

# Annual Budget Submission

FY 1989

**JAMAICA**

JUNE 1987



Agency for International Development  
Washington, D.C. 20523

**THIS BUDGET SUBMISSION HAS BEEN  
PREPARED BY THE A.I.D. FIELD MISSION.**

**IT IS PREPARED ANNUALLY AND USED  
FOR PLANNING PURPOSES IN THE FIELD  
AND IN WASHINGTON.**

**IT DOES NOT REPRESENT  
OFFICIAL AGENCY POLICY.**

JAMAICA

ANNUAL BUDGET SUBMISSION: FY 1989

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FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)

532 JAMAICA

	FY 1986	FY 1987	FY 1988		FY 1989	PLANNING PERIOD			
	ACTUAL	ESTIMATE	CP	ESTIMATE	AAPL	1990	1991	1992	1993
<b>AGRICULTURE, RURAL DEV. AND NUTRITION</b>									
TOTAL	4,720	4,380	8,000	8,000	7,250	7,547	7,800	8,036	8,238
GRANTS	4,720	4,380	8,000	8,000	7,250	7,547	7,800	8,036	8,238
LOANS	0	0	0	0	0	0	0	0	0
<b>POPULATION PLANNING</b>									
TOTAL	1,030	1,500	1,000	700	700	700	700	700	700
GRANTS	1,030	1,500	1,000	700	700	700	700	700	700
LOANS	0	0	0	0	0	0	0	0	0
(CENT PROC COMMOD:)	(415)	(215)		(300)	(400)*				
<b>HEALTH</b>									
TOTAL	2,109	250	250	300	300	300	300	300	300
GRANTS	2,109	250	250	300	300	300	300	300	300
LOANS	0	0	0	0	0	0	0	0	0
<b>CHILD SURVIVAL</b>									
TOTAL		0	250	0	0	0	0	0	0
GRANTS		0	250	0	0	0	0	0	0
LOANS		0	0	0	0	0	0	0	0
<b>EDUCATION</b>									
TOTAL	3,691	3,800	3,800	4,100	3,850	3,850	3,850	3,850	3,850
GRANTS	3,691	3,800	3,800	4,100	3,850	3,850	3,850	3,850	3,850
LOANS	0	0	0	0	0	0	0	0	0
<b>SELECTED DEVELOPMENT ACTIVITIES</b>									
TOTAL	5,950	4,570	5,300	5,500	5,500	5,500	5,500	5,500	5,500
GRANTS	5,950	4,570	5,300	5,500	5,500	5,500	5,500	5,500	5,500
LOANS	0	0	0	0	0	0	0	0	0
<b>TOTAL DA ACCOUNT</b>									
TOTAL	17,500	14,500	18,600	18,600	17,600	17,897	18,150	18,386	18,588
GRANTS	17,500	14,500	18,600	18,600	17,600	17,897	18,150	18,386	18,588
LOANS	0	0	0	0	0	0	0	0	0
<b>ECONOMIC SUPPORT FUND</b>									
TOTAL	58,000	24,760	45,000	45,000	40,000	40,660	41,250	41,745	42,245
GRANTS	58,000	24,760	45,000	45,000	40,000	40,660	41,250	41,745	42,245
LOANS	0	0	0	0	0	0	0	0	0
<b>DA AND ESF TOTAL</b>									
TOTAL	75,500	39,260	63,600	63,600	57,600	58,557	59,400	60,131	60,833
GRANTS	75,500	39,260	63,600	63,600	57,600	58,557	59,400	60,131	60,833
LOANS	0	0	0	0	0	0	0	0	0
<b>PL480</b>									
TITLE I	(32,600)	(36,000)	(30,000)	(40,000)**	(30,000)**	(30,000)**	(30,000)**	(30,000)**	(30,000)**
TITLE II	(6,044)***	(6,000)	0	(6,000)	0	0	0	0	0

\* Mission estimates; S&T/PDP planning levels have not been received.

\*\* USAID/J proposed \$40 million of Title I assistance for FYs 88 and 89 in its FY 1988/89 Action Plan. Per State 115888 dated 5/20/87, the LAC Bureau agreed that these be LAC planning levels subject to results of upcoming disincentives study.

\*\*\* State 143319, dated 5/20/87, shows \$30 million in Title I through FY 1990 only. Figures here represent Mission planning levels subject to availability of funds.

\*\*\*\* Includes Title II wheat and soy fortified cornmeal provided for school feeding.

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE IV - PROJECT BUDGET DATA  
ESTIMATED U.S. DOLLAR COST (\$000)

PROJECT NO./TITLE	SUB CRT	OBLIG DATE	INIT FIN	TOTAL AUTH	COST PLAN	OBLIG THRU FY 86	PIPE LINE	FY 86	FY 1987 OBLIGATIONS	FY 1988 OBLIGATIONS	EXPENDITURES	FY 89 APPL	SPECIAL INTEREST CODES
532-0000 Program Dev. & Support	6 85	65	65	8,847	8,847	1,597	423	423	323	8,547	2,950	100	
532-0050 Agricultural Marketing	6 87	87	87	13,800	13,800	13,800	9,011	9,011	150	8,547	2,950	300	1,850 PC
532-0060 Agricultural Marketing	6 81	86	86	2,878	2,878	2,878	36	36	2,000		3,111		
532-0061 Agricultural Planning	6 79	86	86	9,489	9,489	9,489	6,104	6,104	(3,650)*		254		
532-0081 Agroindustrial Dev.	6 84	85	85	3,000	3,000	3,000	2,874	2,874	60		800		
532-0082 Agricultural Education	6 84	85	85	6,500	6,500	6,500	6,500	6,500	150		1,110		P40-100%
532-0085 Voluntary Sector Dev. (DPG)	6 83	88	88	575	575	575	100	100	100		50		
532-0091 Private Development Bank	6 84	90	90	2,500	2,500	2,500	2,500	2,500	1,000		1,500		
532-0091 Private Development Bank	6 84	90	90	2,500	2,500	2,500	2,500	2,500	1,000		1,500		
532-0097 Small Farmer Production/Marketing DPG	6 83	88	88	1,060	1,060	660	300	300	200	200	200	100	PC, P40-100%
532-0101 Hillside Agriculture	6 87	93	93	10,000	10,000	10,000	868	868	800	9,200	1,000	1,200	PC, P40-100%
532-0105 JRAD Tech. Support and Investment	6 85	85	85	1,000	1,000	1,000			308		560		P40-100%
532-0106 Brothers Brother Foundation DPG	6 83	87	87	50	50				50		25		P40-100%
532-0107 Agric. Cooperative Dev	6 84	85	85	500	500	500	354	354	150		104		PC, P40-100%
532-0108 National Dev. Foundation	6 84	88	88	200	200				100	100			PC/MO, P40-100%
532-0113 Hillside Assessment	6 85	85	85	600	600	600	384	384	200		150		
532-0123 Crop Diversification/Irrig.	6 85	89	89	13,000	9,550	5,200	3,730	3,730	1,500	2,850	1,500	4,130	1,350 HR
532-0123 Crop Diversification/Irrig.	6 85	89	89	5,000	8,450	4,800	1,826	1,826	3,650*		300		HR
532-0128 Agric. Research	6 86	91	91	7,500	7,500	500	500	500	700	6,400	600	1,100	1,700
532-0142 Strengthening the Ag. Sector	6 88	93	93	5,000	5,000				200	1,000	200	1,000	
532-0147 PTTIC	6 87	89	89	600	600				200	400	200	200	MO
532-0180 Coop. Development & Training	6 85	87	87	200	200				200	200		90	P40-100%
532-9103 Program Dev. and Support	6 8 C	8 C	8 C	220	200		124	124	180	200	200	200	150 BO
T				87,499	69,049	53,919	35,634	35,634	4,380	27,697	8,000	15,784	7,250
G				50,210	51,960	16,830	9,693	9,693	4,380	27,697	8,000	9,509	7,250
L				37,289	37,089	37,089	25,941	25,941	0	0	0	6,275	0

\*Represents Deob-Reob

FY 1989 ANNUAL BUDGET SUBMISSION  
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ESTIMATED U.S. DOLLAR COST (\$000)

