

COUNTRY POVERTY ASSESSMENT

EXECUTIVE SUMMARY

The Country Poverty Assessment (CPA) of St. Vincent and the Grenadines was undertaken to assess the current conditions affecting the welfare of people, and to recommend policies, strategies, action programmes and projects that would reduce the extent and severity of poverty. The present study has to be seen against the poverty assessment exercise which was conducted in 1996. Although the methodology utilised in the present study has been significantly updated, there is enough similarity to allow for comparisons between the two studies. The present study was funded by the European Union (EU), the United Nations Development Programme (UNDP) and the Government of St. Vincent and the Grenadines (GoSVG).

A National Assessment Team comprised of nationals of St. Vincent and the Grenadines and the Team of Consultants collaborated in the exercise. The CPA was comprised of four core components:

1. A National Survey of Living Conditions/Household Budgetary Survey (SLC/HBS);
2. A Participatory Poverty Assessment (PPA);
3. An Institutional Analysis (IA); and
4. A Poverty Mapping Exercise

A sample of 4.4 percent of the population was surveyed during the SLC/HBS. The PPA involved sixteen communities across the islands, and some 57 institutions were visited in the course of the IA.

Poverty is fundamentally about deprivation and can be defined as any situation in which an individual, a group, or community possesses less than some standard of living that is deemed generally as acceptable. The poverty line is a monetary measure of the minimum annual consumption expenditure, in dollar terms, that is needed to meet the basic food and non-food requirements of an average adult, at prevailing prices.

It is constructed by first establishing an *indigence line* or *food poverty line* which establishes what is the minimum expenditure required to maintain good bodily health on the part of the individual. This was estimated to be EC\$2446 per adult per annum or EC\$6.70 per adult per day. Secondly, an allocation for non-food requirements was

derived by taking the reciprocal of the food share of the two poorest quintiles, which was added to the indigence line, to arrive at the *poverty line*. This established a poverty line of EC\$5523 per annum per adult or EC\$15.13 per day. The *vulnerability line*, which is set at 1.25 times the poverty line (or 25% above it), measures the number of persons who may be above the poverty line (not poor), but are at risk of falling into poverty, as result of economic shocks or other types of disruption. The vulnerability line was EC\$6,904 per adult per annum or EC\$18.91 per adult per day.

The difficulties that the country has had in its programme of poverty reduction has to be seen against the decline in the banana industry in the latter years of the 20th century as a new regime was put in place in the main export market and as the rules of World Trade Organisation (WTO) became operative and the protection enjoyed was removed. The other sectors providing sources of earning foreign exchange were faced with difficulties also. Light manufacturing suffered as North American Free Trade Area was established. Offshore Financial Services in the Caribbean came under attack from the Organisation for Economic Co-operation and Development (OECD) countries. Tourism was buoyant from time to time but the sector is small relative to the rest of the economy of St. Vincent and the Grenadines.

In spite of the difficulties over the period 1995/96 - 2007/08, poverty seems to have fallen and indigence, even more so. This is seen in Table 1.

TABLE 1: COMPARISON OF 1995/96 AND 2007/08 POVERTY RATES

Poverty Indicators (1996 and 2007/08 Compared)	St. Vincent and the Grenadines	
	% Individuals 1995/96	% Individuals 2007/08
Poverty Headcount Index	37.5	30.2
Indigence Level	25.7	2.9
Vulnerability Level	n/a	48.2

Inequality, as measured by the Gini coefficient, fell from 0.56 to 0.402. As much as 44.3 percent of residents felt that conditions had worsened compared to the previous year, which might be explained in the context of the escalation of prices of basic food and energy that took place toward the end of 2007 and early 2008.

Comparisons between the two indigence estimates are methodologically more easily sustainable than between the poverty estimates. Even if there is debate over the percentage poor, there are other data that point to the improvement in living conditions. This is seen in Tables 2 and 3.

