

**Interim Poverty Reduction Strategy and Action Plan
for Saint Lucia**

***The institutional landscape:
roles and capacities
in poverty reduction***

Ministry of Social Transformation, Culture and Local Government
Castries, Saint Lucia
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Table of Contents

TABLE OF CONTENTS	1
LIST OF TABLES	2
LIST OF ACRONYMS	3
POLICY FRAMEWORK	4
PUBLIC SECTOR AGENCIES	5
MINISTRY OF SOCIAL TRANSFORMATION	5
STRUCTURE OF POVERTY REDUCTION AGENCIES	6
THE PRIVATE SECTOR	7
CIVIL SOCIETY	7
LOCAL GOVERNANCE	8
EXTERNAL AGENCIES	9
APPENDIX 1: IDENTIFICATION OF KEY INSTITUTIONAL ACTORS AND THEIR ROLES IN POVERTY REDUCTION	10
<i>STATE INSTITUTIONS AND PROGRAMMES</i>	10
<i>PRIVATE SECTOR AND CIVIL SOCIETY INSTITUTIONS AND PROGRAMMES</i>	19
<i>EXTERNAL INSTITUTIONS</i>	28
APPENDIX 2: PRESENTATION OF SELECTED PROGRAMMES AND INSTITUTIONS	29
THE JAMES BELGRAVE MICRO ENTERPRISE DEVELOPMENT FUND INC. (BELFUND)	29
BASIC NEEDS TRUST FUND (BNTF)	32
MABOUYA VALLEY DEVELOPMENT PROGRAMME (MVDP)	39
NATIONAL CONSERVATION AUTHORITY (NCA)	42
NATIONAL COMMUNITY FOUNDATION (NCF)	44
NATIONAL SKILLS DEVELOPMENT CENTRE (NSDC)	46
POVERTY REDUCTION FUND (PRF)	49

List of Tables

TABLE 1: LOANS PROVIDED BY BELFUND, MAY 2000 TO JULY 2002.....	29
TABLE 2: PROJECT FUNDING UNDER BNTF 4.....	33
TABLE 3: SUMMARY OF PRF PROJECTS, 2000-2001 AND 2001-2002	50

List of acronyms

BELfund: The James Belgrave Micro Enterprise Development Fund Inc.
BNTF: Basic Needs Trust Fund
CARDI: Caribbean Agricultural Research and Development Institute
CDB: Caribbean Development Bank
CIDA: Canadian International Development Agency
EC: European Commission
EDF: European Development Fund
EU: European Union
GOSL: Government of Saint Lucia
IICA: Inter-American Institute for Co-operation in Agriculture
IPRSAP: Interim Poverty Reduction Strategy and Action Plan
MVDP: Mabouya Valley Development Programme
MTESP: Medium-Term Economic Strategy Paper
NCA: National Conservation Authority
NCF: National Community Foundation
NEC: National Economic Council
NELP: National Enrichment and Learning Programme
NEMO: National Emergency Management Organisation
NGO: Non-Governmental Organisation
NIC: National Insurance Corporation
NRDF: National Research and Development Foundation
NSDC: National Skills Development Centre
OECS: Organisation of Eastern Caribbean States
OPSR: Office of Private Sector Relations
PRF: Poverty Reduction Fund
PROUD: Programme for the Regularisation of Unplanned Development
SEDU: Small Enterprise Development Unit
SFA: Special Framework of Assistance
SLHTP: Saint Lucia Heritage Tourism Programme
SLREP: Saint Lucia Rural Enterprise Project
STEP: Short-Term Employment Programme
UNDP: United Nations Development Programme
UNESCO: United Nations Education, Scientific and Cultural Organisation
UNFPA: United Nations Population Fund
UNICEF: United Nations Children's Fund
USD: United States dollar
XCD: Eastern Caribbean dollar
WASCO: Water and Sewerage Company
WB: World Bank

Introduction

In mid-2002, the Government of Saint Lucia embarked on the formulation of an Interim Poverty Reduction Strategy and Action Plan (IPRSAP). The purpose of the exercise is to provide a policy framework to guide the design and implementation of programmes and actions aimed at reducing poverty and promoting social development. This framework will also provide the basis for the development of a more comprehensive Social Development Policy. The Ministry of Social Transformation, Culture and Local Government is responsible for leading and facilitating these processes, and a consultant has been recruited to provide technical inputs.

To date, this work has involved a number of reviews, consultations and focus group sessions, all aimed at determining the causes, status and trends of poverty in the country, at identifying and assessing current activities, capacities and institutional arrangements, and at formulating recommendations. In order to summarise some of the information gathered, to extract preliminary conclusions regarding institutional arrangements and to offer a basis for discussion and analysis, this report has been prepared as a separate product of the strategic planning and policy formulation process. It includes a brief overview of conclusions, as well as two appendices:

- A table identifying key institutional actors and their roles in poverty reduction.
- A more detailed presentation of selected programmes and institutions directly involved in poverty reduction.

This review reveals that there are many institutions, programmes and initiatives dedicated to poverty reduction in Saint Lucia, and that poverty issues are receiving priority attention. The review has also allowed for the identification of a number of issues, trends and impacts that need to be taken into account in the formulation of the Interim Poverty Reduction Strategy and Action Plan. It confirms that the Strategy and Action Plan must imperatively involve all relevant public and private sector agencies, and that it must be based on a multi-disciplinary and multi-sectoral approach to tackling the root causes of poverty and underdevelopment.

Policy framework

This study concludes that there is a need for an integrated policy framework to govern interventions in support of poverty reduction and social development. Currently, there is no clear mechanism for policy formulation in this field, efforts at poverty reduction are not sufficiently sustained and coordinated, and there is no consensus on needs and priorities at the national level.

An overall national development policy exists, but it is more implicit than explicit, and it is not contained in a single statement that can generate consensus, mobilise society and galvanise action. (This national development policy is reflected in general policy statements such as the Budget Speeches and the Medium Term Development Strategy Paper, as well as in the policies of key social sector ministries, notably education, health and human services, and social transformation.) A clearly-stated policy towards social development would provide a timely and critical impetus for action and change at the

national and community levels. It would also allow for a better integration of social issues and objectives into national development planning and policy making.

At the same time, there are a number of policy instruments that provide guidance on poverty reduction and social development. The most directly relevant among these are:

- The Saint Lucia Constitution Order 1978 and its commitment to the protection of fundamental rights and freedoms
- The Education Act No. 41 of 1999 and the Education Sector Development Plan
- The Health Sector Reform Proposals and Plans
- The Public Assistance Act of 1967

Over the past few years, much emphasis has been placed on the need for consultation and stakeholder involvement in policy formulation, but decision-making remains a largely technocratic, centralised and top-down process. Significant progress has been made in the modernisation and rationalisation of legislation in many sectors, but laws and regulations are not always guided by specific policy goals, objectives and directions.

Public sector agencies

This institutional analysis confirms that there are a wide range of public sector institutions and organisations that are relevant to poverty reduction. Ministries responsible for social transformation, health, education and gender relations are the most directly involved, and they all have important policies, programmes and service delivery mechanisms that impact positively on poor people. The Ministry of Finance, through the preparation and management of the national budget, and through its role in coordinating development cooperation, effectively defines the scope and directions of many public sector interventions in social development. The Ministry of Commerce and its Small Enterprise Development Unit (SEDU) are responsible for the promotion of small and micro business. The Ministry of Communications, Works, Transport and Public Utilities is responsible for infrastructure and public utility services, in collaboration with the public utility companies. The Ministry of Physical Development, Environment and Housing formulates land use policy and coordinates programmes in housing, human settlements and environmental management. The Attorney General's Chambers provide the legal framework for development in the country. Recently, a National Economic Council was established, for the purpose of guiding economic development policy.

Ministry of Social Transformation

The recent creation of the Ministry of Social Transformation (December 2001) and the grouping, under its auspices, of leading poverty reduction agencies, are very positive developments that now need to be translated and incorporated into the Ministry's mission, policies, structure, culture, programmes and overall operations.

In order to perform this role effectively, the Ministry has identified the need to clarify its mission and build its capacity; it needs to move away from the delivery of community development services to become a facilitator of profound and durable processes of social transformation. In order to achieve this, it needs to define the concept of social transformation and embrace it as the core of its mandate. It needs to play a leadership role

in policy formulation and a central facilitating role in programme implementation at national and local levels.

With respect to its structure and its culture, the Ministry now has the unique opportunity to integrate and consolidate its various components, thus building a coherent and effective institutional framework. At present, poverty reduction initiatives, even those that are placed under the authority of the same Ministry, do not collaborate sufficiently among themselves, and their collaboration is largely dependent on the initiative and goodwill of individuals. The Ministry of Social Transformation now needs to become the sum of all its parts, and it needs to create dynamic linkages that can enhance the effectiveness and efficiency of programme delivery.