PROJECT NO./TITLE	SUB CAT	OBLIG DATE	INIT FIN	TOTAL AUTH	COST PLAN	OBLIG THRU FY 86	FY 86 PIPE-LINE	FY 1987 OBLIGATIONS	EXPENDITURES	MORTGAGE END OF FY 87	FY 1988 OBLIGATIONS	EXPENDITURES	FY 89 APPL	SPECIAL INTEREST CODES
<b>POPULATION PLANNING</b>														
532-0000 Program Dev. and Support	PMP	85	85	10,711	10,711	166	12	1,150	840	2,852	600	1,000	650	P40-100z
532-0069 Population and Family Planning Service	PMP	82	90	4,798	4,798	2,345	12	50	50	4,845	50	50	50	P40-100z
532-0085 Voluntary Sector Dev. OFS	PMP	88	88	100	100	248	115	200	100	248	50	100	700	P40-100z
532-0122 Private Sector Promotion of Family PLNG OFS	PMP	88	88	248	448	248	21	100	50	248	50	50	700	P40-100z
532-9104 Program Dev. and Support	PMP	86	C	10,959	11,259	715	2,493	1,500	1,027	2,500	700	1,200	700	
T				10,959	11,259	715	2,493	1,500	1,027	2,500	700	1,200	700	
G				10,959	11,259	715	2,493	1,500	1,027	2,500	700	1,200	700	
L														
<b>HEALTH</b>														
532-0000 Program Dev. and Support	HEPP	85	85	3,017	3,017	318	6	200	100		50	50	50	PC/AD/CS
532-0064 Health Management Improvement	HEH	81	86	8,554	8,554	8,554	4,940	2,300	2,300		1,600	1,600	1,600	PC/AD/CS
532-0064 Health Management Improvement	HEH	81	86	8,554	8,554	8,554	4,940	2,300	2,300		1,600	1,600	1,600	PC/AD/CS
532-0085 Voluntary Sector Dev. OFS	HEP	88	88	574	774	574	89	50	80		50	50	50	MD, P40-100z
532-9108 Program Dev. and Support	HEPP	88	C	12,145	12,145	12,145	7,933	250	2,886		300	4,150	300	
532-9999 Proposed OFS *	HEPP	88	C	3,591	8,554	8,554	4,940	0	2,300		0	2,850	300	
T				12,145	12,145	12,145	7,933	250	2,886		300	4,150	300	
G				12,145	12,145	12,145	7,933	250	2,886		300	4,150	300	
L				3,591	8,554	8,554	4,940	0	2,300		0	1,600	0	

\*Contingent upon conclusions of the Health Sector Assessment to be submitted to AID/W by end of FY 87

FY 1989 ANNUAL BUDGET SUBMISSION  
 TABLE IV - PROJECT BUDGET DATA  
 ESTIMATED U.S. DOLLAR COST (\$'000)

PROJECT NO./TITLE	SUB CRT	OBLIG DATE	INIT	FIM	TOTAL AUTH	COST PLAN	OBLIG THRU FY 86	FY 86 PIPE LINE	FY 1987 OBLIG- EXPEND- ITURES	MORTGAGE END OF FY 87	FY 1988 OBLIG- EXPEND- ITURES	FY 89 APPL	SPECIAL INTEREST CODES
<b>EDUCATION AND HUMAN RESOURCES</b>													
532-0000 Program Dev. and Support	EHP	6	85	85	4,900	4,900	3,099	317	217	1,750	500	100	40
532-0089 Basic Skills Training	EHT	6	89	89	8,500	8,500	8,500	1,708	800	1,750	500	950	40
532-0089 Basic Skills Training	EHT	L	89	89	350	350	350	7,684	1,870			1,800	40
532-0084 Management Training	EHR	6	85	85	2,021	2,021	1,621	118	118	200	200	400	40
532-0085 Voluntary Sector Dev. DPG	EHPV	6	88	88	500	500	500	713	613				40, P40-100%
532-0086 PRA/TRE DPG	EHPV	6	82	83	500	500	500	105	105				P40-100%
532-0094 Rural Services for Special Children DPG	EHPV	6	82	83	500	500	500	1	1				PC, P40-100%
532-0095 Board of Revenue Assistance	EHR	6	88	87	3,000	1,000	1,000	1,000	1,000				
532-0095 Board of Revenue Assistance	EHR	L	88	87	4,522	4,522	4,522	917	917				
532-0106 Brothers Brother Found. DPG	EHPV	6	83	87	500	650	500	30	150			75	PC, P40-100%
532-0126 Primary Education Assistance	EHD	6	85	88	11,300	11,300	4,250	4,027	1,750	5,300	1,600	2,000	1,350
532-0129 UMI Management Educ.	EHP	6	87	89	2,450	2,450			650	1,800	600	1,000	
532-0147 PTLIC	EHZ	6	87	89	2,700	2,700	400	364	900	1,800	900	900	40
532-9105 Program Dev. and Support	EHPV	6	86	C					150		100	200	100
T					36,093	39,393	28,392	16,984	3,800	7,846	4,100	5,425	3,850
G					29,071	26,371	15,370	8,363	3,800	5,059	4,100	4,625	3,850
L					13,022	13,022	13,022	8,601	0	2,787	0	1,800	0

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE IV - PROJECT BUDGET DATA  
ESTIMATED U.S. DOLLAR COST (\$'000)

PROJECT NO./TITLE	SUB CAT	OBLIG DATE	INIT FIN	TOTAL AUTH	COST PURN	OBLIG THRU FY 86	PIPE LINE	FY 86	FY 1987 OBLIG- ATIONS	EXPEND- ITURES	MORTGAGE END OF FY 87	FY 1988 OBLIG- ATIONS	EXPEND- ITURES	FY 89 APPL	SPECIAL INTEREST CODES
532-0000 Program Dev. and Support	SDPP	6 85	85	1,100	800	800	405	180	100	100		100	100	100	100 PC, P40-15% EY/PC
532-0029 Special Dev. Activities	SDSH	6 86	C	17,500	10,000	10,000	8,187	101	100	100		100	100	100	100 EY/PC
532-0065 Energy Sector Assistance	SOEG	6 81	85	300	300	300	112	112							
532-0065 Energy Sector Assistance	SOEG	L 81	85	8,400	8,400	4,217		1,300					1,717	500	
532-0067 Low Cost Shelter Dev.	SOHU	6 82	89	2,385	2,385	1,385	417	150	150	1,300	850	350	317	500	
532-0079 Tech. Consultations and Training	SOPE	6 81	89	14,500	8,500	8,500	6,740	2,000		2,000			1,500		
532-0091 Private Dev. Bank	SOPE	6 84	86	1,100	800	800	405	170		170			235		
532-0091 Private Dev. Bank	SOPE	L 84	86	17,500	10,000	10,000	8,187	3,000		3,000			2,187		
532-0095 Board of Revenue Asst.	SOTR	6 83	88	3,000	2,500	2,500	285	1,170	1,170	700	1,045	1,045	1,300		
532-0108 National Dev. Found.	SOEM	6 84	88	670	670	470	23	100	100	100	100	100	100		
532-0117 Urban Tech. Assistance	SOHU	6 85	85	900	900	900	874	410		410			320		PC/MD, P40-100% PC
532-0120 Inner Kingston Improvement	SOHU	6 86	89	10,000	10,000	1,665	1,665	1,794	2,650	1,794	5,585	1,655	2,240	3,680	
532-0120 Inner Kingston Improvement	SOHU	L 86	86	5,000	5,000	5,000	5,000	30		30			2,916	1,000	
532-0135 Promotion of Investments and Exports	SOPE	6 88	91	12,000	12,000							2,000	1,000	1,000	
532-0141 Inner Kingston Employment	SOHU	6 85	86	725	725	725	646	646		646			300	220	
532-9105 Program Dev. and Support	SOPP	6 86	C	425	244	244		200	200	300		250	300	220	
T				64,480	62,180	42,957	29,096	4,570	11,342	11,342	7,580	5,500	14,232	5,500	
G				39,580	36,780	19,557	11,692	4,570	7,012	7,012	7,580	5,500	7,412	5,500	
L				30,900	23,400	23,400	17,404	0	4,330	4,330	0	0	6,820	0	
Total DR				208,159	214,226	143,022	92,140	14,500	35,243	35,243	50,800	18,600	41,791	17,600	
Grant				118,394	132,161	60,957	35,254	14,500	20,036	20,036	50,800	18,600	25,296	17,600	
Loan				89,765	82,065	82,065	56,886	0	15,207	15,207	0	0	16,495	0	

SELECTED DEVELOPMENT ACTIVITIES

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE IV - PROJECT BUDGET DATA  
ESTIMATED U.S. DOLLAR COST (\$'000)

PROJECT NO./TITLE	SUB CAT	OBLIG DATE	INIT	FIN	TOTAL COST	OBLIG THRU FY 86	PIPE LINE	FY 1987 OBLIGATIONS	EXPENDITURES	MORTGAGE END OF FY 87	FY 1988 OBLIGATIONS	EXPENDITURES	FY 89 APPL	SPECIAL INTEREST CODES
<b>ECONOMIC SUPPORT FUNDS</b>														
532-0079 Technical Consultations and Training	ESZZ	6	79	89	12,960	14,720	3,434	1,760	1,400			360		
532-0124 Production & Employment VII	ESCT	6	87	88	23,000			23,000	23,000					
532-0134 Production & Employment VIII	ESCT	6	88	88	45,000						45,000	45,000	40,000	
532-0146 Production & Employment IX	ESCT	6	89	89	40,000									
Total ESF					35,960	122,720	3,434	24,760	24,400	0	45,000	45,360	40,000	
Grant					35,960	122,720	3,434	24,760	24,400	0	45,000	45,360	40,000	
Loan														
Total DR & ESF					244,119	336,946	95,574	39,260	59,643	50,800	63,600	87,151	57,600	
Grant					154,354	254,881	73,917	39,260	44,436	50,800	63,600	70,656	57,600	
Loan					89,765	82,065	21,657	0	15,207	0	0	16,495	0	

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE IV ATTACHMENT 1  
FORESTRY

(\$000)

