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THE FORMATION OF SMALL-SCALE ENTERPRISES IN HANDICRAFTS AND AGRO-PROCESSING ON ST. LUCIA

FINAL EVALUATION OF THE ST. LUCIA YOUTH DEVELOPMENT PROGRAMME

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EVALUATION SUMMARY

A final evaluation of the St. Lucia Youth Development Programme (YDP) was undertaken by World Education, in collaboration with USAID, in March, 1984. Project records and documents were reviewed, and interviews were conducted with project staff, government officials, and members of the private sector familiar with the program. The evaluation concludes that the final achievement of the program depends on whether an independent not-for-profit organization, the Enterprise Development Corporation (EDC), can successfully take over the program on July 1, 1984, when the responsibility of the National Office for Social Responsibility (NOSR) and the support of USAID terminate. The likelihood of a successful takeover is yet uncertain and depends on the outcome of critical decisions in the few remaining months of the project.

With the concurrence of the Government of St. Lucia and USAID, NOSR redirected this four-year, three-quarter million dollar project from the employment training of a large number of St. Lucian youth to the creation of two small-scale enterprises for the self-employment of a smaller number of trained youth. Two national centers have been created, one near Dennery for the manufacture of agricultural products, the other in Choiseul for the production of arts and crafts. The training of the almost 100 graduates of the program has been relatively effective. Management teams have been built to run both centers as productive enterprises, and the process of converting the centers into administratively and financially self-sufficient units is well underway.

When NOSR and USAID's involvement ends in June, the program will come under the governance of the EDC, led by a Board composed of prominent members of the St. Lucian public and private sectors. The EDC is likely to face two immediate, critical problems. First, reorganization of the center managements may be required if there is turnover in the ranks accompanying the change in ownership. Second, substantial outside financial support will be required. The income from product sales is presently only a fraction of the operating costs at both centers, and there is little prospect that the gap between revenue and expenditures can be fully closed by July.

As currently planned, the EDC will lack the staff and resources necessary to solve either problem on its own. But in the little time remaining, the YDP could help set in motion solutions to both. External funding is needed for an EDC Executive Director, who would provide the full-time leadership of the EDC that the Board cannot. External funding is required to operate the two centers until they have a fuller opportunity to expand their sales and achieve economic self-sufficiency.

If the Government of St. Lucia, perhaps with supplementary support from one or more international development agencies, can provide the funding, the enterprises may well ultimately achieve economic independence. Without government subsidization, however, it is unlikely that the EDC could remain viable for more than a few months. If the EDC fails, so too by implication does the entire program. If it succeeds, then the Youth Development Programme will have trained and created enduring skill-related employment enterprises for fifty or more young people in a depressed economy where any job or enterprise creation can be viewed as a major achievement.

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St. Lucia suffers a chronically high level of unemployment, particularly among its young people. The overall unemployment rate among its work force of 52,000 stood at 27 percent in 1982, virtually unchanged from the 28 percent rate in 1979 [1]. Though specific figures are unavailable, the unemployment rate among St. Lucian youth is estimated to hover around 40 percent.

To combat the special problems of youth unemployment, the U.S. Agency for International Development's Regional Development Office of the Caribbean contracted in 1980 with the National Office of Social Responsibility (NOSR), in consultation and agreement with the Government of St. Lucia, to establish a youth development program on the island. The primary objective of the project was to train out-of-school youth in skills that would lead to employment. Though originally a three-year grant scheduled to terminate in mid-1983, the AID-supported NOSR effort was extended through the end of June, 1984.

This report provides an evaluation of the achievements and promise of NOSR's St. Lucia Youth Development Programme (YDP). Since USAID and NOSR's support for the program is soon to end, of special concern is the whether the two enterprises created by the project are sufficiently established to outlive the support currently provided by USAID and NOSR.

The accomplishments of the project through the end of 1982 were previously examined in a mid-term evaluation conducted by World Education and USAID in December, 1982 [2]. The present evaluation is focused on the final efforts and organizational structure of the project achieved since the mid-term study.

The primary information for this evaluation was assembled by Michael

Useem during a five-day visit to St. Lucia in March, 1983 (March 12-16). In collecting the information, he reviewed (1) quarterly reports and other circulated documents prepared by YDP; (2) internal financial records and related uncirculated materials compiled by YDP; (3) the NOSR project file maintained by USAID; and (4) a range of government reports on the St. Lucian economy and social fabric. In addition, he visited one of the two program centers (the second was closed during the week he was there [3]), and discussed the project at great length with its director, Mr. Gordon Kunde, and other members of the YDP staff.

For three days, Useem was joined by Dr. Ambrosio Ortega, the USAID Project Manager, and together they conducted interviews with a range of individuals involved in or familiar with the project. Among those with whom such discussions were held were the Minister of Community Development, the Managing Director of the Development Bank, the Chairman of the St. Lucia Tourist Board, the chief instructors of the two project centers, and YDP's legal advisor [4].

The evaluation was conducted at a moment when a set of critical decisions were before the project. If the decisions are made correctly, the two small-scale enterprises developed by YDP face reasonably good prospects for continued operation for a substantial period after NOSR's withdrawal. Though modest in the number of young people who would finally find secure employment, the permanent establishment of the two enterprises would constitute a very significant achievement. Two self-sufficient enterprises, each employing twenty or more youth, would be operative. In a country where the creation of new employment opportunities is extremely difficult, particularly for youth, this would be no small accomplishment.

If the decisions are not taken in an effective and timely fashion, on the other hand, the two enterprises may quickly close upon NOSR's departure on June 30, 1984. The investment of nearly four years of effort by NOSR, substantial funds and grants-in-kind by the Government of St. Lucia, and more than $750,000 by USAID would by marked by virtually no legacy. Thus, the final decisions on the structuring of the project being taken in the little time remaining will have a decisive bearing on the value of the entire project.

To review the accomplishments of the project to date and the context of these fateful decisions for the future -- and thus to judge the likelihood of ultimate success or failure of the Youth Development Program -- this report is divided into several sections. We first briefly review the YDP's evolution from a training program for large numbers of St. Lucian youth to an enterprise-creation program for a small number of young people. Second, we examine plans to transform the two production centers into self-sustaining not-for-profit enterprises under the guidance and governance of what will be formally known as the St. Lucian Enterprise Development Corporation. Finally, we offer a set of concluding observations on the accomplishments of the Youth Development Programme and the promise for the Enterprise Development Corporation.

