



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

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**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
St. Lucia	LATIN AMERICA AND CARIBBEAN	P170445	
Project Name	St. Lucia Human Capital Resilience Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Education	Investment Project Financing	9/17/2019	12/5/2019
Borrower(s)	Implementing Agency(ies)		
Ministry of Finance, Economic Growth, Job Creation, and External Affairs	Ministry of Finance, Economic Growth, Job Creation, and External Affairs		

Proposed Development Objective(s)

The objectives of the Project are to improve the labor market relevance of skills and targeting of social programs in Saint Lucia.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>20.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

The proposed Project would be structured as a results-based operation, where Project disbursements would be made against the achievement of select Disbursement-Linked-Indicators (DLIs) in Project results areas. The Project will also include a small investment component aiming to support critical actions required for the achievement of the DLIs. The

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Project would be designed in three components: (i) Strengthening Technical and Vocational Education and Training (TVET); (ii) Strengthening the Social Protection System; and (iii) Technical Assistance and Project Management.

#### D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

Saint Lucia has a population of 180,000 and a Gross National Income (GNI) per capita of US\$8,830 as of 2018. Following the 2008 financial crisis, St. Lucia has struggled to regain pre-crisis growth levels. Based on the most recent survey data in 2010, the poverty level fell from 28.8 percent in 2006 to 25 percent in 2016. However, Child poverty rate remains comparatively high, at 34.5 percent in 2016, and the poverty rate in female-headed households is even higher, at 42.3 percent.

In terms of unemployment, female and youth unemployment increased, respectively, from 15.5 to 25.9 percent and from 31.7 to 47.4 percent from 2006 to 2016. 46 percent of the population is classified as not having decent work. There is a large share of employment in the informal sector, mainly in small and microbusinesses

The IPF will be implemented at the national level, over a diversity of jurisdictions with different environmental, social and institutional settings. This IPF will neither finance nor support any civil works activities. In this sense, the activities supported by the Technical Assistance (TA) are not expected to have any negative environmental impacts. Social risks are linked to potential exclusion of vulnerable persons either by inefficiencies in the outreach strategies aimed at these groups, or because of systemic discrimination that may exist.

Component 3 - Technical Assistance and Project Management - will function as a traditional IPF and will finance specific consultancies to support the other components (1 and 2) of the project that are i) strengthening Technical and Vocational Education and Training (TVET), and ii) strengthening Social Protection Service Delivery.

The Project will include teachers' and students' representatives into the stakeholder engagement process. This consultation process will be included in the Stakeholder Engagement Plan. An environmental and social assessment will be carried out by the Government and will be published on the Borrower's website and the Bank's external website before appraisal.

The ESA will consider, in an integrated way, all relevant direct, indirect and cumulative environmental -if any at all- and social risks and impacts of the project, including those specifically identified in ESS1–10. It will include and take into account coordination and consultation with affected and/or vulnerable people and other interested parties, particularly at an early stage, to ensure that all potentially significant environmental and social risks and impacts are identified and addressed

#### D. 2. Borrower's Institutional Capacity

The Project will be coordinated centrally in the Ministry of Finance, Economic Growth, Job Creation, and External Affairs, with focal points in the key line ministries- the Ministry of Education, Innovation, Gender Relations and Sustainable Development; the Ministry of Equity, Social Justice, Local Government and Empowerment; and the Ministry of Infrastructure, Ports, Energy and Labor. Since the size of the investment component will be small, the Project will likely use staffing resources in an existing Bank Project Implementation Units (PIU) to manage this component. This could be the PIU that has managed several ongoing Bank projects including P127226, the Disaster



Vulnerability Reduction Project; P152117 the OECS Regional Tourism Competitiveness Project and P159653 the Caribbean Regional Oceanscape Project or the PIU for the Saint Lucia Health System Strengthening Project (P166783). Both PIUs have performed satisfactorily for these projects. However, these other Bank projects are under the old Safeguards and not the ESF, which means that even these more experienced PIUs are likely to need additional capacity support to understand and manage the requirements of the ESF. Measures to strengthen this capacity with the PIU would include additional trainings on the ESF by Bank staff.

