

PD-AAS-117
42125

UNCLASSIFIED

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C. 20523

JAMAICA

PROJECT PAPER

HILLSIDE ASSESSMENT

AID/LAC/P-239

Project Number: 532-0113

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT DATA SHEET

1. TRANSACTION CODE
 A = Addl
 C = Change
 D = Delete

Amendment Number _____

DOCUMENT CODE
3

2. COUNTRY/ENTITY
JAMAICA

3. PROJECT NUMBER
532-0113

4. BUREAU/OFFICE
LAC 05

5. PROJECT TITLE (maximum 40 characters)
HILLSIDE ASSESSMENT

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)
 MM DD YY
1 2 3 1 8 7

7. ESTIMATED DATE OF OBLIGATION
 (Under 'B.' below, enter 1, 2, 3, or 4)
 A. Initial FY 85 B. Quarter 4 C. Final FY 85

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(600)	(-)	(600)	(600)	(-)	(600)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country	-	200	200	-	200	200
Other Donor(s)						
TOTALS	600	200	800	600	200	800

9. SCHEDULE OF AID FUNDING (\$000)

A. APPRO. PRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ARDN	291	055	-	-	-	600	-	600	-
(2)									
(3)									
(4)									
TOTALS				-	-	600	-	600	-

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
091 093

11. SECONDARY PURPOSE CODE
230

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
 A. Code _____
 B. Amount _____

13. PROJECT PURPOSE (maximum 480 characters)
 To conduct a series of studies on constraints to hillside agricultural development and examine projects with soil and water conservation components to determine which economically viable agricultural production systems are most likely to be generally accepted and adopted by farmers in selected watersheds.

14. SCHEDULED EVALUATIONS
 Interim MM YY MM YY Final MM YY

15. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 Local Other (Specify) _____

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)
 I certify that I have reviewed and approved the methods of implementation and financing as shown in the Hillside Assessment Project Paper.

Signature Robert A. Leonard
 Robert A. Leonard, Controller

17. APPROVED BY
 Signature William R. Joslin
 Title William R. Joslin
Director

Date Signed MM DD YY
8 11 85

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
 MM DD YY

PROJECT AUTHORIZATION

Name of Country: JAMAICA
Name of Project: Hillside Assessment
Number of Project: 532-0113

1. Pursuant to Section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Hillside Assessment for Jamaica involving planned obligations of not to exceed \$600,000 in grant funds over a one year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of the project is two years and six months from the date of initial obligation.

2. The Project consists of assistance to finance a series of studies of constraints to hillside agricultural development in Jamaica. The Project includes the review and assessment of existing projects with soil and water conservation components.

3. The Project Agreement which may be negotiated and executed by the officers to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

4. Source and Origin of Commodities, Nationality of Services

Commodities financed by A.I.D. under the Project shall have their source and origin in the Cooperating Country or in the United States except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the Cooperating Country and the United States as their place of nationality, except as A.I.D. may otherwise agree in writing.

Ocean shipping financed by A.I.D. under the Project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.



DIRECTOR, USAID/JAMAICA

Date: Aug 19, 1985

TABLE OF CONTENTS

	<u>Page</u>
List of Acronyms	i
A. Background	1
B. Consistency with Agency Policy and A.I.D. Country Strategy	2
C. Purpose, Goal, Inputs and Outputs	2
D. Description of the Project	3
E. Financial Plan and Analysis	4
F. Beneficiaries	5
G. Host Country and Other Donors	6
H. Logistical Support	6
I. Initial Environmental Examination	6
J. Procurement	6
K. Conditions Precedent and Covenants	
Annexes	
1. Letter from Ministry of Agriculture	
2. Kingston 6801	
3. State	
4. Statutory Checklist for Project	

LIST OF ACRONYMS

- DAI - Development Alternatives Incorporated
- GOJ - Government of Jamaica
- MOA - Ministry of Agriculture

A. Background

Approximately 85% of the land in Jamaica is classified as hill lands, the majority of which represent shallow, highly erodible soils. Only 15% is flat or gently rolling (i.e. Class I and II). Current deforestation rates coupled with annual cropping patterns are resulting in excessive soil erosion, increased sedimentation loads to rivers and coastal systems, floods in the plains, and decreased availability of both surface and underground water resources. Baseline erosion is estimated to be 15 tons per acre year (tpa), but current upland farming practices and deforestation have increased the average soil losses to 50 tpa or .33 inches per year. If this imbalance, created by lack of adequate resource management, continues unchecked, the hillsides of Jamaica (44.9% forested as of 1974) will be denuded of top soil in a few decades. Sound management of the hillside resources is critical to Jamaica's economic survival and development.