APPROPRIATION ACCOUNT		LIFE	FY 87	FY 88	FY 89
PROJECT NO.	TITLE	L/G OF PROJECT	ESTIMATE	ESTIMATE	AAPL
<u>ARDN</u>					
532-0101	Hillside Agriculture	G 1000	80	100	100

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE IV ATTACHMENT 2  
INTEGRATED RESOURCE MANAGEMENT

APPROPRIATION ACCOUNT PROJECT NO. TITLE	L/G	LIFE OF PROJECT	FY 87 ESTIMATE	FY 88 ESTIMATE	FY 89 AAPL
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Not Applicable

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE IV ATTACHMENT 3  
BIOLOGICAL DIVERSITY

APPROPRIATION ACCOUNT PROJECT NO. TITLE	LIFE L/G OF PROJECT	FY 87 ESTIMATE	FY 88 ESTIMATE	FY 89 AAPL
<u>ARDN</u> 532-9103 Program Dev. and Support (Jamaica Environmental Profile)	G	20	-	-

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE IV ATTACHMENT 4  
CHILD SURVIVAL

APPROPRIATION ACCOUNT		LIFE	FY 87	FY 88	FY 89
PROJECT NO. TITLE	L/G	OF	ESTIMATE	ESTIMATE	AAPL
		PROJECT			

HEALTH

532-0064 Health Management Improvement

1. Immunization	L	200	100	-	-
2. Nutrition	L	200	-	-	-
3. Other D.C. Functions	L&G	5000	2000	1000	-

FY 1989 Annual Budget Submission  
Table IV Attachment 5  
Support for Micro and Small Enterprises including  
Small Farm, and PVOs-NGOs

	FY 1989 (US\$000)
ESF and DA direct dollar commitments for PVOs-NGOs	
A. ESF Dollar Commitments	-
B. DA Dollar Commitments	4,290
1. For US PVOs	-
2. For indigenous PVOs-NGOs	4,290
The expenditures of non-project assistance local currency generations for use by PVOs-NGOs	
I. From ESF Generation	-
II. From DA Generations	N/A
III. From PL 480 Generations	
A. For use by U.S. PVOs	
B. For use by indigenous PVOs-NGOs	5,800* (equiv.)
ESF and DA dollar commitments for micro and small enterprise programs	
I. ESF Dollar Commitments	-
II. DA Dollar Commitments	
A. For Micro Enterprise	-
B. For Small Enterprise	-
C. For Small Farmer	1,450
1. For Credit	-
2. For TA/Training	1,450
The expenditure of non-project assistance local currency generations for micro and small enterprise programs.	
I. From ESF Generations	
II. From DA Generations	N/A
III. From PL 480 Generations	
A. For Micro Enterprise	
1. For Credit	1,000 (equiv.)
2. For TA/Training	-
B. For Small Enterprises	-
C. For Small Farmer	-

\*Includes \$1,000 proposed allocation from Section 108 program for support of the National Development Foundation's credit program for micro enterprises.

TABLE V  
 AID PROGRAM IN FY 1989  
 ANNUAL BUDGET SUBMISSION  
 TABLE V - PROPOSED PROGRAM RANKING  
 (\$000)

RANK	PROJECT	TITLE	NEW/ LOAN/ CONT GRANT	APPROP	PROGRAM FUNDING (\$000)		CUM
					INCR		
1.	0143	Production and Employment IX	N	ES	40000		40000
2.	0135	Promotion of Investments and Exports	0	SD	1000		41000
3.	0142	Strengthening the Ag. Sector	0	FN	1000		42000
4.	PL01	PL 480 Title I		P1	(40000)		42000
5.	0120	Inner Kingston Improvement	0	SD	3680		45680
6.	0123	Crop Diversification/Irrigation	0	FN	1350		47030
7.	0129	UMI Management Education	0	EH	1000		48030
8.		Program Development and Support	0	ALL	570		48600
9.	0147	PTIIC	0	FN, EH	1100		49700
10.	0069	Population and Family Planning Services	0	PN	650		50350
11.	0101	Hillside Agriculture	0	FN	1000		51350 *
12.	0083	Basic Skills Training	0	EH	500		51850
13.	0067	Low Cost Shelter	0	SD	500		52350
14.	PL02	PL 480 Title II -JADF		P2	(6000)		52350
15.	0126	Primary Education	0	EH	1350		53700
16.	0128	Ag. Research	0	FN	1700		55400
17.	0060	Agricultural Marketing	0	FN	1850		57250
18.	9999	Proposed OPGs (HE)	0	HE	250		57500
19.	0029	SDA	0	SD	100		57600
		TOTAL				57600	

FY 1989 ABS  
LOCAL CURRENCY USE PLAN

Since 1977, this Mission has been actively involved with the Government of Jamaica (GOJ) in negotiations for the uses of local counterpart funds generated from the ongoing PL 480 Title I loans and the Production and Employment (ESF) loans and grants.

The negotiating procedures are well established. Under each of the ESF Agreements, the GOJ is required to deposit an equivalent amount of local currency into special accounts in the Bank of Jamaica. As evidence of this transaction, the GOJ provides to USAID a bank statement within two weeks of the end of the month in which the disbursements occur and on a monthly basis thereafter. Monitoring is discontinued once the proceeds in the accounts have been fully disbursed. The Mission is therefore currently monitoring six ESF Special Accounts (for CBI, and P&E IV, V, V Supplement, VI and VII.) Additional Special Accounts will be established for P&E VIII, and IX following disbursement. The proceeds from the sale of PL-480 commodities are also deposited into a special account established at the Bank of Jamaica, and monitored in a similar fashion.

With the exception of the PL-480 generations reserved for Section 108 activities (discussed below), the remainder of the PL-480 counterpart and all the funds made available under the ESF agreements are programmed on the basis of the GOJ Budget (the "Estimates of Expenditures" for the Jamaican Fiscal Year, April 1 to March 31) tabled in the House of Representatives. Staff of the Ministry of Finance (Economic Division/Public Debt Section) submit a list of activities for funding to USAID. Highest priority is given to the provision adequate local financing for USAID projects and the USAID Trust Fund. Next, funding for other donor projects is provided. USAID reviews the list to ensure that no priority items have been omitted and that all line items are in line with its development objectives. This list is the basis for a PIL, countersigned by the Financial Secretary of the Ministry of Finance, which formally programs the funds. The amount programmed is equal to the total amount available in the various special accounts (both ESF and PL-480) at that time.

The Ministry of Finance allocates the various line items between ESF and PL-480 on the relatively more restricted uses assigned to PL-480 counterpart, that is line items dealing with agricultural development, rural development, nutrition, and population planning are funded from the PL-480 or Section 416 Sugar Quota generations, with the remaining line items funded from the funds made available under the ESF cash transfers.

Based on past programming experiences, this year we can expect the Ministry of Finance to propose funding for USAID projects, other donors projects (primarily IBRD, IDB, UNDP, and the EEC), and GOJ projects and activities in the areas of health, agriculture, education, and infrastructure.

These resources will complement the Mission's activities in focusing increasingly on assisting the relevant public and private sector delivery entities to increase their efficiency in the delivery of basic social services and to tailor their service agendas in accordance with human and financial resource limitations.

Private sector development continues as a high priority for USAID in Fiscal years 1988 and 1989. Efforts to increase domestic and foreign private investment will focus not only on increasing aggregate investment levels, but equally importantly on broadening the base of participation. As in the specific productive sectors, the emphasis will be on extending the areas of structural reform that are already under way. Beginning in FY 1987, twenty-five percent of PL-480 Title I resources are being devoted to Section 108 private enterprise development efforts as US owned local currencies. The In-country Policy Group has decided to use a range of financial institutions ranging from commercial banks and private development banks, to credit unions and cooperatives. This major private sector local currency initiative will continue in FY 1988 and 1989 at the same annual level of twenty-five percent of Title I resources.

Based on planning levels provided for the FY 1989 ABS, Jamaica is expected to receive \$45 million per year in ESF balance of payments support, and \$40 million per year in PL 480 Title I commodities in FY 1987 and FY 1988. At the current exchange rate of J\$5.50 = US\$1.00, local currency generations from these two sources would amount to J\$955 million over the next two fiscal years. Programming and expenditure of resources of this magnitude will undoubtedly involve direct budget support to the GOJ. The priorities noted above, however, will continue to guide the Mission's approach to negotiation of the uses of these funds.