II. THE GOALS AND REALITIES OF YOUTH EMPLOYMENT TRAINING IN ST. LUCIA

The final form of the St. Lucia Youth Development Programme is vastly different from that originally set forward at the outset of the effort, though the fundamental goals are essentially unchanged. The YDP remains committed to finding the means for employment among St. Lucian youth, but the means for doing so have changed from skills training for large numbers to skills training for small numbers and the creation of self-employment for them. We briefly review the evolution of YDP's strategy since the project's inception, and then assess the strength and potential of the two centers that have been created.

A. From Youth Training to Enterprise Creation

The initial plan under the contract NOSR signed with USAID in August, 1980, called for the creation of five national training centers, each specializing in a distinct area of employable skills. More than one thousand youth were to be trained through a series of training cycles at the centers, and they were then presumably to find employment utilizing those skills. Even under the best of economic conditions, however, job training for unemployed youth can expect little success unless there are identifable positions open to the trainees upon completion of the program. The St. Lucian economy remained weak during the early 1980s, however, and throughout the period of the project there was an extremely limited market for young school leavers. Very few employment opportunities were open to youth, whatever their level of special training [5].

The unrealistic assumption concerning the employability of large numbers of trained youth was recognized almost as soon as NOSR initiated its work on the island. Accordingly, with the concurrence of both USAID and the Government of St. Lucia, the number of youth targeted for training was revised downward several times. At the same time, the project's resources were gradually shifted from the training of new youth to the creation of self-employment opportunities for the trained youth. During the first quarter of the project, the number of projected trainees was revised downward to 600; in late 1981, the number of planned training centers was reduced from five to two, and the number of trainees was further slashed to 240. The foundation of new training outreach centers was added as a project objective, with 480 trainees projected for them. Even the goal of graduating 240 young people from the main centers ultimately proved elusive, however, and far fewer finally passed through the training. The outreach plan was later dropped altogether, and monies for it were reassigned by USAID to the Organizational of American States for its Regional Skills Training Project.

The final product of YDP's labors was, as a consequence, the creation of two training centers that finally trained about 100 youth. The national center for handicrafts, located in the southern town of Choiseul, graduated one group of 42 in 1983; a second cohort of 22 completed the course and graduated in January, 1984. The national center for agro-processing, located near the mid-country town of Dennery, graduated a single cycle of 32 trainees in 1983. No new training cycles are currently underway or planned. Thus, 96 St. Lucian youth successfully completed the training programs of the Youth Development Programme.

As the Youth Development Programme was radically downsizing the number of youth it intended to train, it was simultaneously preparing to develop self-employment opportunities for the smaller numbers of youth it was training. NOSR was in frequent contact with USAID concerning this change in strategy as it evolved over many months. NOSR was the prime mover in making the shift, but USAID did concur in the decision and finally approved the new strategic direction in early 1983.

Reflecting in part the new emphasis in approach, NOSR changed the top management of YDP at the start of 1983. Ms. Charlene Chinn, the Project Director since the start, returned to the U.S. at the end of 1982. Without taking the formal title of Project Director, Gordon Kunde nonetheless in effect assumed that role since arriving to replace Ms. Chinn in January, 1983. Mr. Kunde brought a background in small business management and marketing, and his selection by NOSR to lead the project both signaled and reinforced the transformation of the project from training for employment to the creation of small-scale enterprise for self-employment.

The Youth Development Programme, under Mr. Kunde's leadership, has been moving from early 1983 to tranform the two training centers into self-sustaining productive enterprises. This change has been facilitated in several ways:

Training. At both centers, the youth who completed the primary skills training program were invited to receive additional training in the skills necessary for successful enterprise development, including quality control, production scheduling, and marketing. The trainees were generally too young and inexperienced to fully master some of these skills, such as marketing, but the additional exposure to the issues of quality and timeliness in the manufacturing of handicrafts and agricultural products was valuable for preparing the youth for the greater self-reliance required when working for a self-sustaining enterprise.

Management. The managements of the two centers altered their focus as well. The original training staff remained with the Choiseul center, but it moved from training to enterprise development. Mr. Anthony Herman, the center manager, devoted increasing time to marketing handicrafts and improving the quality of products generated. One of the two original trainers, Ms. Francita Mitchel, took charge of handicraft sales at a new dockside outlet in Castries; the other trainer, Mr. Carlton Ishmael, left the program. An almost entirely new management team was installed at Dennery. Ms. Monica Matthews was the only member of the 1982 staff to remain; her role was changed from training to production supervision.

General management of the center was placed in the hands of Mr. Vernon Warner, with Mr. Luke James joining as assistant manager and Ms. Jennifer Leonard as stock supervisor. Mr. Warner's hiring in the summer of 1983 symbolized, in a way akin to Mr. Kunde's appointment, the fundamental change in strategy from training youth to making a business. Mr. Warner brought extensive experience in hotel food management in St. Lucia, and he gave the Dennery center strong direction in the production and marketing of agricultural products.

Program Activity. The energy of all members of the YDP project was shifted from training to the development of the two centers as enterprises. In the YDP's central office in Castries, for instance, administrative assistant Ms. Rene Cenac was given responsibility for facilitating the selling of Choiseul center products in the Castries area. Similarly, Mr. Kunde came to devote a major portion of his time to developing effective management teams to operate the centers and to marketing the products of both. Center staff time was reoriented in similar fashion. Mr. James, for instance, the assistant manager for the agro-processing center, allocated the bulk of his time to expanding the market for Aunt Lucie's Caribbean Specialities, the brand name for the program's agricultural products, among island stores and hotels.

The YDP's shift of strategy from youth training to enterprise creation was a correct one. The continuing high rate of unemployment on the island would doom to failure any job training program that did not simultaneously generate jobs for the trainees. All those in public and private organizations with whom the issue was raised during both the present and earlier evaluation forecast that virtually none of the trainees would be able to find significant outside employment on the basis of the skills acquired.

Interviews conducted with those now working at the agro-processing center confirmed the same: when asked where they would seek employment if the center were closed, all said that they would not be able to find other regular employment in agro-processing -- or for than matter in any other field. The extremely low drop-out rate of trainees from the two programs is indicative of the absence of real alternatives. The loss between the start and completion of the training programs was under 15 percent. Moreover, even after the primary training cycle was completed, virtually all of the graduates chose to remain with the centers, suggesting that other opportunities for employment were simply unavailable for most, despite completion of their tecnnical training.

It is to NOSR's credit that the program has moved vigorously in this new strategic direction during the past eighteen months. The driving force behind much of the project's momentum around this new strategy has been Mr. Kunde. From all accounts and from our direct discussions with him, it is evident that he is a highly able enterprise "start-up" manager, just the kind of person required to effectively guide the Youth Development Programme through its final phase. He has a compelling sense of entrepreneurial mission, he works well with and effectively motivates the staff of the project, and he has excellent administrative, marketing, and financial skills.