Despite recognition of the problem and substantial previous investment in physical conservation measures, progress in developing an affordable strategy for the hillsides has been minimal. In recognition of this serious problem, USAID/Jamaica proposes to grant to the Government of Jamaica (GOJ) U.S. \$600,000 to contract with one or more U.S. and or Jamaican consultants to carry out (1) a number of short term, discrete, socio-economic studies of constraints to hillside agricultural development, and (2) a review and assessment of past and presently on-going projects with soil and water conservation activities.

These studies are aimed at determining which agricultural production systems, based predominantly on deep rooted perennial crops, are economically viable and most likely to be generally acceptable and adopted on a sustained basis by small farmers in the Rio Cobre and Rio Minho. The studies are expected to assist USAID and the Ministry of Agriculture (MOA) in identifying constraints to adoption of such activities and ways to overcome those constraints.

It is anticipated that the assessment will provide specific recommendations for the design of an economically viable and replicable agricultural production system in the selected watersheds in the south central coastal plains. These watersheds have been selected as they are the sources of water which directly impact development of the more fertile lowlands as well as potable water supplies for urban areas. A program of appropriate agricultural activities, tailored to the needs of the small farmers in this region, is expected to increase rural incomes, arrest the increasing degradation of the upland resource base, and contribute to a sustained flow of water for the agricultural development of the Rio Cobre and Rio Minho watersheds.

his assessment grew out of efforts undertaken in developing a general strategy for hillside agricultural development* and a Ministry of Agriculture - USAID workshop on the topic.** The logical next step in the process of implementing the general strategy is to carry out the studies under this assessment. This will allow narrowing down alternative approaches to a production oriented program of realistic and cost effective activities for the sustained and coordinated development of selected watersheds.

B. Consistency with Agency Policy and A.I.D. Country Strategy

The assessment is consistent with Agency policy on the importance of watershed management to sustained, reliable water delivery for agricultural production.*** The assessment addresses itself to several other areas highlighted in the Agency Forestry Strategy, including the building and strengthening of mutually supportive relationships between forestry and agriculture, expanded forestry and energy integration, and the key issue of land tenure.

The studies to be conducted under this Project are aimed at further defining a workable and realistic FY 86 Hillside Agricultural Development Project. These efforts are consistent with the LAC Bureau's strategy of assisting in the development of economically viable farming activities for farm holdings between 3 and 25 acres.

Furthermore, success of a major new effort in Crop Diversification/Irrigation in the St. Catherine Plains, which is presently being developed for AID and other donor financing, is closely linked to the water supplied by the Rio Cobre watershed. Also, the development of an AID-financed Country Environmental Profile which was recently initiated, will supplement this activity by providing the GOJ with an analytical framework for evaluating existing resource use and planning future allocations.

C. Purpose, Goal, Inputs and Outputs

The purpose of the Hillside Assessment is to conduct a series of studies on constraints to hillside agricultural development and examine projects with soil and water conservation components to determine which economically viable agricultural production systems are most likely to be generally accepted and adopted by farmers in selected watersheds.

*DAI Hillside Development Strategy for Jamaica

**June, 1984

***Agency Forestry Strategy, February, 1984

The goal of the assessment is to provide the Ministry of Agriculture and USAID with a number of alternative approaches to a production oriented program of realistic and cost effective activities for the sustained and coordinated development of selected watersheds.

AID-financed inputs consist of financing the local currency and foreign exchange costs of carrying out the activities described below, including the hiring of U.S. and Jamaican consultants who will conduct, coordinate and manage the series of proposed activities. In addition, a long term Project Coordinator will be assigned to assist the USAID Office of Agriculture and Rural Development in monitoring and implementing the assessment and in developing a Hillside Project.

The major outputs under the assessment include:

- a concept paper on coffee and cacao production, processing and marketing;
- a concept paper on agro forestry applications;
- a report on Facilities for Title Act;
- a report on land fragmentation and consolidation;
- a land tenure study;
- a technical assessment of cacao production;
- an analysis of constraints to hillside agricultural development, including a review of past and current projects with soil and water conservation components; and
- a report identifying economically viable production systems most likely to be accepted and adopted by farmers in selected watersheds.

