

PD-AAZ-962

LD 63135

GRANT PROJECT AGREEMENT

Between the United States of America, acting through
the Agency for International Development (AID)

AND

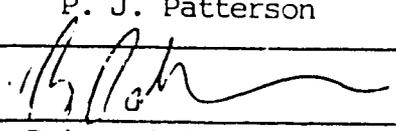
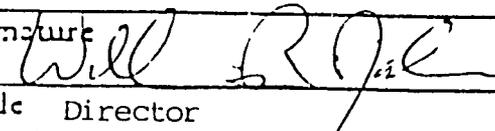
Government of Jamaica
(Grantee)

1. Project Title Program Development and Support	2. AID Project Number 532-9103
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The above-named parties hereby mutually agree to carry out the Project described in this Agreement in accordance with (1) the terms of this Agreement, including any annexes attached hereto, and (2) any general agreement between the two governments regarding economic or technical cooperation.

3. Amount of AID Grant \$ 66,707	4. Grantee Contribution to the Project \$ 22,236	5. Project Assistance Completion Date June 30, 1990
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6. This Agreement consists of this title page and
Annex A: Description of Activity
Annex B: Illustrative Budget
Annex C: Standard Provisions

7. For the Grantee Typed Name P. J. Patterson Signature  Title Deputy Prime Minister Actg Minister of Finance & Public Service Date	8. For the Agency for International Development Typed Name William R. Joslin Signature  Title Director U. S. Agency for International Development Date
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AID 1310-17 (5-79) - Cover Page

Funding:

72-1191021

LDNA-89-25532-KG13

Project: Program Development and Support

ANNEX A

DESCRIPTION OF ACTIVITY

A. Introduction:

The United States Agency for International Development (USAID) assisted the Government of Jamaica to develop the Jamaica Country Environmental Profile. One of the principal findings of the Profile was that the Government of Jamaica lacked a clear national environmental policy. In addition, the institutional structures relative to environmental management are weak, and do not have clear mandates and objectives. The need to correct this situation is great. The definition of appropriate policies, and clear mandates of supporting institutions are key aspects of the Government of Jamaica's long-term agriculture and rural development strategy.

USAID will provide support for a Policy Inventory and Institutional Assessment to develop important background papers for discussion during the upcoming National Consultations on the Environment. These studies will provide critical resource material for development of the Jamaica National Environmental Policy, a central component of the National Conservation Strategy. The institutional assessment will provide specific recommendations as to the optimal institutional arrangements for environmental management. This will provide an important background document for the planned establishment of the Natural Resources Conservation Authority.

B. Background:

In Jamaica, long-term economic growth and social development are fundamentally dependent upon the sustainable use of natural resources. Until recently, however, lack of appreciation and acceptance of this intrinsic relationship has led to the overexploitation of resources for short-term gains, resulting in growing deterioration of the environment and increasing impoverishment of the natural resource base. Continued misuse and overexploitation of the natural resource base will have negative consequences for future agriculture and rural development efforts in Jamaica.

With the release of the Jamaica Country Environmental Profile, and a growing recognition of the seriousness of environmental issues by the public, a consensus is emerging that action is needed to develop a commitment and framework for sustainable, economically and environmentally sound development. Towards

this end, the Government of Jamaica is now developing a National Conservation Strategy (NCS), which should include the promulgation of a National Environmental Policy. Precepts have been enunciated by the Government of Jamaica as to the general direction of a National Environmental Policy and preliminary consideration has been given to policy development by the environmental task force for the National Five Year Development Plan. Policy development will include legislative review, evaluation of regulations, and institutional rationalization. It will further set out specific elements of policy and strategies for environmental management.

To assist the GOJ to develop the NCS and National Environmental Policy, USAID will provide support for preparation of two key documents. The first will be a comprehensive Natural Resource Policy Inventory to identify, prioritize, and rationalize natural resource related policies. The second will be an Institutional Analysis based on the policy inventory designed to optimize the institutional arrangements necessary for implementing the identified policies.