FY 1989 ANNUAL BUDGET SUBMISSION  
 TABLE VI: EXPENDITURES OF LOCAL CURRENCY GENERATIONS  
 (ALL IN THE U.S. DOLLAR EQUIVALENTS, AND IN \$ MILLION)

Source/Purposes	1986 ACTUAL	1987 EST.	1988 PLANNED	1989 PROP.
<b>I. ECONOMIC SUPPORT FUND</b>				
<b>A. Public Dev. Activities</b>	17.5	19.5	16.1	21.9
1. e.g. Ag. Research, irrigation, rural infrastructure (also indicate the amount of this counterpart which is in direct support of AID projects)				
2. UNDP Trust Fund	1.6	1.6	1.6	1.6
<b>B. Private Sector Programs</b>				
1.				
2.				
<b>C. Public Sector Recurrent Budget</b>	15.6	17.4	14.3	19.5
1.				
2.				
<b>D. AID Operating Expenses (Trust Fund)</b>	3.6	3.6	3.6	3.6
<b>II. DEVELOPMENT ASSISTANCE</b>				
<b>A. Public Development Activities</b>				
1.				
2.				
<b>B. Private Sector Programs, Small Enterprise Credit (also include type of organization, e.g., PVO Coop, Business, Other)</b>				
1. e.g., PVO, Small Enterprise Development				
2. e.g., COOP, Housing				
<b>C. Public Sector Recurrent Budget</b>				
1.				
2.				
<b>D. AID Operating Expenses (Trust Funds)</b>				
<b>SUBTOTAL ESF &amp; DA</b>	38.3	42.1	35.6	46.6

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE VI: EXPENDITURES OF LOCAL CURRENCY GENERATIONS  
(ALL IN THE U.S. DOLLAR EQUIVALENTS, AND IN \$ MILLION)

Source/Purposes	1986 ACTUAL	1987 EST.	1988 PLANNED	1989 PROP.
II. PL 480				
A. Public Development Activities	13.8	18.3	21.4	21.4
1.				
2.				
B. Private Sector Programs		9.7	10	10
1.				
2.				
C. Public Sector Recurrent Budget	16.2	11	8.6	8.6
1. e.g., Child Survival (also indicate the amount of this counterpart which is in direct support of AID projects)				
2. Agriculture or other subsidies				
D. AID Operating Expenses (Trust Funds)				
<hr/>				
TOTALS	68.3	71.4	65.6	76.6

ORGANIZATION: USAID/JAMAICA  
 BUDGET PLAN CODES: DOLLAR FUNDED  
 COEA-87-25532-U000 U100s, U400s, U514 AND 520  
 CES7-87-25532-U000 U500s EXCEPT U514 AND 520

TABLE VIII - FY 1987  
 (\$000)

EXPENSE CATEGORY	F.C. O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100	1783.4	114.4	1897.8	XXXXX
U.S. CITIZENS BASIC PAY	U101 110	1213.2		1213.2	21.6
PT/TEMP U.S. BASIC PAY	U102 112	0.0		0.0	0
DIFFERENTIAL PAY	U103 116	182.0		182.0	XXXXX
OTHER AID/W FUNDED O.C. 11	U104 119	0.0		0.0	XXXXX
OTHER MISSION FUNDED O.C. 11	U105 119	0.0		0.0	XXXXX
EDUCATION ALLOWANCES	U106 126	83.7	17.8	101.5	16
RETIREMENT - U.S.	U107 120	84.9		84.9	XXXXX
LIVING ALLOWANCES	U108 128			0.0	XXXXX
OTHER AID/W FUNDED O.C. 12	U109 129	42.5		42.5	XXXXX
OTHER MISSION FUNDED O.C. 12	U110 129	12.6	6.3	18.9	XXXXX
POST ASSIGNMENT - TRAVEL	U111 212	13.3		13.3	8
POST ASSIGNMENT - FREIGHT	U112 22	127.4		127.4	8
HOME LEAVE - TRAVEL	U113 212	4.3	18.5	22.8	17
HOME LEAVE - FREIGHT	U114 22	7.5	35.0	42.5	17
EDUCATION TRAVEL	U115 215	2.0	2.8	4.8	12
R&R TRAVEL	U116 215		24.0	24.0	13
ALL OTHER CODE 215 TRAVEL	U117 215	10.0	10.0	20.0	17
FOREIGN NATIONAL DH	U200	0.0	175.5	175.5	XXXXX
BASIC PAY	U201 114		144.2	144.2	13.6
OVERTIME, HOLIDAY PAY	U202 115		5.8	5.8	0.5
ALL OTHER CODE 11 - FN	U203 119		8.0	8.0	XXXXX
ALL OTHER CODE 12 - FN	U204 129		14.5	14.5	XXXXX
BENEFITS FORMER FN PERS.	U205 13		3.0	3.0	XXXXX
CONTRACT PERSONNEL	U300	0.0	500.8	500.8	XXXXX
PASA TECHNICIANS	U301 258			0.0	0
U.S. PSC - SALARY/BENEFITS	U302 113		107.0	107.0	4
ALL OTHER U.S. PSC COSTS	U303 255			0.0	XXXXX
F.N. PSC - SALARY/BENEFITS	U304 113		376.8	376.8	45
ALL OTHER F.N. PSC COSTS	U305 255		17.0	17.0	XXXXX
MANPOWER CONTRACTS	U306 259		0.0	0.0	0

HOUSING	U400	29.2	741.2	770.4	XXXXX
RENT	U401 235		352.3	352.3	24.5
UTILITIES	U402 235		79.1	79.1	XXXXX
RENOVATION AND MAINT.	U403 259	12.0	58.0	70.0	XXXXX
QUARTERS ALLOWANCE	U404 127		12.8	12.8	0.7
PURCHASES RES. FURN/EQUIP	U405 311	14.4		14.4	XXXXX
TRANS./FREIGHT - CODE 311	U406 22	2.8		2.8	XXXXX
SECURITY GUARD SERVICES	U407 254		235.5	235.5	47.4
OFFICIAL RESIDENCE ALLOW.	U408 254		1.7	1.7	XXXXX
REPRESENTATION ALLOWANCE	U409 252		1.8	1.8	XXXXX
OFFICE OPERATIONS	U500	237.1	1001.9	1239.0	XXXXX
RENT	U501 234		148.6	148.6	XXXXX
UTILITIES	U502 234		150.0	150.0	XXXXX
BUILDING MAINT./RENOV.	U503 259	13.0	53.4	66.4	XXXXX
OFFICE FURN/EQUIP	U504 310	14.1	7.6	21.7	XXXXX
VEHICLES	U505 312	0.0		0.0	XXXXX
OTHER EQUIPMENT	U506 319	11.6		11.6	XXXXX
TRANSPORTATION/FREIGHT	U507 22	4.0		4.0	XXXXX
FURN/EQUIP/VEH.REPAIR/MAINT	U508 259	26.3	45.0	71.3	XXXXX
COMMUNICATIONS	U509 230		80.0	80.0	XXXXX
SECURITY GUARD SERVICES	U510 254		90.9	90.9	22.6
PRINTING	U511 24		8.2	8.2	XXXXX
RIG/II OPERATIONAL TRAVEL	U512 210	0.0		0.0	0
SITE VISITS - IN COUNTRY	U513 210	16.0	17.0	33.0	55
SITE VISITS - OTHER	U514 210	6.0		6.0	3
INFORMATION MEETINGS	U515 210	0.0		0.0	0
TRAINING ATTENDANCE	U516 210	12.0	6.0	18.0	8
CONFERENCE ATTENDANCE	U517 210	18.0	6.0	24.0	15
OTHER OPERATIONAL TRAVEL	U518 210	3.0	1.0	4.0	5
SUPPLIES AND MATERIALS	U519 26	13.1	24.0	37.1	XXXXX
FAAS	U520 257	100.0		100.0	XXXXX
CONSULTING SVCS - CONT.	U521 259			0.0	XXXXX
MGT./PROF. SVCS. - CONT.	U522 259			0.0	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U523 259			0.0	XXXXX
ALL OTHER CODE 25	U524 259		364.2	364.2	XXXXX
TOTAL O.E. BUDGET.		2049.7	2533.8	4583.5	XXXXX
RECONCILIATION		1622.6	0.0	1622.6	XXXXX
OPERATING ALLOWANCE REQUEST		427.1	2533.8	2960.9	XXXXX
OTHER INFORMATION					

DOLLAR REQUIREMENTS FOR LOCAL CURRENCY PURCHASES - NONE  
 EXCHANGE RATE USED: J\$5.46 = US\$1.00

OTHER OPERATIONAL TRAVEL	U518	210	3.0	1.0	4.0	5
SUPPLIES AND MATERIALS	U519	26	13.1	24.0	37.1	XXXXX
FAAS	U520	257	100.0		100.0	XXXXX
CONSULTING SVCS - CONT.	U521	259			0.0	XXXXX
MGT./PROF. SVCS. - CONT.	U522	259			0.0	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U523	259			0.0	XXXXX
ALL OTHER CODE 25	U524	259		364.2	364.2	XXXXX
TOTAL O.E. BUDGET.			2049.7	2533.8	4583.5	XXXXX
RECONCILIATION			1622.6	0.0	1622.6	XXXXX
OPERATING ALLOWANCE REQUEST			427.1	2533.8	2960.9	XXXXX

OTHER INFORMATION  
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DOLLAR REQUIREMENTS FOR LOCAL CURRENCY PURCHASES - NONE  
EXCHANGE RATE USED: J\$5.46 = US\$1.00