D. Description of the Project

The Assessment will be carried out in three phases, as follows:

PHASE I: Funds under this grant will be used for defraying expenses associated with carrying out a series of socio-economic studies of constraints to hillside agricultural development, and a review and assessment of past and on-going projects with soil and water conservation components. A determination of available data quality and reliability will be made by the consultant(s) in consultation with USAID, the MOA, the Planning Institute of Jamaica, and other relevant agencies, as needed. Follow-on appraisals and/or surveys will be conducted to fill previously identified information gaps.

Other essential studies are to be identified and defined, and may include among others: (a) an assessment of constraints to cacao/coffee production processing and marketing; (b) agro-forestry applications; (c) land fragmentation and consolidation; (d) land tenure security, and (e) gathering of site specific baseline information.

PHASE II: Based on the series of studies carried out under Phase I, the consultant(s) will assist USAID and the MOA in identifying a realistic, economically viable and replicable upland agricultural production system project(s) for USAID support.

PHASE III: Grant funds will be used to define further the area of USAID support. The consultant(s) will assist both USAID and the MOA in developing, inter alia, technical, economic, social and institutional analyses needed for preparation of project documentation.

E. Financial Plan and Analysis

1. Overview

The total cost of the Project is estimated at \$800,000. The AID contribution will consist of a \$600,000 grant. The balance of \$200,000 will be provided as counterpart contribution by the Government of Jamaica. The grant input will be fully obligated in the first year of the Project.

2. Funding

AID is to provide funds for the Project by means of a grant of \$600,000. The grant funds will be used for technical assistance of approximately 65 person months. The Government of Jamaica will provide \$200,000 in-kind support. These counterpart resources will consist of office space for part time consultants, use of Data Bank computers, and use of staff and available information as requested.

3. Cost Summary

Following is a budget showing the funds allowed to obtain the consultants' services.

Financial Plan

SHORT TERM CONSULTANTS

	US\$
1. 9 person months for socio-economic studies	100,000

2.	2 person months for cacao marketing feasibility study	24,000
3.	2 person month for coffee production appraisal	24,000
4.	20 person months for as yet unidentified consultancies	162,000
5.	6 person months PID and PP Development effort	90,000

LONG TERM CONSULTANT

24 person months for Project Coordination	200,000
---	---------

TOTAL AID CONTRIBUTION US\$600,000

4. Method of Implementation and Financing

Method of Implementation Method of Financing Appropriate Amount

(U.S.\$)

TA - AID Direct Contracts - Direct Pay \$600,000

These methods of implementation and financing were chosen because U.S. currency is not readily available in Jamaica. It is felt that these methods will provide good internal control.

F. Beneficiaries

The ultimate beneficiaries will be the hillside farmers and the lowland and urban populations who will benefit from a stabilized and more productive resource base, increased quantity and quality of water for irrigation, domestic and industrial purposes, and decreased floodings in the lowlands.

G. Host Country and Other Donors

The GOJ is seeking the participation of international donors for a series of interrelated programs to improve watershed management and water supplies. Although all major donors are concerned about the problem, none has yet designed an affordable, replicable project to meet these needs. The GOJ has assigned high priority to this problem.

H. Logistical Support

The Mission has already negotiated logistical support requirements with the Ministry of Agriculture and it has been agreed that:

1. The MOA will provide office space for the part time consultants; the USAID will provide office space for the Project Coordinator.
2. The MOA will make the Data Bank computers available for storage, processing and retrieval of information. The MOA will also make its staff available for consultation with the contractor(s), and will make available previous studies, data and other information relevant to completion of the activities described in this Project Paper and to be described in the Limited Scope Grant Agreement.
3. The Contractor(s) will be expected to arrange in-country travel and secretarial support.

I. Initial Environmental Examination

No initial environmental examination is necessary as this Project falls under a categorical exclusion in section 216.2 (c) (2) (iii). Annex 2 of this PP consists of the Kingston cable requesting the LAC Bureau Environmental Officer's approval of the categorical exclusion. Annex 3 is SecState's cable approving the categorical exclusion.

J. Procurement

Procurement of studies will be carried out in accordance with AID rules and regulations.

K. Conditions Precedent and Covenants

None



MINISTRY OF AGRICULTURE
HOPE GARDENS,
KINGSTON 6,
JAMAICA

PLEASE QUOTE

REFERENCE No. _____

June 7, 1985

Mr. William H. McCluskey
Director, Office of Agriculture
Rural Development
U.S.A.I.D.
6b Oxford Road
Kingston 5.

Dear Mr. McCluskey:

Hillside Assessment AID Project
No. 532-0113

Thank you for your letter of May 31, 1985, on the above subject.

