

PROFILE I

JAMAICA

JUNE 12, 2002

Project name:	Youth Development Program	
Project number:	JA-0119	
Borrower:	Government of Jamaica	
Executing agency:	Ministry of Education, Youth & Culture	
Financing plan:	IDB:	US\$15.0m
	Local:	<u>US\$ 1.7m</u>
	Total:	US\$16.7m
Tentative dates:	Next mission:	September 2002
	Analysis mission:	IV Quarter 2002
	Board of Directors:	I Quarter 2003

I. BACKGROUND

- 1.1 Jamaica has experienced a deteriorating economic environment and performance in the 1990s, resulting in a negligible change in GDP over the course of the decade and five years of per capita GDP decline from 1996 to 2000. Among factors obstructing growth were high domestic interest rates, which were linked to persistent budget deficits, and a spiral of domestic debt accumulation. Public debt now represents about 138% of GDP. As a signal of its commitment to restore fiscal balance and curb the adverse debt dynamics fueled by recurring deficits, the Government of Jamaica (GOJ) has agreed on a Staff Monitored Program with the International Monetary Fund. One component of this program is the strengthening of the social safety net in order to protect the poor and vulnerable during this period of adjustment.
- 1.2 Within this context, the government has developed a plan for a comprehensive reform of the social safety net in order to increase efficiency and streamline the delivery of services to the poor. An important area of concern highlighted in the government's reform proposal, and which is currently inadequately addressed, is that of youth, ages 15-24, who are at-risk. At-risk youth are defined as those that are either "unattached" (that is, who are neither in school, nor in a training program, nor employed) or who are currently in school but at-risk for early exit.

The Bank's program is intended to assist the government in designing an effective response to the needs of this large and potentially volatile target group.

A. Situation of youth in Jamaica

- 1.3 In 2000, the population of Jamaica was estimated at 2.6 million, of which approximately 18% are youth, half of whom live in urban areas. Youth account for over a quarter of all those living in poverty in Jamaica. Children and youth who are poor are less likely to receive adequate health care than wealthier children, more likely to attend inferior schools, more likely to attend school irregularly and more likely to drop out of school early.
- 1.4 **Youth and the school system.** Jamaica has made significant strides in improving access to education. Enrolment at the pre-primary level is over 90% and essentially universal at the primary level (age 6-12). At the end of Grade 6, students are tracked into different types of secondary schools, including All Age Schools, Junior High Schools and Comprehensive and Traditional High Schools, that differ in terms of teacher training and physical and financial resources. Although significant progress has also been made in increasing upper secondary enrollment (grades 10-11), the number of out-of-school youth increases significantly after age 14 (grade 9) and *access* is highly correlated with income and residence in rural areas; currently 11% of students who complete grade 9 cannot continue on due to a lack of places.
- 1.5 While the GOJ has embarked on a process of expansion of upper secondary level places, Jamaica faces even more formidable challenges in improving the *quality* of education – an estimated 30% of students are functionally illiterate after grade 6. School attendance is also irregular, especially among students in rural areas and among students who are poor. Approximately 25% of students in rural areas and 35% of students from the poorest quintile are absent from school for more than a quarter of the school year. These figures include attendance at both the primary and lower secondary level.
- 1.6 **Out-of-school youth.** The out of school population includes students who dropped out of school and students who completed grade 9 but who were not admitted to upper secondary. The out-of-school population is largely male (60%), largely rural (58%) and largely poor (61% from the two poorest consumption quintiles); almost 80% of the out-of-school youth is in the 14-19 age group. A key characteristic of school dropouts is a low level of literacy and numeracy which prevents them from accessing technical and vocational training offered by the national training agency (NTA).
- 1.7 The high fertility rate among teenagers is one reason girls drop out of school. Eleven percent of girls 15-17 and 34% of girls 18-19 have had at least one pregnancy. Teenage pregnancy is more likely among young girls who live in rural areas and among teenagers from lower socioeconomic status households. Only

35% of young women who become pregnant while still in school continue their education after their pregnancy.

