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ACTION PLAN



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
KINGSTON, JAMAICA

FY 1990/91
ACTION PLAN

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FY 90/91 ACTION PLAN

TABLE OF CONTENTS

	<u>Page</u>
Mission Director's Preface	i
I. <u>STRATEGY AND OVERVIEW OF PROGRESS</u>	
A. Strategy Summary	1
B. Overview of Progress	5
C. Goal/Objective Matrix	26
II. <u>PROPOSED FY 90/91 PROGRAM</u>	
A. Plans by Goal and Objective	
1. GOAL: SHORT TERM STABILIZATION	
Objective #3: Stabilize financial structures	27
Objective #13: Disaster relief and reconstruction	33
2. GOAL: BASIC STRUCTURAL REFORMS LEADING TO RAPID AND SUSTAINED ECONOMIC GROWTH	
Objective #1: Increase agricultural production	37
Objective #2: Strengthen the private sector	44
Objective #5: Promote exports	52
Objective #6: Preserve and manage natural resources	59
3. GOAL: WIDER SHARING OF THE BENEFITS OF GROWTH	
Objective #8: Increase access to voluntary family planning services	62
Objective #9: Improve health and child survival	67
Objective #10: Improve housing	72
Objective #11: Improve educational opportunities	80
4. GOAL: STRENGTHENING DEMOCRATIC INSTITUTIONS	
Objective #12: Strengthen democratic institutions	89
B. Program Summary	
1. Summary program funding table	96
2. Summary project list by objectives	98

C. Special Program Analyses

1. NEW PROJECT AND AMENDMENT DESCRIPTIONS

FY 1989

- a. Food Aid Support and Monitoring 102
- b. Agriculture Exports and Services 104

FY 1990

- a. Agricultural Education Amendment 107
- b. Primary Education Community Development 109
- c. Microenterprise Development 112
- d. Tourism Support 114
- e. Production and Employment X 116

FY 1991

- a. Agriculture Productivity Enhancement 119
- b. Technical/Vocational Education 121
- c. Inner Kingston Development - Phase II 123
- d. Production and Employment XI 125

- 2. Food aid 127
- 3. Local currency 130
- 4. Women in development 136

III. MANAGEMENT

- A. Management Strategy 139
- B. Staffing 142
- C. Operating expenses 150
- D. Evaluation Plan 156
- E. Country Training Plan 158
- F. Gray Amendment 172

- ANNEX: March 1989 Update: Analysis of Needs for Conservation of Jamaican Biological Diversity and Tropical Forests 177

DIRECTOR'S PREFACE

At USAID/Jamaica's 1988 Program Week, all obligations were subject to Congressional holds. These were the result of an American investor's complaints to Congress. A few of those holds were released in early summer, but most continued until August 31. Mission focus on project development and implementation of ongoing activities kept disruption to a minimum. Nonetheless, inability to access PD&S until late in the year did cause problems. There also was some slowdown as implementing agencies shuffled funds among line items in order to keep moving ahead. In any event, the holds were released on August 31, and all obligations were completed that same day.

Twelve days later Hurricane Gilbert struck. Mission staff performed heroically. Not only did the Mission fully disburse \$25 million in relief and rehabilitation funds in the next 170 days, but did its best to keep on with implementation of the regular program. Project development slipped some, the human resource development strategy lagged about two months, and project oversight was somewhat thinner than usual. All in all, the damage to the ongoing program was less than expected.

The Emergency Rehabilitation Project took the whole mission on a 160 day seminar in project design/implementation/close out. Seldom does any officer get to design and fully implement a project, let alone close it out. To have a multi sectorial effort where the staff as a team does so is an extraordinary experience. In our case it led to an overdue reform of the procurement system, and effective use of computerized project management and tracking. We also had the collective experience of making a RIG concurrent audit work smoothly and to the Mission's general benefit.

Jamaica has been awaiting elections for a couple of years. They finally occurred on February 9. As widely expected, the PNP returned to power after eight years in opposition. Government worked slower in the period before the election, and to some extent since. However, the new government has started by emphasizing continuity in both projects and policies. There is no reason to believe that this positive beginning will change. Earlier efforts to make USAID's strategy country driven, and to establish appropriate contacts with opposition figures has helped to produce a constructive period. The only changes so far are in projects which USAID itself welcomes review.

The big challenges ahead are to catch up on lags caused by last year's events, and to help the new government to get off to a sound, constructive, positive beginning. Emphasis in the near term must be placed on implementing various measures or policies which are already said to be acceptable. Following through, and actually doing things, is always the goal. To the extent the government starts off doing well, success may be self generating. The fact that the Kingston Stock Exchange has had a solid rally the first month after elections is the only objective poll to date, and augurs well. Of course, the road ahead will have some twists and turns, too.

Internally, USAID's contracted out, privately managed GSO performed superbly after the hurricane. Annual financial/management reviews are now institutionalized, computerization largely complete, and the new radio net in place. We are now able to begin introducing performance based measurement of GSO performance. Hopefully our administrative cost savings can now be measurably matched by operational cost savings and/or quality improvements.

USAID plans to revamp its project management reporting were largely blown away by Gilbert. Lessons learned in management of the hurricane projects will be useful in fine tuning management of the Mission's on-going program. USAID is continuing to up date its macroeconomic model. One result of this will be an improvement in indicator tracking. Another area of emphasis is to better utilize gender disaggregated data relevant to USAID projects and programs.

The Action Plan describes well our plans for the year ahead, assuming that externalities are a bit less disrupting than last year.