In order to support fully its various programmes and agencies, the Ministry also needs to consider the opportunity of performing some of the core functions that are now performed by individual agencies, or not performed at all. Three specific functions immediately come to mind:

- To date, poverty reduction initiatives have been primarily geared towards local-level interventions, but, there are no mechanisms to translate local-level experiences and experiments into policies and systems.
- There is insufficient information of poverty levels, trends and issues. Policy formulation needs a better understanding of issues, trends and impacts, and this cannot be provided in the absence of an integrated research programme and information management system that focuses on development generally, and on poverty in particular.
- Generally, organisations involved in poverty reduction initiatives do not monitor and evaluate sufficiently. In some instances, programmes are being undertaken without a detailed analysis of their impacts. Organisations that do, or may, have indirect impacts on poverty reduction, both positively and negatively, do not have information on these impacts, and are thus unable to adjust their programmes and policies accordingly. There is therefore a need for a more systematic analysis of experience, for a “learning-by-doing” approach, and for the documentation of what works and what does not work in poverty reduction in Saint Lucia.

Structure of poverty reduction agencies

Over the past few years, the Government of Saint Lucia has established several agencies and programmes dedicated to poverty reduction. In this process, three models have been used, as presented in the table below.

Programme within the governmental structure, but with autonomous board of governance	➤ Basic Needs Trust Fund Project
Establishment through an Act of Parliament	➤ National Community Foundation ➤ National Conservation Authority ➤ Poverty Reduction Fund
Registration as a government-owned company under the Companies Act	➤ BELfund ➤ National Skills Development Centre

In addition, the Mabouya Valley Development Programme (MVDP) is currently exploring options for its institutional and financial sustainability.

At this stage in the development of these young institutions, in light of the grouping of several of these agencies under the auspices of the Ministry of Social Transformation, and in anticipation of the need for permanent institutional arrangements that are not directly dependent on donor funding, it would appear opportune to examine the benefits of these institutional options and to conduct a review of institutional arrangements that would examine, *inter alia*, the following questions:

- Liability and authority issues arising from the status of government-owned company.
- Strategies for institutional and financial sustainability.
- Opportunities for stakeholder participation and political autonomy in the governance of these organisations.
- Opportunities for institutional linkages, collaboration and integration.
- Opportunities for sharing resources and improving efficiencies.

The private sector

The private sector provides a significant amount of sponsorship to specific programmes and institutions, but is not sufficiently involved in overall poverty reduction strategies and initiatives. It could provide more support to micro enterprise development, and incorporate poverty reduction objectives in its approach to investment and business development. The private sector also has a key role to play in skills development, by setting standards, by helping to define and forecast labour market demands, by contributing finance and resource personnel, and by providing more support to apprenticeship programmes. On a smaller scale, several businesses are currently involved in charitable activities, and this is another area where the private sector could increase its contribution and enhance its impact.

Civil society

This study reveals that national non-governmental organisations are generally weak, but with some exceptions. It is indeed a distinct feature of Saint Lucia's institutional landscape that its civil society is poorly structured, and that many sectors are not organised and represented. Several of the strongest and most consistent civil society organisations in the country are those that are specifically dedicated to vulnerable groups.

The study also highlights the importance of religious organisations in providing moral and material support to poor people, and in undertaking very significant programmes in poverty reduction and social development. These efforts include those of larger institutions such as the Centre for Adolescent Rehabilitation and Education (CARE) as well as a multitude of small, often informal initiatives.

At the community level, there are a number of formal and informal mechanisms that have been put in place, mostly as a result of local initiatives, in order to mobilise people and resources and to carry out development work. Particularly important in this regard are the

various development committees that have been created in various areas around the island, playing a very useful and significant role. More elaborate and permanent community organisations have also been formed in two instances, Soufriere and Laborie, where development foundations have been established.

Local governance

This brief institutional review reveals that the organisational capacity at the community level is weak, but with noticeable exceptions, and with a range of experiences that have the potential for expansion and formalisation. Progress on local government reform has been slow, and this situation is responsible for an institutional vacuum at the community level. It appears that there has perhaps been too much of a focus on the re-introduction of local government, at the expense of the invention of a new system of local governance suited to current and future needs and conditions.

Meanwhile, institutions and programmes involved in poverty reduction have designed mechanisms aimed at building social capital and strengthening community institutions, but these remain largely focused on short-term projects. There is therefore a need for capacity for long-term community development planning, not only project implementation, and there remains a need for a comprehensive strategy to rebuild social capital and promote social integration at the community level. There is also a need for improved coordination among the many actors involved in local development, including the District Representatives.

Another issue that impacts negatively on the efficiency and effectiveness of the delivery of poverty reduction and social development programmes in the country is the inconsistency in the boundaries of various jurisdictions. This renders the coordination of development initiatives more difficult because ministries and agencies use different demarcations.

These observations suggest that there is both a need and an opportunity to invent a new system of local governance that would integrate the various actors, namely:

- The Local Government Agencies
- The District Representatives
- The Community Development Officers
- The Extension and Field Officers of poverty reduction agencies
- The representatives and officers of other ministries and public sector agencies
- National non-governmental agencies involved in local development processes
- Community-based organisations

In order to serve the needs of people and communities, this new system of local governance will require:

- A common vision, i.e. a national vision of social development, as well as a vision for each specific community, region or locality
- A common geography
- A structure that is efficient, effective, transparent, accountable and participatory
- Strong capacities within all organisations

It is recommended that priority be given to the design of this new system of local governance, building upon advances made in Local Government reform.

External agencies

External institutions, and especially donor agencies, are important actors in development processes, because of the resources they provide, the conditionalities they impose and the policy guidance they offer. They should therefore remain involved, as committed and loyal partners, in social development processes and actions.

Appendix 1: Identification of key institutional actors and their roles in poverty reduction

State institutions and programmes

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Economic and development planning	Ministry of Finance, International Financial Services and Economic Affairs	Saint Lucia Constitution Order 1978	Fiscal policy Economic development policy Budgeting Inland Revenue and Customs Treasury Development co-operation International financial services	Economic development policies Allocation of financial resources for poverty reduction activities Relations with donors involved in poverty reduction	Allocation of financial resources for poverty reduction and social development programmes and activities Focal point for agreement between GOSL and CDB to govern BNTF Focal point for relationships with most external agencies	Strong role in policy formulation Qualified staff Projects Monitoring Committee (PMC) established to monitor project implementation Good linkages with donor agencies Generates resources for poverty reduction programme	The Programme Planning and Budgeting System has been instituted in an effort to assign resources in a more meaningful way There is need to strengthen poverty agenda in budgeting process There is need to integrate poverty indicators and data in research, development and policy Generally, data from informal sector do not appear in macro-economic analysis

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	Ministry of Physical Development, Environment and Housing	Saint Lucia Constitution Order 1978	Physical development planning Land administration and management Housing	Land policies Titling of squatter settlements Low-income housing	Formulation of a land policy PROUD programme Shelter Development Programme (CDB loan), executed in collaboration with the National Housing Corporation Housing Research and Analysis Project to determine demand and inform policy	Qualified staff Technical expertise in physical planning, architecture, project management, housing and environment	Housing issues associated with poverty remain significant, both in terms of the inadequacy of housing and in terms of the lack of control Insufficient staff to undertake important housing functions Separation of physical and economic planning functions
Social transformation and poverty reduction	Ministry of Social Transformation, Culture and Local Government	Saint Lucia Constitution Order 1978	Poverty reduction Social transformation and community development Local government	Social transformation and poverty reduction policies Community development Supervision of, and provision of policy direction to, BELFund, BNTF, NCA and PRF	Leadership role in preparation of IPRSAP and Social Policy Co-ordination and facilitation of poverty reduction projects and programmes at local level All current activities fall within the work programmes of BELFund, BNTF, NCA and PRF (see below)	Poverty reduction programmes (BELFund, BNTF, NCA and PRF) fall under the Ministry's authority Community Services Unit with Community Development Officers working at community level in each constituency	Lack of a clear policy framework Lack of a co-ordinating mechanism among poverty reduction initiatives Leadership role in current policy processes

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	Basic Needs Trust Fund	Financing agreement between the Caribbean Development Bank and the Government of Saint Lucia	Provision of funding and technical assistance in support of poverty reduction	Construction of social infrastructure Skills training	BNTF 5 about to start, with funding available for community projects and skills training programmes	BNTF 5 (2002-2007) budget of USD 4 million Staff of five Project Steering Committee	Focused and efficient Constraints of project cycle imposed by funding agency Need to introduce monitoring and evaluation systems
	Poverty Reduction Fund	Poverty Reduction Act, No. 7 of 1998	Provision of funding and technical assistance in support of poverty reduction	Construction of social and economic infrastructure Skills training Institutional development and strengthening Income generation	During its 2000-2001 fiscal year, PRF disbursed a total of XCD 2,620,977, on 41 projects PRF also involved in training, capacity-building, and institutional development	Funding from EU and World Bank Staff of 18 Board of Directors	Involved in a wide range of initiatives <i>De facto</i> role in policy advice Danger of duplicating roles of existing agencies including ministries
	James Belgrave Micro Enterprise Development Limited (BELFund)	Registration under the Companies Act in December 1999, launched in March 2000	Provision of credit to poor people for micro enterprise development	Job creation, income generation, and diversification of economic activity	Loans and counselling provided to >120 clients since launch Total loans disbursed: XCD 1,126,918.05	Financed by Government and EC grants, XCD 1,755,000 in budget 2002-2003 Board of Directors Total staff of eight	Focused Reaches people who would not have access to credit otherwise Needs more promotion
	National Conservation Authority	National Conservation Authority Act No. 16 of 1999	Conserving the country's natural scenery and managing beaches and protected areas	Employment of full-time and part-time workers for beautification and other projects	Employment of 300 workers, and up to 600 for exceptional periods (e.g. August 2002)	Annual budget of approximately XCD 2 million Staff Equipment and tools Board of Directors	Performs role not played by others, employing people who would not otherwise be working