## II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Moderate

#### Environmental Risk Rating

Low

The project focuses on strengthening Technical and Vocational Education and Training (TVET) in secondary and post-secondary schools. Financing will support training, institutional capacity building, public awareness of social protection programs, and improved learning for secondary and early childhood education. The environmental risk rating is low because the project focuses solely on capacity building and there will be no civil works. In addition, Component 3 (Technical Assistance and Project Management) will finance a sub-component that will support engagement of consultant services to provide services and studies related to key results in the project. However, the TA will not involve any works under this component and the project's technical assistance studies are not envisioned to have any environmental impacts or consequences.

#### Social Risk Rating

Moderate

The Project is expected to have positive impacts on vulnerable and systematically excluded groups - the poorest, people living in slums, women, disabled, young girls, youth at risks among others - and likely no negative social effects. However, because potential of exclusion of vulnerable people by inefficiencies in the outreach strategies or systemic discrimination, may exist and causing inequitable distribution of project benefits; the Social Risk rating is Moderate.

The support to these programs will also require the borrower to carry out a participatory approach and this might require further strengthening of its social communication processes, citizen engagement and beneficiary feedback mechanisms, to ensure inclusion and active participation of beneficiaries from disadvantaged and vulnerable groups and to avoid any kind of discrimination and exclusion that might be present in the current system. A robust stakeholder engagement process will provide inputs, useful to generate strategies to avoid, minimize or mitigate the risks mentioned above. A labour Management Procedure (LMP) will also be developed as well as a Grievance Redress Mechanism for workers. We will review the Environmental and Social Risk Classification (ESRC) on a regular basis throughout the project life cycle to ensure that it continues to accurately reflect the level of risk the project presents.

### B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

#### B.1. General Assessment

##### ESS1 Assessment and Management of Environmental and Social Risks and Impacts

##### ***Overview of the relevance of the Standard for the Project:***



The standard is relevant.

It is envisioned that the project will prepare, by appraisal, (a) a Social Assessment, (b) a Stakeholder Engagement Plan (SEP), that will enhance the identification of potential beneficiaries of the Program and a Grievance Redress Mechanism; and (c) An ESCP. The ESCP will outline the additional higher level requirements with an associated time-line, to be developed during implementation. This may include (a) the development Labor Management Procedures with OHS guidelines as well as the Grievance Mechanism for workers and (b) a social assessment that will identify potential risks (and benefits) for disadvantaged or vulnerable groups, including any associated GBV risks and impacts.

**Areas where “Use of Borrower Framework” is being considered:**

None.

**ESS10 Stakeholder Engagement and Information Disclosure**

The standard is relevant. The main stakeholders are: Ministry of Finance, Economic Growth, Job Creation, External Affairs and the Public Service; the Ministry of Education, Innovation, Gender Relations and Sustainable Development; the Ministry of Equity, Social Justice, Empowerment, Youth Development, Sports and Local Government; and Ministry of Infrastructure, Ports, Energy and Labour; Environmental Authority, institutions involved in TVET, Vulnerable population (the poor, women, young girls, youth at risks, disables, others,) students, parents, chamber of commerce, teachers among others.

The borrower will submit a stakeholder engagement plan (SEP.) The environmental & social assessment will inform the stakeholder engagement plan (SEP). The SEP will be prepared in a manner that is accessible and culturally appropriate, considering any specific needs of groups that may be differentially or disproportionately affected by the project. The SEP will outline a) who the key stakeholders are; b) how they are to be engaged; c) how often the engagement will occur throughout the project; d) how feedback will be solicited, recorded and monitored over the project; e) who will be charged/responsible with this engagement; f) timeline for this engagement, and so on. The World Bank will review the adequacy of the SEP, and that must be prepared as soon as possible and cleared by appraisal. The process of stakeholder engagement will begin during preparation and continue into implementation.

Prior to appraisal, the following measures will be implemented: i) stakeholder identification and analysis and ii) planning how the engagement with stakeholders, iii) disclosure of information and iv) consultation with stakeholder. The SEP is expected to be updated from time to time as/if necessary. The Stakeholder Engagement Plan (SEP) will also describe the measures that will be used to remove obstacles to participation, and how the views of differently affected groups will be captured. The Borrower will propose and implement a grievance mechanism to receive and facilitate the resolution of concerns and grievances. The nature of eligible grievances under the GRM will be described in a later date, and when known.