After reviewing the "Project Description" which you submitted we have not found any area of disagreement and we are therefore supportive of the proposal as submitted.

However, we cannot make any arrangement with the Ministry of Finance for signing of an agreement of this nature, suggest you proceed with Ministry of Finance in your usual manner.

Sincerely,

H.T. Ramdatt
H.T. Ramdatt
Actg. Permanent Secretary

DATE RECEIVED: 6/10	
ACTION OFFICE: ARDO	
INFO TO:	
DIR ✓	ARDO
D/DIR ✓	DIRNP
OPPE ✓	DEHR
OPDS ✓	OPED
OLEE	LO
A/ECON	SOHDO
MGT	TGR
CONT	R.F ✓
DUE BY: 6/19	
ACTION TAKEN:	

UNCLASSIFIED

KINGSTON 6801

3

CKGI *
UEHC
UEHKG #6801 191 **
UUUUU ZZH
101557Z JUL 85
AMEMBASSY KINGSTON
SECSTATE WASHDC PRIORITY 0257

CLAS KINGSTON 06801

DAC

CLASS: UNCLASSIFIED
CHRG: AID 07/08/85
APPRV: ADIR:JSCHLOTTHAUER
DRFTD: OPDS:PLERNER:RLH
CLEAR: 1.OPDS:EKADUNC
2.ARDO:RMANGRICH
.ARDO:LVOH
DISTR: AMB DCM AIDS

OR JIM HESTER, LAC/DR FROM ACTING DIRECTOR
ULIUS SCHLOTTHAUER

E.O. 12356: N/A
SUBJECT: REQUEST FOR CATEGORICAL EXCLUSION FOR
- HILLSIDE ASSESSMENT (532-0113)

REF: LERNER - HESTER TELCON OF JULY 8

1. SUMMARY: PER REF TELCON, USAID/JAMAICA IS FINALIZING THE PROJECT PAPER FOR THE HILLSIDE ASSESSMENT PROJECT. THE INITIAL ENVIRONMENTAL EXAMINATION SECTION RECOMMENDS A CATEGORICAL EXCLUSION FOR WHICH AN IEE IS NOT REQUIRED. ACTING DIRECTOR SCHLOTTHAUER CONCURS WITH THE RECOMMENDATION AND REQUESTS LAC BUREAU ENVIRONMENTAL OFFICER HESTER'S APPROVAL OF A CATEGORICAL EXCLUSION FOR THE PROJECT. END SUMMARY.

DESCRIPTION OF THE PROJECT - A SERIES OF STUDIES IS NEEDED ON HILLSIDE AGRICULTURE AND SOIL AND WATER CONSERVATION IN JAMAICA IN ORDER TO IDENTIFY VIABLE AGRICULTURAL PRODUCTION SYSTEMS FOR SELECTED WATERSHEDS IN THE SOUTH CENTRAL COASTAL PLAINS. A PROGRAM OF APPROPRIATE AGRICULTURAL ACTIVITIES, TAILORED TO THE NEEDS OF THE SMALL FARMERS IN THIS REGION, IS EXPECTED TO INCREASE RURAL INCOMES, ATTEST TO THE INCREASING DEGRADATION OF THE UPLAND RESOURCE BASE AND CONTRIBUTE TO A SUSTAINED FLOW OF WATER FOR THE AGRICULTURAL DEVELOPMENT OF THE RIO COBRE AND RIO MINEO WATERSHEDS.

IN PREPARATION FOR DEVELOPMENT OF THE GOVERNMENT OF JAMAICA'S (GOJ) HILLSIDE DEVELOPMENT PROGRAM, THE MISSION WILL HELP THE MINISTRY OF AGRICULTURE CARRY OUT A SERIES OF IN-DEPTH ANTHROPOLOGICAL AND SOCIO-ECONOMIC STUDIES ON CONSTRAINTS TO HILLSIDE AGRICULTURAL DEVELOPMENT AND REVIEW AND ASSESS GOJ AND DONOR SUPPORTED PROJECTS WITH SOIL AND WATER CONSERVATION COMPONENTS. THE VARIOUS STUDIES TO BE CONDUCTED WILL HELP (A) DETERMINE THE INTEREST OF FARMERS IN UNDERTAKING SELECTED FARMING ACTIVITIES LEADING TO THE ADOPTION OF SOUND AND

