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SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE

Special economic assistance to Saint Vincent and the Grenadines

Report of the Secretary-General 1/

1. In its resolution 34/194 of 13 February 1980, the General Assembly, mindful of the report of the Secretary-General on assistance to Antigua, St. Kitts-Nevis-Anguilla, Saint Lucia and Saint Vincent (A/34/563), inter alia, emphasized the urgency of rendering assistance to Saint Vincent in its efforts to strengthen and develop its economy, and requested the Secretary-General to mobilize the financial, technical and economic assistance of the international community to this end. The report of the Secretary-General on assistance to Antigua, St. Kitts-Nevis-Anguilla, Saint Lucia and Saint Vincent dated 3 October 1980 (A/35/499) provided information on assistance provided by Member States, by the specialized agencies and other organizations within the United Nations system and by other intergovernmental organizations.

2. On 16 July 1981, the Secretary-General received a message from the Government of Saint Vincent and the Grenadines through the Resident Representative of the

1/ The present report is circulated to the members of the General Assembly in response to a note verbale dated 7 December 1981 from the Chargé d'Affaires a.i. of the Permanent Mission of Saint Vincent and the Grenadines to the United Nations addressed to the Secretary-General, which read as follows:

"The Chargé d'Affaires a.i. of the Permanent Mission of Saint Vincent and the Grenadines to the United Nations presents his compliments to the Secretary-General of the United Nations and has the honour to request, on the instructions of his Government, that the report of the United Nations mission which visited Saint Vincent and the Grenadines from 16 to 22 September 1981 be circulated as an official document of the General Assembly under agenda item 72 (b)."

United Nations Development Programme in Barbados, stating that the country's economic development had been seriously disrupted by hurricane "Allen" in August 1980 and that severe storm and flood damage had occurred in May 1981. The storm and flood damage was estimated by the Government at 2.5 million Eastern Caribbean dollars and an appeal for assistance from the international community was issued by the Government in June 1981. In view of these developments, which had taken place since the distribution of the last report covering assistance to Saint Vincent (A/35/499), the Government requested the Secretary-General to arrange for a mission to visit the country to review its needs for assistance.

3. In response to the Government's request, a multiagency mission visited Saint Vincent and the Grenadines from 16 to 22 September 1981. The report of the mission, which is annexed hereto, describes the economic and financial position of the country, outlines a programme of assistance to help meet the short-term and long-term development needs, and provides information on the assistance being provided to Saint Vincent and the Grenadines by the international community.

ANNEX

Report of the mission to Saint Vincent and the Grenadines
(16 to 22 September 1981)

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION	1 - 7	2
II. GENERAL BACKGROUND	8 - 23	3
III. DEVELOPMENT OBJECTIVES AND ASSISTANCE REQUIRED	24 - 119	9
A. Agriculture and fisheries	27 - 53	10
B. Transport	54 - 74	15
C. Industry and tourism	75 - 86	18
D. Health and sanitation	87 - 102	20
E. Education and training	103 - 118	24
F. Summary of assistance required	119	28
IV. ASSISTANCE BEING PROVIDED	120 - 121	29

I. INTRODUCTION

1. The General Assembly, in its resolution 34/194 of 13 February 1980, emphasizing the special problems facing Saint Vincent with regard to territorial size, geographical location, highly limited internal markets and limited economic resources, as well as the serious adverse effects of recent world-wide economic and financial problems, also emphasized the urgency of rendering all necessary assistance to Saint Vincent in its efforts to strengthen and develop its economy. The Assembly requested the Secretary-General to mobilize the financial, technical and economic assistance of the international community, in particular that of the developed countries and the appropriate organizations of the United Nations system, with a view to helping to meet the short-term and long-term development needs of Saint Vincent.
2. The Secretary-General's report of 3 October 1980 (A/35/499) provided information on the assistance provided up to mid-1980 by the United Kingdom of Great Britain and Northern Ireland, by the specialized agencies and other organizations within the United Nations system and by the Special Fund of the Organization of Petroleum Exporting Countries (OPEC).
3. On 16 July 1981, the Secretary-General received, through the Resident Representative of the United Nations Development Programme (UNDP), in Barbados, a request from the Government of Saint Vincent and the Grenadines to arrange for a mission to review its needs for assistance. The Government's message drew the Secretary-General's attention to the fact that hurricane "Allen" in August 1980 had had a severe impact on the economy, and that in May 1981 there had been severe storm and flood damage (estimated at 2.5 million Eastern Caribbean dollars). A request for emergency assistance had been circulated by the Government at the meeting of the Caribbean Group for Co-operation in Economic Development held at Washington in June 1981.
4. In response to the request from the Government, and in view of the major setbacks suffered by Saint Vincent and the Grenadines since his most recent report to the General Assembly, the Secretary-General arranged for a multiagency mission to visit the country from 16 to 22 September 1981. The mission was led by the Joint Co-ordinator for Special Economic Assistance Programmes in the Office for Special Political Questions and included representatives of the World Health Organization (WHO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Industrial Development Organization (UNIDO) and the Economic Commission for Latin America (ECLA).
5. The leader of the mission was received by the Honourable R. Milton Cato, Prime Minister and Minister of Finance, who described the economic and financial situation of the country and outlined the needs for additional assistance from the international community. During its stay, the mission held a series of meetings with a committee of senior officials from the relevant ministries, chaired by the Director of the Economic Planning Unit in the Office of the Prime Minister.

6. In preparation for the mission's visit, the Government produced a number of documents identifying projects and programmes for which it required assistance as well as papers relating to the damage and destruction caused by the eruption of the volcano, Mount Soufrière, in 1979, hurricane "Allen" in 1980 and the severe storms and floods in May 1981.

7. The mission wishes to express its appreciation to the Government of Saint Vincent and the Grenadines for all the arrangements made for its visit. Every effort was made to provide the mission with the information necessary for its work and to enable the mission to visit a number of key development projects for which international assistance was required. The mission also wishes to acknowledge the assistance provided by the UNDP Office in Barbados and by the various United Nations experts serving in Saint Vincent and the Grenadines.

II. GENERAL BACKGROUND

8. Saint Vincent and the Grenadines has an area of about 388 square kilometres and a population of 120,000. It is among the smallest and least developed of the countries in the Caribbean. The estimated gross domestic product (GDP) per capita for 1980 was \$EC 1,350 or approximately \$US 500. a/

9. Saint Vincent and the Grenadines faces all of the difficulties of a small island developing economy; a small domestic market, a limited resource base and a high degree of sensitivity to changes in the international economic climate. As a consequence of its small size, any natural disaster which strikes affects the whole country. Because of its limited construction capacity and shortage of heavy equipment, rehabilitation and reconstruction tend to be delayed and to take a relatively long time. In addition to these problems, Saint Vincent and the Grenadines is an archipelago which necessitates providing administration and services to a number of inhabited islands. To the normally heavy transport burden of a small island developing economy must be added the heavy expense of providing inter-island transport services.

10. During the 1970s, the country experienced a relatively rapid rate of economic growth. However, the eruption of Mount Soufrière in early 1979 and hurricane "David" later in 1979 caused extensive damage and real GDP declined. The recovery which was well under way by mid-1980 was slowed when, in August 1980, hurricane "Allen" seriously damaged the economy, particularly agriculture. Consequently, there was no growth in GDP in 1980. In May 1981, there was serious flooding which killed livestock, destroyed houses, seriously affected the availability of potable water and caused widespread damage to roads, bridges and embankments. It is thus likely that there will be little growth in 1981 as well.

11. The economy of Saint Vincent and the Grenadines is based on agriculture, primarily on the production of bananas, sugar, arrowroot starch, coconut and sweet

a/ Rate of exchange: \$US 1 = \$EC 2.7.

potatoes. Other than sugar, these are also the principal exports, with bananas accounting for 40 to 50 per cent of export receipts. However, since 1977, the manufacturing sector has expanded rapidly (to include flour-milling, a dairy, a sugar factory, processing of agricultural products, and light industries, many of which are of an enclave nature), and the transport and communications sector is also becoming more important. More than 1,000 new jobs have been created in the manufacturing sector since 1979, of which more than half have been in light industries processing products for export.

12. While the economy of the country is diversifying and shows an underlying growth trend - seriously interrupted by natural disasters in the last two years - it remains small in absolute terms and therefore very vulnerable to unexpected fluctuations, whether resulting from natural disasters or from internal or international economic disturbances.

13. The evolution of the GDP is shown in table 1. There was vigorous growth during the period 1975-1978 but the adverse impact of the natural disasters in 1979 and 1980 was reflected in declining incomes per capita in those years. The severe flood damage is expected to significantly affect economic performance in 1981 also.