- 1.8 **Labor market outcomes for youth.** When adolescents leave school, the opportunities that await them in the labor market are limited. Unemployment rates for the 15-19 and 20-24 age groups (47% and 28%, respectively) are several times higher than that for older age groups and youth unemployment has emerged as the most critical labour market problem in Jamaica. Unemployed youth account for 51% of all unemployed labor, and unemployment rates for young women are significantly higher than for men. Based on the enrollment and employment patterns described above, the GOJ estimated that in 2000, there were 160,000 to 200,000 youth between the ages of 15 and 24 who were not in school and not employed ('unattached'). Seventy-four percent of first time job seekers – who are for the most part youth – have had no skills training.
- 1.9 **Violence and youth.** Crime and violence are priority concerns in Jamaica. Young people commit the majority of crimes; in 2000, youth under the age of 25 were responsible for 51% of all murders and 56% of all major crimes. In and out of school, 16% percent of boys and 11% of girls carry a knife or razor, while 5% of boys and 2% of girls carry a gun. Violence and crime interfere with education since schools in violence-prone communities are frequently closed, and children have to deal with the added stress and trauma of being victims and witnesses of violence, leading to increased school drop-out rates, especially in inner-city communities.

B. Government youth policy and programs

- 1.10 **Youth policy.** In 1994, the GOJ developed a National Youth Policy.¹ Since that time, a number of initiatives to implement the policy have been introduced, some of which include: (i) the reintroduction of the National Youth Service (NYS) in 1995; (ii) the launching of a Youth Information Center in 1999; and (iii) the establishment in November, 2000, of the National Centre for Youth Development (NCYD), which recently was placed within the Ministry of Education, Youth and Culture (MOEYC). The NCYD aims to provide inter-sector coordination among various government and non-government agencies to fulfill the youth development policy objectives. The NCYD has prepared a Situational Analysis of Youth and an inventory of existing youth programs, and has established a multi-sector steering committee in order to revise and refine the National Youth Policy.
- 1.11 **Programs under the Ministry of Education, Youth, & Culture.** In addition to its regular academic programs, the MOEYC implements guidance and counseling

¹ The policy identified the following goals: (1) strengthen and expand education and training; (2) improve work ethics and promote entrepreneurial skills; (3) increase awareness of nutrition, STDs, sexual and reproductive health, hygiene and sanitation, substance abuse and unwarranted risk taking; (4) prevent drug abuse; (5) enhance recreation and leisure; (6) improve attitudes and decrease anti-social behavior; and (7) develop strategies for youth participation in decision-making and social and economic development.

programs, drug abuse prevention programs and health and family life education programs. The Mico Youth Counseling Center offers day and evening programs for children and adolescents who have emotional and/or behavioral problems.