9

UNCLASSIFIED

KINGSTON 6801

PRACTICES AND (B) IDENTIFY CONSTRAINTS TO ADOPTION OF SUCH ACTIVITIES AND WAYS TO OVERCOME THESE CONSTRAINTS, TENURE SECURITY BEING A CRITICAL ONE. SEVERAL OF THE STUDIES WILL ALSO FOCUS ON PAST AND CURRENT UPLAND AGRICULTURAL DEVELOPMENT PROJECTS AND PROGRAMS THAT INCLUDE SOIL AND WATER CONSERVATION ACTIVITIES TO DETERMINE WHICH ECONOMICALLY VIABLE AGRICULTURAL PRODUCTION SYSTEMS ARE MOST LIKELY TO BE ACCEPTED AND ADOPTED BY FARMERS WITH 3-25 ACRES. THE STUDIES TO BE CONDUCTED ARE AIMED AT FURTHER DEFINING A WORKABLE AND REALISTIC FY 86 HILLSIDE AGRICULTURAL PROJECT.

3. ENVIRONMENTAL EFFECTS - THIS PROJECT WILL NOT HAVE AN EFFECT ON THE NATURAL OR PHYSICAL ENVIRONMENT AS IT CONSISTS OF STUDIES.

4. ACTION REQUESTED - ACTING DIRECTOR SCHLOTTHAUER REQUESTS LAC BUREAU ENVIRONMENTAL OFFICER HESTER TO APPROVE A CATEGORICAL EXCLUSION OF THIS PROJECT UNDER SECTION 216.2 (C)(2)(III)

5. SHOULD HESTER REQUIRE FURTHER CLARIFICATION ON THE ASSESSMENT, FORMER USAID ENVIRONMENTAL OFFICER JAIME CORREA, NOW IN LAC/DR, CAN ADVISE. (DRAFTED:OPDS:PLERNER/APPROVED:ADIR:JSCHLOTTHAUER)

STEWART

BT

#6801

NNNN

UNCLASSIFIED

KINGSTON 6801

UNCLASSIFIED

STATE 219446

CON: AIDS INFO: AME DCM ECON RE/9

ZCRG0539
RUEHKG

RUEHC #9446 1990120

R UUUUU ZZH

R 180130Z JUL 85

SECSTATE WASHDC

RUEHKG/AMEMBASSY KINGSTON PRIORITY 0302

INFO RUESPR/AMEMBASSY PORT AU PRINCE 5726

UNCLAS STATE 219446

18-JUL-85
TOP: 13:40
CN: 00639
CERG: AID
DIST: AID

AIDAC KINGSTON FOR PLENER, PORT AU PRINCE FOR JTALEOT

E.O. 12356: N/A

TAGS: N/A

SUBJECT: HILLSIDE ASSESSMENT IEE APPROVAL

IEE FOR JAMAICA HILLSIDE ASSESSMENT PROJECT, 532-113,
WAS APPROVED JULY 16, 1985, BY LAC CHIEF ENVIRONMENTAL
OFFICER. IEE NUMBER IS LAC/DR-IEE-85-49. COPIES HAVE
BEEN POUCHED TO MISSION. WHITEHEAD

BT
#9446

NNNN

UNCLASSIFIED

STATE 219446

DATE RECEIVED: 7/8	
ACTION OFFICE: OPDS	
INFO TO	
DIR ✓	A:DO ✓
D/DIR	OUNP
OPPE	GEHR
OPDS	OPED
OEEE ✓	CO
A/ECON	RIUDO
MGT	ICR
CONV ✓	R. F. ✓
DUE BY: 7.2.85	
ACTION TAKEN	

PAGE NO. 3M-10	EFFECTIVE DATE September 30, 1982	TRANS. MEMO NO. 3:43	AID HANDBOOK 3, App 3M
-------------------	--------------------------------------	-------------------------	---------------------------

5C(2) PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A. includes criteria applicable to all projects. Part B. applies to projects funded from specific sources only: B.1. applies to all projects funded with Development Assistance Funds, B.2. applies to projects funded with Development Assistance loans, and B.3. applies to projects funded from ESP.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT? Yes (November, 1984)
Yes

A. GENERAL CRITERIA FOR PROJECT

1. FY 1982 Appropriation Act Sec. 523; FAA Sec. 634A; Sec. 653(b).

(a) Describe how authorizing and appropriations committees of Senate and House have been or will be notified concerning the project;
(b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that amount)?

(a) A Congressional Notification was sent to AID/Washington and cleared the Hill June 3, 1985.