Table 1

Gross domestic product at current factor cost

	1975	1976	1977	1978	1979	1980 (estimated)
GDP (millions of \$EC)	60.5	71.1	80.2	106.3	113.5	126.0
Change from previous years	-	17.5%	13.0%	32.5%	6.8%	11.0%
Retail price index (1964 = 100)	273.6	307.1	329.8	366.3	430.4	511.7
Change from previous year	-	12.2%	7.4%	11.1%	17.5%	18.9%
Net population increase	2.2%	2.5%	1.6%	1.7%	1.8%	n/a

Source: Government of Saint Vincent and the Grenadines.

14. The increasing importance of the manufacturing sector is shown in table 2, which gives the origin of GDP by sector. The manufacturing sector accounted for some 6 to 7 per cent of GDP in the period 1975-1977, but by 1979 its share had risen to 11.6 per cent. The fluctuations in the agricultural sector are largely due to variations in the banana crop, which rose to a high of 72 million pounds in 1978 but fell to 53 million pounds in 1980 as a consequence of the damage caused by hurricane "Allen".

15. Over the past two decades, the country has had a consistently large adverse trade balance, a deficit which greatly exceeded the value of exports. In recent years, the deficit has been partly covered by receipts from tourism and remittances (see table 3). However, in 1979 and again in 1980, exports stagnated, in particular the export of bananas, which fell from 68 million pounds in 1978 to 41 million pounds in 1980 as a result of natural disasters. At the same time, the cost of fuel imports almost doubled and the disasters necessitated higher imports for consumption and reconstruction. As a result, the trade gap widened precipitously. Other foreign earnings on current account did not change significantly and the current account balance on international transactions deteriorated sharply.

16. While bananas remain the principal export, manufactured goods are becoming increasingly significant as a result of the development of light industry, so far mainly in the clothing sector. Table 4 shows the value of selected exports in recent years, as well as the upward trend in tourism.

17. While the single largest import item is food, accounting for about one third of all imports, imports of machinery and equipment have doubled during the late 1970s; the share of manufactured goods in total imports has been declining.

18. In recent years, the Government's current budget has been in approximate balance (see table 5) with the absolute levels of revenue and expenditure both rising. Relief expenditures following natural disasters greatly contributed to rising outlays during 1980/81 and 1981/82. Capital expenditures have also risen rapidly since 1978, largely financed by foreign loans and grants for a few relatively large industrial and infrastructure projects, as well as emergency reconstruction.

Table 2
Sectoral origin of GDP at current factor cost
 (Percentage of yearly total)

	1975	1976	1977	1978	1979
Agriculture and fishing	14.8	19.8	18.5	19.0	15.1
Quarrying	0.3	0.3	0.3	0.3	0.4
Construction	14.4	10.9	12.4	10.8	12.4
Manufacturing	6.7	6.2	7.3	9.7	11.6
Electricity and water	2.8	2.9	3.0	2.2	2.4
Transport and communications	13.1	13.8	14.3	15.4	15.4
Wholesale and retail trade	12.6	13.5	13.0	10.8	9.7
Hotels and restaurants	1.6	1.6	1.8	1.7	2.3
Banking, finance and real estate	8.9	8.4	7.6	7.9	8.7
Government services	21.4	19.3	18.5	19.4	18.7
Other services	<u>3.4</u>	<u>3.3</u>	<u>3.3</u>	<u>2.8</u>	<u>3.3</u>
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Source: Government of Saint Vincent and the Grenadines.

Table 3

Balance of payments: 1976-1980
 (Millions of Eastern Caribbean dollars)

	1976	1977	1978	1979	1980 (estimated)	1981 (projected)
Visible trade:						
Imports	62.0	81.9	97.9	125.2	n/a	n/a
Exports	<u>24.7</u>	<u>26.8</u>	<u>44.0</u>	<u>39.8</u>	<u>n/a</u>	<u>n/a</u>
Adverse trade balance	37.3	55.1	53.7	85.4	86.0	n/a
Current account balance	-11.9	-18.1	-3.8	-43.2	-38.3	-33.2

Source: Government of Saint Vincent and the Grenadines.

Table 4

Value of selected exports, and number of tourists
1976-1980

	1976	1977	1978	1979	1980
I. <u>Selected exports</u> (millions of \$EC)					
Bananas	14.3	15.1	20.0	16.0	15.9
Arrowroot starch	1.1	1.4	1.9	0.7	2.0
Coconut/copra	0.3	0.8	0.8	1.4	1.6
Sweet potatoes	1.4	0.5	1.1	0.9	1.4
Re-exports	1.1	1.9	1.9	1.6	4.9
II. <u>Number of tourists a/</u> (thousands)	17.2	18.2	35.2	42.7	49.8

Source: Government of Saint Vincent and the Grenadines.

a/ Excluding cruise-ship calls, which are also showing a strong upward trend.

Table 5

Government revenue and expenditures
 (Millions of Eastern Caribbean dollars)

	1977/78	1978/79	1979/80 (actual)	1980/81 (provisional)	1981/82 (estimated)
Current revenue <u>a/</u>	30.2	35.7	42.9	48.2	70.9
Current expenditure	<u>29.2</u>	<u>40.4</u>	<u>43.0</u>	<u>51.2</u>	<u>68.4</u>
Current balance	+1.0	-4.7	-0.1	-3.0	-2.5
Capital expenditure	5.8	11.1	22.2	55.3	59.5

a/ Excluding budgetary grants from the United Kingdom of \$EC million 2.2, 4.5, 3.1, 0.5 and 0.0 in the fiscal years from 1977/78 to 1981/82 respectively.

Hurricane "Allen"

19. In 1979, Saint Vincent suffered from both the eruption of Mount Soufrière and the effects of hurricane "David", and this interrupted the vigorous economic growth of the preceding years. The Government provided \$EC 1.1 million to farmers as emergency assistance after the eruption; the cost of repairing the immediate damage caused by hurricane "David" was estimated at \$EC 3.3 million. By mid-1980, when recovery was well under way, the island suffered the onslaught of hurricane "Allen", on 3-4 August. Damage to the economy was extensive; some 90 per cent of the banana crop was lost as well as some of the orange and plantain crops. The value of lost banana exports was estimated at more than \$EC 4 million. Serious damage was done to infrastructure such as ports, public buildings, roads and utilities, and the cost of the most urgent repairs was estimated at over \$EC 3.6 million. Emergency housing repairs were subsidized by the Government to the amount of \$EC 750,000.

Flooding

20. In late 1980, flooding caused further damage to roads, bridges and water systems. Then, in May 1981, very heavy rainfall - at one time 11 inches fell in three and a half hours - caused even more extensive damage from flooding and landslides. Roads, bridges, embankments, piers and retaining walls were undermined or washed away. Livestock was lost, and many houses damaged. Nearly half the population lost its potable water supply when the four major water-supply networks were closed down. The cost of repairs to the water-supply systems was estimated at \$EC 600,000. The estimated cost of bridge repairs was \$EC 1,150,000, and the cost of clearing river beds of debris and boulders and of rehabilitating embankments and retaining walls was estimated at \$EC 800,000. The total immediate damage thus amounted to \$EC 2.55 million.

21. Although the international community responded with significant amounts of assistance following the natural disasters of 1979 and 1980, a large part of the cost was borne by Saint Vincent and the Grenadines at the expense of development projects and programmes. Furthermore, much of the reconstruction following the events of 1979 was destroyed by the events of 1980 and, again, much of the reconstruction from the 1980 disasters was damaged by the 1981 floods. Therefore, considerable rehabilitation and reconstruction needs remain, which the Government will be unable to meet from its own resources.

22. The four-year capital investment programme - mid-1980 to mid-1984 - drawn up before the May 1981 floods, contained \$US 9 million for reconstruction projects directly relating to the damage caused by natural disasters in 1979 and 1980, and more than one third of the 1980/81 capital budget was devoted to reconstruction projects. Therefore, it can be estimated that, when the damage caused by the 1981 flooding is included, the direct reconstruction and rehabilitation costs of the recent disasters is in excess of \$US 10 million. This figure does not include the cost of destroyed crops and other adverse consequences on the economy.