- 1.12 **Secondary school quality and access.** Phase 2 of the Reform of Secondary Education (ROSE 2) of the MOEYC is a 5-year program whose objective is to improve quality and increase access to upper secondary education. A key goal of ROSE 2 is that by 2003, all children who enter grade 7 will be guaranteed 5 years of secondary education. ROSE 2 is financed in part through a US\$40 million World Bank loan, and includes, among other activities, school improvement plans (SIPs) that allow individual secondary schools to design their own strategies and programs to improve learning and to reduce absenteeism and drop-outs, in collaboration with parents, CBOs, and other local actors. This decentralized approach to school management, and the specific strategy of harnessing local support and input to provide solutions to local educational problems may provide valuable guidance in the design of the Youth Development Program.
- 1.13 **Literacy and alternative basic education.** The Jamaica Movement for Adult Learning (JAMAL), an agency under MOEYC, was originally started in the 1970s to provide literacy training for adults. Over time its target group has evolved so that today, a significant part of the agency's clientele includes out-of-school youth and young adults. JAMAL offers 4 levels of literacy and numeracy training, with the highest level roughly equivalent to functioning at the grade 6 level. The agency has 500 volunteers and 60 part-time teachers, who deliver the curriculum through 27 learning centers throughout the island. In 2001, the budget and enrolment were approximately US\$1.2 million and 12,000 respectively. JAMAL also runs a workplace learning program co-financed with private sector companies, where employees are taught basic literacy skills during work hours.
- 1.14 **Skills and vocational training.** Central to the GOJ's strategy for supporting youth are training programs through the Human Employment and Resource Training/National Training Agency (HEART/NTA), a statutory organization operating under the auspices of the MOEYC. The HEART/NTA is funded by a 3% earmarked tax on employers and is mandated to coordinate the country's technical and vocational education and training system.
- 1.15 Total enrollment in HEART/NTA programs was equal to approximately 31,000 in 1999/2000, of which 70% (or 21,000) are under 24; this number represents only 10%-15% of the estimated stock of unattached youth in the country. Enrollment in the regular HEART/NTA programs requires applicants to be at least 17 years old and to have passed an entrance test set at the grade 9 education level. HEART/NTA has identified as a special target group those young people who left school before completing grade 11 and who are unable to secure jobs or gain re-access to the formal education system without assistance. HEART provides a six-month to one-year remedial education program aimed at raising the academic level (to at least the grade 9 level) of applicants who were unsuccessful in passing the entrance test, but who perform at least at a grade 7 level.

- 1.16 **High school equivalency.** In a recent initiative, National Council on Technical and Vocational Education Training (NCTVET) and JAMAL, in conjunction with the MOEYC, have begun developing a high school equivalency program (HISEP) designed to provide certification for individuals who left the formal schooling system without certification. Modules in 5 subject areas are being developed to be done at home or through JAMAL; the exam will be certified by the NCTVET.
- 1.17 **Socialization and work exposure.** The National Youth Service (NYS), a statutory organization under the auspices of the MOEYC, is targeted to youth between the ages of 17 and 24 who are out of school and unemployed. Through “re-socialization” and the development of appropriate work attitudes, the program hopes to provide a bridge from school to career. Recruits are given one month of a core curriculum that stresses personal development and socialization, followed by eight months work exposure. NYS participants are assigned as teaching aids, health facilitators, early childhood caregivers, environmental aides and in information technology. The program served approximately 1,200 young people in 1999 and 1,400 in 2000. The NYS targets young people who completed grade 11 and passed 4 Caribbean Examination Council (CXC) subjects, although 10% of the slots are available for applicants who do not meet all of these qualifications.
- 1.18 **Programs under the Ministry of Labor and Social Security (MOLSS).** This Ministry manages several programs which are not explicitly targeted to youth, but which are useful for older adolescents who are unattached or unemployed. These include a recently opened Labor Market Information System (LMIS) to provide job search assistance and help match employers with employees, and a rehabilitation program that provides small grants for entrepreneurial activity. The Ministry also sponsors periodic training initiatives in collaboration with HEART/NTA in areas such as agro-processing and hospitality services.
- 1.19 **Limitations of existing programs.** There are currently between 160,000 and 200,000 unattached youth in the country, a significant number of whom do not possess the basic skills required to participate in the programs offered by HEART/NTA or the NYS. In addition, a significant sub-group of these unattached youth are too young to enter the labor market or HEART, having dropped-out of school before grade 9 or been ‘pushed-out’ due to insufficient space in upper secondary. And many of those who left school after completing grade 9 do not function at the grade 9 level by the time they are old enough to enter the HEART system due to the quality of education they received.
- 1.20 While the GOJ, through ROSE 2, is taking steps to stem the flow of unattached youth through improving access and quality of secondary education, the response to the current stock of youth is inadequate. For older adolescents with less than grade 9 equivalency, there is no program that provides remedial education and training linked to work-place exposure, which could lead to either employment or entry in HEART. And for younger adolescents too young for the labor market, there is no program that caters to their remedial and basic education needs,

resulting in JAMAL becoming the *de facto* caretaker for this group to the extent possible within its limited budget and resources.

