

MONTHLY PROGRESS REPORT

JULY 1984

Progress

To-date loan requests have been approved for the following amounts by the A.C. Bank.

	US\$	J\$
Grays Pepper Products	300,000	
Island Dairy	350,000	
Tijule Limited	45,000	292,000
Westside Farms Limited		550,000
	<u>US\$695,000</u>	<u>J\$842,000</u>

Hill Top Farms (US\$35,000 and J\$238,000) has approached Scotia Bank, Christiana, on an integrated poultry processing entity. The local Scotia Bank Manager is positive about the proposal thus far. Dialogue is underway to consummate a loan agreement with Scotia Bank and A.C. Bank to allow lending funds through Scotia Bank to Hill Top Farms.

Disbursal phase of Grays Pepper Products is imminent. Request for funds by Mexican Supplier of glass at Barclays Bank in United States was not in proper form. Unit Procurement Specialist, D. Brown, is resolving the discrepancies between Mexico and Barclays with the help of USAID.

Reception of the Chief of Party has been warm, gracious and helpful by Acting Managing Director, Clive Edwards, total A.C. Bank's staff and S.R. Morgan for which Chief of Party (C.O.P.) is very grateful. I find everyone very helpful.

Activities

The following categories of activities were involved in the accomplishment of the Agro-Industrial Development Project's Objective.

- a) Planning : Advisors are developing a draft of a form for A.C. Bank's consideration to re used in measuring the progress of sub borrower requests. Four (4) A.D.U. meetings were attended by Unit personnel and advisors. Meetings were chaired by Mr. Motta.
- b) Organization : In addition to four (4) unit meetings a general meeting of various departments in the bank was attended.
- c) Co-ordination : Worked and travelled with consultant, Glen Allen to review Island Dairy, Fletcher Bowman, Scotts Preserve, North Clarendon, B B Honey and B & R Sawmill. Attended USAID exit conference with consultant to A.C. Bank, Percy Avram, in the P.C. Banks' area.

Attended exit conference at USAID with Mr. Glen Allen. Travelled with Mr. Lyman Conover, Computer Specialist, to Christiana P.C. Bank and Christiana Potato Growers Association.

- d). Promotion : C.O.P. proposal to host a Cocktail Party for the most influential persons in the Commercial Banks who could help further A.C. Bank's loan volume was considered. The unit concurred that some time in September would be more appropriate because of holiday, and at that time there would be drawdown (disbursal) of funds.

#### Challenges

- a) Having "loans approved" drawdown.
- b) Gaining enthusiasm on the part of commercial banks toward the A.D.U. project.
- c) The improvement of communications within the A.D.U.; between sub borrower, commercial bank and A.D.U.; and commercial banks and A.D.U.; and A.I.D., A.C. Bank and A.D.U.

#### Implementation plans for August

- a) Have A.D.U. consider/adopt an Action Plan to have an ongoing systematic procedure to monitor loan requests and loan disbursal.
- b) Follow-up on the "A.D.U. Launch Party" to promote A.C. Bank's and A.D.U. project with commercial bank's and sub borrowers.
- c) Co-ordinate with Computer Specialist, Lyman Conover and assist in the computer implementation with regards to A.D.U. current and future data requirements.
- d) Assist in any and every way possible to have B & R Sawmill and North Clarendon processing ready for the Finance Committee and the Board's approval for their August meeting.
- e) Complete all work on Hill Top Farms so Scotia Bank, Christiana, will be in a position to submit application to A.C. Bank in September.
- f) Follow-up on completion of loan agreement with Scotia Bank and A.C. Bank allowing a loan to Hill Top Farms.
- g) Receive briefing by Steve Morgan of information necessary to maintain continuity during his much deserved home leave in September.