23. Over the past 10 years, Saint Vincent and the Grenadines has succeeded in developing a relatively diversified economy in spite of a limited resource endowment. The Government's development strategy for the next decade involves continuing to exploit the potential of those sectors which had been responsible for the growth in the past 10 years, while ensuring a further development and diversification of agriculture. In its programme, the Government will continue to emphasize the importance of employment-generating activities, as the unemployment rate, at around 20 per cent of the labour force, remains unacceptably high in spite of the relatively rapid economic growth during the past 10 years. In this connexion, the Government is also stressing the development of more appropriate vocational and skill training in agriculture and industry. Essential to the continued development of the economy is improved transport infrastructure and the provision of improved social services. The Government is also concerned to increase the level of domestic savings and in this regard has approved pricing policies for public utilities, designed to ensure that they meet their operating costs and generate some of the resources needed for capital investment.

III. DEVELOPMENT OBJECTIVES AND ASSISTANCE REQUIRED

24. In consultation with the Government, the mission identified a number of projects and programmes designed to meet the short-term needs of the country and to assist in the rehabilitation and reconstruction necessitated by the natural disasters which had struck the country during the past three years. In view of the urgency of reconstruction and rehabilitation, the projects and programmes proposed by the Government concentrated on short-term needs rather than longer-term requirements.

25. In two major respects, the Government referred to needs which could not be fully documented during the mission's visit. First, there is a critical shortage of housing in Saint Vincent and the Grenadines; a shortage which has been exacerbated by the recent natural disasters. The Government is in the process of drawing up an integrated housing programme to deal with the needs of the

population. When the programme has been finalized, the Government will bring it to the attention of potential donors. Secondly, the Government referred to the problem of providing adequate transport between the islands and the need for an additional boat, possibly another roll-on/roll-off craft. The additional vessel is needed not only to improve transport between the islands and handle the increasing volume of freight and passengers but also to provide the capacity to transport people and relief supplies in the event of a disaster in the area. The lack of an additional vessel was seriously felt following the recent natural disasters.

26. In this section the development needs and the assistance required have been grouped under agriculture and fisheries, transport, industry and tourism, health and sanitation, and education and training.

A. Agriculture and fisheries

27. Although its contribution to GDP fell from 30 per cent to 20 per cent between 1967 and 1976, agriculture continues to be the most important single sector in terms of income, employment and exports. With the introduction of banana-growing in 1962, complementing the already successful arrowroot, sugar and cotton industries, the future of agriculture looked promising. However, with the decline of the sugar and cotton industries after 1964, the sector suffered a severe setback from which it has never fully recovered. As a consequence, the total number of farm operators fell by 31 per cent, from 11,350 in 1961 to 7,794 by 1976, and the percentage of the total labour force employed in agriculture declined from 43 per cent to 29 per cent (the most significant change concerned the landless agricultural labourers whose numbers fell by more than 53 per cent). The total area of land being cultivated declined by nearly 7,000 acres, or 19 per cent in the same period.

28. The smallholder, with five acres or less, although occupying only 22 per cent of the land in farms, is the backbone of the farming community, accounting for 80 per cent of all farm operators. Fragmentation of holdings is a major problem, the average size being less than 2 acres. Smallholder crops account for 46 per cent of the bananas and 41 per cent of the arrowroot produced in the country. Furthermore, these small farms account for 80 per cent of the total acreage in such crops as yams, vegetables, sweet potatoes and coconut. The smallholder in Saint Vincent and the Grenadines practices mixed crop farming, and although bananas are the most important single crop, root crops are the major source of income for more than 60 per cent of the small farm operators. While there has been some progress in growing food, the country does not feed itself and suffers from a serious food deficit. In 1978, food products amounted to 40 per cent of total imports. In terms of exports, agriculture is the most important contributor, with bananas constituting about 50 per cent of total merchandise exports in 1978 and arrowroot 5 per cent. Both of these crops, however, face an uncertain future, creating an urgent need for further diversification in the agricultural sector.

29. Animal populations in Saint Vincent and the Grenadines have remained fairly stable in recent years with the exception of goats and chickens, both of which have declined. Although a considerable number of sheep and goats are regularly exported

to Trinidad and Tobago, the value of imported livestock products has been increasing. It is estimated that fishing provides a living for about 2,000 workers. However, the industry is poorly organized and under-capitalized.

30. In accordance with the Agricultural Marketing Protocol of the Caribbean Community (CARICOM), countries in the region were to purchase from 35,000 to 45,000 kilograms of carrots per month from Saint Vincent and the Grenadines. For a variety of reasons, including blight and other infestations, farmers have not as yet been able to supply the quota, in spite of an initial increase in production. There has been a slight increase in the production and marketing of a variety of root crops, partly owing to the activities of the marketing board.

31. In 1973, only 1.5 per cent of agricultural land was irrigated and the majority of irrigators did so by hand sprinkling. The expansion of acreage under irrigation is expected to be one of the principal means of increased production and diversification. However, the sole source of water is the highland forested areas, which have suffered from random and uncontrolled tree-felling over the years, giving rise to severe soil erosion and progressively deteriorating water supplies.

32. The country has about 310 miles of feeder-roads at present, many of which are badly in need of repair and suitable at best for four-wheel-drive vehicles. In addition, there are another 320 miles of trails and byways that are almost impassable. Most seriously in need of repair are those feeder-roads connecting the interior and more isolated communities with markets. Although some assistance in this area has been provided by the Caribbean Development Bank (CDB), there still remains much that needs to be done if the interior of the country is to be opened up.

33. Extension services, which are supplied by the Government and by the commodity associations, are generally inadequate. Government extension officers are poorly trained and few in number and are not provided with transportation, office space or equipment.

34. Three basic market systems exist side-by-side in the country. These are:

(a) Commodity organizations, such as those responsible for banana and arrowroot production and marketing and which provide a package of inputs and other services;

(b) Hucksters, mainly concerned with inter-island trade and speculation;

(c) The Saint Vincent Marketing Board.

35. The Marketing Board is similar to others in the region. Its prices are about 25 per cent lower than those offered by the hucksters. It covers a minor portion of the market for food and vegetable crops, has limited pick-up and purchasing services, operates but one outlet (in the capital), and has limited storage and refrigeration capacity. Yet, in comparison with many other marketing boards in the region, it is a relatively successful operation for three main reasons:

- (a) It avoids purchases of perishables unless there is an immediate order;
- (b) It exports about 80 per cent of its purchases;
- (c) It buys mostly on contract and by quota.

Although the volumes of commodities it has handled to date are not significant, it accounted for approximately 90 per cent of all non-traditional food exports in 1977. In addition, the healthy competition between the hucksters and the Board has tended to push up prices paid to farmers for root crops and other produce and the farmers have reacted positively with increased production.

36. The main sources of agricultural credit consist of the farm loan programmes of the commercial banks, the crop commodity organizations and the Agricultural and Co-operative Bank. However, the Marketing Board does have a modest Crop Lien Contract Programme involving some 200 farmers. In addition, since 1972, CDB has been providing funds under its Farm Improvement Credit scheme, although the total number of loans disbursed under the scheme has been relatively small. In general, the small farmer is handicapped in obtaining credit owing to his inadequate collateral and his inability to pay the rates charged.

37. Government policy in the agricultural sector is to adopt measures that will result in increased agricultural production and diversification so that the country will be able to feed itself and conserve its foreign exchange for development purposes. It is also expected that such policies will help reverse the continuing exodus from the farming community and restore the sector to its former levels. In order to offset the downward trend of the sector and especially to stimulate the small farmer, the Government has decided that some 33,000 acres will be subdivided into appropriate-sized plots and sold to qualified farmers. The Government is also interested in developing the fisheries, given the identification of relatively rich fish resources within the country's territorial waters. Increased production and diversification would improve nutritional standards and raise the existing levels of income and employment. The Government is seeking assistance for three projects designed to develop and diversify the agricultural sector.

Projects

1. Rehabilitation and extension of feeder-roads

38. At present there are about 237 miles of all-weather paved roads and about 310 miles of feeder-roads which are mostly suitable for four-wheel-drive vehicles. In addition, there are 320 miles of trails and byways that are practically impassable.

39. The majority of the better roads are found in the relatively low-lying coastal areas, constructed to serve the needs of the more important urban communities and the colonial administration. Consequently, many rural communities and farm areas have remained isolated and without access to markets. As a result, they have had little or no incentive to engage in agricultural activities beyond their own subsistence needs.

40. The Government is anxious to open up isolated areas in order to increase and diversify the country's agricultural production, enhance rural welfare and raise the existing low levels of income and employment. Furthermore, and as an almost direct result of such a programme, there would be a lessening of the extremely heavy dependence on the importation of food-stuffs, which at present account for 40 per cent of total imports.
41. The Government has identified some 42 miles of feeder-roads that either need to be upgraded from trails or rehabilitated and has estimated that, as a result, some 1,200 acres of additional land would be made available for commercial farming and that approximately 1,500 farmers and their families would benefit directly.
42. The Government has already received loan assistance for the first two phases of its feeder-road programme from CDB. However, and notwithstanding the pressing need for the additional 42 miles, the Government is not in a position at this time to increase its indebtedness for the third phase. Thus, it is seeking assistance in the form of grants-in-aid to finish its feeder-road programme.
43. It has been estimated that the cost for 42 miles would total \$US 6.3 million. However, the feeder-roads are so located in relation to the main connecting roads, that portions of the programme could be taken up as separate projects by individual donors.