C. Experience of the Bank and other development agencies

- 1.21 The Bank has been an active partner in the GOJ's social safety net reform agenda, participating in a series of stakeholder workshops and policy dialogues beginning in 2000, which culminated in a policy matrix of safety net reforms developed by the government which had broad based support among key development partners and stakeholders. An outcome of this process was the Social Safety Net Reform Program (1355/OC-JA), a policy based loan to support key elements of the GOJ's reform strategy, which included the merging of three transfer programs into one cash transfer program, and the implementation of a standard beneficiary identification system for the selection of beneficiaries in all major safety net programs. The government's policy matrix identified unattached youth aged 15-24 as a vulnerable group that was underserved by the current safety net, and requested the Bank's support in designing an intervention to address the needs of this target group.
- 1.22 To date, the Bank has financed several youth development programs. Examples of operations that focus on training and labor market insertion for at-risk youth include Argentina Joven (1031/OC-AR), Chile Joven (686/OC-CH), and Red de Apoyo Social (1280/OC-CO) which recently went into execution. An example of a project that includes a broader set of interventions is the Programa de Apoyo a la Reforma Social-Ceará (955/OC-BR); the lessons learned from these and similar Bank operations will be incorporated into the design of the current operation.
- 1.23 **Civil society agencies and international organizations.** There are a significant number of non-governmental organizations (NGOs) and private voluntary organizations (PVOs), including churches, providing services to young people in Jamaica. These programs play an important part in addressing the needs of specific groups of at-risk youth, but there is a general lack of evaluative data on the outcomes of these different interventions. These organizations commonly have institutional restrictions, including limited staff and administrative capacity. In addition, most NGOs operate in the Kingston Metropolitan Area and even those that report being national in scope, operate in only a few parishes.
- 1.24 The main international partner agencies in the area of youth development activities include USAID, GTZ, UNICEF, DFID, UNDP, the Commonwealth Youth Program, and the World Bank. GTZ has been providing technical assistance to HEART/NTA for the reform of the technical and vocational training system in the country, while the Uplifting Adolescents Project, sponsored by USAID, provides funding to NGOs to provide services in the area of remedial education, personal and family development, and reproductive health. The Uplifting Adolescents Program has a budget of US\$5 million over 4 years and intends to benefit approximately 10,000 youth between the ages of 10-18 who are both in- and outside schools.

D. Bank strategy and rationale for involvement

- 1.25 The Bank's strategy in Jamaica described in the country paper (GN-2025) is: (i) to support the establishment of a sound macroeconomic environment characterized by sustainable fiscal and balance-of-payments positions, and (ii) to support a process of structural adjustment and reform that will improve the conditions for private sector led growth, which includes public sector strengthening and reform. The proposed operation is consistent with the Bank's objective of supporting the reform of the public sector in order to strengthen its capacity to respond to youth development issues. This operation will be complementary to the Citizen Security and Justice Program (1344/OC-JA) and the Social Safety Net Reform (1355/OC-JA).
- 1.26 As mentioned earlier, the Bank has been an active partner with the GOJ in its social safety net reform agenda. Unattached and at-risk youth represent a pressing area of public policy concern because of the large number of youth who are currently outside the system, and the potential impact this group has on social stability in the country. Given that there is currently no comprehensive government program that deals explicitly with this target group, the Bank and the Government agreed to an operation whose primary focus would be to bring unattached youth with low levels of skill back into either the formal schooling system, the training system, or the labor market.