ORGANIZATION: USAID/JAMAICA

TABLE VIII - FY 1988  
USAID/JAMAICA  
(\$000)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		1834.4	91.8	1926.2	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1314.3		1314.3	21.8
PT/TEMP U.S. BASIC PAY	U102	112	0.0		0.0	0
DIFFERENTIAL PAY	U103	116	197.1		197.1	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119	0.0		0.0	XXXXX
OTHER MISSION FUNDED O.C. 11	U105	119	0.0		0.0	XXXXX
EDUCATION ALLOWANCES	U106	126	94.5	21.4	115.9	17
RETIREMENT - U.S.	U107	120	92.0		92.0	XXXXX
LIVING ALLOWANCES	U108	128			0.0	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	46.0		46.0	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	5.2	4.0	9.2	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	5.1		5.1	3
POST ASSIGNMENT - FREIGHT	U112	22	55.0		55.0	3
HOME LEAVE - TRAVEL	U113	212	2.4	12.6	15.0	8
HOME LEAVE - FREIGHT	U114	22	3.0	7.0	10.0	8
EDUCATION TRAVEL	U115	215	2.8	2.8	5.6	11
R&R TRAVEL	U116	215		31.0	31.0	16
ALL OTHER CODE 215 TRAVEL	U117	215	17.0	13.0	30.0	15
FOREIGN NATIONAL DH	U200		0.0	223.4	223.4	XXXXX
BASIC PAY	U201	114		184.0	184.0	15
OVERTIME, HOLIDAY PAY	U202	115		9.2	9.2	0.5
ALL OTHER CODE 11 - FN	U203	119		9.0	9.0	XXXXX
ALL OTHER CODE 12 - FN	U204	129		18.2	18.2	XXXXX
BENEFITS FORMER FN PERS.	U205	13		3.0	3.0	XXXXX
CONTRACT PERSONNEL	U300		0.0	596.2	596.2	XXXXX
PASA TECHNICIANS	U301	258			0.0	0
U.S. PSC - SALARY/BENEFITS	U302	113		112.5	112.5	4
ALL OTHER U.S. PSC COSTS	U303	255			0.0	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113		443.7	443.7	47
ALL OTHER F.N. PSC COSTS	U305	255		40.0	40.0	XXXXX
MANPOWER CONTRACTS	U306	259		0.0	0.0	0

	U400	79.3	784.9	864.2	XXXXX
<b>HOUSING</b>					
RENT	U401	235	387.4	387.4	25
UTILITIES	U402	235	87.0	87.0	XXXXX
RENOVATION AND MAINT.	U403	259	48.0	76.0	XXXXX
QUARTERS ALLOWANCE	U404	127	0.0	0.0	0
PURCHASES RES. FURN/EQUIP	U405	311	42.8	42.8	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	8.5	8.5	XXXXX
SECURITY GUARD SERVICES	U407	254	259.0	259.0	48
OFFICIAL RESIDENCE ALLOW.	U408	254	1.7	1.7	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.8	1.8	XXXXX
<b>OFFICE OPERATIONS</b>					
RENT	U500		347.7	1059.9	1407.6
UTILITIES	U501	234	167.1	167.1	XXXXX
BUILDING MAINT./RENOV.	U502	234	165.0	165.0	XXXXX
OFFICE FURN/EQUIP	U503	259	30.0	42.7	XXXXX
VEHICLES	U504	310	3.7	8.0	XXXXX
OTHER EQUIPMENT	U505	312	18.8	18.8	XXXXX
TRANSPORTATION/FREIGHT	U506	319	23.9	23.9	XXXXX
FURN/EQUIP/VEH.REPAIR/MAINT	U507	22	8.2	8.2	XXXXX
COMMUNICATIONS	U508	259	50.7	34.0	XXXXX
SECURITY GUARD SERVICES	U509	230	88.0	88.0	XXXXX
PRINTING	U510	254	100.0	100.0	23
RIG/II OPERATIONAL TRAVEL	U511	24	8.4	8.4	XXXXX
SITE VISITS - IN COUNTRY	U512	210	0.0	0.0	0
SITE VISITS - OTHER	U513	210	31.0	15.0	56
INFORMATION MEETINGS	U514	210	0.0	0.0	0
TRAINING ATTENDANCE	U515	210	0.0	0.0	0
CONFERENCE ATTENDANCE	U516	210	14.0	5.0	9
OTHER OPERATIONAL TRAVEL	U517	210	24.0	5.0	15
SUPPLIES AND MATERIALS	U518	210	5.0	1.0	5
FAAS	U519	26	28.4	20.0	XXXXX
CONSULTING SVCS - CONT.	U520	257	110.0	110.0	XXXXX
MGT./PROF. SVCS. - CONT.	U521	259	0.0	0.0	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U522	259	0.0	0.0	XXXXX
ALL OTHER CODE 25	U523	259	0.0	0.0	XXXXX
	U524	259	400.7	400.7	XXXXX
TOTAL O.E. BUDGET.			2261.4	2756.2	5017.6
RECONCILIATION			1759.4	0.0	1759.4
OPERATING ALLOWANCE REQUEST			502.0	2756.2	3258.2
<b>OTHER INFORMATION</b>					

DOLLAR REQUIREMENTS FOR LOCAL CURRENCY PURCHASES - NONE  
 EXCHANGE RATE USED. 145.74 = 100.00

TABLE VIII - FY 1989  
USAID/JAMAICA  
(\$000)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		1973.1	104.4	2077.5	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1316.3		1316.3	22.2
PT/TEMP U.S. BASIC PAY	U102	112	0.0		0.0	0
DIFFERENTIAL PAY	U103	116	197.4		197.4	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119	0.0		0.0	XXXXX
OTHER MISSION FUNDED O.C. 11	U105	119	0.0		0.0	XXXXX
EDUCATION ALLOWANCES	U106	126	132.0	19.4	151.4	21
RETIREMENT - U.S.	U107	120	92.1		92.1	XXXXX
LIVING ALLOWANCES	U108	128			0.0	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	46.1		46.1	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	8.7	4.2	12.9	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	14.0		14.0	7
POST ASSIGNMENT - FREIGHT	U112	22	128.0		128.0	7
HOME LEAVE - TRAVEL	U113	212	9.4	24.3	33.7	21
HOME LEAVE - FREIGHT	U114	22	12.9	21.3	34.2	21
EDUCATION TRAVEL	U115	215	1.2	1.0	2.2	4
R&R TRAVEL	U116	215	0.0	19.2	19.2	9
ALL OTHER CODE 215 TRAVEL	U117	215	15.0	15.0	30.0	15
FOREIGN NATIONAL DH	U200		0.0	245.5	245.5	XXXXX
BASIC PAY	U201	114		202.4	202.4	15
OVERTIME, HOLIDAY PAY	U202	115		10.1	10.1	0.5
ALL OTHER CODE 11 - FN	U203	119		10.0	10.0	XXXXX
ALL OTHER CODE 12 - FN	U204	129		20.0	20.0	XXXXX
BENEFITS FORMER FN PERS.	U205	13		3.0	3.0	XXXXX
CONTRACT PERSONNEL	U300		0.0	655.6	655.6	XXXXX
PASA TECHNICIANS	U301	258			0.0	0
U.S. PSC - SALARY/BENEFITS	U302	113		118.2	118.2	4
ALL OTHER U.S. PSC COSTS	U303	255			0.0	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113		487.4	487.4	47
ALL OTHER F.N. PSC COSTS	U305	255		50.0	50.0	XXXXX
MANPOWER CONTRACTS	U306	259		0.0	0.0	0

HOUSING	U400	44.7	833.0	877.7	XXXXX
RENT	U401		406.7	406.7	25
UTILITIES	U402		95.7	95.7	XXXXX
RENOVATION AND MAINT.	U403	22.0	61.6	83.6	XXXXX
QUARTERS ALLOWANCE	U404		0.0	0.0	0
PURCHASES RES. FURN/EQUIP	U405	18.9		18.9	XXXXX
TRANS./FREIGHT - CODE 311	U406	3.8		3.8	XXXXX
SECURITY GUARD SERVICES	U407		265.5	265.5	48
OFFICIAL RESIDENCE ALLOW.	U408		1.7	1.7	XXXXX
REPRESENTATION ALLOWANCE	U409		1.8	1.8	XXXXX
OFFICE OPERATIONS	U500	328.7	1158.8	1487.5	XXXXX
RENT	U501		174.9	174.9	XXXXX
UTILITIES	U502		181.5	181.5	XXXXX
BUILDING MAINT./RENOV.	U503	25.0	55.0	80.0	XXXXX
OFFICE FURN/EQUIP	U504	10.3	4.1	14.4	XXXXX
VEHICLES	U505	31.8	0.0	31.8	XXXXX
OTHER EQUIPMENT	U506	10.8		10.8	XXXXX
TRANSPORTATION/FREIGHT	U507	3.3		3.3	XXXXX
FURN/EQUIP/VEH.REPAIR/MAINT	U508	42.5	48.4	90.9	XXXXX
COMMUNICATIONS	U509		96.8	96.8	XXXXX
SECURITY GUARD SERVICES	U510		110.0	110.0	23
PRINTING	U511		8.5	8.5	XXXXX
RIG/II OPERATIONAL TRAVEL	U512	0.0		0.0	0
SITE VISITS - IN COUNTRY	U513	26.0	15.0	41.0	50
SITE VISITS - OTHER	U514			0.0	0
INFORMATION MEETINGS	U515	0.0		0.0	0
TRAINING ATTENDANCE	U516	14.0	5.0	19.0	8
CONFERENCE ATTENDANCE	U517	20.0	5.0	25.0	14
OTHER OPERATIONAL TRAVEL	U518	4.0	1.0	5.0	5
SUPPLIES AND MATERIALS	U519	20.0	25.5	45.5	XXXXX
FAAS	U520	121.0		121.0	XXXXX
CONSULTING SVCS - CONT.	U521			0.0	XXXXX
MGT./PROF. SVCS. - CONT.	U522			0.0	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U523			0.0	XXXXX
ALL OTHER CODE 25	U524		428.1	428.1	XXXXX
TOTAL O.E. BUDGET.		2346.5	2997.3	5343.8	XXXXX
RECONCILIATION		1772.9	0.0	1772.9	XXXXX
OPERATING ALLOWANCE REQUEST		573.6	2997.3	3570.9	XXXXX
OTHER INFORMATION					

DOLLAR REQUIRMENTS FOR LOCAL CURRENCY PURCHASES - NONE

Organization--USAID/Jamaica

TABLE VIII (a)

NARRATIVE

Management Improvements

In late FY 1986, the Mission completed its withdrawal from FAAS operations as planned. A USAID Trust Funded GSO has been established under a contractual arrangement with a local consulting firm, and is housed on USAID-owned property.