2. Development of the fisheries

44. The country's territorial waters are comparatively rich in fish. However, to date, the fishing industry has been relatively neglected. The Government is seeking assistance to develop the fishing industry in order to raise the basic nutritional levels of the population and to provide additional employment and income opportunities.
45. While the country imports around 256 tons of fish and seafood annually, the total local catch is approximately 915 tons, of which some 221 tons are exported. Fishing is mostly carried out by artisanal fishermen employing inshore seines, although an increasing number are fishing offshore.
46. The majority of the fishing community live in the Grenadines and along the Leeward coast of Saint Vincent. In 1979, it was estimated that there were about 1,050 full-time, 1,380 part-time and another 320 occasional fishermen, or a total of 2,750 who depended for all or part of their income on fishing.
47. The Government is fully aware that, in the design of a project to develop the fishing industry, account has to be taken of the very high unemployment rate and the need to gainfully absorb as many people as possible. Thus, any attempt to develop the industry should be along labour-intensive lines as long as this does not unduly prejudice the cost structure and make fishing non-competitive.
48. The project should be designed to promote the development of an offshore artisanal fishing industry, including the necessary onshore infrastructure consisting of buildings and services and the necessary trained personnel. The

question of the most appropriate form of organization (that is, co-operatives, statutory bodies, private organizations) also needs to be investigated.

49. Given the complexity of designing such a project, the Government wishes to divide it into two phases. The first would be a preparatory phase in which the alternative project possibilities are carefully evaluated and from which a project document for the second, or operational phase, would be developed.

50. Phase one would require one fisheries expert (team leader) for six months, to be joined by a fisheries economist for three months. Three additional work-months of consulting time are also requested - the specialties needed would be left to the discretion of the team leader as areas of expertise are identified and required. Phase one would last for six months and cost \$US 80,000.

3. Strengthening agricultural extension services

51. Unless a country is able to provide adequately staffed and equipped extension officers to service the farming community, especially those smaller farmers who for a variety of reasons are virtually cut off from access to other sources of information and assistance, most if not all of the measures adopted by the Government to stimulate the agricultural sector are unlikely to succeed.

52. There are 36 established extension service posts in the Ministry of Agriculture, but 18 incumbent officers are out of the country undergoing training in order to increase their competence. Thus, given the nearly 8,000 individual farmers in the country, the ratio of extension officers to farmers is at the low level of 1 to 400. The commodity associations are also expected to provide such services. However, in a recent interview of smallholder banana-growers, some 60 per cent stated that they had yet to see an officer of the Windward Island Banana Association (WINBAN) on their land. (WINBAN is the largest and most efficient of the commodity organizations.)

53. The Government is seeking assistance to strengthen its extension services at an estimated cost of \$US 650,000. Although a detailed project document has not been prepared, the breakdown of costs is as follows:

	<u>Thousands of US \$</u>
Vehicles - including both 4-wheel-drive and motor cycles, depending on terrain.....	140
Housing/office accommodations.....	425
Audio-visual and other teaching aids.....	35
In-service training.....	<u>50</u>
Total	<u>650</u>

B. Transport

54. The transport infrastructure in Saint Vincent and the Grenadines is relatively undeveloped. There is a small airport situated about two kilometres from the capital, Kingstown, the site also of the only deep-water port. The main road system covers primarily the coastal areas on the south, south-west and south-east of the island, with no cross-island links and no adequate road system to the north. In recent years, proposals have been made for the improvement of all parts of the transport system.

Inter-island transport

55. A major concern of the Government relates to communications by sea with the other States in the region, particularly Barbados and Trinidad and Tobago. Most of the traffic is carried by small vessels which provide uncertain and unsafe operations. The special problems of small-vessel operations in the region are being examined under a joint project of the United Nations Conference on Trade and Development (UNCTAD) and the Inter-Governmental Maritime Consultative Organization (IMCO), based in Saint Lucia. The whole question of small-vessel operations is being considered, together with improvements in maritime safety and the establishment of a regional information system, in order that maritime services in the area can be properly planned. It is expected that the project will identify areas for international assistance and measures to improve the level of services offered to Saint Vincent and the Grenadines by small vessels.

Roads

56. As a consequence of the rugged terrain, road construction and maintenance is difficult and expensive. In recent years, the Government has not been able to provide for additional road construction from its own resources. Indeed, in most years, insufficient funds were made available for ongoing repair and maintenance. The road system was, therefore, in poor condition when hurricane "Allen" struck the country in 1980. Hurricane "Allen" and the post-hurricane rains caused considerable damage to bridges and road surfaces and foundations. In May 1981, before repairs could be carried out, the country suffered from uncharacteristically heavy rainfall, which compounded the damage caused to the road system in 1980.

Assistance required

1. Emergency repairs

57. The heavy rainfall washed down large quantities of debris which blocked river courses and caused considerable damage to roads, bridges and embankments. To date, only the United Kingdom has pledged assistance for repairs. It is estimated that repairs to bridges, including in some cases raising and lengthening the bridges to increase clearance, requires an additional \$US 400,000.

58. Future damage could be minimized by clearing rivers of debris and improving river beds and banks. A programme to straighten and ease curves for about six miles, accompanied by improvements to banks and roadways, strengthening embankments

and providing retaining walls over a total length of 2,000 feet, would do much to eliminate future flash floods. The Government has estimated that about \$US 300,000 would be needed for the work.

59. The mission believes that, unless these programmes are carried out, there is a strong possibility of further heavy damage being caused by any abnormal run-off.

2. Airport improvement

60. The largest aircraft currently using the airport at Kingstown is the HS-748, able to carry 48 passengers. Runway lighting was recently installed so that the airport can now be used at night.

61. The airport facilities in Saint Vincent were recently reviewed. The review examined a number of options, including developing a new site and upgrading the airport for instrument-landing systems. After reviewing the likely level of traffic, taking into account the potential development of the tourist industry, and the costs of the various alternatives, the general conclusion of the study was that the present airport at Arnos Vale should continue at its current level of operations. However, the report showed that the existing airport does not meet minimum standards for safe operations. In total, some \$US 1.2 million will be required to carry out the necessary improvements to it.

62. In addition to the airport at Arnos Vale, there are several small airstrips on the Grenadine Islands. These strips are primarily used for small aircraft in connexion with the tourist industry. No information was provided to the mission on the quality of these strips or on any needed improvements. However, the mission was informed that none of these landing strips is suitable for night flying, which seriously interferes with the development of the tourist industry and reduces the usefulness of the landing strips in the event of a disaster.

3. Port equipment

63. In the early 1970s, deep-water facilities were developed at Kingstown. In addition to handling normal imports and exports, including the shipment of bananas, the port is also used by cruise ships visiting Saint Vincent. Also operating out of the port are a number of small inter-island vessels that connect Saint Vincent with the Grenadines. The mission was informed that, except on Canouan, the facilities on the smaller islands, although primitive, are adequate to handle existing levels of traffic.

64. There has been a proposal to expand the port facilities at Kingstown at an estimated cost of \$US 1.5 million, but no international funding has yet been pledged for this project. The Government is re-examining the proposal in the light of the level of utilization of other ports in the region and the conclusions of the UNCTAD/IMCO project referred to above.

65. In the meantime, there is a need to improve existing port operations. Although the administration of the port has recently been reorganized and a port authority was established in 1975, there is still a need for improved

administration and financial management. The port is also short of handling equipment and it is estimated that \$US 400,000 is needed to provide fork-lift trucks, tractors and tools and equipment for the maintenance of port equipment. The Government of Canada has agreed to provide part of the needed equipment at an estimated cost of \$US 250,000. The port authority is anxious to obtain the additional \$US 150,000 required to meet the essential needs.

66. At present, the facilities on Canouan Island are grossly inadequate. In order to improve access to the island, the Government wishes to build a new 150-foot jetty at an estimated cost of \$US 180,000. To date, no international funds have been pledged for this project.

4. Maintenance of equipment and vehicles

67. The Government of Saint Vincent and the Grenadines uses a Government Funding Scheme and Workshop to carry out road repairs and maintenance, to supply heavy equipment required for construction and to repair and maintain government-owned vehicles and equipment. The Government Funding Scheme and Workshop also provides equipment on a hire basis to the private sector.

