation will, therefore, have to be adapted to each type of component. While precise benchmarks of institutional performance and the quality of education do not exist, some indicators can be used. It is important for both St. Lucia and the other OECS countries that this first reform project be well evaluated. To this end, the following table sets out the indicators to be applied in monitoring project implementation.

Component/Sub-Component	Targets	Monitoring & Evaluation Indicators
A. SECTOR PLANNING AND INSTITUTIONAL STRENGTHENING		
1. Sector Planning	a. Expand and strengthen Planning Unit via training two planners; b. Prepare a Long Range Plan; c. Employ an expert to assist the EPU of the Education Planning and Development Office (EPDO). d. Conduct select planning and policy-related studies and surveys	a. By Sep. 1996, first planner trained; by Sep. 1997, second planner trained; b. By Oct. 1995, Draft Long Range Plan Outline prepared, tentative 1996-2001 sector development program drawn up and related studies identified; c. By Oct. 1996, Draft Plan published for public discussion; d. By Jan. 1997, Plan approved by Government. e. Identified studies satisfactorily carried out, per agreed timetable
2. Educational Data System	a. Establish separate Data Management Unit (DMU) as first phase; second phase, not included in project, will be full automation of data management. b. Train two statisticians, one with a specialization in use of computers; c. Computerize sector data, including students, teachers, schools, budget, accounts, personnel; d. Employ expert to advise on & help establish DMU.	a. By Feb. 1995, the DMU established ; b. By Sep. 1995, programming for Phase I done. c. By Sep. 1996, two statisticians trained and functioning and compilation of data bases for all students and schools in process. d. By Mar. 1997 completion of all data bases for schools, finance, planning etc.
3.General Admini stration	a. Management Audit of MOE aimed at identifying precise measures needed to improve organization, procedures, and operations; b. Train two persons, one in financial analysis; one in educational administration; c. Study tours--2 senior staff for discussions on educational reforms overseas & attendance at related seminars.	a. By Sep. 1995, the management audit completed and related studies underway; b. By Sep. 1996, recommendations for restructuring and revised procedures, etc. completed. c. By Sep. 1997, agreed recommendations implemented.

Component/Sub-Component	Targets	Monitoring & Evaluation Indicators
4. Project Management and Development	a. Establish a Project Management Unit (PMU) to carry out the project and employ an expert to help set up the PMU and launch implementation; b. Appoint a Project Manager, an Accountant and a Procurement Officer and a Clerk/Typist; c. Train three staff on study tours for orientation in project management and/or procurement d. Adopt as far as possible the procedures used in project management within the MOE.	a. By Mar. 1995, PMU established and all staff and expert in post and three key staff trained via Bank Course Attendance and other relevant training b. By Sep. 1995, all staff study tours completed; c. By Mar. 1996 and thereafter at six month intervals, project implementation on schedule; d. Project operational and administrative procedures in use, as appropriate, throughout MOE.
B. <u>QUALITATIVE IMPROVEMENT</u>		
1. Teacher Training	a. Train 4 staff of DTEAA in the training of teachers; b. Train 8-12 persons at the undergraduate level for teaching secondary science & mathematics; c. During the summers, upgrade about 300 primary teachers in the core subjects (content & pedagogy) and about 225 to a more advanced level;	a. By Sep. 1996, the first two DTEAA staff trained and Sep. 1997 the additional two trained; b. By Sep. 1995, the fist set of 4 fellows for Bachelor's degree programs placed in university; and by September 1996 the second set placed. c. By Sep. 1995, and in each summer 1996-99, conduct of in-service training to upgrade teachers; record of relationship of output to targets and via project financed study, impact evaluation, completed.
2. Curriculum Development	a. Revise curricula and syllabi for primary and lower secondary education i.e Forms 1-3 b. Employ a curriculum expert to assist; c. Train 4 Curriculum Officers in the core subject areas; d. Supply science kits and related storage facilities to 84 primary schools; e. Supply supplementary science equipment and supplies to 8 upgraded existing secondary schools; f. Supply a set of basic textbooks to each school for use by teachers. g. Establish computer labs at three schools, one new and two existing and evaluate their contribution to learning and achievement.	a. By Sep. 1995: * a 5 year program and target dates for revising and introducing new curricula and the related studies prepared; * fellows placed at institutions of study; * contracts for the supply of science kits and supplementary science equipment awarded; * textbooks for use by primary and secondary teachers delivered to the schools; b. By Sep. 1996, the returned fellows will have resumed duties; and in each successive September, the pre-set work program targets achieved. c. By Sep. 1998, evaluation of impact of computer labs completed, via project-financed studies

