I. Introduction and Context

Country Context

1. Jamaica, the largest English speaking country in the Caribbean, is an upper middle income country with a long history of elusive growth and high debt. Jamaica benefits from a strategic location, in short distance to the large North and South America markets, and is endowed with abundant natural resources and a creative workforce. The country maintains a high degree of political stability and has a tradition of democratic participation, free media, civil liberties and political rights. Despite these assets, Jamaica has been one of the world’s slowest growing economies in the past two decades, with real GDP growth below 1 percent on average. This disappointing performance is the result of a combination of factors inhibiting innovation, productivity growth and competitiveness, including: (i) deficiencies in human capital and entrepreneurship; (ii) weak public sector management and widespread perceptions of corruption; and (iii) poor and inefficient infrastructure that leads notably to high costs of energy, and limits market connectivity.
2. While Jamaica made significant progress in poverty reduction during the early part of the past
decade, recent years have witnessed erosion of earlier gains and rising inequality. The difficult
economic situation, together with increasing food and energy prices have affected purchasing power
and contributed to rising poverty and vulnerability. According to official numbers, poverty rates
increased from 9.9 percent in 2007 to 17.5 percent in 2010.

Sectoral and Institutional Context

3. The population of Jamaica was reported at 2.7 million in 2011, with 52 percent residing in urban
areas, and approximately 17 percent living below the poverty line. Since the 1960s the country has
witnessed a steady growth of the urban population, and with an estimated annual increase of 1.31%
per annum, the number of people living in Jamaica’s cities is projected to be 1.5 million by 2020
and 1.8 million by 2030; a population that will have to be provided with basic urban infrastructure
and services in a safe built environment.

4. Yet inadequate land use and urban planning has resulted in imbalanced regional development and
inequitable distribution and access to services, and stable employment opportunities. This is
evidenced by rundown town centers, urban sprawl, environmental degradation, and unsafe and
dilapidated housing. Peri-urban areas, or areas in transition to become fully urbanized are facing
similar conditions, indicating that future community security and transformation projects should
focus on communities in a range of geographic locations and stages of urbanization.

5. The conditions of physical urban decay in marginal neighborhoods has in turn notably
contributed to a vicious cycle of social exclusion and vulnerability, poverty, and crime and violence.
Estimates suggest that between 2001 and 2008 there were 10,836 reported murders across the island
which is six times the average homicide rate for the world. Overall, the cost of violent crime was
estimated (2004) to be 4 percent of Jamaica's GDP. A particular dimension to the problem of
violence is the distinctive pattern in the geographical distribution of homicides. A higher proportion
of homicides are committed in urban areas as opposed to rural areas. Increased crime and decreased
citizen security in Jamaica’s inner cities can be linked to exclusion from job opportunities, basic
infrastructure, education and recreational opportunities.

6. In response to heightened urban decay and declining citizen security, the Government of Jamaica
(GoJ) developed a National Security Strategy (NSS) and launched the Community Renewal
Programme (CRP). The NSS recognizes that the solutions to crime while requiring the law
enforcement and justice related elements, embraces fully the need to address the human and social
needs to create less enabling environments for crime within the communities most at risk for crime.
In line with this, the CRP provides a platform for the coordination and enhancement of the delivery
department of government and civil society services to 100 volatile and vulnerable communities in the five most
crime-affected parishes in Kingston and St. Andrew, St. Catherine, St. James and Clarendon. More
broadly, the CRP seeks to address poor housing, poor infrastructure, weak community governance
and the lack of coordination of social intervention programs.

Relationship to CAS

The Jamaica CPS FY14-FY17 is designed to support the Government’s efforts to reignite growth
and reduce poverty and intends to respond to the demands of a client that still faces major
development challenges in transforming the economy. The National Development Plan, “Vision
2030”, consists of four national goals: (i) Jamaicans are empowered to achieve their fullest
potential; (ii) the Jamaican society is safe, cohesive and just; (iii) Jamaica’s economy is prosperous;
and (iv) Jamaica has a healthy natural environment. The CPS is therefore aligned with Vision 2030 and will support achievements within the Third National Goal, while recognizing the importance of the other three as underlining conditions of success.

The proposed Second Inner Cities Basic Services Project directly supports the CPS in targeting ‘Strong Economic Infrastructure’. The proposed project equally contributes directly to supporting the Second and Fourth National Goals by supporting security and safety, and improved urban development.

II. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

9. The proposed Development Objective of the operation is to enhance access to basic urban infrastructure and services and contribute towards increased citizen security in selected poor and socioeconomically vulnerable inner city communities of Jamaica.

Key Results (From PCN)

10. The proposed operation will directly support measurable improvements in the built environment and promote heightened social welfare in the selected communities.

Table 1: Key Results and Monitoring Indicators

Result 1: Number of residents with access to enhanced basic urban infrastructure and services.

Result 2: Percentage of beneficiaries who experience a feeling of greater security attributable to the project in the project areas.

Core sector indicators that will be considered as part of the monitoring framework include:

Access to Urban Services and Housing for the Poor

• People in urban areas provided with access to “Improved Water Sources” under the project (#).
• People in urban areas provided with access to “Improved Sanitation” under the project (#).
• People in urban areas provided with access to regular solid waste collection under the project (#).

Water Supply and Sanitation

• Water utilities that the project is supporting (#).

Roads and Highways (urban)

• Roads rehabilitated (km)

Social Inclusion

• Share of vulnerable and marginalized people of the total project beneficiaries (%).