II. PROGRAM OBJECTIVES AND DESCRIPTION

E. Goals and objectives

- 2.1 The overall goal of the operation is to upgrade the skills of at-risk unattached youth in order to prepare them for the labor market. The specific objectives of the operation are twofold: (i) reduce the number of unattached poor youth by facilitating their re-entry into the education system (formal and non-formal), the training system, or the labor market; and (ii) strengthen the institutional capacity of both the public and private voluntary sector to respond to youth issues.

F. Description

- 2.2 **Component 1: Remedial education, training, and socialization.** The principal activity to be financed will be the delivery of a package of services to unattached youth comprised of remedial education, training, and socialization. Remedial education will be aimed at bringing youth to a specific and recognized level of skill, such as functional literacy and numeracy, or grade 9 equivalency. Training will consist of pre-vocational skills training coupled with internships to provide workplace exposure and to develop labor market experience. Socialization will consist of modules such as conflict resolution, self-esteem, life-skills, and counseling services for victims of violence and other forms of abuse. The target group will be unattached poor youth aged 15-24. The socialization component of the package will be provided to all youth; the other component will vary

depending on the specific background and interest of the beneficiary, with older adolescents and young adults receiving skills training and work experience, for example. Stipends, on-site child-care and other incentive mechanisms will be provided to ensure the participation of the target group.

- 2.3 **Component 2: Institutional support.** This component will finance the following technical assistance activities: (i) institutional strengthening activities such as training, monitoring and evaluation systems, and technical assistance for the executing agency, institutional strengthening of the Youth Division of the MOEYC, and the design of any required additional teaching materials for the basic package of services that will be delivered to the target group; (ii) capacity strengthening of youth groups and other community-based and non-governmental organizations serving youth, including service providers under the loan operation. Specific activities to be financed will include the development of training materials and the delivery of training to strengthen the managerial and organizational capacity of these organizations.
- 2.4 **Service delivery.** As much use as possible will be made of existing infrastructure and service providers in the delivery of the package of services, including the internships. This will entail sub-contracting service delivery, through an open and competitive process, to CBOs, NGOs, and other public or private training institutions, and utilizing schools, community colleges, community centers, and churches as venues for delivering services to youth.

III. MAIN ISSUES

G. Institutional framework and project execution

- 3.1 The project executing unit (PEU) for the delivery of the package of services to youth under Component 1 should be located in a well-established and recognized institution whose mandate includes unattached youth. This would both enhance the profile of the operation and assist in ensuring the program's sustainability over the medium term. Possible existing candidates for the PEU include JAMAL, which has experience mobilizing local resources for remedial education for youth, and HEART/NTA, which is more attuned to the labor market aspects of training and has experience in monitoring sub-contractors through its CBT program; however, at the present moment neither agencies' official mandate responds precisely to the scope of services proposed under this project. The GOJ has agreed to work with the Bank in identifying the appropriate institutional arrangements for project execution.

H. Sustainability

- 3.2 More work is needed to assess whether the proposed intervention for unattached youth should be a short-term response to the current problem, or part of a long-term strategy to fill the perceived hole in the social safety net. If the latter, then adequate measures must be taken during project preparation to ensure the

sustainability of the program. The authorities are aware of this issue and studies will be undertaken during preparation to inform the decision.

IV. STATUS AND PLAN OF ACTION

- 4.1 A project preparation technical cooperation has just been approved by the Bank's Japanese Special Fund (ATN/JF-7805-JA) to finance preparatory activities, including stakeholder workshops and institutional strengthening of the NCYD. A workshop involving key players and stakeholders was held in Kingston on February 26, 2002 to discuss areas of potential intervention, and a presentation was made by the Bank to the Human Resource Council of Cabinet on February 25, 2002 on the regional experience and lessons learned from youth programs.
- 4.2 Initial analytical results financed through the JSF TC are expected in August 2002, and will be discussed with stakeholders and key players before presentation of the Profile II. The analysis mission for the operation is expected in the 4th quarter of 2002, with presentation to the Board of Directors in early 2003.