Also, in late FY 1986, the Mission began a process of management consolidation and improvement with the incorporation of the PL 480 program into the Office of Agriculture and Rural Development's portfolio. This move reflects the Mission's aim of harmonizing food assistance and agriculture strategies. In FY 1987, USAID's Offices of Project Development and Support, and Private Enterprise Development will merge in order to more effectively utilize existing staff resources.

During FY 1987 the Mission has continued its efforts to achieve a more fully automated office environment. The Mission purchased and installed 35 new workstations, including 7 PCs, as a part of its newly upgraded VS-100 system. The Mission is also in the process of procuring software training services with OE funds to develop the staffs' computer skills on PCs and thereby improve overall efficiency and productivity.

Trust Fund

USAID/Jamaica currently derives approximately 85 percent of its Operating Expense funds from the ESF generated Trust Fund. This significantly reduces the Mission's requirements for US dollars in the OE budget.

Included in the FY 1987 ESF package was a Memorandum of Understanding with the GOJ on a Trust Fund level of J\$20 million for the Jamaican FY 1987/88. This level should be sufficient to meet the local OE requirements through the end of September 1988. The Mission is actively exploring ways of using the Trust Fund to minimize future recurring costs and is considering using Trust Funds to acquire additional real property.

At the planned ESF levels of US\$45 million in FY 1988 and US\$40 million in FY 1989, the J\$20 million annual Trust Fund level could be maintained. USAID would expect, however, that drastic reductions in ESF levels would result in reductions in the annual Trust Fund contributions and may necessitate an increase in the FY 1989 U.S. dollar funding allocation.

### FY 1987 Budget Shortfall

During FY 1987 USAID/J has eight USDH employees taking early transfers resulting in six replacements (post assignments). These transfers have caused a shortfall of approximately \$100,000 (approximately \$16,500 per transfer for post assignment costs and educational allowances). To date, USAID/J has received \$187,000 in "COEA" funds but an additional \$100,000 is still needed as shown in Table VIII.

This Mission has an allowance of \$240,000 from the ESF account to cover codes 200 and 500; however, our requirements total only \$163,700. USAID/J recommends that the excess ESF funds be utilized the later part of this fiscal year to forward fund FY 1988 costs.

### Justification for Funding Increases

With the exception of the U100s from FY 1987 to FY 1988 and the U400s from FY 1988 to FY 1989, all function code totals increased by more than 2 percent. These increases were due mainly to inflation. The operation allowance requests increases by approximately 10 percent from FY 1987 to FY 1988 and 10 percent from FY 1988 to FY 1989.

Following are additional reasons for the increased amounts. The U100s (U.S. Direct Hire) will increase in FY 1989 as a result of planned post assignments. The U200s (Foreign National Direct Hire) and U300s (Contract Personnel) will rise in FY 1988 and FY 1989 due to increases in the salary levels. The U400s (Housing) will increase in FY 1988 due to the planned purchases of residential furniture and equipment. The U500s (Office Operations) will increase in FY 1988 and FY 1989 due to the purchase of vehicles.

Organization - USAID/Jamaica

Table VIII (b)  
Information of U.S. PSC Costs

Job Title/Descriptions	FY1987	FY1988	FY1989
Systems Manager (ADP)	32,000 (10/86-9/87)	33,500 (10/87-9/88)	35,000 (10/88-9/89)
Financial Analyst	27,000 (10/86-9/87)	28,500 (10/87-9/88)	30,000 (10/88-9/89)
Administrative Assist. to Mission Director	27,000 (10/86-9/87)	28,500 (10/87-9/88)	30,000 (10/88-9/89)
Secretary to Deputy Director	21,000 (10/86-9/87)	22,000 (10/87-9/88)	23,200 (10/88-9/89)
TOTAL	107,000	112,500	118,200

Organization - USAID/Jamaica

Table VIII (c)  
All Other Code 25 Detail

Description	FY1987	FY1988	FY1989
Photocopying Services Contract	93,000 (10/86-9/87)	112,000 (10/87-9/88)	134,000 (10/88-9/89)
General Services Office Contract	182,000 (10/86-9/87)	218,000 (10/87-9/88)	261,000 (10/88-9/89)
Miscellaneous Contracts	89,200 (10/86-9/87)	70,700 (10/87-9/88)	33,100 (10/88-9/89)
TOTALS	364,200	400,700	428,100



Organization - USAID/Jamaica

## TABLE VIII(f) - 1

## Table VIII(f)1

## Report on Motor Vehicle Operations

ITEM AND EXPLANATION	FY1987	FY1988	FY1989
<b>A. Numbers of Vehicles:</b>			
1. Purchased Vehicles:			
(a) Number of vehicles on hand at start of year	14	14	14
(b) Plus number of vehicles to be purchased during the year	3	1	3
(c) Less number of vehicles to be disposed of during the year	3	1	3
(d) Number of vehicles on hand end of year	14	14	14
2. Leased Vehicles:			
Average number of leased vehicles in use during the year	0	0	0
<b>B. Estimated Obligations:</b>			
1. Vehicle Purchases	** 32,493.00	18,849.00	31,800.00
2. Special modifications (such as armor plating)	-	-	-
3. Transportation of purchased vehicles	1,600.00	1,700.00	1,700.00
4. Vehicle leases	-	-	-
5. Vehicle Maintenance/Repairs	435.81	600.00	600.00
6. Salaries/Benefits of Drivers/Dispatchers	*	*	*
7. Supplies/Materials/Gas/Oil	*	*	*
8. Rental of Warehouse/Garage space	1	-	-
9. Other Miscellaneous Costs	-	-	-
10. Total Obligations	34,528.81	21,149.00	34,100.00

C. Estimated Disbursements:

1. Vehicle Purchases	32,493.00	18,849.00	31,800.00
2. Special modifications (such as armor plating)	-	-	-
3. Transportation of purchased vehicles	1,600.00	1,700.00	1,700.00
4. Vehicle leases	-	-	-
5. Vehicle Maintenance/Repairs	435.81	600.00	600.00
6. Salaries/Benefits of Drivers/Dispatchers	-	-	-
7. Supplies/Materials/Gas/Oil	-	-	-
8. Rental of Warehouse/Garage space	-	-	-
9. Other Miscellaneous Costs	-	-	-
10. Total Obligations	34,528.81	21,149.00	34,100.00

D. Vehicles included in (A) above owned by A.I.D. but operated/maintained by JAO/Embassy motor pool: None

- (1) On-hand at start of year
- (2) To be purchased during the year
- (3) To be disposed of during the year

\* Items B.6 and 7 are funded out of Trust Funds.  
 \*\* These vehicles are not currently reflected in Table VIII for FY1987.  
 If additional funds become available, these vehicles will be purchased.