III. Preliminary Description

Concept Description

11. The proposed project builds on the successful implementation of the first Inner Cities Basic Services Project (ICBSP). The first ICBSP was approved by the World Bank in 2006 to respond to an accelerating urban decay and declining citizen security. At the time of project preparation
Jamaica was characterized by a record high murder rate of 63 murders per 100,000 persons. Upwards of 60 percent of Jamaica’s murders were attributable to the Parishes of Kingston & St. Andrew, St. Catherine, Clarendon, and St. James. The project sought to upgrade the physical infrastructure and enhance citizen security in 12 communities within these Parishes which faced limited social amenities, inadequate access to basic services and high levels of poverty and incidence of crime. Specifically the project encompassed activities aimed at improving the quality of life of community residents through improving access to services such as water, sanitation, solid waste collection, and drainage, and undertaking electricity regularization, road paving, and measures to enhance perceptions of safety. In parallel the project undertook activities to promote security of tenure and the provision of financial services for community members. Importantly the project supported the improvement in the integrity of crime data at the community level through a Japan Social Development Fund (JSDF) Grant for the development of the Jamaica Crime Observatory. Project indicators show increased access to urban infrastructure in target communities, in particular water and sanitation, improved urban roads and enhanced public safety. The total number of beneficiaries with improved access to urban services (PDO indicator) has surpassed the 60,000 end target (61,953 in total to June 30, 2013). In 2011 the project was extended for two years and will close in December 2013. It has disbursed 88% of loan proceed and rated Satisfactory in the last Implementation and Status Report (August, 2013).

12. An independent assessment of projects in Jamaica that focused on community security and transformation found that the ICBSP was unique in its focus on community basic infrastructure as a means to community security and transformation. The comprehensive approach to community development that the ICBSP has undertaken has been central to the results seen. Infrastructure is a key component in community transformation; improvements to infrastructure increase societal inclusion, job creation, access of state security forces to communities and access of community members to economic services outside their communities. In addition to increasing access to improved basic services, the ICBSP has enhanced public safety through mediation services, community capacity building, skills training and related social services. Given the gains of the ICBSP, and the demonstrable need for future programs that follow in the ICBSP’s footsteps, a second phase of the ICBSP is deemed necessary, to capture the momentum of the good work done under the current project and to replicate it in other inner city communities across Jamaica.

13. The proposed project will strengthen and further expand the objectives of the original Jamaica Inner Cities Basic Services Project through four mutually reinforcing components. The related activities encompassed under each component are hinged on the basic tenets of enhancing the quality of access to services for communities, transforming the physical environment within these communities, enhancing citizen security, and further improving the national and local governance capacity for urban management. Given that implementation of the sub-component ‘Land Titling’ in the first ICBSP proved to be challenging from an institutional and operational perspective; this sub-component will not be included in the proposed operation. Instead, as part of the ‘Technical Assistance for Strengthened Urban Management’ (Component 3 of the second ICBSP), the preparation of a national policy on land regularization could be financed. The sub-component on ‘Access to Financial Services’ also encountered difficulties; however, given its relevance to the proposed development objective, the treatment of this under Component 1 (Basic Infrastructure and Access to Services) will be explored in consultation with the GoJ for the second ICBSP. Specifically, options to strengthen financial awareness, in addition to supporting financial inclusion for the 12 original communities under the first ICBSP will be assessed.
14. Within the selected communities the new project will target the following groups: (i) at risk males and unattached youth (males and females) between the ages 6-35 years old; (ii) female single headed households; (iii) gang members; (iv) children within state remand facilities; (v) teenage parents; and (vi) families requiring counseling and civil support to access basic social services.

15. The proposed operation will directly support the Government of Jamaica’s Community Renewal Programme (CRP). The CRP seeks to build on the very activities and approaches delivered under the ICBSP. The CRP ranked communities using a combination of weighted variables associated with their volatility and vulnerability. Volatility variables included: crime, violence related injuries, presence of gangs. Vulnerability variables included: poverty, teenage pregnancy, literacy, ex-convicts, accessibility of communities, child abuse, and presence of squatters. The CRP has prioritized 20 of the 100 most vulnerable inner city communities. In-line with the GoJ’s thrust towards Community Renewal and the experience of the ICBSP and the best practices honed, the proposed project would be implemented in a further set of 17 communities for a concentrated set of interventions aimed at improving infrastructure, enhancing citizen security, and strengthening capacities for urban management.

Table 2: Project Components & Activities

Component 1: Basic Infrastructure and Access to Services (USD$36 million) that could finance activities such as Road works, Sewage and water pipelines, Formalization of household electrical and water connections, Rehabilitation of educational facilities, Zinc fence removal, Community center construction, Greening of public spaces, Physical improvements to schools, and Litter management and collection.

Component 2: Public Safety Enhancement and Capacity Building (USD$8 million) that could finance activities such as Education/training/skills development programs, Mediation and conflict resolution, Capacity building for CBOs and community business owners, Family support programs, School-Based Violence Prevention, and Scaling-up of the Jamaica Crime Observatory.

Component 3: Technical Assistance for Strengthened Urban Management (USD$5 million) that could finance activities such as Capacity building to Parish governments for infrastructure operations and maintenance, Preparation of a national policy on land regularization, Definition of innovative affordable housing solutions, Improved environmental design for green spaces, Strengthened solid waste management practice

Component 4: Project Administration Component (USD$3 million) that could finance activities such as Project management, Monitoring and Evaluation, and Communications.

IV. Safeguard Policies that might apply

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V. Financing (in USD Million)

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