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Health and Welfare	Ministry of Health, Human Services and Family Affairs	Saint Lucia Constitution Order 1978 Public Assistance Act of 1967	Provision of health care Management of health facilities Provision of social welfare	Provision of all health services Provision of public assistance funding to poor people Provision of funding to NGOs involved in the delivery of social services to the poor	Health sector reform MOU between Ministry and PRF Provision of services to vulnerable persons and households Provision of Public Assistance to vulnerable persons, for a total of over XCD 2.5 million in 2001-2002	Hospitals Health centres Qualified staff	Ministry plays critical role in all aspects of health care and in provision of social services Health sector reform proposals provide clear guidance on issues relevant to poverty reduction
Education, Youth and Sports	Ministry of Education, Youth and Sports	Saint Lucia Constitution Order 1978 Education Act No. 41 of 1999	Provision of education services Management of educational facilities Creation and management of sporting facilities, and sports development	Provision of universal access to education Development of skills and human resources Mitigation of the negative impact of poverty on educational opportunities	MOU between Ministry and PRF Skills development through the National Enrichment and Learning Programme Provision of policy guidance and supervision to the National Skills Development Centre Bursaries programme School feeding programme	Qualified staff at ministry and school levels External funding for skills development and education reform	Ministry plays critical role in all aspects of education and human resource development Poverty issues are taken into account in policies and programmes

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	National Skills Development Centre	Registered as a Government-owned company under the Companies Act in February 2000	Development of a skilled and marketable labour force	Training, counselling and support to unemployed people	<p>Training (production and business skills, information technology and computer skills, job searching skills)</p> <p>Counselling</p> <p>Provision of information</p> <p>Placement of trainees and assistance with job searches</p> <p>Provision of child care to trainees</p> <p>Assessment of job market demands</p>	<p>Staff of approximately 30</p> <p>Recurrent budget of XCD 90,000</p> <p>Grant funding from EU</p>	<p>Has already trained several hundreds, but too early to evaluate impact on employment</p> <p>Collaborates with a wide range of agencies</p> <p>Need for more private sector involvement</p>

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Agriculture and rural development	Ministry of Agriculture, Forestry and Fisheries	Saint Lucia Constitution Order 1978	Supporting agricultural and food production and rural development Crop development Livestock development Fisheries development Forest management and development Information management and dissemination	Agricultural and rural development policies Provision of extension services to farmers, including the poor Provision of facilitation and technical assistance services to producers' organisations	Saint Lucia Rural Entreprise Project focuses on rural poverty in the south of the island The Mabouya Valley Development Project promotes rural development and land reform The Banana Emergency Recovery Unit includes social programmes aimed at mitigating the social impacts of changes in the banana sector	Extension Division Special funding for BERU, SLREP and MVDP	Need for renewed initiatives in rural development, especially in response to banana crisis Need to strengthen linkages between agriculture and other economic sectors The new policy on agriculture does not make specific reference to poverty reduction objectives, but includes a number of policy directions that can have positive impacts

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	Saint Lucia Rural Enterprise Development Project	Agreement between the International Fund for Agricultural Development, the Caribbean Development Bank and the Government of Saint Lucia	Rural development and promotion of productive activities in southern region (from Praslin to Canaries)	Focus on resource poor rural households Diversification of production Micro-enterprise development Marketing Capacity-building and institutional development	Plant propagation Micro-irrigation Livestock development Community-based rural tourism Marketing Skills training	Project started in 1997, approximately XCD 10 million total funding, project into its final year (project to end by September 2003)	Project has had significant impact on small farmers Project has recorded successes in marketing The issue of the continuity of project interventions needs to be addressed
Tourism	Saint Lucia Heritage Tourism Programme	Tourism and Community Development project, 2002 – 2005. Financing Agreement between the European Union and the Government of Saint Lucia	Develop policies and institutional arrangements, build capacity and provide technical assistance in support of community-based heritage tourism development	Maximize the positive impacts of tourism on poor people, by diversifying the tourism product, promoting a better geographic distribution of tourism activities, developing skills and supporting revenue generating activities	Support to community-based initiatives such as festivals and cultural evenings Support to business development Skills training (e.g. in tour guiding) Policy development, e.g. with respect to access to common property resources, and incentives for micro businesses	EC funding, XCD 4.5 million over the next three years Policy and programme guidance provided by a Programme Management and Advisory Committee Staff of five persons	In its first phase (1998 – 2002), the Programme has demonstrated the potential linkages between poverty reduction and heritage tourism. In this second phase, it should aim at realizing that potential and providing systematic support to “pro-poor tourism” Need to monitor heritage sites, their sustainability and their impacts on communities

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Commerce, industry and business	Small Enterprise Development Unit (SEDU)	Unit within the Ministry of Commerce, Industry and Consumer Affairs, created by Cabinet in 1994	Create and expand employment opportunities, develop entrepreneurial skills, enhance market opportunities and encourage export promotion and import substitution	Job creation Capacity-building Skills training	Courses One-on-one management training Counselling Marketing and promotion Business planning for micro-business	Staff of 6 Funding from government and support from UNDP, ILO and OECS	SEDU has made significant investments in small business development, and has developed specialised expertise in training and technical assistance There is need to assess the impact of small business development programmes Need to address constraints to small business development, including crime
	National Development Corporation	Created in 1971	Administers government's incentives regime Promotes investment Manages land and industrial estates	Job creation Land management	No specific activity	Not applicable	The issue of land management, including squatting, remains a source of concern, especially in and around Vieux Fort Need for closer linkage between NDC and local communities

Sector	Name of institution or programme	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Infrastructure and public utilities	Ministry of Communications Works, Transport and Public Utilities	Saint Lucia Constitution Order 1978	Policies and programmes with respect to public works, public infrastructure, public utilities and transportation Ownership and management of public buildings and facilities	Implementation of policy to provide universal access to public utilities, agriculture feeder roads, and disaster mitigation	MOU between Ministry and PRF Sub-contracting of small entrepreneurs and contractors on infrastructural projects	Staff and equipment of the Ministry Road Development Programmes	Significant progress in providing universal access to public utilities Principle of universal access not applied to tele-communications
	Water and Sewerage Company	Registered under the Companies Act	Provision of water supply and sewerage services	Universal access to water supply Improvement of sanitation	Provision of technical services to BNTF and PRF in design and implementation of water supply projects Free water supply connections to disadvantaged households (6,000 between June 2000 and September 2001) Rural water supply improvement programme	Staff and equipment of the Company CBF-financed Fifth Water Supply Project	Potential conflict between WASCO's role as contractor to poverty reduction programmes, commercial supplier of water, and provider of social water to the poor
Legal Affairs	Ministries of Legal Affairs and Justice	Constitution Order	Administration of justice Legislation and regulation		Verification of legality of instruments of Basic Needs Trust Fund Introduction of legal aid system		

Private sector and civil society institutions and programmes

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Financing	Banks and Credit Unions	Credit Unions are registered as co-operatives Commercial banks are registered as companies	Financing Credit Investment	Savings for social and financial protection Credit in support of income generating and employment creating activities	Same	Well-developed banking sector Several active credit unions with large membership and significant capital	Important role of Credit Unions Need and opportunity to promote equity financing to businesses of various sizes
Development agencies (national)	National Research and Development Foundation (NRDF)	Registered under the Companies Act as a not-for-profit company	Credit and counselling to small businesses Training in support of small enterprise and community development	Credit and counselling for micro business development	Provides credit to clients who can be considered as poor, and also to small contractors who implement projects funded by poverty reduction initiatives (e.g. BNTF) Provides training Refers to BELfund applicants and potential clients who are likely to qualify for funding under BELfund	Membership, including companies and individuals Staff Funding from funding agencies and financial institutions	NRDF occupies a clear institutional niche as the source of credit and counselling for small business Because of its lending policies, it does not reach the poorest

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	Chamber of Commerce and Industry		Representing the interests of the private sector	Private sector involvement in poverty reduction initiatives	Serves on the Board of the National Skills Development Centre and on the Project Steering Committee of BNTF Junior Achievers programme	One staff person dedicated to Junior Achievers programme	The Chamber could play a lead role in mobilising private sector involvement in poverty reduction initiatives The Junior Achievers programme has great potential for expansion
	Saint Lucia Hotel and Tourism Association	Legal status unclear	Representing the interests of the tourism sector, including hotels, restaurants and providers of ancillary services	No specific role	Serves on the Board of the National Skills Development Centre	Not applicable	The Association could play a lead role in mobilising private tourism sector involvement in poverty reduction The Association promotes innovative programmes that link tourism businesses, farmers and community initiatives