68. Although the Scheme has been in operation for some time, there are still weaknesses and deficiencies in the way it operates. There is no systematic inventory of existing equipment, much of which has been passed to the Scheme by international donors on the conclusion of project assistance. There is a severe shortage of spare parts, resulting in many pieces of equipment being unserviceable, although there is a considerable stock of spare parts largely made up of slow-moving or obsolete items. As a result, the Scheme concentrates on emergency repairs rather than regular maintenance programmes.

69. The Scheme is seriously under-financed. In recent years, the funds voted have barely covered salaries for established posts and the cost of casual labour, fuel, lubricants and tyres. As a consequence, the Scheme has been unable to replenish its inventory of spare parts or to set aside replacement funds for equipment reaching the end of its useful life.

70. The Scheme is also short of equipment to carry out the necessary government work. The shortage of heavy equipment in the country results in delays in construction and repair.

71. There is an immediate need for the following new equipment, whose estimated total cost is \$US 550,000, as follows:

	<u>US dollars</u>
1 tyred front-end loader	90,000
2 tracked front-end loaders	200,000
1 Caterpillar D6 tractor with blade and rippers	160,000
3 agricultural tractors with ploughs	100,000

72. The buildings and layout of the workshops also require improvement if the Scheme is to provide the services expected of it. The estimated total cost of rebuilding the offices, building up the inventory of spare parts and providing new tools for the workshops is \$US 228,000, as follows:

	<u>US dollars</u>
Rebuilding offices and stores	17,000
Additional spare parts	200,000
Retooling the workshops	11,000

73. The mission noted that a recent report on the working of the Government Funding Scheme and Workshop examined charges made for equipment rental and concluded that many of them were seriously out-of-line with the costs of providing the service and stressed that, unless adequate charges are made, the Scheme would not be able to accumulate funds to replace worn-out equipment and to purchase the spare parts needed to keep the existing equipment in operation.

74. The mission wishes to stress that, unless the Scheme is reorganized and improved and the needed equipment is provided, the standards of road maintenance and repair will deteriorate further, construction costs in the country will increase and expenditures on new road construction, including feeder-roads, will not result in the anticipated economic benefits.

C. Industry and tourism

75. In view of its restricted resource base and an unemployment rate of nearly 20 per cent, the Government is pursuing an active industrialization programme and establishing labour-intensive industries in the country. Emphasis is being given to agro-industries and to industries geared to export markets.

76. Agricultural production in Saint Vincent and the Grenadines is quite diversified and could provide the basis for viable agro-industries. The agro-industrial sector has expanded rapidly in the past two years; a dairy plant began operating in April 1980, and this was followed by the establishment of a flour-mill and a sugar factory. These companies complement five arrowroot factories and several small-scale enterprises for processing fruit and spices. In the near future, the Government hopes to set up a multi-purpose food-processing plant.

Assistance required

1. Arrowroot industry

77. Saint Vincent is the world's major producer of high quality arrowroot starch, a product which has excellent prospects on the world market because of new uses in pharmaceuticals, cosmetics and computer tapes. Although prices have doubled since

1977, production has stagnated. The Government is anxious to revitalize the industry by increasing the acreage under cultivation and the average starch yields and by improving the efficiency and increasing the capacity of the existing factories. A comprehensive programme is being drawn up by CDB and, although the final report will not be available until December 1981, the government estimates that \$US 1 million of international assistance will be required.

2. National Development Corporation

78. The manufacturing sector has expanded in recent years as the National Development Corporation (DEVCO) succeeded in encouraging local and foreign entrepreneurs to establish new industries in Saint Vincent and the Grenadines. Over 1,000 jobs have been created and, by concentrating on transforming imported materials for markets, more than 6,000 new jobs could be created in the near future. DEVCO has received inquiries from investors interested in establishing enterprises to produce records, toilet tissues, automotive parts, swim caps, special furniture, bakery products and footwear.

79. The major constraint on the expansion of the manufacturing industry is a lack of developed sites. In 1980, DEVCO completed the construction of 48,000 square feet of factory shells and the Corporation has begun construction of another 24,000 square feet in 1981. These projects have been financed by CDB loans and by assistance from Trinidad and Tobago.

80. The staff of DEVCO is inadequate to manage and service its programme. At this stage, the Government is requesting \$US 200,000 for technical assistance and manpower development for DEVCO. Future industrial development will necessitate additional assistance.

3. Tourist industry

81. Although tourism in the Caribbean has declined during the past two years, Saint Vincent and the Grenadines has continued to attract visitors (see table 6). In view of the chronic trade deficit, expansion of the tourist industry is a high priority.

82. The continued expansion of tourism, however, is considerably constrained by the lack of beach areas on Saint Vincent and of infrastructure in the Grenadines. The Government's proposed strategy for tourism will lay more emphasis on extending dock and repair facilities for yachts, improving air communications, developing a large hotel and conference centre, establishing additional tourist attractions, especially historic sites, and expanding the handicraft industry.

83. Progress has been achieved in identifying funds for many of these proposals. A yachting study is at present under way with CDB financing, private sources have indicated an interest in a joint venture with the Government to construct a hotel and conference facility, and Fort Charlotte, one of the island's main tourist attractions, is being restored.

Table 6
Selected tourism data
1976-1980

	1976	1977	1978	1979	1980
Total number of visitors (thousands)	31,786	39,844	56,137	63,440	92,233
Visitor air arrivals	17,177	18,200	35,249	42,714	49,754
Visitor sea arrivals	14,609	21,644	20,888	20,726	42,479
Total expenditure (millions of \$EC)	9.5	10.9	21.4	24.7	27.3
Average length of stay (days) <u>a/</u>	8	8	9	9	9

Source: National Tourist Board.

a/ Excluding cruise-ship visits.

84. The Government is seeking financial assistance to continue the renovation and restoration of Fort Charlotte, which also serves as a museum. Moreover, the Government intends to develop the handicraft industry by providing material, financial and technical assistance to handicraft centres throughout the country and by establishing a central purchasing and marketing point in the capital.

85. The Government also wishes to establish two new facilities as tourist attractions. These are the first sea aquarium in the Windward and Leeward Islands and a parrot aviary, which would contribute to the further development of the Botanic Garden, the oldest in the Western Hemisphere, and to protecting the Saint Vincent parrot.

86. Financial assistance amounting to \$US 440,000 is required to complement the country's endeavours to develop the tourism sector.

D. Health and sanitation

87. During the last decade, an average of 15 per cent of the national recurrent budget was spent on health. The medical and health care system comprises 34 health clinics, 5 health centres, 1 general hospital and 2 specialist institutions. There is also a private hospital.

88. In 1975, a family planning programme was established, which now covers about 12 per cent of women in the fertile age group. The crude birth-rate has decreased from 41.1 live births per 1,000 population in 1971 to 26.4 in 1980. Primary efforts are directed towards the free issue of contraceptives, training of staff and integrating family planning into the maternal and child health programme. Comprehensive family health services are being provided in 24 clinics.

89. Water supply and waste disposal are major problems, and gastro-enteritis is prevalent, particularly among children. Chlorination of water in the Kingstown area has begun, but less than one third of the houses have piped water and the sewerage system needs extending and upgrading. Rural households use septic tanks and pit latrines for collection and disposal of sewage. Solid-waste disposal is also a matter of concern. New rules and regulations in the area of environmental health are being developed and health education is being intensified.

90. The Central Water and Sewerage Authority (CWSA), is responsible for all water-supply and sewerage systems throughout Saint Vincent and the Grenadines. In 1970-1971, a comprehensive study of the water resources and the water supply and distribution facilities was undertaken but water-supply development activities for urban and rural areas, based on the study, ended in 1978 when the allotted funds were exhausted. The projected programme remains incomplete as no source of further financing has been identified.

91. In general, development of a water programme is hampered by institutional and financial disabilities. The shortage of water during the dry season and inadequate supplies for the Grenadines show the need for an intensive ground-water survey, as all the current supplies are from surface water. Water storage and treatment facilities need to be upgraded to meet future demands. Because local resources are fully utilized in maintaining established services, funds for capital projects to increase the quantity and quality of water supplies have to come from external sources.