Report on Motor Vehicle Operations

(Trust Funds)

ITEM AND EXPLANATION	FY1987	FY1988	FY1989
<b>A. Numbers of Vehicles:</b>			
1. Purchased Vehicles:			
(a) Number of vehicles on hand at start of year			
(b) Plus number of vehicles to be purchased during the year			3
(c) Less number of vehicles to be disposed of during the year			
(d) Number of vehicles on hand end of year			3
2. Leased Vehicles:			
Average number of leased vehicles in use during the year	0	0	0
<b>B. Estimated Obligations:</b>			
1. Vehicle Purchases	-	-	31,800.00
2. Special modifications (such as armor plating)	-	-	1,700.00
3. Transportation of purchased vehicles	-	-	4,000.00
4. Vehicle leases	-	-	-
5. Vehicle Maintenance/Repairs	4,152.00	4,152.00	-
6. Salaries/Benefits of Drivers/Dispatchers	25,595.00	28,190.00	31,009.00
7. Supplies/Materials/Gas/Oil	10,061.00	10,061.00	10,000.00
8. Rental of Warehouse/Garage space	-	-	-
9. Other Miscellaneous Costs	-	-	-
10. Total Obligations	39,808.00	42,403.00	78,509.00

C. Vehicles included in (A) above owned by A.I.D. but operated/maintained by JAO/Embassy motor pool: None

- (1) On-hand at start of year
- (2) To be purchased during the year
- (3) To be disposed of during the year

TABLE VIII(e)\*  
OBLIGATIONS FOR ACQUISITION, OPERATION  
AND USE OF INFORMATION TECHNOLOGY SYSTEMS  
(\$000)

<u>ITEM AND EXPLANATION</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>
<b>1. Capital Investment:</b>			
<b>A. Purchase of Hardware</b>			
<b>WANG:</b>			
PC w LCO, IBM Emu, Winchester drive Matrix Printer x 7	31.6		
4230 w/s x 31	54.5		
16 Port Serial IOP	6.8	4.4	2.2
PC Monitor Arm x 7	.9		
PC Desk Clamp x 7	.5		
Keyboard ext. x 7	.1		
VS90 - VS100 Upgrade	6.5		
288 MB Disk Drive	11.7		11.7
Memory Upgrade 2MB - 4MB	15.6		
Memory Upgrade 4MB - 6MB		15.6	
Memory Upgrade 6MB - 8MB			15.6
Bus Adapter	5.8		
DWOS-60 Printer x 3	5.7		
5577 Matrix Printer	3.8		
TC MODEM (Total Cost)		7.0	
LIS-12 Laser Printer plus starter kit			22.1
1 600 LPM Band Printer		12.0	
Upgrade 20 W/S to PC @ approx. \$2,000 ea.		40.0	
IBM Emulation x 20		3.9	
VS LCO x 20		12.2	
Spare Parts for 4230 w/s		4.7	
Spare Part for Memory Brd.		4.2	
PIC (Professional Image Computing) PC + Printer			6.9
<b>OTHER:</b>			
7 IBM PC @ \$5,000 ea.		35.0	
<b>B. Purchase of Software</b>			
PC DOS (2.1) x 7	.3	1.5	
Lotus for IBM (2.01)	1.5	2.1	
Lotus for Wang (2.01) x 15		5.0	
PC DOS (3.1) for IBM x 27		1.5	

\*Items in Table VIII(e) reflect Mission's needs and are currently in excess of those indicated in Table VIII.

TABLE VIII(e)  
(Continued)

dBASE III Plus	1.9	3.8	
Timeline	1.5	3.1	
Sideways	.2	1.0	
SPSS	.4		
Integrated W.P.	1.4	4.1	
VS Access	.8		
VS Multistation	2.4		
COBOL Compiler for VS100	4.5		
Wang Glossary Tutor	.17		
Wang Word Processing Tutor	.17		
Wang WP Tutor for the PC	.17		
Wang 20/20 x 5		1.7	
Auto CAD x 1		1.7	
Wang WP Plus for VS			4.2
PACE Package for VS			23.8
PIC Software			.5
PIC Integrated WP			.3
PIC Data Base			.3
Wang 20/20 for VS			3.1
C. Site Facility			
SUBTOTAL Section 1	158.91	164.5	90.7
<hr/>			
2. <u>Personnel:</u>			
A. Compensation/Benefits/Travel	44.0	48.8	53.7
B. Workyears	2	2	2
<hr/>			
3. <u>Equipment Rental, Space and Other Operating Costs:</u>			
A. Lease of Equipment			
B. Space			
C. Supplies and Other Material	10.6	11.6	13.5
D. Non-Commercial Training	4.0	4.4	4.8
SUBTOTAL Section 3	14.6	16.0	18.3
<hr/>			

TABLE VIII(e)  
(Continued)

<b>4. <u>Commercial Services:</u></b>			
A. Computer Time			
B. Leased Telecommunications		.07	.08
C. Operations and Maintenance			
(1) Operations			
(2) Maintenance:			
Other than Wang equipment			
IBM PCs (Item 1 A.)		8.2	9.0
Wang equipment (local maintenance)			
Wang equipment (AID/W)			
D. Systems Analysis & Programming:			
E. System Design & Engineering			
F. Studies and Other			
SUBTOTAL Section 4		<u>36.0</u>	<u>48.27</u> <u>53.08</u>
<hr/>			
5. TOTAL DOLLARS	253.51	277.57	215.78
TOTAL WORKYEARS (From Item 2A)	2	2	2
<hr/>			
<b>6. <u>MISSION ALLOWANCE LEVELS:</u></b>			
A. Existing Systems	94.60	113.07	125.08
B. New or expanded Systems	158.91	164.5	90.7

Country/Office - Jamaica

FY 1989 ANNUAL BUDGET SUBMISSION  
TABLE XI  
P.L. 480 TITLE I/III REQUIREMENTS

[Dollars in Millions, Tonnage in Thousands]

COMMODITIES	ACTUAL FY 1987		ESTIMATED FY 1988		PROJECTED FY 1989	
	\$	MT	\$	MT	\$	MT
Title I						
Wheat	16.6	154000	18	167000	15	139000
Corn	8.5	110000	8	96000	5	60000
Rice	6.2	34000	6	34000	4	22000
Soybeans	7.7	40000	8	42000	6	31000
Total	39	338000	40	339000	30	252000
Total						
of which						
Title III						
Total	39	338000	40	339000	30	252000

COMMENT: The FY 1987 level includes \$11.4 in amendments.  
Prices per State 103007 dated 4/7/87

FY 1989 ANNUAL BUDGET SUBMISSION  
 TABLE XIII  
 PL 480 TITLE II\*

1. Country Jamaica

Sponsor's Name \_\_\_\_\_

A. Maternal and Child Health ..... Total Recipients \_\_\_\_\_

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	DOLLARS
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total MCH</u>		_____	_____

B. School Feeding . . . . . Total Recipients \_\_\_\_\_

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	DOLLARS
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total School Feeding</u>		_____	_____

C. Other Child Feeding. . . . . Total Recipients \_\_\_\_\_

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	DOLLARS
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total Other Child Feeding</u>		_____	_____

D. Food for Work . . . . . Total Recipients \_\_\_\_\_

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	DOLLARS
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total Food for Work</u>		_____	_____

E. Other (Specify) JAMAICA AGRICULTURAL DEVELOPMENT FOUNDATION Total Recipients N/A

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	DOLLARS
<u>N/A</u>	<u>Butter</u>	<u>1,000</u>	<u>1,000**</u>
	<u>Cheese</u>	<u>3,000</u>	<u>3,450**</u>
	<u>NFDM</u>	<u>14,000</u>	<u>1,550</u>
		<u>18,000</u>	<u>6,000</u>
<u>Total Other</u>			

\* As per State 143319 ("FY 1989 Approved Assistance Levels") no Title II FY 1989 funds are available. Funds for the Title II program indicated here will be sought from the unallocated reserve.

\*\* Estimates as prices were not shown in State 103007

ANNEX K

USAID/J's Privatization Plans

Introduction. FY 1987 has been a watershed year for USAID in its collaboration with the GOJ to promote privatization. The highly successful share offer of the National Commercial Bank (NCB) in December 1986 represented a major breakthrough. The share offer, which involved selling 51 percent of the stock of the NCB, or 30.6 million shares at a price of J\$2.95 per share for a total of J\$ 90 million, was oversubscribed by 175 percent with just over 30,000 applications. In all, a total of 84 million shares valuing J\$ 250 million were applied for. The largest number of persons to have supported a share issue in Jamaica in the past was 10,000.

The importance of the NCB share offer was that it demonstrated that Jamaica's Stock Exchange could be used as a vehicle for selling the larger state owned enterprises, while building a stronger and deeper capital market in Jamaica and widening the number of shareholders. The successful NCB share issue lent credibility to the privatization of large state owned enterprises in the mind of the public and the GOJ.

The GOJ has translated this credibility into a major action program outlined by the GOJ in the JFY 1987-88 budget scheduled to raise J\$818 million in proceeds, or about US\$ 150 million, during the course of the fiscal year. The GOJ's privatization program for JFY 1987-88 includes the Caribbean Cement Company, the sale of 13 government owned hotels with a total of 3,700 rooms, the remaining shares of NCB, 20 percent of the newly formed holding company for the Jamaica Telephone Company and JAMINTEL, and the broadcasting media.

USAID/J's privatization program to date. During the last four years, USAID has worked closely with the GOJ to develop and implement a workable privatization plan. "Privatization" includes the contracting out to the private sector for services (including management), leases, and the outright sale of all or a part of an enterprise.

USAID has had three basic inputs into the GOJ's privatization program: (1) Technical Consultation and Training Grant (TC&TG) funding to assist the Divestment Secretariat and the National Investment Bank of Jamaica (NIBJ); (2) ESF funding and conditionality designed to advance the privatization of specific GOJ-owned enterprises; and (3) a more general, ongoing policy dialogue with the GOJ on privatization as a means of financing needed public infrastructure and of relieving the overburdened cadre of public sector managers and executives of tasks that could be taken over by the private sector.