Component/Sub-Component	Targets	Monitoring & Evaluation Indicators
3. Production and Procurement of Educational Materials	a. Train two staff--one in general editing & publishing and one in art editing & publishing; b. Revise policy and procedures in procuring textbooks and in publishing; c. Improve production capacity, including Desk top publishing; d. Employ two experts--one in publishing and one in production; e. Reduce materials pilot period; accelerate production of new textbooks.	a. By Sep. 1995, new policy on procuring textbooks adopted and 5 year work program prepared; b. By Sep. 1995, fellows selected and placed; c. By Sep. 1996, staff trained by expert in production; d. By Sep. 1997, 1998, 1999, new teaching materials tried out, produced and distributed according to schedule.
4. Educational Testing & Measurement	a. Train one person in Testing; b. Employ one expert to help establish the Education Testing and Examinations (ETX); Unit; c. Design new tests for Stage 3, Std 2 & Form 3; d. Improve existing tests at primary level; e. Train item writers, school staff in using & interpreting test results and in design of tests; f. Establish norms & standards, item banks, etc.	a. By Mar. 1996, new Educational Testing and Examinations Unit (ETX) established; b. By Mar. 1996, ETX provided with suitable accommodation; and transport. c. By Sep. 1995, * ETX work program prepared for project implementation period, * one trained testing person employed and the fellow selected and placed for training; d. By Sep. 1996, training for item writers carried out, project trained fellow on attachment to CXC and work commenced on new tests; e. By Sep. 1997, 1998, 1999, execution of agreed work program in process.
5. School Supervision	a. Train two persons in School Supervision b. Construct and Establish new Dist. Ed. Office in Vieux Fort, expanded one in Choiseul, equip and strengthen operations of two existing Soufriere and Micoud District Office; c. Employ expert in Effective Schools; d. Establish regular formal supervisory visits to all primary schools at least once per year; e. Conduct seminars, workshops and other training sessions at Dist. Ed. Offices and institute regular use of office resources by school staff.	a. By Sep. 1995, two fellows selected and placed; b. By September 1995, seminar on effective schools conducted; c. By Sep. 1996, Fellows trained and returned and program of construction and equipping of District Offices completed; d. By, Sep. 1997, 1998, 1999, all primary schools being visited formally according to agreed schedule, and District Offices being used regularly for the intended training and resource purposes intended.

Component/Sub-Component	Targets	Monitoring & Evaluation Indicators
C. **EXPANDING ACCESS**		
1. Secondary School Expansion 2. New Sec. Schools-- a. Anse Ger & Babonneau	a. Design and Construction b. Equipping, Staffing and full Utilization.	a. By Jul. 1995, Designs approved and tendering process underway; b. By Oct. 1995, contracts for construction awarded; c. By Sep. 1996, buildings occupied and fully equipped with staff trained in equipment use and preventive maintenance; d. By September 1999, new schools fully enrolled.
b. New Sec. School at Laborie--& replacement--Soufriere Comprehen sive	a. Design and Construction b. Equipping, Staffing and full Utilization	--as above--
c. Furnishing and equipping of new and replacement schools	a. Prepare lists, tender and purchase items required. b. Transfer, as far as possible, project techniques to Ministry's regular non-project procurement.	a. By Jun. 1995 Equipment and Furniture Lists & Specifications completed; b. By Oct. 1995, tendering process started; c. By Jan. 1995, contracts being awarded; d. By Sep. 1996, all furniture, equipment and supplies delivered, installed and commissioned. e. By September 1997, equipment maintenance contracts in effect, equipment maintenance contracts in effect, and evidence of transfer of procurement techniques from project to regular non-project operations.
2. Rehabilitation of Primary Schools	a. Establish the project support program of rehabilitation for the five-year implementation period; b. Conduct civil works according to schedule. c. Transfer of project procurement methods to MOE operations, and appropriate as feasible.	a. According to agreed annual program: * specification of works to be done for the following calendar year, Oct-Dec.; * tendering process, Jan-Mar; * award of contracts, Apr-May; * civil works, Jun-Sep. b. By Sep. 1997, comparison of the state of the schools with the state recorded under the inventory produced in the course of project preparation. c. By Sep. 1997, evidence of any change in the procedure for school rehabilitation and repair out of non project funding that is attributable to the systems introduced under the project.