*Alan Boomer*

ALAN BOOMER  
CHIEF OF PARTY

AUGUST 7, 1984

STATUS REPORT

AUGUST 1, 1984

AMT. OF LOAN		# OF LOANS
US\$000	J\$000	4
695	842	

THE FOLLOWING LOANS SHOULD RECEIVE A.C. BANK'S APPROVAL AT MONTH INDICATED

DRAWDOWN TO-DATE	
US\$000	J\$000
- 0 -	- 0 -

APPROVED	AMOUNT OF LOAN		SUB-BORROWER	INDUSTRY SUB-SECTOR	COMMENTS	PROBABILITY**
	US\$000	J\$000				
AUGUST '84		400	North Clarendon Processing	Fruit/Vegetable Processing	Commercial Bank (C.B.) to forward their application	8/10
	98	140	B & R Sawmill	Sawmill/Wood	C.B. is completing Evaluation and will forward application	8/10
	98	540				
SEPTEMBER '84	400		Fletcher Bowman**	Fruit/Vegetable Processing	Gather financial statements for his Bank - Design decisions on Production Line. C.B. application	6/10
		500	B & B Honey	Sugar	Scaling down request to satisfy C.B. collateral requirement. C.B. to forward application.	7/10
	37	225	Hill-Top Farms	Poultry Processing & Marketing	C.B. Application - Needs Scotia Bank Loan Agreement - Equip pro-formas	7/10
	437	725				
OCTOBER '84	131	87	Scotts Preserves	Fruit & Vegetable Processing	Sub-Borrower revision & Eligibility Clarification	6/10
	*60	300	Wild Flower Honey	Honey & Bee Processing and Marketing	Sub-Borrower and C.B. compiling financial and equip. pro-formas	7/10
	*100	150	Hutchinson	Lumber Processing	Developing proposal	6/10
	350	-	Christiana Potato	Vegetable Processing	Sub-Borrower revising project	6/10
	*50	100	McCatty	Packaging/Processing Vegetable & Ornaments for Export.	Sub-Borrower developing project	6/10
	*35	150	Wright	Anthurium Export	Sub-Borrower developing project	6/10
	676	787				
	1,211	2,052				

\*Estimates  
 S.B. - Sub Borrower  
 C.B. - Commercial Bank  
 ADU - Agro-Industrial Development Unit of A.C. Bank  
 \*\*Reflects probability it will be Presented at the indicated months board meeting for approval

chechi

# MEMORANDUM

## AGRICULTURAL CREDIT BANK OF JAMAICA LIMITED

11A-15 Oxford Road, Kingston 5. Telephone: 929-4000

TO: DIRECTOR OF OPERATIONS	SUBJECT: ACTIVITIES FOR THE MONTH OF JULY 1984
FROM: PRODUCTION/PROCESSING SPECIALIST	DATE: 1st AUGUST, 1984

1. Provided technical assistance/assessment inputs required under the project for potential loans.

Activity:

Field Trips	2
Meetings with potential sub-borrowers	2
Meetings with new potential sub-borrowers	4

New Potential Clients:

Mr Leslie James - Spanish Town - interested in developing a loan proposal dealing with wood products from Jamaican White Birch.

The following is an estimate of product importation according to Mr. James. In minimum amounts:

Ice-cream spoons	20M
Popsicle sticks	20M

Add, tongue depressors, paint stirring sticks, tooth picks.

Other information requested by A.D.U.

Mrs. J. Wright - Nursery (Anthurium exportation)  
We continue to await response and development of this potential client.

Mrs. McCatty - "Speedling System" - plant propagation and product packaging. The potential client at this stage needs to present a project proposal and equipment list for further assessment by the A.D.U.

Hill Top Farms - Christiana, Spalding  
Integrated production/processing of poultry.

Following the initial orientation meeting held in June, two additional meetings and field trips were made by Mr. Boomer/Osbourne in an effort to develop approval by the clients' Commercial Bank.

Fletcher-Bowman Limited - Food Processing

Mr. J. Fletcher has presented a revised capital expansion programme for two new products. (1) Banana Chips, (2) Papaya Chunks  
The application (loan) amounts to approximately J\$400,000.

Cont.....

Areas to be examined:

- Market committment - pricing of competition
- New balance sheet
- Additional equipment
- Ownership status

Activity (cont.)

Meetings/correspondence with suppliers	13
Meetings with A.D.U. group	6
Meetings with Consultants (Avram, Allen, Conover)	5

2. Equipment Requirement Assistance

For Christiana Potato Growers Cooperative Association.

Received from Key Technology, Inc. Quotation for an alternative French Fry potato processing line.

Information forwarded to C.P.G.C.A. - July 27

Included were notes requesting attention to additional equipment and facilities required to put the processing line on stream.

Reference was made to the following:

- Blast Freezer
- 0° to -5° F product storage
- raw product waste de watering, conveyor to waste bin storage
- smoke, heat removal from the processing room
- power generator backup
- determine % pack-out of product - partial process full fry

For Tijule Processing Company

Received from Brevard Equipment and Supply Company, an equipment list and C.I.F. pricing for VCM, piston filter, S/S kettle, platform scale, slicer/dicer. Information to be forwarded to Dr. J. Newell through A.D.U.

For B and R Lumber

Description, source, pricing for front end (tractor) log loader recieved by client, and now included in the equipment budget in the pending loan request.

For Fletcher-Bowman Limited

Search initiated for a peeling system for preparing papaya chunks.

- USDA Processing Research Center, California, Hawaii.
- Atlas Pacific Corp.

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3. Loan approvals (July): By the A.C. Board and Finance Committee.

Island Dairies - Ocho Rios  
Amount of Loan, J\$1,400,000

4. For a period of some four months the Checchi Production Consultant has been acting C.O.P. in addition to his specific work area, and has been coordinating the loan projects and preparing the assessment framework.

As of July a new C.O.P. has been placed and indeed a great welcome is expressed to Mr. Alan Boomer, who will be an asset to the ADU.

5. Good prospects for August include B and R Lumber Company and North Clarendon Processing Company.

*S.R. Morgan*

S.R. MORGAN