Assistance required

1. Emergency repairs

92. Hurricane "Allen" in August 1980 and torrential rains in May 1981 caused widespread landslides and heavy floods, and the drinking-water supply system of the country suffered heavy damages. The piped water supply to the capital city of Kingstown and its suburbs as well as to the Calliaqua and Marriaqua areas was completely cut off affecting more than half of the population. A grant of approximately \$EC 300,000 has been approved by the European Economic Community for the rehabilitation of the four damaged water-supply systems, namely, Majorca, Montreal, Vermont and Mamoon, but this grant will cover only half the costs, and an additional \$US 110,000 is needed to complete emergency repairs.

2. Water-supply development project - phases II and III

93. Assistance is urgently needed to finish phase II of the water-supply development project, which includes the completion of a new water-supply system for the North Leeward area and the Kingstown area and the provision of security fencing

and covers for 75 water-storage facilities, and for phase III, comprising the establishment of a new water-supply system for the Windward coast from Byera to Georgetown and the construction of six village water-storage tanks.

94. The Caribbean Development Bank is at present considering a loan of \$US 1.5 million on concessional terms for the financing of some components of phases II and III. The additional assistance needed to complete the downtown Kingstown distribution system is estimated at \$US 325,000 for phase II and \$US 100,000 for phase III.

3. Security for water-storage facilities

95. Seventy-five water-storage facilities do not have security fencing and covers, creating a danger of contamination. The estimated cost of making these storage areas secure is \$US 190,000.

4. Sewerage

96. Water and sewerage services have not kept pace with demands. The existing collection, treatment and disposal of sewage for the city of Kingstown and for the Arnos Vale area are posing serious health problems for the population. The Kingstown sewerage system was partially completed in 1974 and consists of some main sewer lines and pumps and a primary treatment plant. Only 42 service connexions have been carried out so far. Kingstown's downtown commercial sector has no access to the sewerage system, although there is enough capacity in the present system to meet the needs. Business establishments, therefore, provide their own sewage-disposal facilities. Individual septic tanks are widely used but are unsatisfactory because of high ground-water levels and heavy rains. Pollution of the shore waters from the discharge of untreated sewage is of serious concern. The present chlorinating facility has never operated properly and the sewage collected at the outfall pumping-station receives no biological treatment. As extensive fishing takes place in the outfall discharge area, every effort must be made to protect the fishing grounds from contamination.

97. The Arnos Vale area, with the airport, the Teachers' Training College, the Technical College, a primary school, a commercial section and housing developments, is growing rapidly. There are plans for additional industrial establishments and a new housing complex. The Arnos Vale housing complex is the only facility which has a sewerage system, but the existing sewage-treatment plant, designed only for the housing complex, has very limited treatment capacity and is damaged beyond repair. For the rest of the population, individual septic tanks, absorption pits or pit latrines are used. High ground-water levels and inadequate storm-water drainage prevent proper functioning of these collection and disposal systems, so sewage overflows and causes contamination. As the present Arnos Vale plant cannot be repaired, the Government proposes to construct a secondary sewage-treatment system for the area. The estimated cost of extending and completing the Kingstown sewerage system and constructing an activated sludge plant in Arnos Vale is \$US 775,000.

5. Solid-waste management

98. The collection and disposal of solid waste in Kingstown and its environs pose problems of increasing complexity and mounting urgency. Because of the lack of suitable planning and public understanding, these problems have reached such proportions that immediate action is necessary. The existing refuse disposal site which serves the city of Kingstown and its environs is located in a low-lying area in Arnos Vale, close to the airport and to housing developments and schools. It is an unfenced, open dump and is a menace to public health, providing a breeding-ground for flies, mosquitoes and rodents. In addition, the dump serves as a feeding-ground for a large number of pigs, goats, cows and sheep. Scavenging is also carried out on a small scale. The site is uncontrolled and refuse is left uncovered because there is no equipment available to spread and cover the refuse. No surface-water drainage is provided. During rainy periods, dumping operations have to be confined to the higher elevations of the site which are extremely close to a primary school and a housing complex. The site is to be cleaned up and reclaimed for projected industrial and airport development.

99. The Government is seeking assistance to begin a national solid-waste management programme. Phase I of the project will cover the southern region of the island where 40 per cent of the population and about 90 per cent of the light industries are established.

100. The cost of the assistance required is estimated at \$US 213,000; it includes the purchase of a D6 "chomper"-type bulldozer and the services of a sanitary engineer to assist in designing collection schemes, planning and developing alternative landfill sites, and organizing a fee system to meet ongoing costs.

6. Population centre

101. Population growth is a matter of serious concern and, although the growth rate has fallen, the Government feels that the present rate is still much too high. It is therefore proposed to centralize the scattered population services in the Kingstown area and upgrade their organization. This will include the construction of a conveniently located centre to accommodate the following existing services:

- (a) Maternal and child health, including family planning;
- (b) Clinical facilities, ante- and post-natal, child welfare, immunization, gynaecological clinics;
- (c) A health education unit;
- (d) The community health nursing service, comprising:
 - (i) A distribution centre for medical supplies;
 - (ii) Environmental health services, including the public health inspectorate.

The estimated cost is \$US 200,000.

7. Redevelopment of Kingstown Hospital

102. A long-term master plan for the redevelopment of the Kingstown General Hospital in five phases has been prepared; phase I, funded by the European Economic Community, is expected to start before the end of the year. At the present rate of disbursement, however, it will be 20 years before the redevelopment is completed. In order to accelerate the process, the Government is now seeking pledges for phase II, which comprises the construction of a 90-bed ward block. Plans and designs are available and the estimated cost is \$US 2.3 million.

E. Education and training

103. A UNESCO/World Bank Co-operative Programme Survey Mission has recently completed a detailed examination of the educational sector in Saint Vincent and the Grenadines. The report of the survey will be available by the end of 1981 and is expected to contain an integrated programme for the development of education, including the identification of a number of projects for financing by the international community. However, as a result of a series of natural disasters, which include the eruption of Mount Soufrière, hurricanes and floods in 1979, and especially damage resulting from the use of schools for emergency lodging of families following hurricane "Allen" in 1980, there is a pressing need to reconstruct and rehabilitate a number of schools. The Government has also identified a number of related areas for priority assistance to education.

School-building programmes

104. Over a period of years, recurrent expenditure in education has taken an increasing share of the education budget. In the 1981-1982 budget, salaries alone account for 83 per cent of total education costs, leaving little for support services. This lack of funds for capital costs and support services has inevitably led to a deterioration in the condition of school buildings and facilities, which has been aggravated by natural disasters. The result is acute overcrowding leading to the use of the shift system at the primary level - and, in some schools, at secondary level - generally inadequate school facilities, including outworn and damaged furniture, and often unhygienic conditions. Some schools are being built and others repaired with international financing. However, there is an immediate need for further donor financing in order to reconstruct and refurbish certain schools as well as to provide furniture and materials.

105. Teachers from the main island assigned to the Grenadines are not provided with lodgings or subsidies for rental costs and the Ministry has experienced great difficulty recruiting experienced teachers for these assignments. There is an urgent need to establish teachers' quarters at Union Island and Bequia to attract qualified teachers.

106. Teacher-training facilities are limited or non-existent outside Kingstown. Until recently, in order to meet local needs, teacher training took place in temporary, inadequate buildings, in one case in a church at Georgetown. In order to meet the needs for pre-service and, eventually, in-service training in various

parts of the country, two teachers' training centres should be established, complete with the necessary teaching materials and equipment.

107. The present situation regarding school buildings in the country has underlined the urgent need for a school facilities unit to be established in the Ministry of Education. This unit would monitor the ongoing construction and repair programmes and advise the Ministry on future school facilities.

108. The Government has identified the following five projects for urgent implementation:

<u>Project</u>	<u>Description</u>	<u>Estimated cost</u> (US dollars)
1	Construction of eight primary schools (Overland, Troumaka, Marriagua Government, New Grounds, Stubbs, Greggs, Colonarie and Kingstown) and two new comprehensive schools (Kingstown and Colonarie)	2,800,000
2	Renovation and extension of one junior secondary school (Adelphi) and two primary schools (Byera Hill and Park Hill)	500,000
3	Construction of teachers' quarters (Bequia and Union Island) and two teachers' training centres (Georgetown and Troumaka)	450,000
4	Purchase of school equipment and furniture, including school books and texts to establish small libraries in all schools	1,500,000
5	Funds to cover the costs of a visiting school architect and an engineer (6 work-months each) to monitor school construction and advise on establishing a school facilities unit in the Ministry, and of two fellowships	300,000

Agricultural education and technical-vocational training

109. The education system is ill-equipped to provide the youth of the country with either an adequate general education relevant to local needs or with the specialized skills needed for the expansion of the agro-industrial and manufacturing sectors. There is an urgent need to upgrade the educational programmes and provide staff in the specialized areas of agricultural education and technical-vocational training if the development plans are to be implemented and if the large number of young people who at present leave the school system unskilled and unmotivated are to be given the necessary skills to become socially integrated, productive members of society. Fundamental to any national development is the promotion of adult literacy programmes. Since 1969, the Ministry of Education has included the teaching of basic agricultural skills in the curriculum at the primary

level and, more recently, at the secondary level, with practical instruction based on small garden plots attached to the schools.