The main office of NOSR deserves the credit for placing the project under Mr. Kunde's guidance and for providing him with solid financial accounting for the operation. Beyond this, however, the main office has provided little substantive backup to the project since the mid-term evaluation. Though Mr. Kunde frequently visits the Alexandria, Virginia, headquarters of NOSR, neither the President of NOSR nor any other staff members have come to assist the project in St. Lucia since December, 1982. This has had little adverse impact on the internal management of the project, since Mr. Kunde has capably managed very well on his own. The project's external relations with the Government of St. Lucia, however, have been troubled at times, and these relations might have benefitted from more active assistance by NOSR's main office.

B. Organization of the Agro-Processing and Handicrafts Centers

The current structure and operations of the two centers are both a reflection of the Youth Development Programme's accomplishments -- and predictors of whether it will outlive USAID support. Examination of the present organization thus allows us to both review the past and anticipate the future. If we take as our baseline criterion whether the program will be soon ready for organizational and economic self-sufficiency, the success must yet be judged a partial one. While elements of self-sufficiency are already present, neither center will be fully independent by the end of June. This section reviews three interrelated aspects of program self-sufficiency: the quality of the trained skills; organizational effectiveness; and, the final measure, financial independence.

1. Quality of Trained Skills

Reports from consumers and vendors of Aunt Lucie's Caribbean Specialities suggest that the quality of the jellies, jams and other food products from the Dennery center is high. The products are characterized as being competitive with similar products from other makers both on and off the island. The students were well trained in the technical skills of processing quality agricultural goods, and the staff has learned how to make effective use of these talents. One example drawn from many illustrates the high esteem with which the products are held: To foster travel to St. Lucia during the summer low season in 1985, the St. Lucia Tourist Board is launching a new promotional campaign, "The Caribbean Season of Sweet Savings." Tourists who book a reservation during this off-season are sent a coupon to redeem a "gift" from the Tourist Board office when they arrive in St. Lucia. The gift: a jar of Aunt Lucie's Caribbean Specialties.

Reports on the quality of the products from the handicrafts center are more mixed. Reflecting well on the center's handicrafts is their use by the St. Lucian Tourist Board to decorate booths and displays at trade shows, shopping malls and other locations abroad. Similarly, a spice seller in Tortola ordered 1,000 spice baskets in 1983, and in March, 1984, apparently satisfied with the first order, he placed a new, far larger one, asking for an additional 3,000 spice baskets. Reflecting less well on the center's handicrafts, by contrast, are assessments by some of those familiar with marketing handicrafts on St. Lucia. They suggested during interviews with us that the quality is too average, and the aesthetics too undistinctive, for the crafts to find a large niche on the island or abroad. From these observations and from discussions with the staff of the Choiseul center, the inference can be made that the youths were well trained in the basics of straw and other crafts, but perhaps not well enough in the more refined art of high quality craft production.

2. Organizational Effectiveness

The work of the agro-processing center is organized in a conventional production system, and the management there has mastered the process of buying fruits and vegetables from local farmers, orchestrating the daily schedule of the 30 youths who report to work every day, producing and bottling a relatively high volume output in more than a dozen product lines, and selling the products to more than a dozen major hotels and food stores in St. Lucia.

The effectiveness of the Dennery center's management in mastering organizational problems can be briefly illustrated by its evolution of a means for overcoming difficulties arising from the poor inventory control systems in place at some of the food stores through which Aunt Lucie's Caribbean Specialities are sold. Center managers discovered on visits to some of the stores that Dennery products were often sold out, yet no new orders had been placed for restocking. Rather than urging the store managers to more closely monitor their shelves, the Dennery management developed a system for its own periodic inspection of the shelves -- and when the Aunt Lucie supply is low, it recommends to store management the quantity and type of items that should be reordered. The store managers generally then placed precisely the recommended new order.

The crafts center is organized in a far more decentralized, almost cottage-industry style. For crafts requiring heavy tools, such as woodworking, the trained youth come to the center to do their work. But the bulk of the crafts work is done at the home of the youths. The raw material for the most important single type of craftwork -- straw -- can be readily acquired by all at no cost, and the production of straw baskets, mats, and other popular straw items requires no resources other than labor time. Thus home production is a feasible and convenient way for the craft work to be done, and it is reinforced by craft traditions shared for generations by many families in the Choiseul area.

This decentralized organization carries important advantages over the more structured production at Dennery. The craftworkers are compensated on piece-work basis, and production can go forward even when the Choiseul center is closed. Fixed costs in the production of handicrafts can thus be kept somewhat lower. But there is a disadvantage as well. Without centralized daily oversight of the crafts work, it is more difficult for the Choiseul management to control and improve the quality and delivery of the handicraft items. Still, this system of decentralized production is in place. It receives relatively strong guidance from the center's manager, though it should be kept in mind that while the Dennery center is under the active guidance of four full-time staff members, the Choiseul center is presently managed by a single individual.

Both centers have operated under the direction of the YDP main office in Castries. By all accounts, its internal management of the project has been highly effective. At the termination of NOSR's presence in mid-summer, however, the central office will cease to exist and the two centers will be moved on to an autonomous footing under the general guidance of a new governing board. A final measure of the central office's effectiveness is the extent to which the two centers will be financially capable of operating on their own after the withdrawal of NOSR.

3. Financial Independence

The Youth Development Programme faces very difficult financial circumstances when NOSR and USAID support ends in June. All income from the sales of handicrafts and agricultural products has been retained, and approximately $30,000 has accumulated in the organization's account [6]. Aside from this modest reserve, however, there is at present no guarantee of any other funds to operate the two centers, aside from the sales revenues the centers will continue to bring in. Center earnings are still modest, equalling only a fraction of the operating costs of the centers. The centers are yet nowhere near financial self-sufficiency. A critical issue, then, is whether the difference between revenue and operating costs is rapidly closing such that economic independence could be approached by July.

The gap between income and expenses, however, remains large for both centers, and there is little in present trends to suggest that the income will rise sufficiently by the end of June to even come close to meeting center costs. This is evident in the trend figures shown in Table 1 on the following page. It displays the sales and expenses of the two centers for the five most recent months. It is during this period that YDP had been making the most concerted effort to move the centers toward self-sufficiency.

At the agro-processing center, sales averaged approximately $3,700 per month, while expenses hovered near $21,200. In other words, the center was in effect receiving a monthly subsidy of about $17,500. Income was averaging only 17 percent of expenses. If the first of the five months is excluded from a trend assessment, the gap between income and costs is slowly closing: in November, sales income was 11 percent of expenses; in December, 13 percent; in January, 19 percent; and in February, 20 percent. At this rate of increase, however, it could still require half a year or more after NOSR's departure to approach self-sufficiency. Unless there is a radical growth in sales during the next three months, it is nearly certain that the break-even point will not be met in July or even the early months of the fall.