EVALUATION

2. Evaluation of outcomes in the education sector presents two major difficulties: a) the indices available for assessing qualitative improvement (such as examination performance or productivity in the labor market or within the education system) are not amenable to direct and entire attribution to any one cause or factor, since multiple elements contribute to performance, including the almost unmeasurable factor motivation; and b) the benefits of most programs of education or training are manifested in a wide variety of ways, and often emerge only after a long period of time, so that early measurements risk being quite incomplete and misleading. Nevertheless, some measures can be made that will produce some idea of improvement in performance, even if precision is lacking. For this project the following measurements will be applied in a summative manner at the time of preparing the Implementation Completion Report:

1. Management Performance:

a. The scope of duties performed by management above the discrete school level and the efficiency and effectiveness with which these duties are being performed in 1999-2000 will be compared with the situation recorded in the various consultant reports on the system in 1994 during project preparation. The comparison over the 5-year span would include the qualifications, numbers and rank of the personnel complement. The Education Planning Unit will be able to prepare the basic data and evaluate institutional strength. The same indicators would be explored at the school level, along with a survey of the actual qualifications of principals and comparisons made between 1994 and 1999.

b. The output of the key units of MOE will be assessed, in the light of the situation in 1994, in particular:
   i. the plans and programs prepared by EPU,
   ii. the data reliability timeliness and responsiveness to needs of reports prepared by DMU,
   iii. the capacity in project implementation,
   iv. the scope of the testing program and the extent to which it is influencing the daily routine of the schools,
   v. the output of tests in terms of number and quality produced by ETX,
   vi. the state of progress in revising and implementing curricula,
   vii. the output of educational materials in quantity and quality,
   viii. the data assembled on the progress of the Effective Schools initiative, and
   ix. the performance of the school supervisory function including application of School Performance assessment in terms of its frequency and contribution to the schools as perceived by the staff of the schools and the MOE managers.

c. In addition, the agreements between the Bank/IDA and the Government on policy matters as delineated in the Education Strategy letter presented as a condition of Loan and Credit Effectiveness will be monitored. Of particular note will be progress in the adjustment of teacher to student ratios. Trends will also be assessed with regard to non-salary budgets allocations for primary and secondary schools.

2. School Performance

a. The performance of the primary schools in the CEE as well as in the new tests at Grades 3 and 5 will be examined for indications of improvement or other change and the performance of the students in the Form 3 examination would also be monitored for any evidence of improvement year by year; a special effort would be made to review the performance and identify problems encountered in operation of the three new project schools and one replacement school financed by the project. Notably, for reasons of the recency of project investments, it is recognized that it will be impossible to obtain data on any real project impact at the secondary level, except in regard to a better flow of school supplies and potentially an increase in the proportion of nationals teaching at this level. Morale of the teachers as measured by such indicators as absenteeism and attrition rates, and improvements in physical plants, will be important areas of assessment and comparison.

b. The 1999-2000 pattern of delivery of certain goods (supplies, equipment, materials) and services (Maintenance of buildings, furniture and equipment) will be compared with performance in 1994 and the related budgets and per student allocation compared with 1994 levels and with agreed targets.