110. Technical-vocational education and training is offered mainly by the Saint Vincent Technical College and by elementary workshop courses which form a part of both primary and secondary curricula. Vocational training is also offered in the Kingstown Technical Training Centre, the Liberty Lodge Boys' Training Centre and the Richmond Hill Home Economics Centre, which service certain selected secondary schools. Both the Government Funding Scheme and Public Works Woodwork Shop have apprenticeship programmes for young school-leavers.

111. The Saint Vincent Technical College offers two-year full-time craft-level courses in the mechanical, electrical and automotive trades and in secretarial studies. Although the buildings and land area are adequate for present needs, additional workshop facilities will be required if the needed expansion of courses in radio, television and appliance repair and welding is to take place. In general, the courses offered are overly theoretical, at the expense of practical experience, and graduating students lack the practical skills required in industry. With the exception of the Public Works Woodwork Shop, the workshops, machinery and equipment need upgrading, and further training should be provided for teaching staff, particularly in practical skills and management.

112. Although the Government has for many years promoted the teaching of basic agro-industrial and vocational skills at the primary and secondary levels, the level of teaching needs to be upgraded and there is an acute lack of equipment. There is now an urgent need for essential tools and equipment as well as further training of the teachers in these areas. To provide the secondary schools with the necessary equipment and teaching skills would be both costly and time-consuming. A network of multi-purpose workshops that would serve as nuclei for feeder-schools (including the senior levels of some primary schools) should be established, offering skill-training in vocational subjects.

113. One of the fundamental needs of the system as a whole is a supply of teaching aids and materials for the teaching staff. These materials are almost non-existent at present. The establishment of a Materials Production Centre in an unused wing of the Teachers' Training College would help to provide endogenously-oriented materials for use in the schools as well as instruction in the use of teaching aids of all types.

114. The following projects have been identified for urgent implementation:

<u>Project</u>	<u>Description</u>	<u>Estimated cost</u> (US dollars)
6	Funds to purchase basic materials, tools and seeds for agricultural training in 81 primary and secondary schools	100,000
7	To construct, equip and furnish a new Agricultural College	350,000

/...

<u>Project</u>	<u>Description</u>	<u>Estimated cost</u> (US dollars)
8	To construct and equip two additional workshops (radio/TV repair and welding) for the Saint Vincent Technical College	200,000
9	To construct and equip five multi-purpose workshops (Georgetown, Colonarie, Carapan, Du Bois and Union Island)	1,000,000
10	Materials and equipment for a Materials Production Centre to be located at the Teachers' Training College	150,000
11	Fellowships (10) to provide further training for Technical College teachers	90,000

Administration development

115. The Ministry of Education intends to carry out a complete reorganization of its administration. This reorganization will be based on a new Education Act and Regulations, a reconstituted Board of Education to serve as an Advisory Body in Education and the establishment of a Planning Unit within the Ministry. This programme will require assistance to prepare new descriptions of functions, outlining the roles and responsibilities of the officials of the Ministry and the delegation of administrative authority. The mission noted that the Ministry does not have vehicles to transport officials and materials to outlying areas, which causes great inconvenience and administrative delay.

116. The Government requires the following assistance to carry out its programme of administrative reform:

<u>Project</u>	<u>Description</u>	<u>Estimated cost</u> (US dollars)
12	A consultant in organization and methods (one work-month) and funds to hold four seminars on management for school administrators	26,000
13	Funds to purchase two vehicles (a mini-bus and a rough terrain vehicle) essential for the transportation of students, staff and materials to centralized learning points and for administrative purposes	30,000

Adult education and literacy

117. Several voluntary groups are active in community youth programmes and the University Centre has an adult education programme. However, there is no co-ordinated national programme in adult education and literacy for the large numbers of illiterate or functionally illiterate youth and adults. Proposed development plans will be seriously hampered without literate workers and the reforms foreseen in the formal education system will take time. A nation-wide programme in adult education and literacy, based on community development, is urgently needed. A preliminary phase would be a statistical survey of ongoing literacy programmes as a basis for planning national literacy policies. Thereafter, funds will be required for a second phase to include training seminars for literacy workers, teaching materials and equipment.

118. The following project has been identified:

<u>Project</u>	<u>Description</u>	<u>Estimated cost</u> (US dollars)
14	Assistance to carry out an initial literacy survey and funds for materials, equipment and training to promote national literacy strategies.	101,000

F. Summary of assistance required

119. The following is a summary of the assistance required:

	<u>US dollars</u>
A. Agriculture and fisheries	
1. Rehabilitation and extension of feeder-roads	6,300,000
2. Development of the fisheries - phase I	80,000
3. Strengthening agricultural extension services	650,000
B. Transport	
1. Emergency repairs	700,000
2. Airport improvement	1,200,000
3. Port equipment	330,000
4. Maintenance of equipment and vehicles	778,000
C. Industry and tourism	
1. Arrowroot industry	1,000,000
2. National Development Corporation	200,000
3. Tourist industry	440,000

<u>Project</u>	<u>Description</u>	<u>Estimated cost</u> (US dollars)
D. Health and sanitation		
1.	Emergency repairs	110,000
2.	Water-supply development project - phases II and III ..	425,000
3.	Security for water-storage facilities	190,000
4.	Sewerage	775,000
5.	Solid-waste management	213,000
6.	Population centre	200,000
7.	Redevelopment of Kingstown Hospital	2,300,000
E. Education and training		
1.	Construction of schools	2,800,000
2.	Renovation of schools	500,000
3.	Construction of teachers' quarters and training	450,000
4.	School equipment	1,500,000
5.	Technical assistance and training regarding school facilities unit	300,000
6.	Materials for agricultural training	100,000
7.	Agricultural College	350,000
8.	Workshops for Saint Vincent Technical College	200,000
9.	Establishment of five multi-purpose workshops	1,000,000
10.	Materials Production Centre	150,000
11.	Fellowships for technical teachers	90,000
12.	Consultant and seminars on management training	26,000
13.	Vehicles for Ministry of Education	30,000
14.	Adult education and literacy	101,000

IV. ASSISTANCE BEING PROVIDED

120. Information on assistance being provided to Saint Vincent and the Grenadines is given in tables 7 and 8. For the meeting of the Caribbean Group for Co-operation in Economic Development, held in June 1981, the Government prepared a list of projects for which funding had been negotiated or pledged. Table 7 lists those projects for which external funding has been pledged or provided, including the source of assistance.

121. The specialized agencies, other organizations and programmes within the United Nations system were requested by the Secretary-General to provide information on the assistance they were providing to Saint Vincent and the Grenadines. The responses to this request are summarized in table 8.

Table 7

Projects for which funding has been negotiated

(Thousands of US dollars)

<u>Project</u>	<u>Total cost</u>	<u>Negotiated external funding</u>	<u>Source</u>
<u>I. Ongoing projects</u>			
Banana Development Programme - III	187	187	United Kingdom
Banana Rehabilitation (Volcano)	1 271	1 271	United Kingdom, Caribbean Development Bank
Banana Rehabilitation (Hurricane)	1 970	1 970	European Economic Community, United Kingdom, United States
Crop Diversification Programme - I	153	153	United Kingdom
Sugarcane Production (Farmers' Credits)	370	370	Caribbean Development Bank
Agricultural Input Supply (Hurricane)	370	370	European Economic Community
Agricultural Credit	240	240	Caribbean Development Bank
Agricultural Feeder-Roads - II	2 113	2 113	Caribbean Development Bank
Soil Conservation and Reafforestation	164	164	United States
Establishment Arrowroot Factory - Owia	189	170	Caribbean Development Bank
Sugar Mill, Mount Bentinck - II, III	4 152	3 737	Caribbean Development Bank
Diamond Dairy Factory - I, II	3 662	3 296	Caribbean Development Bank
Industrial Estates - III	678	610	Caribbean Development Bank
Small Business Development Project	64	64	Canadian International Development Agency
Development of Fort Charlotte - I	58	58	United Kingdom
Union Island Road Development	125	125	United States
Canouan Road Development	100	100	United States
Road Rehabilitation (Hurricane)	307	Part	Canadian International Development Agency

Table 7 (continued)