TABLE 2: CHARACTERISTICS OF HOUSEHOLDS BY CONSUMPTION QUINTILES 1995/96

Household Characteristics	ALL SVG	Per Capita Consumption Quintiles				
		I Lowest	II	III	IV	V Highest
Area:						
Urban-Percentage Residing	39.2	26.7	37.3	34.9	44.5	45.7
Rural-Percentage Residing	60.8	73.3	62.7	65.1	55.5	54.3
Sex of Head of Household:						
Male	56.0	46.7	57.8	45.8	60.0	63.6
Female	44.0	53.3	42.2	54.2	40.0	36.4
Average:						
Age of Head	47.2	46.4	47.8	49.6	45.5	47.5
Size of Household	4.1	5.3	4.8	4.8	3.6	3.0
Number of Children ¹	1.7	1.8	1.9	1.3	1.5	1.9
Persons per Bedroom	1.9	2.9	2.2	2.2	1.6	1.2
Number of Earners	1.1	1.2	1.0	1.0	1.2	1.2
Pit Latrines or Worse (%)	58.8	82.3	70.8	61.4	49.9	29.01
Electricity (%)	76.3	55.2	80.2	78.1	80.2	87.5

Source: St. Vincent and the Grenadines National Survey of Living Conditions, 1995

TABLE 3: CHARACTERISTICS OF HOUSEHOLDS BY CONSUMPTION QUINTILES 2007/08

Household Characteristics	ALL SVG	Per Capita Consumption Quintiles				
		I Lowest	II	III	IV	V Highest
Urban Percentage-Residing	51.1	47.1	40.5	52.2	55.1	60.3
Rural Percentage-Residing	48.9	52.9	59.5	47.8	44.9	39.7
Sex of Head of Household						
Male	47.9	50.6	46.1	47.3	46.5	49.0
Female	52.1	49.4	53.9	52.7	53.5	51.0
Average						
Age of Head	52	50	50	51	51	54
Size of Household	3.5	5.1	4.4	3.0	2.4	2.4
Number of Children Under 17	2.12	2.74	2.17	1.82	1.51	1.61
Persons per Bedroom	1.46	2.32	1.77	1.34	1.02	0.87
Number of Earners	1.66	1.89	1.74	1.67	1.46	1.47
% with:						
Pit Latrines or Worse (%)	31.2	54.4	41.5	28.2	22.1	9.6
Electricity (%)	88.8	78.6	92.0	89.7	91.2	92.6

¹ Less than age 17 years old

In the matter of the Millennium Development Goals, the country has made progress but lags behind its neighbours in respect of the Human Development Index. This can be seen in Table 4.

TABLE 4: COMPARABLE PERFORMANCE ON HDI BY OECS AND OTHER SELECTED CARIBBEAN COUNTRIES

Country	HDI Rank 2008
Barbados	37
Cuba	48
Bahamas	49
Trinidad and Tobago	57
Antigua and Barbuda	59
St Kitts /Nevis	60
St Lucia	66
Dominica	77
Grenada	86
Jamaica	87
Belize	88
Suriname	89
St. Vincent and the Grenadines	92

Source: UNDP Statistical Update Dec 2008, available at <http://hdr.undp.org/en/statistics/>

In terms of the geography of poverty, the Georgetown and Sandy Bay census divisions, which together comprised 9.0 percent of the population, accounted for as much as 16.5 percent of the poor. At the same time information from the PPA show that Bottle and Glass in the Barrouallie census division is also a community in which there are significant levels of poverty.

The study found that there were also high levels of unemployment and underemployment. There is evidence, from the PPA, that some sections of the labour force have opted out of the formal labour market in favour of the underground economy. In one village, it was remarked:

“Everybody here growing weed.”

“Nuff man a head to the mountain to plant ganja. That what they survive on.”

“If ganja wasn’t planting, nuff poverty would ah been here.”

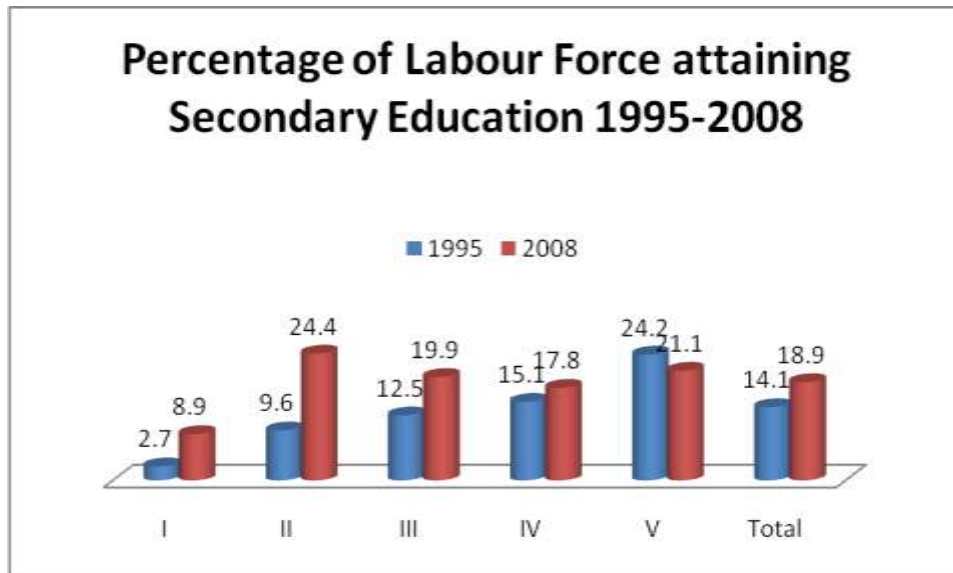
“Once I get a bag of weed I can hustle it and make a dollar.”