The policy inventory will provide an overview of all policies impacting natural resource use and the agencies implementing these policies, and evaluate the strength and direction of these policies. It will also identify additional policies needed to achieve the ultimate objective of sustainable development. Equally important, this policy inventory can serve to facilitate policy dialogue during the upcoming National Consultations on the Environment, identifying institutional responsibilities for policy implementation and highlighting the need for institutional strengthening and clarification of overlapping mandates.

The Natural Resource Policy Inventory provides an ideal tool to address the complex issues pertaining specifically to management of natural resources. The inventory process begins by identifying economic and institutional policies that influence how governments and the private sector use natural resources. Then the links between macro, sectoral and subsectoral policies to local behavior are established. Finally, the natural resource policy inventory facilitates further indepth analysis and policy formulation. For natural resources, the policy inventory framework integrates environmental and natural resource management issues directly into national, regional, economy-wide and sector specific policies.

In conjunction with the development of this policy inventory, an institutional assessment will be undertaken to identify optimal institutional arrangements for implementing the priority policies. This will include an institutional

assessment of present agencies and institutions with authority for environmental management, and make a realistic assessment for the rationalization of this structure given limited resources. Specific recommendations will be made for consideration at the national consultations on the environment.

The inventory will identify those public agencies and private organizations that formulate and implement policies impacting the allocation and use of natural resources. This is expected to highlight points of policy compatibility and conflict, and identify institutional weaknesses and strengths. This will be a major step towards clarification of the various institutional mandates, and providing a fundamental framework for the elaboration of the Jamaica National Conservation Strategy and the promulgation and implementation of a National Environmental Policy.

It is expected that these activities will assist the Ministry of Development, Planning and Production in rationalizing and articulating a coherent approach to environmental management. It is also expected that this will serve as a foundation for urban and rural development and sustainable programs in agriculture and other sectors. This process has already began with the transfer of the Natural Resources Conservation Division to this Ministry, and through the establishment of an Environmental Division in the MDPP. The planned establishment of the Natural Resources Conservation Authority, and a National Conservation Strategy, will both be facilitated through the work in this Grant. USAID assistance in this regard will be useful and timely in that it will support a critical stage in the development of environmental management systems for Jamaica.

The two papers described above will be presented at a National Consultations on the Environment to be held in early 1990. USAID funds will also be used for partial funding of aspects of this workshop.

C. Objective:

The objective of this Limited Scope Grant Agreement is to fund local and international consultancies necessary for development of a Policy Inventory and Institutional Assessment. This may include, but is not limited to, writing technical analyses for the Policy Inventory and Assessment, funding workshops, developing and disseminating the final report, and other activities as appropriate.

D. Funding: USAID agrees to make available up to U.S. \$66,707 in grant funds to the Ministry of Development, Planning and Production for the purpose of funding consultancies and other appropriate activities necessary for the development of a Policy Inventory and Institutional Analysis to assist in the formulation and implementation of Jamaica's National Conservation Strategy. Funds under this Limited Scope Grant Agreement will be earmarked in Project Implementation Letters for Host Country Contracts, and by Project Implementation Orders/Technical for AID Direct Contracts. Each Project Implementation Letter will give concurrence with a Scope of Work, describe any special criteria or requirements of the consultancy, and describe the mechanism for disbursement of funds. Work will be carried out either under Host Country Contracts, or USAID Buy-ins or other direct contracts.

ANNEX B

ILLUSTRATIVE BUDGET

Funding in the amount of US\$88,943 is required for the following purposes:

	U.S. Dollars	
	USAID	GOJ
1. Policy Inventory	30,000	
2. Institutional Analysis	30,000	
3. Partial funding of National Consultations Workshop	6,707	
4. GOJ Personnel and Resources		22,236
Sub-totals	66,707	22,236
TOTAL		88,943