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**PRIME MINISTER GONSALVES TO SIGN TWO LOAN AGREEMENTS WITH THE
WORLD BANK**

Kingstown-St. Vincent and the Grenadines, June 15th 2017: Prime Minister and Minister of Finance, Hon. Dr. Ralph Gonsalves, will today, sign on behalf of the Government of St. Vincent and the Grenadines, two loan agreements with Ms. Tahseen Sayeed, - World Bank's Country Director for the Caribbean.

Both agreements were approved by the World Bank's Board of Executive Directors in May, 2017. Both loans provide financial resources from the Bank to address critical constraints in human development and in the agriculture sector.

The first loan is a human Development Service Delivery Project in an amount of US\$10.7 million, to be financed fully by an IDA Credit to the government. No co-financing is required, but the Government of Saint Vincent and the Grenadines will provide in-kind contribution to support the successful execution of the project. The project will be implemented over a five year period commencing 2017. The project is expected to commence in earnest by August 2017, following the recruitment of key project staff (including Project Coordinator, TVET Programme Manager, and the establishment of the project steering committee.

Project Objectives

This project is designed to strengthen the quality of service delivery in education, improve the efficiency of social protection systems, and improve the effectiveness of labour market systems in Saint Vincent and the Grenadines.

The project is structured around four components. The first component will provide support for pedagogy for basic education teachers. The second component will build responsive social protection service delivery systems, and the third component will strengthen labour market systems for improved skills training of poor and vulnerable populations. The fourth component will support project implementation, monitoring and evaluation.

Project Components	US\$ M
1. Strengthening pedagogy for basic and special needs education	\$2.16
<i>1.1 Strengthening teaching capacity</i>	<i>\$1.81</i>
<i>1.2 Developing capacity of school leaders to support</i>	<i>\$0.35</i>

Project Components	US\$ M
<i>teachers in improving pedagogy</i>	
2. Building Responsive Social Protection Service Delivery Systems	\$3.46
2.1 Support in Completing an Enhanced Country Poverty Assessment (eCPA)	\$0.80
2.2 Support in Strengthening the SP System (MONM)	\$2.66
3. Strengthening Labour Market Systems and Improving Skills Training of Poor and Vulnerable Populations	\$3.84
3.1 Support in Strengthening TVET Certification Framework	\$3.32
3.2 Support in Strengthening of Labour Legislative Framework	\$0.52
4. Project Implementation Support	\$1.24
Total Cost	\$10.7

Agriculture Competitiveness Project

The second loan Agreement is the OECS Agriculture Competitiveness Project, which will be implemented in Saint Vincent and the Grenadines and Grenada. The total cost of the Saint Vincent and the Grenadines' project is US\$4.30 million and is 100% Bank funded by an IDA Credit with no co-financing required. However, as part of the project implementation modality, counterpart funding will be provided from key beneficiaries of approximately US\$0.72 million. The overall total project cost is projected to be US\$5.02 million. The government will also provide in-kind contribution to support the successful implementation of the project.

The overall objective of the project is to enhance access to markets and sales for competitively selected farmers and fisher-folk (FF), as well as their allied aggregators and agro-processors (AA) in Saint Vincent and the Grenadines. The main project beneficiaries include:

- (i) Small-scale individual or organized farmers and fisher-folk (FFs).
- (ii) Aggregators and agro-processors (AAs), including: (a) producer organizations (associations, cooperatives or similar formal organizations with legal standing); and (b) SMEs, such as wholesalers, traders, lead farmers (with legal standing to act as aggregator), and industrial agro-processors.
- (iii) The extension staff of the Ministry of Agriculture will benefit through capacity building.

Project components	IDA Credit	Beneficiaries' contribution	Total costs
ST. VINCENT & THE GRENADINES			
1. Support for Preparation of Business Plans	0.43		0.43
2. Implementation of Business Plans	2.73	0.72	3.45
3. General Agricultural Services and Enabling Environment	0.36		0.36
4. Project Management, Monitoring, and Evaluation	0.78		0.78
<i>Subtotal</i>	4.30	0.72	5.02
TOTAL PROJECT COSTS	4.30	0.72	5.02

Prime Minister Gonsalves and Ms Sayeed will sign the agreements in Cabinet Room at 10:00 a.m. on Thursday, 15th June 2017.

Media Houses are invited to cover same.

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