The labour market was also segmented by sex, with implications for single headed households with females at the head. The majority of those in the lowest quintile were in elementary occupations, or work intermittently in the informal sector.

There were a number of subsidies in place, especially in the education system. By and large, there seemed to be some effort at targeting. In respect of school feeding, persons in receipt increased with declining socio-economic status, and the higher the quintile, the less likely that persons might have availed themselves of the meal service. Assistance with school books was also targeted at the poor.

In such areas as education and housing, there was major advance over the period. Secondary education was the area that attracted considerable investment and the impact is visible across the quintiles. This can be seen in Figure 1, which compares 1995/96 and 2007/08.

FIGURE 1: PERCENT OF LABOUR FORCE ATTAINING SECONDARY EDUCATION 1995/96 AND 2007/08



Box 1 summarises the main poverty indicators for 2007/08.

BOX 1: SUMMARY INDICATORS OF LIVING CONDITIONS IN ST. VINCENT AND THE GRENADINES (2007/08)

- *The annual Indigence Line and Poverty Line were estimated at EC\$2,445 and EC\$5,523 per adult respectively, in 2008.*
- *The Vulnerability line set (25 percent above the poverty line) was EC\$6,904 per adult per annum.*
- *30.2 percent of the population was deemed to be poor in 2008, and 2.9 percent was deemed to be indigent.*
- *An additional 18 percent, though not poor, were deemed vulnerable (defined as being at risk of falling into poverty in face of economic shock, or other disaster): altogether 48.2 percent of the population was below the vulnerability line.*
- *The highest incidence of poverty was found in the Georgetown/Sandy Bay Census Division – 55.6 percent of residents in this district were deemed to be poor.*
- *The lowest incidence of poverty was found in North Grenadines – 12.0 percent of residents in this district were deemed to be poor.*
- *The Poverty gap index for the country was 7.5.*
- *The Gini coefficient of inequality was estimated to be 0.4023.*
- *The richest 10 percent of the population accounted for 33.8 percent of total consumption expenditure, while the poorest 10 percent accounted for a mere 2.8 percent of total consumption.*
- *The lowest quintile allocated 45.1 percent of their expenditure on average to food; compared to the national mean of 35.4 percent.*
- *25.9 percent of household heads rated their social and economic circumstances as either “a little better” or “much better” at the time of survey compared to the year before; 44.3 percent felt that conditions had worsened.*
- *40 percent of individuals in the lowest quintile rated themselves as poor.*
- *Compared to 1995/96, the average age of heads of households had increased; the average size of household had fallen, the number of persons per bedroom had fallen; and the number of earners had increased. The percentage of households with pit latrines or worse had fallen: representing a significant improvement in socio-economic conditions.*
- *The national unemployment rate was 18.8 percent, but the unemployment rate of the poor was 25.3 percent.*
- *In the lowest quintile, as much as 28.2 percent of individuals were employed in elementary occupations.*
- *More than half of all labour force participants in the 15-19 age cohort came from the two lowest quintiles, suggesting that a greater premium was set on labour market participation than on education and training. In the lowest quintile, 79.5 percent of males in the labour force had passed no examination.*
- *16 percent of the population reported suffering from chronic lifestyle diseases. 49.3 percent of women had their first pregnancy between 15-19 years of age: of these 2.5 percent had their first child before their 15th birthday.*

The three elements of the assessment, one quantitative and other two qualitative, found broadly similar and consistent results. These are listed under some key headings and presented in Table 5.

