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PD-AAU-175
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MONTHLY PROGRESS REPORT

OCTOBER 1984

A. MEETINGS

Bank of Nova Scotia representatives, Don Williams and John Bulloch, Credit Officers met with the ADU, Consultants and Mr. Motta. "Scotia Bank considering participating. Director, Vivien Logan, Managing Director, Director of Operations, Manager ADU and ADU Personnel and Consultants met to review and plan strategy for ADU progress. One ADU update meeting held in addition to above meeting. Daily contact and counsel with people in ADU maintained.

B. FIELD CALLS

Met with following individuals:-

- (1) Mr. Bob Hanson & Ferris Walters - Hill Top Farms.
- (2) Mr. James regarding Wood Products.
- (3) Called Crese and Excelsior, Re Tijule.
- (4) Trip to Lloyd Grays at Savana-la-mar for documents.

C. CONSULTANTS

- (1) Matt Tokar regards Christiana Potato Growers application and progress.
- (2) Jim Murphey regarding Agro - 21 and potential for ADU in assistance on some of the projects.

D. ADMINISTRATION

- (1) Forwarded Quarterly Report of activities.
- (2) Conferred with Checchi at Washington D.C. (Ron Ivey), to follow up on Mexican Suppliers documents of Grays Pepper Sauce.

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- (3) Conferred with AID Washington D.C., Banking and Finance Division Mr. Joseph O'Neil re exceptions on Tijule L/C.
- (4) Prepared a letter regarding eligibility of Blue River Farms for unit.

E. PROMOTION

- (1) Visited with Mr. Brassington, Vice President, at National Commercial Bank, regarding Grays Pepper. Offered an up date of Grays status.
- (2) Noel Osbourne and writer called on Mr. Chinn and Mrs. Sutherland at Administrative Department of NCB to gain knowledge of their operation and strengthen a working relationship.
- (3) Don Williams and John Bullock, senior Credit Officers at Bank of Nova Scotia. Meeting with Total ADU promoted and answered questions about the ADU loans and procedures.

F. PROGRESS

- (1) Disbursed J\$150,000 on Island Dairy.
- (2) L/C on Tijule extended. Portion (US\$7 8000) will draw down (99% chance) 1st week in November.
- (3) Comfort Farms challenge of J\$700,000 application to be processed in six (6) weeks from Royal Bank.
- (4) Regarding Grays Pepper, all documents (except Mexicans) sent to Barclays, N.Y. - Mexicans sent theirs to Barclays, London. Grays L/C being extended and Mexican documents retrieved and forwarded to Barclays, N.Y. Gray has instructed to pay despite discrepancies.

- (5) AC Bank to confer with Prime Minister to confirm a date for ADU Launch party, probably early December.

G. CHALLENGES (PROBLEMS?)

Fletcher Bowman, Belleview Farms - Cristo and B & B Honey have all been declined by commercial Banks to "weak or insufficient collateral." This is the official reason given - there may be other reasons which we must discover and address. AC Bank had anticipated approving the above mentioned in October. The reason AC Bank does not approve loan requests is because we do not get requests from Commercial Banks, Until we gain enthusiasm on part of Commercial banks. It will be very very slow going.

The difficulties with the L/C and suppliers presentation to state side banks prevail. Last month's recommendation that we have a recent retiree from USAID Washington, who has worked in banking and finance and or Procurement via AID, joined us for a time (14 - 20 days) to work on specific cases, train ADU persons, and conduct workshop for Commercial Bank people, is hereby reiterated. Training by such a Specialist would go a long way towards overcoming these procedural problems involved in USAID and procurement.

H. IMPLEMENTATION FOR NOVEMBER

- (1) Effect drawdown on Grays Pepper, Tijule and Island Dairy.
- (2) Continue commercial bank calls and development of potential borrowers.
- (3) Forward final draft of addendum to operations manual (ADU Credit manual) to Managing Director for approval.
- (4) Pursue resolution of North Clarendon.
- (5) See application Launch party date set.

I. REPORT ON OCTOBER IMPLEMENTATION

- (1) Continue meetings with Commercial Officers.
- (2) Draft of ADU addendum to operations Manual complete.
- (3) Meeting on Guarantee component with Managing Director, Director of Operations, Manager ADU - held no resolution.
- (4) Work continues on effecting draw down of approved loans.
- (5) Fletcher Bowman, Belleview, Cristo and B & B Honey declined.
- (6) Continue to follow up on launch party.

J. RECOMMENDATION

Repeat:- AC Bank authorize and request from Checchi & Co., with USAID approval, a consultant for a 14 - 20 day period with the following qualifications.

- A) Recent retiree from USAID, Washington to :
- (1) Work on Grays, Tijule, & Island Dairy.
 - (2) Train ADU Specialist in AID processing.
 - (3) Conduct training workshop for commercial bank personnel.


ALAN BOOMER
CHIEF OF PARTY