Table 1. Monthly Sales Revenue and Expenses of the Agro-Processing and Handicrafts Centers, October, 1983 - February, 1984.

Center	Oct.	Nov.	Dec.	Jan.	Feb.	Five-month average
Agro-Processing						
Sales	$5,445	$2,688	$2,975	$2,837	$4,446	$3,678
Expenses	21,929	24,537	22,307	14,601	22,501	21,175
Operational losses	-16,485	-21,849	-19,331	-11,764	-18,055	-17,497
Sales as % of expenses	24.8%	11.0%	13.3%	19.4%	19.8%	17.4%
Handicrafts						
Sales	$1,494	$0	$1,854	$1,193	$1,650	$1,238
Expenses	9,314	16,549	12,618	12,756	10,302	12,308
Operational losses	-7,820	-16,549	-10,764	-11,562	-8,652	-11,069
Sales as % of expenses	16.0%	0.0%	14.7%	9.4%	16.0%	10.1%

Source: Records of the St. Lucia Youth Development Programme.

The financial picture for the handicrafts center is equally problematic. Sales revenue during the same five-month period averaged $1,200 per month, but monthly expenses were near $12,300. Income was averaging only 10 percent of costs, and the effective monthly subsidy from USAID funds was approximately $11,100. Again, if we do not include the October figures, the trend in income relative to expenses has been cautiously, if erratically, moving upward during the last four months: it rose from 0 percent in November to 15 percent in December, dropping back to 9 percent in January but rebounding to 16 percent in February. The break-even point could be reached sometime within a year of NOSR' exit, but as in the case of the center at Dennery, short of a sudden spurt in sales is it also certain that economic self-sufficiency will not be possible in the months immediately following NOSR's departure.

Moreover, some of the functions, and thus costs, currently performed by the YDP main office in Castries will have to be assumed by the two centers after the end of June. The average monthly expenditures by NOSR on all aspects of the program -- excluding direct support of the two centers -- from October, 1983 through March, 1984 is US$9,024, or about $24,000 [7]. Some of these functions need not carry beyond June, but a significant fraction will be required. If the continuing cost of carrying the minimum functions of the main office is even as large as half of the current expenses, and if little were to change in the financial operations between the past half-year and the next half-year, this would mean that the program after June 30 could be running monthly deficits near $40,000 per month (more than $28,000 for the two centers and $12,000 for main office functions).

Some of the expenses at the two centers may be reduced by the end of June. The composition of the expenses of the two centers are shown in Table 2 on the next page. At both centers, there are modest continuing

Table 2. Detailed Monthly Expenses of the Agro-Processing and Handicrafts Centers, October, 1983 - February, 1984

Center Expenses	Oct.	Nov.	Dec.	Jan.	Feb.	Five-month average
Agro-Processing						
Personnel total	$10,571	$10,773	$18,940	$8,135	$11,499	$11,984
Staff	3,692	5,496	6,248	5,486	5,477	5,280
Workers	6,879	5,277	12,692	2,649	6,022	6,704
Equipment [a]	44	160	250	400	3,199	811
Raw materials [b]	10,500	12,814	2,343	4,646	7,222	7,505
Travel	815	790	775	1,419	583	876
Total expenses	21,929	24,537	22,308	14,601	22,501	21,175
Handicrafts						
Personnel total	$7,837	$9,798	$8,381	$7,493	6,277	$7,957
Staff	3,237	4,782	5,871	4,993	4,691	4,715
Crafts persons	4,600	5,016	2,510	2,500	1,586	3,242
Equipment	0	4,531	0	0	0	906
Raw materials	1,100	2,000	2,253	1,550	3,585	2,098
Travel	377	220	490	460	440	397
Other [c]	0	0	1,493	3,253	0	949
Total expenses	9,314	16,549	12,618	12,756	10,302	12,307

Month (1983-84)

Source: Records of the St. Lucia Youth Development Programme.

a. Does not include substantial expenses for equipment purchased through NOSR's U.S. office.

b. October and November figures include large expenditures for jars and lids.

c. January figures include community craft purchases and dockside construction.

expenditures for equipment and travel (largely to and from Castries), and occasional special expenditures, as for construction of the dockside exhibition site in January for display and sale of center products. These expense lines have each averaged under $1,000 per month. Raw materials constitute far larger center expenses, averaging $2,100 per month at Choiseul and $7,500 at Dennery. The bulk of the expenditures of both centers have been for personnel, however, with monthly totals averaging $8,000 at Choiseul and $12,000 at Dennery.

Personnel costs constituted 57 percent of total expenses at the agro-processing center during this five month period, and 65 percent of the costs at the handicrafts center, as seen in Table 3. Purchases of raw materials were 35 percent of the Dennery expenses and 17 percent of the Choiseul expenditures. Substantial reductions in the costs of raw materials purchases could not be achieved without corresponding reductions in output and, thus, income. Personnel expenses, however, may be cut some at Choiseul. The cutback of the staff at Choiseul from three persons to two, and perhaps even one, by the time the EDC takes over, as YDP presently plans, will reduce staff expenses there, though this could also indirectly slow the growth of sales income. Personnel costs at Dennery, however, are more fixed. Staff and worker compensation might be tightened some, but

Table 3. Percentage Distribution of Average Monthly Expenses of the YDP Centers, October, 1983-February, 1984

Expense	Agro-Process.	Handicrafts
Personnel	56.6%	64.6%
Staff	24.9	38.3
Workers	31.7	26.3
Equipment	3.8	7.4
Raw materials	35.4	17.0
Travel	4.1	3.2
Other	0	7.7
Total	100.0%	100.0%

major saving without major reductions in production and income are less likely to be achieved there. Significant saving in reduced equipment, travel, and other charges are unlikely to be achieved at either center.

The potential monthly deficit figure of more than $28,000 for the two centers might thus be reduced by some fraction without significantly undercutting the effort to expand product sales, perhaps by as much as a quarter or even, under conditions of extreme austerity, a half. If the latter were to occur, and if the expense of the functions currently carried out by the YDP main office were also drastically cut, perhaps by as much as three-quarters, this would nonetheless leave a large monthly loss. If there are otherwise few changes between the past half-year and the next half-year, the monthly deficit could still be running at at least $20,000 to $30,000 and probably considerably more when the EDC takes over.