TABLE 5: POVERTY AND LIVING CONDITIONS - TRIANGULATION OF THE FINDINGS OF THE ASSESSMENT

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Measured Poverty	<ul style="list-style-type: none"> Poverty rate estimated at 30.2 percent. Calliaqua accounted for most of the poor (19.9%), followed by Georgetown/ Sandy Bay (16.5%). The Grenadines accounted for 3.7 percent of the poor. 	<p>Most communities participating in the PPA were aware of poverty in their midst.</p>	<ul style="list-style-type: none"> Most institutions were aware of poverty in the country and those engaged in the delivery of social services attempted to target the poor. Social services agencies sensed that their resources were inadequate in the face of the challenges faced.
Perceptions of Poverty	<ul style="list-style-type: none"> Self assessed poverty: Following a year of escalating food and energy prices, as much as 44.3 percent of residents felt that conditions had worsened when compared to the previous year. Only 40 percent of those in the poorest quintile rated themselves as poor. 	<ul style="list-style-type: none"> Perceptions and experience with poverty differ by gender and population subgroup. Men generally viewed poverty in relation to their role as breadwinner and provider for their families. For men poverty is: "Struggling to make a living"; "No job, no money so can't provide." "Money is power and if you poor and have no money you powerless" Women generally viewed poverty as an inability to provide food and other basic needs for their children and family. Several women shared the perception that being in situations of poverty led them to be taken advantage of by men. Some of the women said poverty is: "not being able to provide for my children"; "when you don't have a dollar to pay the bills, send the children to school or to give them to buy lunch"; "doing anything you have to get something for your children – even having sex for money". The Youth participants generally said that they get support from their parents, but that being poor does expose them to various risks including involvement in illegal activities and risky sexual behaviours." 	<ul style="list-style-type: none"> The Ministry of National Mobilisation, Social Development, Gender Affairs, Non Governmental Organisational Relations, Persons with disabilities, Youth and Sports is the primary agency of the State with programmes for the Poor and Vulnerable, and cooperates with NGO Community in that regard. They evaluate cases of need on an individual basis. Marion House caters to poor and vulnerable children and other groups; Lewis Punnett Home and Thompson Home provide shelter for the Elderly.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Employment/ Unemployment	<ul style="list-style-type: none"> • Overall 18.8 percent of labour force participants were unemployed. The unemployment rate in the poorest quintile was 23.7 percent. • In the lowest quintile, 28.2 percent were engaged in elementary occupations. • About 15 percent of the labour force was subject to underemployment (defined as working less than 35 hours per week). 	<ul style="list-style-type: none"> • Community members shared the overall view that job opportunities are too few and wages are too low. Many persons admitted that they lacked the skills to get better paying jobs, but even those who did have skills did not appear to have the entrepreneurial drive to use their skills to become self employed. • There is segmentation in the labour market along gender lines: women feel that they do not have "equal opportunities with men ". 	<ul style="list-style-type: none"> • Department of Labour: Employment Unit has not had much success in placing ex-farmers into other jobs, due to the limited availability of jobs in other sectors. • Canadian Farm Labour Programme absorbs about 200 persons per annum. • There is evidence of gender segmentation of labour market – men in construction, women in hotels and restaurants.
Education	<ul style="list-style-type: none"> • Adult literacy is estimated to be 84 percent, with younger generations having higher literacy rates than their parents. • Household heads are more educated – 8.6 percent of household heads had received training above the secondary level (post secondary and university) in 2007, compared to 3.2 percent of heads in 1995. 	<ul style="list-style-type: none"> • People generally supported the view that education was important and provided the main opportunity for exit out of poverty. • "Education is a way out of poverty"; "without education you can't move out of poverty"; and "people are more aware of the value of early childhood education". • At the same time, it was widely felt that not enough persons take advantage of the opportunities being provided. Some parents admitted that they cannot always afford to send their children to school every day. 	<ul style="list-style-type: none"> • The Government has invested heavily in Information Technology and Education. Beginning with Early Childhood Education, all levels of the school system are being upgraded. Programmes at the Community College have been expanded and adult continuing education is now widely available across the country. Additionally the teaching of foreign languages has been introduced at the primary level. • Education accounts for about 20 percent of recurrent government expenditure. • There is some concern about male under-performance in the classroom.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Health/Chronic Diseases/HIV/AIDS	<ul style="list-style-type: none"> • 12.7 percent of males and 15.6 percent of females reported suffering from chronic lifestyle diseases, including hypertension, diabetes, obesity and cancers. • Most persons choose to visit a public health clinic or public hospital for medical attention when ill, irrespective of sex, or socioeconomic status. • The service at Public Health facilities is generally regarded as satisfactory (88.5 percent of respondents), except that the wait time could tend to be somewhat long. • Only 9.4 percent of the population reported being covered by health insurance. 	<ul style="list-style-type: none"> • Chronic diseases appear to be very prevalent across communities. Health centres offer a wide range of services and most people rely on these services. Persons generally regarded the service at these health centres to be “good”, but there are some concerns with the long wait times that are often necessary. • “Sometimes you have to wait long to see the doctor” 	<ul style="list-style-type: none"> • Primary health facilities are well distributed across the country. • In 2006 the Nutrition Support Programme reached over 9,000 primary and pre-primary children through School Feeding Programme and another 1,000 through the Supplemental Feeding Programme in child clinics. • The widespread abuse of drugs has resulted in the need for psychiatric services which are beyond the scope offered by the Ministry of Health. • Information from National Insurance Services suggests that over 900 persons on file died as a result of HIV/AIDS related complications, since official recognition of the presence of the disease in SVG..