(b) Yes

2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,00, will there be

AID HANDBOOK 3, App 3M	TRANS. MEMO NO. 3:43	EFFECTIVE DATE September 30, 1982	PAGE NO. 3M-11
------------------------	-------------------------	--------------------------------------	-------------------

- (a) engineering, financial or other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?
- (a) Yes
- (b) Yes
3. PAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance? N/A
4. FAA Sec. 611(b); FY 1982 Appropriation Act Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973? (See AID Handbook 3 for new guidelines.) N/A
5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project? N/A

6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.

No

7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; and (c) encourage development and use of cooperatives, and credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

- (a) Yes
- (b) Yes
- (c) Yes
- (d) Yes
- (e) Yes
- (f) N/A

8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

The Project consists of a series of studies of the constraints to hillside agricultural development. This assessment is expected to assist USAID/Jamaica and the Jamaican Ministry of Agriculture in determining which economically viable agricultural production systems are most likely to be accepted and adopted by farmers with 3-25 acres. We anticipate working with one or more U.S. private voluntary organizations to implement such a program.

9. FAA Sec. 612(b), 636(h);
FY 1982 Appropriation
Act Sec. 507. Describe
steps taken to assure
that, to the maximum
extent possible, the
country is contributing
local currencies to meet
the cost of contractual
and other services, and
foreign currencies owned
by the U.S. are utilized
in lieu of dollars. Government of Jamaica will
provide in-kind support
10. FAA Sec. 612(d). Does
the U.S. own excess
foreign currency of the
country and, if so, what
arrangements have been
made for its release? No
11. FAA Sec. 601(e). Will
the project utilize
competitive selection
procedures for the
awarding of contracts,
except where applicable
procurement rules allow
otherwise? Yes
12. FY 1982 Appropriation Act
Sec. 521. If assistance
is for the production of
any commodity for export,
is the commodity likely
to be in surplus on world
markets at the time the
resulting productive
capacity becomes
operative, and is such
assistance likely to
cause substantial injury
to U.S. producers of the
same, similar or
competing commodity? N/A
13. FAA 118(c) and (d).
Does the project comply
with the environmental
procedures set forth in
AID Regulation 16? Does Yes

PAGE NO. 3M-14	EFFECTIVE DATE September 30, 1982	TRANS. MEMO NO. 3:43	AID HANDBOOK 3, App 3M
-------------------	--------------------------------------	-------------------------	------------------------

the project or program take into consideration the problem of the destruction of tropical forests?

Yes

14. FAA 121(d). If a Sabel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (dollars or local currency generated therefrom)?

N/A

B.. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FAA Sec. 102(b), 111, 113, 281(a). Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and

Hillside farmers, lowland and urban dwellers will benefit from a stabilized and more productive resource base, increased quantity and quality of water for irrigation, domestic and industrial purposes and decreased floodings in the lowlands.

otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

b. FAA Sec. 103, 103A, 104, 105, 106. Does the project fit the criteria for the type of funds (functional account) being used? Yes

c. FAA Sec. 107. Is emphasis on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? Yes

d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)? Yes

N/A

e. FAA Sec. 110(b).
 Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"? (M.O. 1232.1 defined a capital project as "the construction, expansion, equipping or alteration of a physical facility or facilities financed by AID dollar assistance of not less than \$100,000, including related advisory, managerial and training services, and not undertaken as part of a project of a predominantly technical assistance character.

No

f. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

Yes

g. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage

The Ministry of Agriculture (MOA) is supportive of this activity and will make its staff and Data Bank computer facilities available for consultation. Frequent articles in the local press indicate public concern and interest in greater efforts in hillside agriculture.

institutional development;
and supports civil
education and training in
skills required for
effective participation in
governmental processes
essential to self-government.

2. Development Assistance Project
Criteria (Loans Only)

- a. FAA Sec. 122(b).
Information and conclusion
on capacity of the country
to repay the loan, at a
reasonable rate of interest. N/A
- b. FAA Sec. 620(d). If
assistance is for any
productive enterprise which
will compete with U.S.
enterprises, is there an
agreement by the recipient
country to prevent export
to the U.S. of more than
20% of the enterprise's
annual production during
the life of the loan? N/A
- c. ISDCA of 1981, Sec. 724
(c) and (d). If for
Nicaragua, does the loan
agreement require that the
funds be used to the
maximum extent possible for
the private sector? Does
the project provide for
monitoring under FAA Sec.
624(g)? N/A

3. Economic Support Fund
Project Criteria

- a. FAA Sec. 531(a). Will
this assistance promote
economic or political

18