III. CONVERSION OF THE TRAINING CENTERS INTO PRIVATE, NOT-FOR-PROFIT ENTERPRISES

Transformation of the Youth Development Progamme from purely training to the creation of viable self-employment via training gives special significance to YDP's preparations for NOSR's exit. If purely a training program, YDP's responsibilities would end at the point that the trainees complete the program and obtain skill-related employment. As a program to create enduring self-employment, however, the responsibilities are more fundamental and enduring. A viable organization capable of soon reaching economic self-sufficiency must be in place at the end of the USAID contract if the program is to have achieved its purpose.

Since it is a virtual certainty that full self-sufficiency cannot be achieved by the end of June, the kind of organizational structure NOSR leaves in place when it departs will determine whether that self-sufficiency can soon be realized. This section of the report examines the most important elements of the organization likely to be in place at the end of NOSR's term in St. Lucia. The assessment begins with a review of the main elements of the organization to be created; turns to key problems in the governance of the organization; and concludes with consideration of the government's potential role in supporting the organization.

A. Creation of the St. Lucian Enterprise Development Corporation

By mid-1983 NOSR was actively preparing to convert the two training centers into private, not-for-profit enterprises incorporated under a single governing unit. The fundamental elements of a conversion plan developed by NOSR were submitted to USAID in August, 1983; USAID indicated it would approve the plan once NOSR had reached agreement with the Government of St. Lucia on the conversion program. NOSR submitted the conversion plan to the Government of St. Lucia in early 1984, and the Government approved the plan in February, 1984 [8]. The efforts to create the transformation have been encoded in and guided by an extensive written plan for conversion and a preliminary legal document of incorporation [9].

The plan calls for the incorporation of the two centers into the St. Lucian Enterprise Development Corporation (EDC), a private, not-for-profit organization. Termed for convenience a foundation, its central purpose would be to "set up enterprises for the development and promotion of all crafts, agro processing skills, and the economic and social well-being of the youth and workers of St. Lucia [10]."

The critical organizational features of the Enterprise Development Corporation would include the following:

Governance. The EDC would be governed by a board of at least five directors who are not themselves managers within EDC. The board would be self-perpetuating, possessing final authority to appoint new directors as vacancies occur or new directorships are added.

Authority of the Board of Directors. The board would have full power over all foundation affairs, including the acceptance of grants from outside agencies and organizations, the hiring and firing of all personnel, the approval of enterprise budgets and special spending provisions, and the ownership of assets associated with the enterprises (including those inherited from USAID-supported investments, such as production equipment at the two centers, though equipment acquired through USAID-supported purchases would revert to the Government of St. Lucia if the EDC ceases to exist).

Internal Management. Each of the two centers would be administered by a general manager, who, as presently conceived, would report directly to the board of directors. There would be no general manager or executive director for the EDC; and there would be no executive office analogous to NOSR's present national office in Castries.

Relationship to Government of St. Lucia. There would be no formal relationship between the EDC and the Government of St. Lucia. However, according to an informal agreement between NOSR, USAID, and the Ministry of Community Affairs, reached in February, 1984, two of the EDC board members would be drawn from government. One would be from the Ministry of Community Affairs; the other from the Ministry of Finance and Planning.

Financing. The EDC would take over funds accumulated from sales of the two centers in the months before its creation, but otherwise it would have no liquid assets. Nor would it have any certain source of income required to maintain the present level of productive activity of the two centers.

To ensure that the board of directors is as prepared as possible to commence management of the EDC on July 1, NOSR is presently identifying suitable candidates for the board, and it is intending to informally constitute the board in the near future. NOSR would work with the informal board on management and financial planning so that the board would be sufficiently informed to take swift managerial control of the two enterprises when it finally assumes formal responsibility on July 1.

B. Potential Problems Facing the Enterprise Development Corporation

NOSR's decision to constitute a private, not-for-profit foundation to operate the enterprises is a sound one. By making the EDC privately rather than publicly controlled, the enterprises will be insulated from government pressures which, though appropriate from the standpoint of promoting public policy, would not always lead to the best decisions for moving the two centers toward full self-sufficiency in the marketplace. At the same time, by making the EDC not-for-profit rather than for-profit, the enterprises will also be shielded from immediate, potentially fatal, market pressures to produce profitable returns on the investment. They will also thereby remain eligible for grants and assistance from government and international development agencies.

Two critical problems, however, are almost certain to confront the EDC as soon as it is launched, problems that must be solved if it is to survive. One problem concerns the general management of the EDC; the other concerns its operating losses.

1. General Management.

The Enterprise Development Corporation would, as presently envisaged, be without a central staff. Lacking an executive director and other central office support, the board would have to rely upon its own limited resources to both maintain internal oversight of the enterprises and to handle all external issues.

Were the two centers rapidly approaching self-sufficiency, and were the management of the two centers fully in place, the EDC governing board might well be in a position to provide adequate guidance and leadership for the the two enterprises, despite the absence of a central staff. The board's time for administrative guidance without its own staff is limited to the unpaid, voluntary time of its members. NOSR plans, correctly, to select members for the first EDC board from among the leading figures in the St. Lucian private and public sectors. While thus bringing impeccable credentials and thus high credibility to the EDC at the moment of inception, because of their other commitments these individuals would not be able to contribute much personal time to the EDC.

We interviewed two people who have been informally asked by YDP if they would be willing to serve on the EDC board. Both indicated that they would, but each also warned us that they are extremely busy and would not be able to devote more than a few hours per week during the first months of the EDC's creation, and hopefully even less later on. This might well be more than sufficient during a period of relative normalcy; during the critical start-up period for the EDC, however, it almost certainly will not be.

Yet major problems will be confronting the EDC board immediately upon its creation, problems that could demand considerable time and energy by the board's members. Among the leading problems requiring quick attention are the managements teams of the two centers and the overall financial condition of the Enterprise Development Corporation.

Although center management at Dennery is relatively well developed at the moment, continuity in the management team is by no means certain. It is evident from our discussions that the continued presence of the center's general manager, Mr. Vernon Warner, is not assured; it is possible that he would return to his home in Canada at some point in the not too distant future. The assistant manager is well trained and learns fast, but he would still not be ready to assume full responsibility for the center's operations if Mr. Warner does resign.

Similarly, the management of the Choiseul center faces an uncertain future as well. NOSR's most recent quarterly report, for January-March, 1984, states that "the Handicrafts Program has not successfully navigated its enterprise start-up phase," with the problem partly attributed to insufficient managerial oversight of the production, delivery, and customer follow-up process. Unless these administrative problems are satisfactorily resolved by June, the EDC board could thus be facing the major task of reorganizing the managements of both centers, and possibly even the arduous task of making new appointments. Without an executive director or its own staff, the board would thus be required to undertake these time-demanding tasks out its members' own highly limited time.