ST. LUCIA BASIC EDUCATION REFORM PROJECT

SUPERVISION PLAN

Joint supervision missions with participation of IBRD and IDA, and the Government, in which CDB may participate, are to be carried out twice annually, most likely in May and November and are to be linked to supervision of other OECS Education projects. Annual supervision costs are estimated to be on the order of US$50,000 and will be shared with CDB. The skill mix required would include an education specialist and an architect. By the Mid-Term Review in September 1997, the modalities for supervision of the project will be reassessed to ensure their suitability for helping to bring the project to successful conclusion.

SAINT LUCIA - BASIC EDUCATION REFORM PROJECT

Selected Consultant Documents and Data Available in the Project File

1. Sector Planning and Institutional Development Component.

Educational Planning and Management, St. Lucia, June 1994, Dr. Gwendeline Williams and Mr. Wilbert King.

Cost and Financing of Education, St. Lucia, June and November 1994, Dr. Ralph Henry.

Financial Management, St. Lucia, June 1994, Mr. Livio Pino.

An Assessment of "the Information Systems Study Report by Computer Center Limited-1993", St. Lucia, October 1994, Dr. A. Francis.

Physical Space Requirements, Ministry of Education, October 1994, Mr. Ralph Romain.

2. Quality Improvement of Basic Education Component.

Teacher Training Assessment, St. Lucia, June 1994, Dr. Carol Keller.

School Supervision Component, St Lucia, June and July 1994, Dr. Donald Foster.

Curriculum Development/Science of the Basic Education Project, St. Lucia, June 1994, Ms. June M. George.

Curriculum Development/Language Arts of the Basic Education Project, St. Lucia, June 1994, Dr. Ian Robertson.

Curriculum Development/Mathematics of the Basic Education Project, St. Lucia, June 1994, Dr. Ian Isaacs.

Curriculum Development/Social Studies of the Basic Education Project, St. Lucia, July 1994, Ms. Dorien Pile.

Testing and Measurement Component, St. Lucia, June 1994, Dr. Larry Skurnik.

Production, Procurement and Evaluation of Teaching Materials, St. Lucia, June and July 1994, Dr. Daniel Koh.

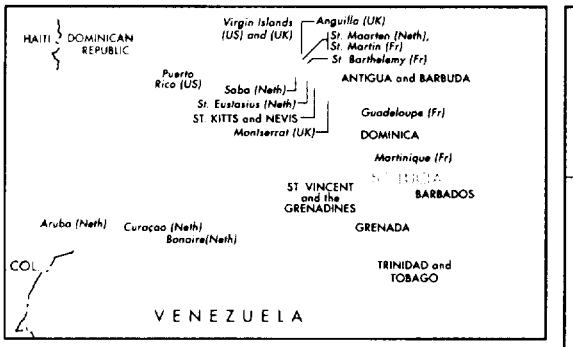
Parameters of Summer In-service Teacher Training Program, October 1994, Mr. Ralph Romain.

3. Expansion of Access Component

School Location Planning Study and Map, St. Lucia, June 1994, Mr. Rene Corradine.

Inventory of School Resources, St. Lucia, June 1994, Mr. Michael Owen.

Schedule of Accommodation for Proposed New Construction and Cost Estimates, October 1994, Mr. Ralph Romain.



ST. LUCIA

PRIMARY ROADS
SECONDARY ROADS
MAJOR TOWN
SELECTED TOWNS
AIRPORTS
PORTS
RIVERS
PARISH BOUNDARIES
INTERNATIONAL BOUNDARIES

ELEVATIONS (FEET):
2400 AND ABOVE
1800-2400
1200-1800
600-1200
0-600

61°00′ 60°55′
14°05′
14°00′
13°55′
13°50′
13°45′
61°05′

Gros Islet
CASTRIES
Anse La Raye
Canaries
Dennery
Soufrière
Micoud
Laborie
Vieux Fort
Maria Islands

0 1 2 3 4 5 MILES
0 1 2 3 4 5 6 7 8 KILOMETERS

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DECEMBER 1994