Disability	No data in SLC	<ul style="list-style-type: none"> • Community Groups were unanimous that PWDs were among the more vulnerable in society, especially among poorer families. • Many persons with disabilities did confirm that they receive financial assistance from the State. • Some persons expressed concern over the lack of facilities to deal with or to treat a wide range of disabilities. 	<ul style="list-style-type: none"> • National Society of Persons with Disabilities: Integration of persons with disabilities into the mainstream of education system, and encouragement of business among PWDs.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Remittances	<ul style="list-style-type: none"> Remittances accounted for 28.8 percent of all income to households in the lowest quintile and 22.1 percent of households incomes overall. 	<ul style="list-style-type: none"> Several of the communities including Greiggs, Paul's Avenue, Layou said they were heavily reliant on remittances – including money, foodstuffs and clothing. "If it wasn't for relatives in Tortola, dog better than we." "Plenty barrels does come with food and clothes at Christmas." "Thank God for good family and friends overseas" 	<ul style="list-style-type: none"> Chamber of Commerce sensitive to impact of remittances in driving domestic economic activity.
Physical Living Conditions	<ul style="list-style-type: none"> Just under 70 percent of households had supply of water seven days per week. However, only 36 percent of households in the Grenadines had seven day supply from public sources. About 85 percent of the population has access to electricity from a public source, and in the lowest quintile, 77.5 percent used electricity. The vast majority of households used Gas/LPG for cooking: 94.3 percent of those in the lowest quintile using this fuel. Only 1.8 percent of households used coal or wood. 	<ul style="list-style-type: none"> There is a good road network in most communities as a result of large scale road improvement and re-surfacing projects, but some roads are still to be outfitted with streetlights. Public utilities are widely available but accessibility is limited because of the high cost. In some communities residents said that they share electricity with neighbours. "Some people don't have electricity because they can't afford to buy the pole"; "Is a struggle to pay utility bills". Housing is substandard in some especially less urban communities, many of which do not have proper toilet facilities. Examples include Paul's Avenue, Ottley Hall and Fitzhuges. 	<ul style="list-style-type: none"> Central Water and Sewerage Authority estimates that about 96 percent of population of largest island the island of St. Vincent has access to safe supply of water. According to the Solid Waste Management Unit there is 100 percent coverage in terms of garbage collection, There is a "Culture of Littering", and the Solid Waste Management Unit does not appear to have the power to enforce the Litter Act of 1991. Some communities have benefitted from Government housing projects and other projects funded under the Basic Needs Programme.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Crime /Substance Abuse	<ul style="list-style-type: none"> • Overall, 1.9 percent of individuals reported having been victims of crime. • Stealing/robbery was the most common reported crime. 	<ul style="list-style-type: none"> • Some communities are characterised by a subculture of crime, drug trafficking, and gun-related violence. • Some residents admitted that marijuana cultivation is a common (though illegal) activity, that is of economic importance to the communities. • Others in the communities saw the negative impact of these activities: • “Too many rum drinkers and drug pushers.” • “Too many young children smoking.” • Alcoholism was also identified as a major problem in many communities. There was a specific concern about the impact that it has on relationships and family life. 	<ul style="list-style-type: none"> • The police recognise that there is a “culture of violence” in society today. In particular, they face a major challenge in controlling the “Hills” in St. Vincent. • The upsurge in use and transshipment of cocaine along a number of isolated beaches is difficult to patrol and monitor without helicopters. More resources are needed to deal with ‘scourge’ of marijuana cultivation. • Marion House runs a Chemical Dependency Programme, which has made some headway in helping persons who are dealing with issues of alcoholism and drug abuse.
Teenage Pregnancy	<ul style="list-style-type: none"> • Nearly 50 percent of females reported having had their first birth between the ages of 15-19. • The percentage of women having their first birth during their teenage years declined as socio-economic status improved from 60.2 percent in the lowest quintile to 30.1 percent in the highest quintile. • Of these, as many as 8.5 percent of those in the lowest quintile reported that they had their first birth when they were under the age of 15. 	<ul style="list-style-type: none"> • Discussions with a number of School Principals and the records from a selection of secondary schools confirm that teenage girls generally become pregnant for older men rather than younger men; and their mothers appear to approve and/or encourage this type of activity in order to supplement household income. Many of these girls are under the age of 15. 	<ul style="list-style-type: none"> • Police: Sexual offences have become prominent, and victims are mainly children. Mothers prepared to protect step-father abusers to protect source of income. • Marion House: Youth Parents Programme; • The Ministry of National Mobilisation, Social Development, Gender Affairs, Non Governmental Organisational Relations, Persons with disabilities, Youth and Sports: Programme for Teen Mothers Returning to School.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Gender Inequity	<ul style="list-style-type: none"> • SLC shows gender segmentation of labour market: Women need much higher levels of education to compensate for the segmentation and inherent bias in the labour market. • Female headed households likely to be poorer. 	<ul style="list-style-type: none"> • PPA shows gendered nature of family responsibilities. • “Running from man to man in order to maintain your family.” • “If a man say not to use contraceptives you don't cause he providing the money.” • “Even if you working, he make more than you.” 	<ul style="list-style-type: none"> • Department of Labour: Oversight of the world of work. • No formal legislation in place to deal with gender discrimination.
Natural Disaster	<ul style="list-style-type: none"> • n/a 	<ul style="list-style-type: none"> • PPA showed that some households got emergency assistance after hurricanes • Coastal erosion exacerbated by sand mining in Grenadines 	<ul style="list-style-type: none"> • The response to disasters is based on an inter-departmental approach. In the case of hurricanes. • The Ministries of Agriculture, Works and Transport, and Housing work alongside NEMO. • The Red Cross and community churches also provide support. • NEMO and the Ministry of National Mobilisation, Social Development, Gender Affairs, Non Governmental Organisational Relations, Persons with disabilities, Youth and Sports both offer assistance in the form of housing materials, in the case of major disasters. But funding for these programmes is on a case by case basis. • Those in informal settlements do not receive assistance to restore housing, however in some instances provision is made for resettlement.