As reported in earlier cables and reports, Jamaica has made substantial progress in transferring ownership and/or control of state enterprises to the private sector during the last four years, in addition to the breakthroughs represented by the NCB share offer and the recently announced program for FY 1987/88. One measure of the degree to which the GOJ has made privatization a centerpiece of its structural adjustment program is the fact that many of the following actions were undertaken on the GOJ's own initiative (albeit with full appreciation of the importance we attach to it):

- The leasing of GOJ-owned hotels
- The leasing and selling of agricultural lands under the aegis of Agro 21. According to the Prime Minister's Office, of the 70,000 acres comprising small parcels of land identified for privatization, 52,000 acres have been sold to date. Of the 34,000 acres of larger parcels of land identified for privatization, 28,500 acres have been privatized through lease arrangements.
- Of the 34 enterprises which are the responsibility of the Divestment Secretariat, the technical committee established to evaluate proposals for enterprises selected for privatization, 10 have been privatized and 9 are in an advanced stage of privatization (see below).
- Leasing of 59 of 69 rural agricultural markets.
- Signing of management contracts with the British sugar producer Tate and Lyle to operate the two biggest sugar estates.
- Seprod Limited, formerly a wholly-owned subsidiary of the Coconut Industry Board involved in the manufacturing of soap products, cooking oil and margarine, issued a substantial part of its equity to outside interests through the private placement of J\$ 30 million, and through a public offering of J\$ 8 million and listing on the stock exchange.
- Privatization of the government bus company in Greater Kingston and Montego Bay.
- Drafting of contracts for the private sector provision in government-owned hospitals of services such as laundry, cleaning, and food preparation.

Through funding provided under our Technical Consultations and Training Grant (TC&TG), USAID has provided technical assistance and professional services to the Divestment Secretariat. An independent report concluded that the funds provided by USAID helped the Divestment Secretariat to rectify initial difficulties and enabled it to perform the necessary fact-finding, advertising and negotiation tasks on a full-time basis. Our analyses indicated that the net benefits to be derived once the NIBJ has completed its privatization of the enterprises it is processing could be on the order of US\$10 million.

As noted above, the privatization of the NCB represents a signal achievement. The share offer was successful in enabling as many small investors as possible to buy shares in the NCB. Apart from the nearly two thousand NCB employees who invested, 22,000 of the applications were for 1,000 shares and under and, of those, 15,000 were for under 300 shares. Some 7,554 applicants, or one quarter of the total, ordered the minimum 50 shares.

This broad based offering was patterned after the highly successful British Telecom privatization in the U.K. in 1984. USAID/J funded the technical assistance provided by the investment banking firm of N.M. Rothschild to the National Investment Bank of Jamaica (NIBJ), the GOJ entity responsible for this privatization. The director of the Rothschild team was in charge of the policy unit responsible for the British Telecom privatization in the office of the Prime Minister of the United Kingdom. (The head of the NIBJ team has frequently praised AID's Privatization Conference of February 1986 which provided the forum for him to meet the Rothschild officials. This NIBJ official attended the conference at USAID/J's invitation.)

Based upon the success of the NCB privatization, and the request of the NIBJ, USAID agreed to extend the contract with Rothschild. As a result, the background work needed for the share offering of the Caribbean Cement Company, and the sale of the 13 government hotels, was undertaken. This in turn constituted the key feature of the GOJ's FY 1987/88 privatization program announced in the budget.

(A) Short term and long term targets of opportunity

The short term targets of opportunity are represented first and foremost by the list of entities to be privatized, announced in the GOJ FY 1987/88 budget speech as described above. Shares in the Caribbean Cement Company are scheduled to be sold in June 1987. The remaining shares in NCB may be sold any time after June 3, 1987 at the discretion of the Board of Directors. The international telecommunications firm of Cable and Wireless will purchase shares to a level of twenty percent of ownership in the newly formed holding company for the recently merged Jamaica Telephone Company and JAMINTEL. The shares held by the government in Radio Jamaica Ltd. will be divested to a selection of organisations to maintain its present structure.

The Prime Minister also announced during the budget speech that a licence would be issued for the establishment of a new television station which would operate commercially. The licensee would be selected from among corporate applicants or syndicates able to finance and equip the new station. The licensee would also be required to offer a percentage of its shares to the public to ensure that it is broad based in ownership.

The 34 enterprises in the Divestment Secretariat's portfolio for which USAID has provided funding under TC&TG also represent an ongoing short term target of opportunity. The heterogeneous nature of this group of enterprises, the poor condition of their books and records, and their frequent poor earnings performance have made them among the most difficult and time consuming of the government-owned assets to privatize. The time and effort it is taking to privatize them is no doubt directly proportional to the demands that they make on the public sector in terms of scarce management time and capital. The present status of these 30 enterprises can be summarized as follows:

<u>Status</u>	<u>Number of Enterprises</u>
Effectively completed	10
Advanced stage	9
Negotiations commenced or to commence shortly	1
Valuation complete	4
Data collection and valuation in progress	3
Special case, i.e. subsequent investigation indicated that enterprise not a viable candidate for privatization.	7

In short, the agenda for the GOJ is quite full over the next year, and its emphasis is correctly placed on making all of these privatizations work. Assuming that these shorter term privatization objectives are successful, attractive medium term to long term targets still exist. USAID/J analysis of the financial accounts of the large state owned enterprises indicates that candidates for future privatizations through the stock exchange include the remaining shares in the holding company for the Jamaica Telephone Company and JAMINTEL, PETROJAM, the Jamaica Public Service Company, and the Unit Trust. The basic criterion for candidacy for privatization is future earnings potential which would attract local shareholders.

Air Jamaica is a longer term possibility pending the attainment of normal levels of profitability. Its balance sheet indicates an untenable debt-equity ratio of about 15 to 1. While it achieved a positive operating profit, its heavy interest charges resulted in overall losses in 1986 of about J\$ 40 million. Air Jamaica is attempting to restructure its present lease arrangements for its fleet of aircraft. If successful, the restructuring could reduce Air Jamaica's finance charges significantly and bring it closer to overall profitability.

(B) Mission's proposed strategy for addressing privatization

The GOJ and USAID both realize that a restructuring of the government's portfolio of economic activities is a vital component of the GOJ's structural adjustment program. Even with its substantial progress in privatization, the GOJ continues to own and operate too many enterprises which could be profitably run by the private sector. Many of the enterprises lose money and so constitute a drain on the fiscal budget; worse, they absorb disproportionate amounts of time of the small number of high-level government personnel. At the same time, the GOJ's commitment of resources in areas which are properly in the domain of the public sector, especially infrastructure, is inadequate.

The basic goal of our privatization program, then, is to assist the GOJ in its efforts to use privatization as a mechanism to restructure its portfolio of activities in order to improve overall economic efficiency and performance. During the course of the next year we plan to continue to coordinate the use of TC&TG funds with policy dialogue to assist the GOJ in carrying out its privatization program. The important point is that the GOJ has been essentially persuaded of the virtues of privatization in tackling the related problems of under-performing public sector assets, over-burdened public budgets, and heavy indebtedness.

An important secondary effect, which enters into USAID's strategic considerations, of the large scale privatizations through the stock exchange is their contribution to the deepening and broadening of Jamaica's financial markets. As several new institutions as well as instruments have emerged to improve the efficiency of financial markets, the equity market which was essentially moribund for many years is coming into its own. The NCB shares alone are expected to increase the annual volume of stock market transactions by about 25 percent. In addition to the NCB, recently listed companies include Grace, Dyoll, Seprod, Trafalgar Development Bank, and Island Life. The Caribbean Cement Company shares will be listed in July, and as the program of privatization continues, activity will be enlarged in the secondary market.

A new feature in Jamaica's financial markets--the introduction of warrants--was recently announced as a part of the share sale of the Caribbean Cement Company. Successful applicants for shares will

receive a bonus in the form of free warrants, which will entitle shareholders to use them to buy additional shares in the company by a prescribed time next year. The warrants will be listed separately on the Stock Exchange.

USAID has also funded technical assistance to the NIBJ and Bank of Jamaica to develop a debt-equity swap program to provide sources of foreign financing for the prospective privatization of some of the larger state owned enterprises. This debt capitalization program will reduce the outflow of foreign exchange on debt service and reduce the cost of the investment for the foreign investors who have often been put off in the recent past by their perceptions of political risk in Jamaica. This program, which has the support and interest of commercial banks holding Jamaican debt, is expected to get underway this summer.

(C) Projected time frame for achieving the goals of the privatization plan

Again, as indicated in the preceding discussion, several goals of the privatization plan have already been accomplished. For the remainder of 1987, we plan to work closely with the GOJ to provide the technical assistance as required to make their FY 1987/88 privatization program a success. In last year's Privatization Plan in the ABS, USAID/J stated that: "Our basic goal is to provide assistance where needed to ensure that the privatization of the NCB gets off on a solid footing and expeditiously so that it can be used as a model for the privatization of additional larger GOJ-owned enterprises." Our basic goal for this year is to build upon the success of the NCB share offer by providing the best assistance possible to help ensure a successful, broadly based privatization of the Caribbean Cement Company, the sale of the GOJ owned hotels, and the privatization of the other enterprises identified in the GOJ's FY 1987/88 budget. Popularly perceived successes in each of these sequential transactions is essential to sustaining momentum so that privatizations of additional large scale enterprises can occur in the following year.