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Social development agencies	Saint Lucia Save the Children (LUSAVE)	Registration under the Companies Act as a not-for-profit company	Support child development and advocate for the rights of children	Feeding, nutrition and medical assistance programmes for vulnerable children and households Advocacy Early childhood services	Sponsorship of children and families Counselling Feeding programme	Donations from corporate and private sponsors Buildings and facilities in Castries, Anse la Raye and Jacmel Volunteers, and 1 staff (cook)	LUSAVE does not have adequate funding, does not receive any subvention from government Need to focus role in light of growing number of organisations involved in social development LUSAVE wishes to restart its youth development programme Needs to strengthen linkages with other agencies
	National Association for Early Childhood Education	Registration under the Companies Act as a not-for-profit company	Subventions and honoraria to teachers, training of teachers, provision of supplies to school and advocacy to protect the rights of children	Enhancing and facilitating access to early childhood education	Scholarships to centres including meals	Annual budget of XCD 170,000 Staff of two	Does not receive any subvention from government Need to strengthen linkages with agencies involved in child development issues

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	Saint Lucia Crisis Centre	Registration under the Companies Act as a not-for-profit company	<p>Work towards zero tolerance of gender-based violence in society</p> <p>Provide support and counselling to victims of gender-based violence, in particular domestic violence</p> <p>Network with relevant agencies in seeking out opportunities for the psycho-social rehabilitation and economic empowerment of victims</p>	<p>Working towards the creation of “self managed” opportunities for the economic empowerment of persons in crisis</p> <p>Networking with agencies that support sustainable livelihoods</p>	<p>Assisting impoverished parents (particularly mothers) with the acquisition of educational supplies for their children</p> <p>Working with the PRF in the implementation of the Social Assistance Programme</p>	<p>Office, administrative staff, counsellors, volunteers, resource persons</p> <p>Subvention from Government</p> <p>Contributions from sponsors and fund-raising ventures</p>	<p>Has been in existence for 14 years, providing support and counselling to thousands (over 6,000 visits) of clients, many from poor and vulnerable segments of society</p> <p>The Centre is currently seeking to reach communities outside of the Castries area, and to engage in direct poverty alleviation initiatives</p> <p>Needs to increase its activities at the micro level</p>

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	National Council for Persons with Disabilities	Umbrella grouping of Blind Welfare Association, Society for the Hearing Impaired, Society for the Psychiatrically Affected, homes for the elderly and specialised schools and education centres.	Advocacy and procurement of resources, on behalf of persons with disabilities, and in support of its members organisations	Advocacy Fundraising Education of persons with disabilities Income generating activities	Schools for people with disabilities Workshop and production of wheelchairs and other equipment needed by persons with disabilities School Books project funded by PRF and implemented by the Blind Welfare Association	The Council and several of its member organisations receive financial subventions from government	The Council is aware of the need to ensure its own financial sustainability and that of its member organisations All civil society organisations need to take into account the needs of persons with disabilities
	National Council of and for Older Persons	Registered as a charitable organisation	Improve the quality of life and preserve the dignity of older persons in Saint Lucia through advocacy, empowerment and income security	Advocacy and public awareness Co-ordination Job creation Physical and moral support to poor people Project design and implementation	Provision of support to Club 60s and their activities Celebration of 1 October as UN Day for Older Persons	Three staff members Network of community-based groups Membership in HelpAge International	Receives a subvention from government Need for increased efforts towards training of caretakers, and training of trainers at local level

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	National Youth Council	Formed in 1985 and formally created in 1997 by an Act of Parliament	Youth development and empowerment Advocacy on behalf of young persons	Capacity-building for youth organisations Skills training Small business and enterprise development	Training programmes Small business programmes	Staffed by volunteers Membership of 162 organisations Would need a budget of approximately 200,000 per year to manage its operations and implement its programme	Need financial resources to recruit staff and have appropriate office space Receives a subvention from government Plays critical role in advocacy and capacity-building Very active at local level, but needs increased support

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Churches	All Churches, including Catholic Parish Councils, Holy Name Societies, Saint Vincent de Paul Societies, and local confraternities		Religious organisations	Provision of financial support to poor people Management of homes for the elderly Counselling and assistance to vulnerable persons and households	Provision of school books and uniforms Provision of financial help to needy persons The Centre for Adolescent Rehabilitation and Education (CARE) provides training and manages permanent training centres St. Joseph's Villa in Dennery, Marian Home run by the Carmelites Sisters and Children's Home managed by the Dominican Sisters Salvation Army provides meals to poor persons	Large numbers of volunteers and strong networks of support BNTF and PRF support to CARE	CARE reports a high rate of success with employment of trainees All churches are active at community level, and play a key role in community development

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
Community organisations and groups	Soufriere Regional Development Foundation	Registered as a not-for-profit company under the Companies Act	Promote the integrated development of Soufriere (town and environs)	Development and management of sites, attractions and events Skills training Promotion of investment Community participation in development planning	Youth development programme Fisheries development Community-based tourism Cultural action	Membership limited to a small number of organisations, who form the Board of Directors Staff	SRDF has potential for greater involvement in poverty reduction and social development
	Laborie Development Foundation	Registered as a not-for-profit company under the Companies Act	Promote the integrated development of Laborie	Development and management of sites, attractions and events Skills training Promotion of investment Community participation in development planning	Recently created, no major activity yet	Membership to include all community organisations	This Foundation has potential to become involved in poverty reduction initiatives

Sector	Name of institution	Mandate	Primary function(s)	Role(s) in poverty reduction	Current activities in poverty reduction	Resources and capacity	Discussion (impacts, issues)
	Mothers and Fathers League and Groups	Registered with Ministry of Social Transformation	Community development and empowerment of members	Implementation of community projects	Provision of assistance to needy members	Large membership	The League and its member Groups have lost some of their momentum, and could be more involved in social development and poverty reduction Need for institutional support, capacity-building and programming
	Development committees, youth and sports councils and clubs, management committees, environmental groups, disaster preparedness committees, etc.	Many are informal, others are registered with Ministry of Youth and Sports or Ministry of Social Transformation	A wide range of community development functions	Project implementation Provision of assistance to vulnerable persons and groups Organisation of social events	Design and construction of facilities Donations Assistance to poor persons	A large number of people are involved in these organisations on a voluntary basis Most organisations do not have access to funding, except in the case of BNTF or PRF sponsored projects	Large number of organisations, most of them informal Important social capital, huge potential for expansion and formalisation

External institutions

Name of institution	Primary function(s)	Current activities in poverty reduction (in, or directly relevant to, Saint Lucia)
World Bank	Development financing	Funding to PRF OECS emergency recovery and disaster management project
United Nations Development Programme (UNDP)	Development financing Research and analysis Policy formulation International co-operation	Funding for IPRSAP and Social Development Policy Pilot poverty reduction project in Soufriere Funding for small business development
UNICEF	Financing and technical assistance in support of children	Funding for IPRSAP and Social Development Policy Funding for early childhood policy development and implementation
European Commission (EC)	Development financing Trade	Grant funding through: <ul style="list-style-type: none"> ➤ STABEX ➤ Budget support ➤ Special Framework of Assistance (SFA) ➤ National Indicative Programme ➤ Regional Indicative Programme Social recovery programme, including work on HIV/AIDS (SFA 2001) and support to CBOs and NGOs (SFA 2001) Vocational training and skills development through the NSDC (SFA 1999, 2000 and 2001) Support to the health sector development policy, including construction of new hospital Economic diversification (all programmes), housing (SFA 2001), data capture and management (SFA 2001), and funding to poverty reduction programmes, notably PRF (SFA 1999, 2000 and 2001) Agricultural diversification programme Saint Lucia Heritage Tourism Programme Water Resources Management Project, including Water Policy
UK Department for International Development (DFID)	Development co-operation and aid	OECS Waste Management Project
Caribbean Development Bank	Regional development financing, technical assistance and training	Funding to BNTF Road Development Programmes SLREP (with IFAD) PROUD Response to Hurricane Lenny in Soufriere and Gros Islet Shelter development programme
Canadian International Development Agency	Development co-operation and aid	Currently negotiating the provision of complementary funding to BNTF 5 OECS Education Reform Project Sulphur Springs development, Soufriere

Appendix 2: Presentation of selected programmes and institutions

The James Belgrave Micro Enterprise Development Fund Inc. (BELfund)

Contact information: General Manager, 31 Leslie Land Road, Castries. Tel: 451.6069 – 451.8858, fax: 451.6068, e-mail: belfund@candw.lc.

Description of programme

The mission of the Fund is to create the conditions for the empowerment of the poor through fostering sustainable micro enterprise development by providing access to credit, enterprise training, technical assistance and other support services. The Fund therefore focuses on the poor, unemployed, micro-entrepreneur and other under privileged persons.

It finds its origin in the 1999-2000 Budget Speech by the Prime Minister, which identified the need for an institution specifically dedicated to the creation and promotion of micro-enterprise, under conditions accessible to the poor. It was incorporated as a Government-owned company under the Companies Act in December 1999, and it began operations in May 2000.

To date, the Fund has approved a total of 123 loans, for an amount of XCD 1,126,918.05. The Fund estimates that only six of its clients can be considered as delinquent, but there are others who have not been able to meet all payment schedules.

Domains of activity: The Fund provides loans (ranging from XCD 500.00 to 20,000.00) to commercial and productive activities in all sectors, except crop production (as this is covered by the Ministry of Agriculture and by specific programmes implemented under its auspices). The Fund also excludes alcohol retail shops. The services provided by BELfund to micro businesses include: credit, enterprise training, business support and accounting services. Clients come from all parts of the country, but the Fund has identified geographical areas of priority in its loans policy.