In addition, if the centers are not financially viable when the EDC board takes over in July, as is almost certain to be the case, it may be incumbent upon the board to seek external support from a variety of sources. These would include the Government of St. Lucia, several development agencies, and possibly even private donors and companies seeking investment opportunities. Whatever the source, securing and formalizing the support is a prolonged task, and it would constitute still another burdensome undertaking for the volunteer board members.

2. Operating Losses.

The monthly cost of running the two centers, not including any expenses associated with the YDP's national office, averaged approximately $33,500 during the five months ending in February, 1984. At the same time, the two centers together were earning about $4,900 per month from sales. The total monthly operating deficit is thus above $28,000.

The Youth Development Programme has been moving for some time to reduce the monthly loss by both decreasing costs and increasing income. At the arts and craft center, for instance, only 20 of the original 42 graduates of the first training cycle were kept on at the center. These 20 were selected because they had learned at two least two distinct handicrafts skills. The others were given access to the center, but they were not kept on the YDP stipend, thereby considerably reducing the staff costs of the center.

Whatever the further cost savings that may be instituted by the end of June, full economic self-sufficiency can only be achieved through radical increase in the center's income. YDP is devoting vigorous efforts to this end. To increase Choiseul sales, a dockside facility for displaying handicrafts is being opened adjacent to the Tourist Board's point of disembarkation for cruise visitors.

To increase Dennery sales, the center has invested in a costly machine (US$18,000) to produce small portion packages of jams and jellies for sale to island hotels. According to a number of people with whom we talked, this investment appears to hold particular promise. The small packets currently served by the hotels with breakfast and at other times are not produced in St. Lucia, and if the price and quality were equivalent, several hotels have indicated that they would prefer to buy locally. A range of other efforts are underway as well: samples of the Dennery products have been sent through the facilitation of the St. Lucia Association of the Partners of the Americas to food product distributors in the U.S.; outlets for Aunt Lucie's Caribbean Specialties elsewhere in the West Indies are being explored; and new outlets for the products of both centers are being sought on St. Lucia itself.

Even if all of the cost-cutting and income-generating efforts are fully successful, however, it is extremely unlikely that the centers will be near financial self-sufficiency by July. The Enterprise Development Corporation will thus be confronted with a second major problem when it takes over: substantial operating losses at both centers. Unless the situation is sharply altered by the end of June, the EDC board will have to work intensively to secure outside support or subsidy. Its action must be quick, for it could not sustain monthly losses of even half the current level ($14,000 for the two centers alone) for more than several months. Its action must be intense, for acquiring outside support at this level for six to twelve months will require considerable investment of time. Yet, as is presently planned, the board will be without an executive director or staff, and its members' own time will be very limited. Quick and intense board effort may simply not be possible.

It would appear, then, that the EDC will face an immediate crisis upon assuming control on July 1 unless the YDP secures some type of subsidy for the program before then. The most logical alternative for the assistance is the Government of St. Lucia through the Ministry of Community Affairs. This is an uncertain possibility, however, for reasons described in the next section.

C. Relationship of the Government to the Enterprise Development Corporation

Though the Youth Development Program is jointly sponsored by USAID and the Government of St. Lucia, the relationship between YDP and the Government has at times been troubled. At least some of the differences have been an inevitable byproduct of a joint venture by a private organization and a public agency whose views of the best strategies for change have not always been fully coincident. Yet the relationship has become a strong one, for both the Government and NOSR now share an abiding commitment to the singular priority of the moment -- the permanent institutionalization of a self-sufficent, private, not-for-profit enterprise for the employment of St. Lucian youth.

In recent months, as both the Ministry of Community Affairs and NOSR have been preparing for the day when USAID support comes to an end, new differences have come to the fore. We learned of the salience of the differences from a number of discussions with Mr. Kunde, an extended discussion with the Minister of Community Affairs, Hon. Romanus Lansiquot, several meetings with the Permanent Secretary of the Ministry of Community Affairs, Mrs. Aidth Isaac, and discussions with others knowledgeable about the relationship between NOSR and the Ministry.

The differences are in part a product of mis-communication. The Ministry's view is that NOSR has not kept it sufficiently informed about both YDP's current operations and its plans for private incorporation; detailed financial information has been especially lacking, according to the Ministry. NOSR's view, by contrast, is that, whatever the past, at present it has supplied all the information, including relevant financial data, sought by the Ministry.

The relationship between the Ministry and NOSR has been adversely affected by important oppositions in strategic outlook as well. While NOSR believes that the agro-processing center is in good management hands and that the future of the handicrafts center is uncertain at best, the Ministry by contrast believes that the Dennery center may not be receiving the best management guidance and that the vitality of Choiseul arts and crafts should be a matter of high priority for national development.

To overcome these differences, USAID has devoted considerable time to the project in recent months. Dr. Ambrosio has been in frequent contact with both the YDP main office and the Ministry of Community Affairs, and he has visited St. Lucia on no fewer than four separate occasions since the start of the year. This guidance has proven very important for forging a set of common understandings between NOSR and the Ministry about the future of the project. The agreement by the Government of St. Lucia to accept NOSR's plan to convert the centers into private, not-for-profit enterprises under the aegis of the Enterprise Development Corporation, for example, was only finally reached during a meeting held in February between the Minister of Community Affairs, Mr. Gordon Kunde, Ms. Kimberly Finan, and Dr. Ortega.

The relationship between NOSR and the Government takes on particular salience in light of the problems soon to face the Enterprise Development Corporation. Unless substantial additional Government backing for the two centers is forthcoming, their financial viability under the EDC is dim at best. There are good signs that some backing may indeed be forthcoming. It is more uncertain, however, whether the Government would be able to meet the full continuing costs of operating the two centers under the EDC.

1. Government Willingness to Substantially Subsidize the EDC.

Despite some still unresolved differences between NOSR and the Ministry of Community Affairs, several signs indicate that the Government may be prepared to provide substantial subsidy to the Enterprise Development Corporation. First, indirect evidence suggests that there is substantial support at the highest levels of government for continuation of the project. We have been told that the Minister of Education, the Attorney General, and the Prime Minister are all enthusiastic about the work of the centers. The Minister of Community Affairs has invested considerable time and energy in guiding and assisting the Youth Development Programme from its outset, and he remains a strong backer. If a request for funds to back the program were soon to be brought by the Minister of Community Affairs to the Cabinet, these Cabinet members among other could be expected to support the request. Nobody in the Cabinet is strongly opposed to the program, it is reported, though naturally there may be resistance by some members to requests for monies for programs that they view as having lower priority than their own. Moreover, we were informed that the Hon. John G. M. Compton, the Prime Minister, is personally sympathetic to the kind of private not-for-profit enterprise upon which the EDC is modeled. He has a background in the private sector and is said to understand the importance of allowing new enterprises to develop with minimal outside interference. He would be prepared, it is reported, to endorse government backing of the EDC with few strings attached.