Issues of Poverty and Living Conditions	SLC/HBS	Participatory Poverty Assessment	Institutional Assessment
Democracy and governance	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> The previously physically and psychologically isolated groups in remote districts such as Sandy Bay and the islands of the Grenadines are being seen to be brought into the fold by improvements in physical infrastructure and technology penetration. 	<ul style="list-style-type: none"> There is no local government serving the islands of the Grenadines; governance is centralised on the mainland.
Economic and social structural change and poverty	<ul style="list-style-type: none"> Poverty and indigence levels have fallen; comparative social indicators show improvement in living conditions. 	<ul style="list-style-type: none"> Progress in the form of improvements in physical infrastructure and access to public services and facilities has been marred by degeneration of family values, and the rise of crime, drug use, drug abuse and drug trafficking. The community spirit is said to be dwindling. 	<ul style="list-style-type: none"> A number of Government agencies and a range of NGOs and CBOs involved in contributing to poverty reduction. Social challenges dwarf resources available.
Causes of poverty	<ul style="list-style-type: none"> Logistic regression suggests association of household size, level of education, sector of employment, and employment level. 	<ul style="list-style-type: none"> Lack of job opportunities, jobs and money Low wages Low levels of education and skill 	<ul style="list-style-type: none"> Government agencies involved in social sectors and NGOs continue to work towards reducing poverty and inequality.
Current policies and programmes in social protection	<ul style="list-style-type: none"> School Meals and Textbooks: It would appear that in spite of the support that has been introduced in recent years there were children in the lower socioeconomic groups who did not attend school every day. 	<ul style="list-style-type: none"> The State has a number of Programmes targeted at different sub-population groups, and access to these sources of assistance is usually based on specific criteria. NGOs (such as the Red Cross), FBOs (such as churches) provide assistance to needy individuals, in the form of donations mainly of food and clothing. 	<ul style="list-style-type: none"> There are a number of transfers and subsidies available to those in need of some support. There is a School Book and Uniform Programme in schools. A number of NGOs, CBOs and FBOs get subventions from the State, which help in achieving their objectives or carrying out their respective mandates.
Donor agencies and pro-poor interventions	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> A number of communities were aware of external support for programmes. 	<ul style="list-style-type: none"> External support for programme initiatives in infrastructure and micro enterprises has been available. Agencies involved were CDB with BNTF, EU with SIF and UNDP