Table 1: Loans provided by BELfund, May 2000 to July 2002

Loan purpose	Number loans to women	Amount loans to women	Number loans to men	Amount loans to men	Total number of loans	Total amount of loans
Agriculture	3	30,901.44	8	112,183.72	11	143,085.16
Fishing	0	0	1	5,562.00	1	5,562.00
Hairdressing	14	130,142.78	0	0	14	130,142.78
Manufacturing	4	41,418.34	5	45,794.69	9	87,213.03
Restaurant	7	57,785.13	4	26,271.61	11	84,056.74
Retail and distribution	24	204,225.02	8	45,612.16	32	249,837.18
Services	7	60,721.64	16	127,694.94	23	188,416.58
Other	7	71,435.85	15	167,168.73	22	238,604.58
Total	66	596,630.20	57	530,287.85	123	1,126,918.05

Source: BELfund, 6 August 2002

The age range of current clients is between 20 and 62 years.

The Fund has also held training activities, with a total of 17 training sessions reaching 136 persons.

Structure

The Fund’s policies are determined by a Board of Directors, appointed by the Minister of Social Transformation. Board members are individuals who are selected on the basis of their skills and expertise. In addition to policy formulation, the Board is responsible for determining investment priorities, identifying sources of funds, providing institutional and technical linkages, and approving loan applications of over XCD 10,000.

A General Manager is responsible for the implementation of policies and programmes and the day-to-day operations of the organisation.

Resources

- Financial: current annual budget (2002 – 2003): XCD 1,755.000.
- Human: the total number of staff is eight, including the General Manager.
- Other: fully-equipped office and training facility.

Sources of funding

The Fund is capitalised by the Government of Saint Lucia (XCD 1,055.000 for the current annual budget) and the European Commission through the STABEX 1996/1997 programme (XCD 700,000 for current annual budget).

Linkages with other organisations

Name	Type of linkage	Comments
Ministry of Social Transformation	BELfund operates under the auspices of the Ministry. It collaborates with the Community Development Officers in the identification of potential clients	Insufficient co-ordination among poverty reduction initiatives and programmes
Ministry of Agriculture	Provides expertise for appraisals of projects that have an agricultural component	Critical role of Community Development Officers in introducing Fund to potential clients
Small Enterprise Development Unit (SEDU)	Refers projects to BELfund when they have the potential to meet its criteria	
National Research and Development Foundation (NRDF)	Informal linkage, and participation of BELfund staff in NRDF workshops and seminars	
Poverty Reduction Fund	Executive Director of PRF serves on the Board of BELfund	

Lessons learned:

- What works?

Access to credit by underprivileged is possible, as demonstrated by the Fund’s experience.

Poor clients need extensive guiding and support.

This support must include business training and management training.

There is also a need to provide sustained moral support and encouragement, throughout the life of a loan.

It is better to encourage cottage industries (i.e. production from home), and to discourage rental and other dispensable overhead costs.

It is preferable for funds such as BELfund to make direct payment to suppliers on behalf of clients, instead of giving clients the money.

One should give preference to new businesses, as opposed to the expansion of existing businesses.

➤ What does not work? What are the issues?

There is a strong dependency syndrome, and many people are not prepared to create their own jobs.

It remains difficult to reach the very poor.

There is a need for more decentralisation of the Fund's operations.

Clients often do not know what they need, and require very detailed guidance.

There is insufficient diversity in the type of businesses proposed by potential clients.

Recommendations made by the institution/programme regarding:

➤ Poverty reduction in general

Importance of micro-business among poverty reduction strategies.

➤ Effectiveness and efficiency of the programme/institution

The Fund needs additional financial and human resources.

The Fund needs to increase the awareness of its existence and services among potential beneficiaries.

The Fund should have resources available for grants and donations to people who do not meet its current requirements.

The Fund needs to continue its process of institutional development, notably with the continued training for staff.

➤ Policy environment for poverty reduction

Need for co-ordination.

➤ Institutional arrangements for poverty reduction

Need and opportunity for collaboration among poverty reduction initiatives in a number of areas, e.g. promotions and outreach, public relations, and monitoring and evaluation.

Need for greater involvement by the private sector, in support of micro-enterprise.

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Basic Needs Trust Fund (BNTF)

Contact information: Project Manager, Basic Needs Trust Fund Project, 79 Brazil Street, Castries. Tel: 453.7919, fax: 452.6161, e-mail: bntfproj@candw.lc.

Description of programme

The Basic Needs Trust Fund Project finds its origin in the Caribbean Education Development and Basic Human Needs/Employment Sector Programme that was launched by the Caribbean Development Bank (CDB) in 1979 with partial funding from the United States Agency for International Development (USAID). The regional BNTF Programme is about to enter its fifth phase, the Fourth Programme (BNTF 4) will be completed by March 2003. Since the Third BNTF Programme, funding has been provided by the CDB and the participating governments, with a small USAID contribution to BNTF 4. The BNTF Fifth Programme will run until December 2007.

The purpose of the Programme is to assist low-income communities to reduce their vulnerability and to improve their access to public services through the provision of social and economic infrastructure and the development of skills to enhance employability.

Domains of activity

BNTF 5 will provide support to two main types of activities, namely:

- The development of social and economic infrastructure at the community level; small sub-projects of amounts not exceeding USD 35,000 should represent no less than 20% of the total grant while large sub-projects are not expected to exceed USD 500,000.
- Skills training (not less than 7% of the total grant).

Infrastructure projects may be in the following areas: water and sanitation, education, health, physical welfare of vulnerable persons, community markets, access and maintenance of facilities.

The Project also supports the strengthening of local institutions.

Impacts and main achievements to date

BNTF has been active in Saint Lucia since the early 1980s, and has provided significant support to the development of public infrastructure. The fourth programme of BNTF (1996 – 2002) has disbursed a total of approximately XCD 3.2 million, with a total of 119 sub-projects in 55 communities. While the initial phases of the Programme did not give priority to community participation, the BNTF Fourth Programme has placed higher emphasis on community involvement and on processes of capacity building and local institutional development.

Over the past two years, because of the slow rate of expenditure during the first phase of BNTF 4, the Project focused on accelerating the pace of implementation, in order to meet

Saint Lucia’s contractual obligations with the CDB, and in order to maximize project impacts.

Under BNTF 4, funding has been distributed as follows:

Sub-sector	Percentage
Roads, drains and footpaths	25.6
Water supply	45.8
Education facilities	7.5
Health facilities	13.7
Skills training	6.27
Vulnerable groups	0.7
Day-care centres	0.5

Table 2: Project funding under BNTF 4

Structure

The BNTF Project is placed under the auspices of the Ministry of Social Transformation. The Ministry of Finance manages the country’s contractual agreement with the CDB, and is responsible for disbursements and claims.

The Project is governed by a Project Steering Committee (PSC) comprising one half of government agencies and one half of civil society organisations. A Project Manager is responsible for the implementation of policies and programmes.

Resources:

- Financial: The BNTF Fifth Programme (2002 – 2007) has a total budget of approximately USD 4.2 million, with a grant contribution from the CDB in the amount of USD 2,750,123, and the balance representing government’s contribution.
- Technical: The BNTF has an independent project office, office equipment and vehicles.
- Human: The Project has a permanent staff of three, including a Project Manager, a Community Liaison Officer, and an Administrative and Accounting Officer, as well as two support staff members. Consultants are engaged to assist with the design and implementation of all sub-projects.
- Other: The Project’s activities and procedures are guided by policy documents of the Caribbean Development Bank, including the Guidelines for Procurement and the Procedures for the Selection and Engagement of Consultants by Recipients of CDB Financing. The Project is also in the process of developing its own Operations Manual.

Sources of funding

Funding for the project comes from the CDB and the Government of Saint Lucia. Discussions are currently underway with the Canadian International Development Agency (CIDA) regarding complementary funding.

Linkages with other organisations

Name	Type of linkage	Comments
Ministry of Social Transformation	The Ministry is the executing authority for BNTF. It appoints the BNTF Project Steering Committee and serves as its Chair. It oversees the formulation and implementation of its policies and programmes	Issue of co-ordination among poverty reduction initiatives
Ministry of Finance	The Ministry is the focal point for the contractual agreement with the CDB	
Ministry of Legal Affairs	Certifies implementation of projects to CDB	
Small Enterprise Development Unit (SEDU)	Provides skills training in small business development and management	
National Research and Development Foundation (NRDF)	Provides skills training, and credit to small contractors involved in the implementation of BNTF sub-projects	
Ministry of Communications, Works, Transport and Public Utilities	Serves on the Project Steering Committee	
Ministry of Education	Serves on the Steering Committees and certifies education sub-projects	
Ministry of Health	Serves on the Steering Committees and, when necessary, certifies health and sanitation sub-projects	
National Skills Development Centre	Receives funding from BNTF to conduct training activities	
Water and Sewerage Company (WASCO)	WASCO provides technical services to BNTF in the design and implementation of water supply sub-projects funded by BNTF	
Civil society partners	Several organisations serve on BNTF's Steering Committee: Voluntary Women's Organisation, National Youth Council, Saint Lucia Industrial and Small Businesses Association, Chamber of Commerce and Mothers and Fathers League	
Community groups and organisations	Benefit directly from funding and technical assistance	
Consultants and engineers	Provide technical services to BNTF	

Lessons learned

There is need for increased community participation in project design and implementation.