Second, support for the purpose and programs of the centers is widespread in established circles in both the public and private sectors. An active member of the Chamber of Commerce reported to us, for instance, that among the younger business leaders on the island there has been an intensifying commitment in recent years to fostering indigenous industrial development. "We have good products to sell," he said, "and selling our products creates more jobs for us. My generation wants to see the island develop, and we would prefer to buy on the island." Consistent with the commitment, this individual had already stocked his own store with ample supplies from both centers. Aunt Lucie's Caribbean Specialties and Choiseul handicrafts may thus face a kind of preferential local market among other business men and women, and, more generally, a favorable climate of opinion in the private sector. To the extent that government officials may be encouraged to support the EDC according to what they now hear from the private sector about the value of the YDP, the conditions are encouraging.

Support for the two centers has a far more profound basis than only the fact that they are local. The two centers represent the kind of change that the island requires for long-term development, according to many with whom we talked. The centers engender self-reliance among the nation's youth; generate income for a generation otherwise hard-pressed by unemployment; and manufacture products in areas -- agriculture and handicrafts -- that are at the center of the island's long-term economic development plans. Agriculture is St. Lucia's number one industry, and quality local handicrafts are essential to the continued development of tourism, among the nation's most important secondary industries.

It is also widely recognized that the centers make important indirect contributions to the island's economic and social development. The local purchase of large quantities of fruits and vegetables by the Dennery center is viewed as having beneficial stabilizing effects on area farming; the presence of the handicrafts center in Choiseul is seen as giving more confidence and direction to the many arts and crafts people in the Choiseul area who have had no formal connection with the center. Both centers are perceived as serving as models for youth development. "To me, it's the beginning of a revolution," observed one person in frequent contact with the highest levels of Government. "The kids at Choiseul are seeing that, rather than having to go to college, they have their own means to create economic wealth." Similarly, the Dennery center, he said, "is giving the young generation insight into how they can make money in St. Lucia rather than going to the U.S. or elsewhere." Such observations were repeated by many with whom we held discussions, indicative of favorable attitude toward the value and importance of the YDP centers that had become widespread within the island's influential circles.

The third sign suggesting that government subsidization is likely is the view prevailing at the top of the agency directly responsible for the future of the YDP, the Ministry of Community Development. Our meetings with the Minister and Permanent Secretary revealed a strong commitment to the project and an eagerness to get on with the task of preparing for government underwriting of the centers. The Minister said he regarded both centers as highly important and that he wants "to make them landmarks of the country." Both he and the Permanent Secretary indicated that once the necessary information on the center's current and projected operations is furnished by NOSR, they were prepared to take a request for financing to the Cabinet immediately. Indeed, since government planning for the coming fiscal year is already far along, they viewed swiftness of action by YDP as essential.

2. Government Capacity to Fully Underwrite the EDC

The Government may well be prepared to provide substantial financial backing to help make the Enterprise Development Corporation viable in the months immediately following its creation. Yet there is some question of whether it would be able to commit the relatively large amount of money over a sustained period of time that will probably be required to make the Enterprise Development Corporation fully viable.

No specific figures on the Government's current financial status were available, nor was information on the relative priority of funding the EDC versus other deserving projects and proposals that may also come before the Government at the same time. Several people outside of government with whom we held discussions described the Government's present financial condition, however, as constrained. They expressed some doubt that the Government would be able to assume the entire cost of running the two centers for six to twelve months under the EDC. Thus, while the Government has been strongly committed to the YDP and may provide significant financial support to the EDC, it remains uncertain whether it would be able to provide the full amount that may be required to keep the EDC operational.

IV. THE ACHIEVEMENTS OF THE YDP AND THE PROMISE OF THE EDC

Looking back on the St. Lucia Youth Development Programme, as it nears the end of its fourth and final year, the record of accomplishment is a complex one. Measured against the original goal of training a thousand St. Lucian youth in employment-related skills, the project has fallen very short. Under a hundred have been trained, and few have or will be able to find adequate employment outside the program to apply their new skills.

Yet in retrospect it is evident that the original strategy for reducing youth unemployment was a problematic one. The numerical goal of a thousand trainees was not itself the troublesome element. Whether 1,000 or the 100 youth that it finally did train, it was the YDP's original goal of training for outside employment that was, for all practical purposes, not realizable. With a total labor force of only 50,000 and a youth unemployment rate near 40 percent throughout the period of the project, employment niches for 1000 or even 100 newly trained youth were certain to be disappointingly few. The programmatic goal of training for outside employment was thus a problematic one from the outset.

Nobody with whom we talked during either the mid-term or final evaluation would take issue with the clear implication: unless the YDP was training St. Lucian youth for self-employment, it was training them for for nothing. The reality of this conclusion has been evident to no one more starkly than the graduates of the program. All reported they could expect to find no skills-related employment outside the centers; none could think of any fellow alumni who had. A team of specialists who examined the St. Lucian labor market in 1981 reached an identical conclusion. The found that "probably the only way to go right now in St. Lucia to help the unemployment problem" was through the generation of opportunity for self-employment [11].

All parties to the Youth Development Programme recognized the neccessity of redirecting the project from youth training for employment to youth training for self-employment. Fortunately, the Government of St. Lucia, USAID, and NOSR reached early agreement on this point. Less certain has been the specific form the self-employment should take. Without a prior plan, YDP has of necessity been forced to improvise and inductively develop an appropriate solution. Transformation of the two training centers into private not-for-profit enterprises has emerged ahead of many alternative possibilities as <u>the</u> solution, and here too the three parties are in agreement about the appropriateness of the course. The present evaluation concurs in this conclusion.

In redirecting the work of the project, however, invaluable time was lost. It was only in early 1983 that transformation of the centers from training institutions to productive enterprises was commenced in earnest. The full start-up of a new enterprise can typically require from two to five years, and the YDP is thus launched on a very late start. By beginning the process with only eighteen months until the end of USAID funding, it is not surprising that they are still far from the break-even point.

Yet there must be reasonable promise that the centers will eventually become self-sustaining under the Enterprise Development Corporation if the project is to be judged a success. In transforming the program into one of youth training for self-employment, very little has been achieved if only the training has been accomplished. Training has become the necessary but not sufficient condition for project achievement. The sufficient condition is now the permanent creation of a viable Enterprise Development Corporation.