If significant changes are made to the SEP after consultations, a revised SEP should be publicly disclosed prior to appraisal.

## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

The standard is relevant given that the project will be engaged with direct workers and may hire specialized consultants for developing different types of studies and curricula. The project does not intend to be engaged with primary supplier and community workers.

If any of the workers are government civil servants, whether full-time or part-time, they will remain subject to the terms and conditions of their existing public-sector employment agreement or arrangement, unless there has been an effective legal transfer of their employment or engagement to the project. ESS2 will not apply to such government civil servants, except for the provisions of Protecting the Work Force (paragraphs 17 to 20) and Occupational Health and Safety (paragraphs 24 to 30,) applicable to the government civil servants that may be involved in the project implementation or oversight.

The borrower will prepare a Labor Management Procedures (LMP) including Operational Health and Safety Guidelines (OHS). The LMP will provide details in accordance with ESS2 for the applicable category of worker. They require the borrower to follow the WB procurement rules and procedures as well as applicable national labor regulations to engage in any contracting agreement with firms and/or consultants, and to ensure that standards of the ESS2 Labor and Working Conditions are fully taken into account and are incorporated in the contracting agreements. The procedures also require the project to promote transparency in terms and conditions of employment, and nondiscrimination and equal opportunity, and specify a labor specific grievance mechanism for project worker, separate from the project level GRM. As part of the process of managing work, the LMP will also set out and document measures to prevent and address harassment, intimidation and/or exploitation, provisions for freedom of association.

In St. Lucia there is gender pay gap—women’s mean compensation is 10 percent lower than men. Female employees are less likely than male employees to be compensated for working overtime, the LMP will ensure that such gender discrimination doesn’t take place in the project.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**



The standard is not relevant because there will be no works and therefore no generation of hazardous or non-hazardous waste. Since there will be no retrofitting of school property, there are also no plans to purchase energy efficient equipment (computers, laptops, lightbulbs).

**ESS4 Community Health and Safety**

This Standard is not relevant as there are no works associated with this project and therefore the community health is not at risk.

**ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

The standard is not relevant. The project is not expected to generate any physical infrastructure and therefore will not include the taking of land either by involuntary or voluntary means.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

The standard is not relevant. The project does not involve activities that could cause risks or potential impacts to biodiversity or natural habitats, nor does it involve sustainable management of living natural resources.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

The standard is not relevant. Previous social assessment undertaken by previous World Bank Projects concluded that there are no indigenous communities are present in project area.

**ESS8 Cultural Heritage**

The standard is currently not relevant.

No new physical infrastructure and/or excavation work is expected . The project does not envisage any impacts on physical, cultural, and/or archeological sites.

**ESS9 Financial Intermediaries**

This standard is not relevant. The project does not involve a financial intermediary as defined by ESS9

**B.3 Other Relevant Project Risks**

NO



**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

No

The project doesn't include activities which would involve the use or potential pollution of any international waterway.

**OP 7.60 Projects in Disputed Areas**

No

No disputed areas are part of the intended project area of influence.

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?**

No

**Financing Partners**

N/A

**B. Proposed Measures, Actions and Timing (Borrower's commitments)**

**Actions to be completed prior to Bank Board Approval:**

Prior to appraisal the borrower will submit a Social Assessment that will identify potential risks (and benefits) for disadvantaged or vulnerable groups, an Environmental and Social Commitment Plan (ESCP) and a Stakeholder Engagement Plan (SEP) with its Grievance Redress Mechanism.

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

Social Assessment

Final version of the Stakeholder Engagement Plan (SEP) with it Grievance Redress Mechanism

Final version of the Labor Management Procedure (LMP) with OHS guidelines and a Grievance Redress Mechanism for project workers

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

10-Sep-2019

**IV. CONTACT POINTS**

**World Bank**

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**Borrower/Client/Recipient**

Borrower: Ministry of Finance, Economic Growth, Job Creation, and External Affairs

**Implementing Agency(ies)**

Implementing Agency: Ministry of Finance, Economic Growth, Job Creation, and External Affairs

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

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Practice Manager (ENR/Social)	Valerie Hickey Recommended on 10-Jul-2019 at 11:35:39 EDT
Safeguards Advisor ESSA	Noreen Beg (SAESSA) Cleared on 10-Jul-2019 at 18:34:57 EDT

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