Recommendations made by the institution/programme

➤ Poverty reduction in general

There is a need for increased co-ordination among poverty reduction initiatives

➤ Effectiveness and efficiency of the programme/institution

The quality and reliability of consultants is at times a source of concern.

The project cycle creates difficulties, because it is too long and too complex, and it intimidates community partners.

The Project has experienced problems of cash-flow caused by the timing of government contributions.

Generally, the Project suffers from insufficient support from government ministries and departments.

There is no internal monitoring and evaluation capacity.

➤ Institutional arrangements for poverty reduction

There is a need for improved co-ordination among agencies involved in poverty reduction.

There is a need for improved capacity for monitoring and evaluation, possibly placed within the Ministry of Social Transformation.

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Grant Agreement (Basic Needs Trust Fund) (Fifth Programme) between Caribbean Development Bank and Saint Lucia

Staff Report on the Basic Needs Trust Fund – Fifth Programme

Ministry of Social Transformation

Contact information: Permanent Secretary, Deputy Permanent Secretary and Director of Community Services, 4th floor, Greaaham Louisy Administrative Building, Waterfront, Castries. Tel: 468.5108, fax: 452.3181, e-mail: mincomdev@hotmail.com.

Description

The Ministry of Social Transformation, Culture and Local Government is the lead public sector agency responsible for poverty reduction. Its mission is “to promote, encourage, support and facilitate the participation, development and organisation of the people, in utilising their resources to effect self-directed change towards the economic, social, cultural, political and spiritual advancement of themselves, their communities and the nation”.

Domains of activity

Its main activities in areas relevant to poverty reduction include:

- The Ministry has authority over the four main national agencies involved in poverty reduction, namely the Basic Needs Trust Fund Project, BELfund, the National Conservation Authority and the Poverty Reduction Fund. The Boards or Steering Committees of these agencies report to the Minister of Social Transformation.
- The Ministry supervises local government agencies and is responsible for policies related to local government and decentralised governance.
- The Ministry is also responsible for community development activities.

The Ministry’s objectives, as stated in the Estimates for 2000-2001, include:

- To initiate activities/programmes and collaborate in the national effort at poverty alleviation.
- To re-establish and maintain an integrated system of local government administration.
- To promote and sustain an enabling environment for the participation of citizens in the development process and in other significant activities at the community and national levels.
- To help build/inculcate positive social attributes such as volunteerism, self-reliance and civic responsibilities in citizens.
- To provide quality institutional services.
- To strengthen civil society organisations.
- To create opportunities for self employment.

Impacts and main achievements

The Ministry of Social Transformation was created in December 2001, and this decision reflects a policy direction to co-ordinate and to integrate government’s activities in poverty reduction and related fields. The main impacts and achievements of the Ministry over recent years fall in the following categories:

- The creation of the Cultural Development Foundation.
- The facilitation of a process of Local Government reform.

- The on-going activities of the Community Development Unit, with the Community Development Officers who are involved in a wide range of development activities at the local level, including liaison with officers of specialised poverty reduction agencies.
- The provision and management of day care services and the formulation of policies and standards for early childhood education.

Structure

The Ministry is headed by a Minister, a Permanent Secretary and a Deputy Permanent Secretary. Poverty reduction agencies (the Basic Needs Trust Fund Project, BELfund, the National Conservation Authority and the Poverty Reduction Fund) operate somewhat autonomously. (See data sheet on these agencies and programmes for more details.) A Director of Community Services is responsible for the technical programmes of the Ministry, with four Assistant Directors (including one specifically responsible for Day Care Services) and 15 Community Development Officers.

Linkages with other organisations

Name	Type of linkage	Comments
BNTF, BELfund, PRF and NCA	Ministry sets policies and appoints Boards/Steering Committees. Senior Ministry staff sit on these Boards/Steering Committees	Need for a co-ordinating mechanism among the various agencies that are part of the Ministry
Saint Lucia Heritage Tourism Programme, SL Rural Enterprise Project and Mabouya Valley Development Programme	Ministry representatives sit on their Management Committees	
National non-governmental agencies (e.g. National Council of and for Older Persons)	Receive technical and financial assistance from the Ministry	
Community-based organisations	Receive technical assistance from the Ministry	

Lessons learned

The Ministry sees benefits in a decentralised structure such as the PRF, which is accessible and effective. Social transformation and community development however require the mobilisation capacity of the Ministry. The two types of interventions are complementary, with PRF and other programmes being responsible for projects, while the Ministry should retain the lead for facilitating development processes.

Recommendations and issues

The mandate of the Ministry is broad, and is central to the poverty reduction agenda. The implications of the recent change in the Ministry's portfolios, with the incorporation of Social Transformation as the main area of intervention, have not yet been fully assessed.

Five sets of issues and challenges emerge:

- The need to articulate and communicate an understanding and a vision of social transformation in the country.
- The need for the Ministry to assume fully the leadership role in policy formulation and implementation in all aspects of social transformation, including poverty reduction.
- The need to integrate and rationalise the interventions of the various agencies involved in poverty reduction, and to enhance the coherence of the Ministry's structure and interventions.
- The need for the Ministry to move from an implementation function (community development) to a co-ordination function on the ground.
- The need for increased efforts in capacity building and institutional development of community-based and other non-governmental organisations.

Mabouya Valley Development Programme (MVDP)

Contact information: Programme Officer, Mabouya Valley Development Programme, P.O. Box 1492, Castries. Tel: 453.3242, fax: 453.3048, e-mail: mvdp@candw.lc.

Description of programme

The Mabouya Valley Development Programme (MVDP) began in 1991. Its overall purpose is to promote integrated rural development in the Mabouya Valley, in the district of Dennery. This region was a major sugar producing area until the late 1950s. Land was subsequently transferred to the Government of Saint Lucia, and this Programme was conceived as a response to the issues of land tenure, agricultural diversification and rural poverty that are all critical in this area.

The Programme was funded by the European Commission and the Government of Saint Lucia, and has been implemented in two phases, 1991 – 1996 and 1996 – 2001. MVDP is now in a transition phase, as options for its future are being explored.

Domains of activity:

- Agricultural development and provision of land to farmers, through lease-purchase and rental agreements, with four programme sub-components: hillside farms (up to 70% in banana cultivation), valley farms (with possibility of 100% in banana cultivation), market gardens and small gardens.
- Strengthening of community organisations.
- Development of infrastructure, including roads.
- Rural and heritage tourism development.
- Regularisation and expansion of rural settlements, with the provision of infrastructure.
- Forest management and provision of alternatives to squatters in forested areas.
- Provision of vocational training (with fees charged to trainees, at favourable rates).
- Provision of funding and technical assistance to small projects, with support to small business development through the La Resource Credit Union.

Impacts and main achievements to date

The MVDP has had a profound impact on the area in which it has worked. The main achievements include:

- The relocation of forest squatters through the provision of land alternatives and the enforcement of forestry regulations.
- The development of tissue culture and irrigation, and a general improvement in farming techniques and productivity.
- The strengthening of a number of community organisations.
- The qualitative improvements of several rural settlements and their infrastructural base.
- The development of a major heritage tourism site, and of a vending facility.

- The development of small businesses and the transfer of skills, especially in computer use, clothing and cake decorating.
- The construction of workshop units for use by small businesses.
- Collaboration with WASCO in facilitating water connection for poor households.

Structure

The MVDP is placed under the auspices of the Ministry of Agriculture. It is governed by a Management Committee appointed by the Cabinet of Ministers. A Programme Officer is responsible for the implementation of policies and programmes,

A Mabouya Valley Development Act was drafted and approved by Cabinet in the mid 1990s, but it was never presented to Parliament.

Resources:

- Financial: 1996-2001 budget of approximately XCD 6 million, plus project-specific grants from various funding sources.
- Technical: programme offices, with office equipment and vehicles.
- Human: during implementation of Phase 2, the Programme had a total staff of eleven, now reduced to seven, namely a Programme Officer, a Lands Officer, a Land Surveyor, a Production Officer and two administrative staff.

Sources of funding

The Programme has been funded primarily by the European Commission and the Government of Saint Lucia. It has received additional funding for specific projects and activities from the Canadian International Development Agency, the Office of Private Sector Relations (which is funding the current consultancy to determine the Programme's future), the Basic Needs Trust Fund Project, the Poverty Reduction Fund and the Saint Lucia Heritage Tourism Programme.

The agreement between Saint Lucia and the EC for the Programme's second phase provided for a budget of approximately XCD 6 million, with 40% of that amount coming from the European Development Fund (EDF), 32% from the Government of Saint Lucia and 28% from the MVDP through the proceeds of land sales.

Linkages with other organisations

Name	Type of linkage
Ministry of Agriculture	Provides policy and programme guidance
Ministry of Planning	Collaboration on land subdivision, acquisition and squatting issues
Forestry Department	Protection of forests and watersheds, and relocation of forest squatters
Ministries of Communications and	Collaboration in the design and

Name	Type of linkage
Works and Health; National Development Corporation; National Housing Corporation	implementation of specific projects
Saint Lucia Heritage Tourism Programme	
HERITAS	
Saint Lucia Archaeological and Historical Society	Provision of funding and technical assistance for the design and implementation of the Fond D'or Heritage Tourism Site
Community organisations in the Mabouya Valley	Promotion of heritage tours
	Society provides assistance in historical research for heritage site development
	Recipients of funding and technical assistance from MVDP

Lessons learned

The programme has acquired valuable experience in the area of land management and redistribution. From this experience, it appears that the lease-purchase arrangement does not work well, especially when the original owner and seller is the state. In this instance, many farmers concluded that since this was a project of the government, there was no need for them to comply with the terms of the agreement. In addition, land transactions that involve governments and poor people often attract political interference. As a result, the MVDP is currently owed over XCD 2 million in arrears for land lease-purchase transactions, and many farmers do not have secure titles to the lands they occupy.