<u>Project</u>	<u>Total cost</u>	<u>Negotiated external funding</u>	<u>Source</u>
Surface Dressing Programme	64	64	United Kingdom
Bridge Reconstruction Programme	326	Part	Canadian International Development Agency
Rehabilitation Kingstown Port (Hurricane)	126	126	Canadian International Development Agency
Improvement of Arnos Vale Airport	891	891	United Kingdom
Electricity Scheme and Survey	60	60	United Kingdom
Rural Water Supply	66	66	United Kingdom
Primary School Improvement	905	830	United States
Construction of Kingstown Prep School	356	356	United Kingdom
W.I. Training Scheme	89	89	United Kingdom
Third Country Training	178	178	Canadian International Development Agency
Upgrading Kingstown Hospital	481	481	European Development Fund
Construction of Georgetown Health Centre	518	518	European Development Fund
Health and Family Planning Training	278	278	United Nations Fund for Population Activities
Nurse Practitioners Training	118	118	Pan American Health Organization
Barrouallie Housing Scheme	556	Part	United Kingdom
Housing Rehabilitation (Hurricane)	926	926	United States, European Development Fund, Trinidad & Tobago, World Council of Churches
Infrastructure Repairs (Hurricane)	78	Part	Canadian International Development Agency
Purchase of Garbage Vehicles	222	222	United Kingdom
Purchase of Petrol Boat	1 787	1 777	United Kingdom, private sources
Purchase of Computer	226	222	United Kingdom
Purchase of Police Vehicles	63	63	United Kingdom

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Table 7 (continued)

<u>Project</u>	<u>Total cost</u>	<u>Negotiated external funding</u>	<u>Source</u>
Volcano Monitoring Unit	460	460	United Nations Development Programme
Land and Property Valuation	104	104	United Kingdom
Repairs to Sewer (Hurricane)	1 700	1 700	United States
Community Development	187	176	United Kingdom
<u>II. New projects</u>			
Banana Development Programme	500	Part	United Kingdom
Coconut Development Programme	469	469	United Kingdom
Crop Diversification Programme - II	1 556	1 467	United Kingdom, Caribbean Development Bank
Input and Produce Storage Facilities	1 000	Part	United Kingdom
Development of Livestock Industry	1 388	1 388	European Development Fund
Agricultural and Industrial Credits	1 500	1 500	Caribbean Development Bank
Upgrading of Arrowroot Industry	1 400	Part	Caribbean Development Bank
Food-processing Plant	425	425	Trinidad and Tobago
Industrial Estates - IV	3 500	Part	Caribbean Development Bank
Hotel and Conference Facilities	6 300	5 500	European Investment Bank, private sources
Construction of Windward Highway - II, III	1 112	Part	United Kingdom
Port Development	1 500	Part	Caribbean Development Bank
Purchase of Cargo-handling Equipment	250	250	Canadian International Development Agency
Expansion of Workshop	667	667	United Kingdom
Improvement of Electricity Supply	14 156	Part	Caribbean Development Bank
Micro-Hydro Station - Owia	180	180	United Kingdom

Table 7 (continued)

<u>Project</u>	<u>Total cost</u>	<u>Negotiated external funding</u>	<u>Source</u>
Water Development	1 850	Part	Caribbean Development Bank
Coastal Protection Programme	204	204	United States
Construction of 5 Primary Schools	1 500	Part	United Kingdom, United States
Student Loans - IV, V	900	900	Caribbean Development Fund
Upgrading of Kingstown Hospital	2 200	2 200	European Development Fund
Upgrading of 2 Health Centres	470	470	European Development Fund, United States
Low-Income Housing (Gorse/Parkhill)	578	411	United Kingdom
Additional Government Office Space	231	231	United Kingdom
Construction of House of Assembly	926	Part	United Kingdom
Agricultural Input Revolving Fund	750	Part	Canadian International Development Agency
Establishment of Abattoir	150	150	Canadian International Development Agency
Agricultural Development - The Grenadines	650	Part	United Kingdom
W. I. Training Scheme	267	267	United Kingdom
Establishment of Solid-Waste Disposal	639	639	United Kingdom
Construction of Community Centre	100	100	United States

Table 8

Assistance being provided by the specialized agencies, other organizations and programmes in the United Nations system

<u>Source</u>	<u>Type of assistance</u>
United Nations Disaster Relief Organization	After the volcanic eruption in April 1979, \$10,000 was provided for the purchase of water-treatment equipment. Also, within the framework of a volcano monitoring project, UNDRO has assisted in the preparation of disaster preparedness plans. Furthermore, UNDRO is the executing agency for a multiagency regional project for the Caribbean, including Saint Vincent and the Grenadines, for disaster prevention and preparedness.
United Nations Conference on Trade and Development	A UNDP-financed regional project (Regional Shipping in the Caribbean), including Saint Vincent and the Grenadines, is being implemented in association with IMCO.
United Nations Industrial Development Organization	A project is under implementation for a food-processing feasibility study. Furthermore, a UNIDO expert participated in a programming mission in September 1981.
United Nations Children's Fund	The actual and projected commitments and notings for 1981-1984 total \$175,000 and will cover child health, water supply and sanitation, child nutrition and formal education.
United Nations Development Programme	The allocation of \$1.8 million was used to finance projects in civil aviation, electrical inspection, food-processing, socio-economic development planning, volcano monitoring and aeronautical meteorology. The indicative planning figure (IPF) for 1982-1986 will be \$3.25 million, representing a significant increase over the resources allocated during the current cycle (1977-1981). Saint Vincent and the Grenadines also benefits under the Caribbean Multi-Island Programme, which embraces projects in the field of vocational training, tourism development, shipping, statistics, agriculture, establishment of mobile health laboratories, fiscal policy and industry. Similarly, the technical co-operation activities under CARICOM, financed from the Latin America Regional IPF, cover Saint Vincent and the Grenadines. Furthermore, the country also benefits from the activities of the Caribbean Group for Co-operation in Economic Development of which UNDP is one of the sponsors.

<u>Source</u>	<u>Type of assistance</u>
World Food Programme	Assistance is to be provided for a project for the improvement of the nutritional status of malnourished vulnerable groups. WFP input consists of 926 tonnes of wheat flour, 754 tonnes of dried skim milk, 218 tonnes of vegetable oil and 245 tonnes of sugar, at a cost of \$1.8 million.
International Labour Organisation	In the field of co-operative development, 17 expert work-months and participation in a number of seminars was made possible under an ILO/Denmark project. Furthermore, under funding from ILO and the United Nations Fund for Population Activities (UNFPA), the services of a national co-ordination were made available. Automotive and heavy equipment maintenance training was provided under a UNDP/ILO project. Under another UNDP/ILO project, assistance was made available for a social security actuarial review and for draft legislation. ILO also assisted in a project for the survey of handicrafts and development of small-scale enterprises.
United Nations Educational, Scientific and Cultural Organization	For the travel of national participants in the Caribbean Festival of Arts, \$US 3,150 was made available. Furthermore, a consultant mission was sent for the formulation of a national information plan. In addition, in accordance with resolution 1/07, adopted at the twenty-first session of the General Conference of UNESCO, held from 23 September to 28 October 1980, a major project is being organized for the Latin American and Caribbean region for educational development and reform programmes for the countries of the region. UNESCO is already assisting some Member States in the identification of priority areas, programmes and projects for development within the framework of the major project. The over-all objectives of the major project are: (a) to ensure that by 1999 all children of school age are provided with a minimum of 8 to 10 years of general education; (b) to eradicate illiteracy before the end of the century and to develop and extend educational services for adults; and (c) to improve the quality and efficiency of educational systems.
World Health Organization	Co-operation was provided in nursing, management of drugs, control of disease-vectors, training of health aides, and disaster preparedness and relief. Fellowships were also made available in various health fields. Furthermore, assistance was made available under a number of Caribbean

<u>Source</u>	<u>Type of assistance</u>
	regional projects. Saint Vincent and the Grenadines also benefits from the activities of the Caribbean Food and Nutrition Institute and the Caribbean Epidemiology Center financed by the regular budget of WHO, the budget of the Pan American Health Organization and grants. Moreover, Saint Vincent and the Grenadines is host to and participates in a regional project for training of family nurse practitioners funded by UNFPA.
World Bank	The Bank assistance has been channelled through loans to the Caribbean Development Bank.
International Monetary Fund	In November 1980, a loan of SDR 425,000 was provided to meet the emergency resulting from hurricane damage. In March 1981, SDR 1.3 million was made available as compensatory financing.
Universal Postal Union	In 1981, a consultants' mission on postal organization, a fellowship for a basic training course, and equipment has been made available.