Given the level of poverty discovered and the constraints faced by the country and the Government, amidst a world economic crisis, it is recommended that it strengthen its policies relating to:

- Programmes designed to expand the economy in areas where St. Vincent and the Grenadines can develop competitive exports of goods and services;
- Management of fiscal debt within the limits set by the ECCB;
- The improvement of fiscal operations to secure adequate resources to sustain the expansion of the physical and social infrastructure of the country as the platform for growth;
- The promotion of micro-enterprises and SMEs as the foundation of private sector development with wide participation of the national community in entrepreneurial endeavour;
- The continued expansion of such social infrastructure as housing for low income families, education and training, adult education, preschools, and wide exposure to information technology;
- The development and maintenance of a transfer budget to be used in targeting the poorest of the poor, including addressing cohort and gender specific vulnerability, and in providing social protection for those in need and, in particular, for those who have no other recourse but to rely on transfers from the state and other stakeholder in the country: coordination among agencies on a social benefits registry would ensure rationalisation of resources; and
- Creation of an environment in which citizens of the country can employ their talents at all times in developing their country, and in realising their potential, in a governance structure in which each has voice in the conduct of the affairs of the country and of their locality.

In redoubling its efforts at poverty reduction, it may care to attempt the following:

- Improve governance by introducing local government with special regard to the Grenadines;
- Cater to communities with special needs with area specific integrated development plans - such as communities within the Census Divisions of Sandy Bay and Georgetown;
- Promote wide participation in entrepreneurship;
- Retrofit the physical infrastructure in the light of global climate change, including using soft engineering like planting of trees and mangroves as a protective mechanism;
- Develop agri-business across wide swathe of agricultural activity;
- Promote organic agriculture;
- Adapt technology and innovation in agriculture;
- Inculcate public commitment to highest standards in environmental sanitation;

- Improve sewage disposal;
- Eliminate the underground economy;
- Facilitate community based tourism and strengthen community based conservation efforts;
- Promote local cuisine;
- Improve land administration;
- Reduce teen pregnancy;
- Mobilise domestic financial resources including 'in-shoring' resources from abroad;
- Eliminate gender segmentation; and
- Recommit to excellence in education.

St. Vincent and the Grenadines will need the assistance of the international community in continuing its efforts at poverty reduction. The Government, through its agencies, has mounted a vigorous programme of poverty reduction the fundament of which is to stimulate the growth of competitive industry and of new export activity. There are a number of agencies in the NGO community that have also been engaged in major programmes, to the extent that their resources allow it. The last eighteen months have been the most difficult in living memory, given the precipitous decline in the rate of growth in the international economy.

The transition through the difficult process of trade adjustment continues. The country will be able to overcome poverty only when it arrives at a sectoral composition that includes industry capable of generation substantial foreign exchange and/or can provide employment for the large numbers currently unemployed or under-employed. The country will need considerable support in building its platform for growth of competitive industry. Its poverty challenge is one side of the coin. Unemployment, underemployment and the growth of the underground economy are the other side of the coin. The international economic recession would have pulled more people below the poverty line: almost half the population was vulnerable before the onset of the crisis.

Although a small country in terms of population and physical size, St. Vincent and the Grenadines has had an impact, and can impact its neighbours and the wider region. In the absence of support, large numbers of its people are likely to migrate. Poverty in St. Vincent and the Grenadines will not be contained within the country, but will spill over directly or indirectly across its borders. Success at poverty reduction involves regional and international partners. As the country redoubles its efforts, it will need assistance from the international community in maintaining its programmes.