The MVDP has also encountered problems with the maintenance of infrastructure, either because there is no agency responsible for management, or because the management responsibility has not been transferred, as is the case with some of the roads.

Recommendations made by the institution/programme

Against this background, the MVDP feels that new approaches to land distribution are needed. In particular, it recommends that (a) commercial intermediaries be used whenever possible, (b) all measures be taken to avoid political interference, and (c) the concept of a Land Bank be further explored. In this concept, land remains owned by a public entity, and it is made accessible to poor farmers under suitable arrangements.

National Conservation Authority (NCA)

Contact information: The Manager, National Conservation Authority, Top floor Tom Walcott building, Jeremie Street, Castries. Tel: 459.0278, fax: 452.4109.

Description

The National Conservation Authority (NCA) was established under the National Conservation Authority Act No. 16 of 1999. It began operations on 1 May 1999. The Act gives the NCA the broad mandate of conserving the country's natural beauty and topographic features, and of managing beaches and protected areas. In practice, the NCA is primarily involved in beach management and in general beautification programmes.

The NCA was created following the completion of the Short-Term Employment Programme (STEP) that began in October 1997 and ended in April 1999. During that period, the programme provided short-term employment to 3,587 people. Since the end of the programme, the NCA has assumed responsibility for the management of permanent and short-term workers assigned to beautification programmes.

Domains of activity

Beach management, including provision of security, regulation and control of vending activity, cleaning and waste management.

Management and beautification of public spaces, including road sides.

Provision of work force for occasional tasks, including tasks related to disaster prevention and mitigation.

Structure

The NCA falls under the authority of the Ministry of Social Transformation. It has an autonomous Board of Directors appointed by the Minister. It is managed by a General Manager.

Resources

- Financial: in fiscal year 2002-2003, the Authority's budget allocation is approximately XCD 2 million. To this amount, smaller allocations are occasionally added for short-term programmes, e.g. XCD 400,000 in August 2002 for beautification.
- Technical: tools and light equipment
- Human: the NCA has a permanent staff of more than 300 persons. Its work force can include up to 600 persons during phases of short-term employment.

Sources of funding: All financial resources of the Authority currently come from the Government. The Act however allows the Authority to collect fees and to engage in contractual work.

Linkages with other organisations

Name	Type of linkage
Ministry of Social Transformation	Provides policy direction and appoints Board of Directors
Ministry of Finance	Provides budget allocations
Saint Lucia National Trust, Folk Research Centre, schools, Village Councils and community organisations	Benefit from the services of the Authority for site maintenance and occasional tasks

Lessons learned:

➤ What works? What are the strengths of the organisation?

The initial concept of the STEP programme, which depended partially on private sector funding, allowed a number of people to gain full-time employment.

The NCA has a significant impact on employment, and provides income to people who would not otherwise be employable in the formal sectors. It also reaches geographic areas where job opportunities are otherwise very limited.

The NCA and its short-term employment initiatives give people the opportunity to be exposed to employment for the first time, thus helping to create a “culture of employment”.

➤ What does not work? What are the issues?

Need for more systematic monitoring, evaluation and documentation of interventions and impacts.

Recommendations made by the institution/programme regarding:

Employment of young people who have been to school, but do not have specific job qualifications.

Employment of people displaced as a result of changes in the banana industry.

Need to facilitate access to land for poor people in rural communities.

Need for monitoring of impacts and feedback from communities and other beneficiaries.

National Community Foundation (NCF)

Contact information: The Executive Director, National Community Foundation, P.O. Box CP 5390, Castries. Fax: 451.9882, e-mail: stluciancf@candw.lc

Description

The Foundation was established in 2002, under the auspices of the National Insurance Corporation, by the National Community Foundation Act of 2001. According to the Act, the objectives of the Foundation are:

- to receive and distribute philanthropic funds for the benefit of targeted individuals, groups, organisations or other charitable causes in a manner consistent with specific interests of contributors;
- to facilitate the empowerment of individuals and groups living in challenging circumstances;
- to provide philanthropic leadership and help create, sustain and promote efforts among citizens to improve the quality of life within the wider community;
- to provide support to poor, needy or disadvantaged persons;
- to advocate for such shifts in public policy and in public attitude that would support the aims and objectives of the Foundation.

Domains of activity

The Foundation will be involved in: “(1) poverty alleviation – working with government bodies, NGOs and the private sector to establish a foundation that would help every St. Lucian man, woman and child to recognize their full potential regardless of what their status in life may be, and (2) providing support to the poor and needy – to co-ordinate the funding and distribution of aid between the various government agencies, NGOs and the private sector, thereby ensuring that assistance is given to those who need – not at special times of year – but all year round” (The St. Lucia Mirror 2002).

The Foundation will provide support to individuals (e.g. persons requiring medical care or families who might have suffered hardship) and to communities (e.g. for clean-up campaigns). It has stated its intention to work through existing organisations. Since it has just begun operations, it is too early to assess its impacts.

Structure

The Foundation has been established by the National Insurance Corporation. It is governed by a Board of Directors of nine persons, including representatives of the NIC, the Government, the PRF, the private sector, the National Youth Council, Women’s groups, and service clubs. The Board of the Foundation is appointed by the Board of the National Insurance Corporation. The Foundation is headed by an Executive Director, who sits on the Board as *ex officio*.

Resources

- Financial: the target is to raise XCD 1 million per year, so far XCD 555,000 have been raised in the first year.

- Human: one part time coordinator, one part time secretary, and nine sub committees comprising volunteers.
- Other: The Foundation will benefit from the overall institutional support of the National Insurance Corporation.

Sources of funding: The National Insurance Corporation has pledged a contribution of XCD 500,000 per annum for the next five years, and it hopes to raise an additional XCD 500,000 per year. At the time of its launching in August 2002, it received from the Bank of Saint Lucia a contribution of XCD 20,000 per year for the next five years and XCD 25,000 from the St Lucia Electricity Services Limited. Individuals and organisations are both invited to contribute to the Foundation.

Recommendations

The Foundation is new and is in the process of setting its operational policies and guidelines, and to develop partnerships with other organisations. Consequently the Foundation has not yet addressed advocacy issues.

Sources and references

The St. Lucia Mirror. 2002. National Community Foundation Special Issue, 2 August 2002, Castries, Saint Lucia. 6 pp.

National Community Foundation Act 2001.

National Skills Development Centre (NSDC)

Contact information: General Manager, National Skills Development Centre, Bisee Industrial Estate, P.O.Box RB2411, Castries, tel: 458.1677, fax: 458.1619, e-mail: nsdc@candw.lc

Description of programme:

- Mission/role/function: Development of a skilled and marketable labour force.
- Source of mandate: registration under the Companies Act in February 2000.
- Origin/initiative: policy of the Ministry of Education to provide skills training and other forms of support to unemployed people, and inclusion of a skills development component within the EC-funded Special Framework of Assistance (SFA).
- Summary of impact to date: has established a training facility and resource centre at Bisee; to date the NSDC has trained 213 persons in a number of different skill sets including bartending, secretarial studies, dressmaking, housekeeping, cosmetology, catering, drapery making, papermaking, front desk operations, electrical installation and cake decorating. The Centre is currently conducting training of 600 persons in over fifteen different skill areas. The training of another 100 persons is also underway in the south of the island in collaboration with the Basic Needs Trust Fund. An impact or tracer study is scheduled for February 2003 to assess how the training has affected the lives of the participants. NSDC is in the process of establishing or enhancing five other centres in different locations around the country. It has established linkages with a range of governmental, non-governmental and private sector agencies.

Domains of activity

- Training (production and business skills, information technology and computer skills, productivity enhancement, job searching skills).
- Counselling.
- Provision of information.
- Placement of trainees and assistance with job searches.
- Provision of child care to trainees.
- Assessment of job market demands.

Structure

- Registered as a Company under the Companies Act.
- Owned by Government.
- Managed by a Board of Directors appointed by the Ministry of Education.
- Executive functions performed by a General Manager appointed by the Board.

Resources

- Financial: the monthly recurrent expenditure of the Centre is XCD 90,000.00. This is expected to increase as other Satellite Centres open up in Patience and Vieux-Fort.
- Technical: training rooms, computer laboratory, facilities in six different locations around the island.

- Human: permanent staff including administrative and security officers for all Centres brings the total to approximately 30 persons.
- Other: library and facility for Internet access, to assist for job and career searches.