The basic foundation of the EDC has been effectively established by the YDP. Two nascent enterprises are in the making. The youth associated with both are relatively well-trained; each is under the guidance of an experienced management team; their products appear commerically viable; considerable potential for expanded product sales exists; the enterprises' activities are central to national development goals; and the objectives of the enterprises are strongly supported by those at the seniormost levels of the public and private sectors.

The centers are certainly not yet viable self-sufficient enterprises, however, and they almost certainly will not be on July 1. The income earned by the sales of the Dennery center during the past five month would have to be increased more than five-fold if income is to equal expenses; sales income of the Choiseul center must increase more than ten-fold if it is to break-even. Moreover, the future of the managements of the two centers is uncertain. When it assumes authority in July, the Enterprise Development Board could therefore be confronted by immediate financial and managerial problems of the first magnitude. Yet, as presently envisaged, the Board will have no full-time staff of its own to tackle the problems.

The success of the Youth Development Programme thus hangs in balance. If the managerial and financial problems can be largely resolved in the few months remaining so that the EDC takes over two potentially solvent and well managed operations, the record of accomplishment will be considerable. It would read: despite trying economic circumstances, YDP created two viable not-for-profit enterprises which provide employment to fifty or more otherwise unemployable youth, and which manufactures products vital to the island's development. If the problems cannot be solved, the record will read: after investing well over three-quarters of a million (U.S.) dollars, a hundred St. Lucia youth have been trained for largely non-existent jobs.

Actions by the National Office for Social Responsibility, the U.S. Agency for International Development, and the Government of St. Lucia in the months ahead will be decisive in determining how this final record may read. We conclude this report with identification of the actions which, if taken, could help ensure the viability of the EDC and therefore the ultimate success of the YDP.

Four actions by NOSR would contribute significantly to the prospects of making the EDC a viable entity:

<u>Marketing Center Products</u>. Continued emphasis on expansion of the sales of the two center's products is essential for cutting the monthly operating losses as much as possible.

Center Management. Further strengthening of the management of the centers, especially Choiseul, is needed if they are to function effectively in an autonomous fashion, as is planned, under the EDC. The future of the general manager of the Dennery center needs early resolution.

Financing the EDC. A timely and substantial request for underwriting by the Government of St. Lucia would, if successful, provide the financial backing that is needed if the EDC to be more than stillborn in July. Alternative external sources of funding, such at the Commonwealth Fund for Technical Cooperation, could be fruitfully explored as well.

Managing the EDC. The development of a plan for supporting a full-time executive director for the EDC, for at least the first year of the EDC's existence, would considerably enhance the ability of the EDC Board to give direction and leadership to the two enterprises during their most trying period. It might be useful to obtain funding for this position apart from any direct support provided by the Government.

The action of the Government of St. Lucia upon which the future of the entire effort hinges is clear: substantial financial underwriting of the EDC. The minimum monthly amount could range as high as $20,000 to $30,000 or even more. While more problematic than any other action by any of the parties, it is also the most important. If USAID continues the kind of facilitating role that it has played in recent months, it is possible that all of the elements may fall in place for an effective launching of the EDC on July 1. If so, the Youth Development Programme will have made a major contribution to the social and economic development of St. Lucia.

NOTES

1. Ministry of Finance, Planning and Statistics, Economic Review 1982, March, 1983; Government of St. Lucia, Annual Statistical Digest, 1982, April, 1983.

2. Michael Useem, Evaluation of St. Lucia Youth Development Program, February, 1983.

3. The handicrafts center had been temporarily closed because of fund shortages in mid-February, and had not yet been reopened at the time of the evaluation visit. Useem met at great length with the manager of the Choiseul center, Mr. Anthony Herman, and with the other staff member of the center, Ms. Francita Mitchel. He had visited the center for a day during the mid-term evaluation.

4. Interviews and discussions were held with the following individuals:

Youth Development Programme

Gordon Kunde, General Manager
Rene Cenac, Administrative Assistant

Vernon Warner, Agro-processing center manager
Luke James, Agro-processing assistant manager
Monica Mathews, Agro-processing production supervisor
Jennifer Leonard, Agro-processing stock supervisor
Henry Lubin, Agro-processing chief instructor (on loan from the Ministry of Agriculture)
Mrs. Ambroise, Agro-processing instructor and former manager (on loan from the Ministry of Agriculture)

Anthony Herman, Handicrafts center manager
Francita Mitchel, Handicrafts staff

Ministry for Community Development, Social Affairs, Youth, Sports, and Local Government

Hon. Romanus Lansiquot, Minister
Mrs. Aidth Isaac, Permanent Secretary

Ministry of Finance and Planning

George Jude, Economic Planning Officer

Ministry of Education

Nicholas Frederick, Permanent Secretary

St. Lucia Development Bank

George Theophilus, Managing Director

St. Lucia National Development Corporation

Simeon Sealy, Investment Promotion Officer

St. Lucia Tourist Board

Peter Bergasse, Chairman
Maria Laville, Director of Tourism

St. Lucia Association of Partners of the Americas

Lee Lancaster, Program Coordinator, Caribbean Marketing Assistance Program

Coopers and Lybrand, Project Development Assistance Program

Andrew Proctor, Advisor

St. Lucia Chamber of Commerce

Geoffrey C. Devaux, Chartered Accountant

Legal Counsel to Youth Development Programme

Primrose Bledman, Attorney

5. Ellen M. Bussey, Norene Halvonik, Toni Christiansen-Wagner, and Allan Broehl, Labor Market Analysis for St. Lucia as Related to the Proposed Caribbean Regional Youth Employment and Skills Training Project, October, 1981; Ministry of Finance, Planning and Statistics, Economic Review 1982, March, 1983; Government of St. Lucia, Annual Statistical Digest, 1982, April, 1983.

6. All monetary figures are in EC dollars except where otherwise indicated.

7. St. Lucia Youth Development Programme quarterly reports for October, November, December, 1983, and for January, February, March, 1984.

8. USAID approval appears in Amendment No. 5 to the NOSR grant; Government of St. Lucia approval is extended in a letter of March 1, 1984 from Hon.

Romanus Lansiquot, Minister of Community Development, to Mr. William B. Wheeler, USAID.

9. "Plan for Converting St. Lucia Training Centers to Privately-Owned Commercial Enterprises," submitted by NOSR to USAID on October 26, 1983; "Memorandum of Association of the St. Lucian Enterprise Development Corporation, Ltd.," prepared for NOSR by Mr. Primrose Bledman, Esq., outside counsel for NOSR.

10. "Memorandum of Association of the St. Lucian Enterprise Development Corporation, Ltd.," p. 1.

11. Ellen M. Bussey et al., Labor Market Analysis for St. Lucia..., op. cit.