Sources of funding: EC-funded Special Framework of Assistance, Government of Saint Lucia, Caribbean Development Bank through the Basic Needs Trust Fund, Inter-American Institute for Cooperation in Agriculture, and Organization of American States

Linkages with other organisations

Name	Type of linkage
Ministry of Education, Youth and Sports	Policy guidance and programme direction
Ministry of Finance	Funding, EC-funding through SFA
Ministry of Social Transformation (BELFund, BNTF, PRF)	Support provided by Community Development Officers on the ground PRF sits on Board of NSDC BNTF funding for training programmes provided by Centre Provision of resource people and assistance for small business training
Small Enterprise Development Unit (SEDU)	Provision of resource people
Caribbean Agricultural Research and Development Institute (CARDI)	Provision of resource people
Mabouya Valley Development Programme	Provision of funding for specific training programmes
Saint Lucia Rural Enterprise Project (SLREP)	Provision of funding for specific training programmes
Organization of American States (OAS)	Provision of funding for specific training programmes
Inter-American Institute for Co-operation in Agriculture (IICA)	Provision of funding for specific training programmes
Private sector agencies (SLHTA, Chamber of Commerce, Bank of Saint Lucia)	Sit on the Board of Directors, provide policy and programme guidance

Lessons learned

- What works?

Need to base training (field, type and level) on market demands.

Need to decentralise training.

Importance of removing practical hurdles (e.g. provide travel stipend and child care services to trainees).

- What does not work?

The private sector does not respond sufficiently well to requests for information on job market demands.

Apprenticeship programmes and initiatives usually encounter problems, primarily because entrepreneurs are not keen.

There is a danger of generating negative impacts on potential trainees when promises are not kept.

Recommendations

➤ Poverty reduction in general

Critical importance of training.

Need for stronger focus on literacy and numeracy training for people who do not have these skills, especially people who have been displaced by changes in the banana industry.

➤ Effectiveness and efficiency of the programme/institution

Need to expand training for people who are already employed, at lower levels, and who, through training, may be able to obtain better jobs, or become self-employed under better conditions. This would result in the opening of more jobs for first-time employees.

Need for stronger organisations within the private sector (and within specific industries), to develop standards and to define demands for labour.

Need for stronger linkages between NSDC and development practitioners on the ground in order to ensure that training initiatives do target the people who need them the most.

➤ Policy environment for poverty reduction

Need for a more explicit policy framework.

Need to maintain a strong commitment to skills development as a component of a national strategy towards poverty reduction.

➤ Institutional arrangements for poverty reduction

Need for improved coordination among agencies involved in poverty reduction.

Poverty Reduction Fund (PRF)

Contact information: Executive Director, Poverty Reduction Fund, #31 Leslie Land Road, Castries. Tel: 452.2181, fax: 451.6958, e-mail: prfslu@hotmail.com.

Description of programme

The Poverty Reduction Fund (PRF) was established by the Parliament of Saint Lucia through the Poverty Reduction Act No. 7 of 1998 and it became operational in July of that year. Its mission is to reduce poverty, build social capital, improve socio-economic conditions and increase access to and quality of basic economic infrastructure and services across Saint Lucia, in a sustainable manner, including environmental considerations.

According to the Act, the Fund's specific objectives are:

- to establish an efficient, complementary and demand-driven mechanism for delivering basic services and infrastructure to the poor and the needy, utilising non-governmental organisations, community organisations and the local government organisations;
- to finance small scale projects in basic infrastructure and small-scale productive activities;
- to provide assistance for the improvement of living conditions, promotion of community participation and improvement of infrastructure for health and education;
- to provide assistance or employment opportunities to poor and needy persons.

Its design has followed the model of the social investment funds that have been established in Latin America and other parts of the developing world in recent years. Its primary purpose is to build local institutional capacity and to improve social and economic infrastructure. It is seen as the first step towards the institutionalisation of poverty reduction interventions within the public sector, and as a mechanism for testing and designing the most suitable approaches to community participation in development and poverty reduction.

Domains of activity:

Its main domains of activity include:

- Provision of technical assistance and funding for social and economic projects.
- Provision of models and experiences for later integration into national policy and programmes.
- Mobilisation and participation by beneficiary communities.
- Strengthening of community-based and non-governmental organisations.

These activities are grouped into two main sets of activities:

- Community projects, implemented according to the established project cycle.
- A Social Assistance Programme.

The PRF also plays a *de facto* role in advising national policy on a case by case basis.

Impacts and main achievements to date:

During its 2000-2001 fiscal year, PRF disbursed a total of XCD 2,620,977, for a total of 41 projects. This represented an increase of 300% in the total funds disbursed over the previous year, and an increase of 48% in the number of projects executed.

Project type	2000-2001			2001-2002		
	Number of projects	Total expenditure	% of total project expenditure	Number of projects	Total expenditure	% of total project expenditure
Economic infrastructure	20	1,450,664	54			
Social infrastructure	7	188,466	7			
Productive activities	3	92,476	4			
Water supply	11	889,370	34			

Table 3: Summary of PRF projects, 2000-2001 and 2001-2002

Four options are used for project implementation, namely:

- Community contracting
- Co-implementation
- Private contractors
- State or other public agency

During 2000-2001, in addition to these projects, the PRF provided XCD 142,114 for assistance to 13 individuals in difficult circumstances, as part of its Social Assistance Programme. This programme also benefits community-based and non-governmental organisations, such as the Blind Welfare Association.

In fiscal year 2000-2001, PRF provided a grant to BELfund in the amount of XCD 750,000.

Information Technology Centres are being established in poor communities, with three such centres having been established to date. These centres aim at facilitating access to information and information technology.

PRF is also involved in supporting national clean-up campaigns organised by the Saint Lucia Solid Waste Management Authority.

In June 2000, the Fund conducted a social assessment study that has provided valuable background information on issues and needs (Cowater International Inc. 2000). This assessment was carried out in collaboration with the National Research and Development Foundation (NRDF).

In order to support this programme in 2000-2001, the Fund incurred overhead costs of XCD 864,787 (recurrent) and XCD 166,217 (capital).

Structure

The PRF is placed under the auspices of the Ministry of Social Transformation and is governed by a Board of Directors appointed by the Minister responsible. The current Board was appointed in May 2000. It includes representatives of governmental and non-governmental organisations. An Executive Director is responsible for the implementation of policies and programmes

Resources

- Human: the total staff of the Fund is eighteen, with an Executive Director, a Chief Technical Officer (with three technical staff), a Monitoring and Evaluation Officer, a Community Participation and Training Specialist (with three Community Officers), a Project Accountant (with a Clerk) and an Administrative Officer (with three administrative staff)
- Other: PRF has developed an Operations Manual, and has put in place a Monitoring and Evaluation Strategy (with baseline questionnaire for all projects). PRF has also developed a Management Information System (MIS). PRF uses external expertise (outsourced contract) for communications and public relations.

Sources of funding

Funding for the Fund comes from the European Commission (grants from STABEX programme and Special Framework of Assistance) and the World Bank (through a loan agreement). During fiscal year 2000-2001, PRF received XCD 5,451,778 from the EC and XCD 737,182 from the World Bank.

Linkages with other organisations

Name	Type of linkage
Ministry of Social Transformation	The Ministry is the overall authority for PRF. It appoints its Board of Directors and oversees the formulation and implementation of its policies and programmes. Community Development Officers also work closely with PRF in the identification, design and implementation of projects
BELFund and National Skills Development Centre	PRF serves on the Boards of Directors of these organisations, and thus contributes to their policies and programmes
Ministry of Agriculture and Saint Lucia Rural Enterprise Project	PRF and the Ministry have signed a memorandum of Understanding
Ministry of Education	PRF and the Ministry have signed a memorandum of Understanding
Ministry of Health	PRF and the Ministry have signed a memorandum of Understanding
Saint Lucia Heritage Tourism Programme	SLHTP and PRF collaborate in the identification, funding and implementation of community-based tourism initiatives
Water and Sewerage Company (WASCO)	WASCO provides technical services to PRF in the design and implementation of water supply projects funded by PRF
Non-governmental organisations (e.g. Blind Welfare Association and National Youth Council)	These organisations are recipients of funding and technical assistance from PRF

Lessons learned

➤ What works?

The experience of community contracting for project implementation has been generally positive (see draft manual). There is however the need to be able to compare costs of implementation with those of other poverty reduction efforts and those of the Ministry of Communications and Works.

There is a need for conflict resolution and management (skills and processes) at the national and community levels.

While PRF's focus is on social and economic infrastructure, this work has a significant impact on employability and production.

The approach to and process of project implementation also have significant impacts on poverty reduction through the creation of short-term employment.

There is always need to diversify interventions, and to place them in context (i.e. to use specific projects as channels for broader community development interventions).

➤ What does not work? What are the issues?

There is need for work on the policy implications of local-level interventions.

There is too little done on income generation and production: PRF states that this is because there is little demand for this. Can this cycle be broken? Could more PRF resources be channelled towards the generation of revenue and the creation of jobs?

The private sector is not sufficiently involved in poverty reduction initiatives.

➤ Cases that could be used to illustrate lessons learned

Riviere Mitan bridge.

Recommendations made by the institution/programme

- Poverty reduction in general: need to strengthen civil society organisations at both national and local levels.
- Effectiveness and efficiency of the programme/institution: need to be able to compare the costs of project implementation by several agencies; need to increase collaboration.
- Policy environment for poverty reduction: need for strengthening of policy formulation process, and to harmonise the functions of key ministries, especially Planning and Social Transformation.
- Institutional arrangements for poverty reduction: need for mechanism for collaboration and networking, and to avoid duplication.

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