A. STRATEGY SUMMARY

With the passage of Hurricane Gilbert in September 1988, USAID began a program of disaster relief which was unanticipated during the CDSS review of April 1988. A consequence of this new program is the introduction in this year's Action Plan of a new objective --- Disaster relief and reconstruction --- which describes the Mission's hurricane relief and reconstruction efforts. Given the nature of disaster relief and its relatively short time frame, this objective has a very temporary lifespan in the AID assistance program in Jamaica. It is also important to note that widespread destruction and devastation of the hurricane profoundly affected economic assistance programs of all donors, interrupting activity under existing programs and resulting in the restructuring of assistance to the country in the short term.

To address devastation caused by the hurricane, USAID worked closely with other donors in initiating relief and reconstruction efforts to address the immediate problems caused by the natural disaster in ways which would best minimize damage to the country's growth and development. The US government was able to quickly respond to the disaster with a package of assistance comprised largely of grants and concessional loans which was exceedingly important given Jamaica's heavy debt servicing burden. USAID also concentrated on providing assistance in areas, such as power, water, and communications, which impact heavily on the productive sectors, in coordination with other donors.

USAID worked closely with representatives of Japanese assistance agencies to develop a cofinanced hurricane relief and reconstruction program. Although such a program did not materialize, the efforts made in its development did lay the groundwork for future innovations in donor cofinancing; also, understanding the Japanese aid system enabled USAID to help the Government of Jamaica ensure prompt disbursement by Japan of its Hurricane Relief loan.

The provision of ESF for general budget support and an increased PL 480 food assistance program did much to alleviate the threat to further deterioration of Jamaica's balance of payments in the aftermath of the hurricane. Without increased external assistance, gains made in structural reform of the economy were in jeopardy. Like any small, open economy with limited energy resources, Jamaica is a taker of external events. The economy must constantly adjust to changing world circumstances, including in this instance, a natural disaster of immense proportion. This requires a considerable reliance on the dictates of the market place if resources are to be used efficiently and competitively.

Overall, the Jamaican economy is achieving a greater reliance on market oriented decision-making. There are far fewer examples of glaring economic abnormalities today than when the ESF program began in 1981. Nothing is complete, but neither has anything major remained untouched by the reform efforts. There is no single overriding economic reform that can be held to be more central than the others. Jamaica needs to sustain advances on many fronts to extend and protect the gains already achieved. What becomes most urgent will depend on the interaction of external events and the responses of the Jamaican government.

USAID's involvement to date in the Jamaican economic reforms has been most successful in the areas of tax reform and increasing the economic role of the private sector. Efforts in these areas will remain as important goals of our economic policy dialogue, and there will be increased emphasis on measures that foster broad based participation in the economy. The approach to achieving reforms in support of these goals, reflected in the current policy agenda, will be retained, at least through the remainder of this fiscal year. This will permit continuity with the new Jamaican government, and provide them the opportunity to define the specifics of the reforms in the seven major areas now on the agenda: privatization, tax reform, trade and tariff reform, reduction of the role of the publicly owned trading company, expansion of capital market, containment of the public sector deficit and additional financial sector reforms.

Beyond this fiscal year the policy dialogue effort will pursue further elimination of restrictions on market forces, but with a more focused role in support of export oriented development. Despite reforms almost across the board, Jamaica's economic growth is still too slow and fragile, and remains at risk to rising import prices for food and fuel, falling alumina prices and any slow down in the U.S. economy. Well documented past reform accomplishments have been slow to produce dynamic economic achievements. Jamaica's turn away from import substitution, exchange controls and central planning and public ownership has been too gradual. A more concerted reform effort will be required if Jamaica is to move far enough, fast enough to ease the enormous debt burden and increase its ability to pay for needed imports. The full export stimulus of currency depreciation, for example, has not been allowed to work its way through the economy, since exporters for the most do not have direct access and control of their export earnings.

The direction of future dialogue will place more emphasis on the dismantling of exchange controls, a phased increase of the commercial banking system's role in foreign exchange transactions, and the declining importance of public sector production and distribution of goods and services. The specifics of this focus will depend on the final assessment of needs being developed under the new export promotion project, and will be folded into the dialogue process in the remainder of this fiscal year. The concept paper for the 1990 ESF cash transfer will include specific reforms that will be sought in support of export promotion. These likely will include greater retention of foreign exchange by exporters, reduced prior claims of government on scarce foreign exchange and other supporting reforms, including a likely reliance on a more nearly independent central bank.

Long awaited national general elections were recently held. The People's National Party swept the elections, and a new government headed by Prime Minister Michael Manley took office February 13. Initial dialogue on macroeconomic issues and the role of the private sector with the new government is encouraging. There is consistent emphasis on continuity of the main policies of the previous government in the areas of importance to donors and international lenders. The government's sense of urgency in meeting IMF tests reflects its concern with economic confidence.

Since last year's Action Plan, the GOJ carried out a partial divestment of the Jamaica Telephone Company so that 60% is now privately owned; further progress in privatization appears likely as the new government is continuing with plans to divest several more hotels this year. USAID will continue to implement the Section 108 program and has developed an auction program for the utilization of funds. For the important tourism sector, USAID will provide technical assistance and training through the FY 89 Export Development and Investment Promotion project to help eliminate constraints to growth, and is proposing a new discrete project in FY 90 in order to continue limited and directed technical assistance for the sector. In the past year, the Mission has worked closely with the EEC to plan and undertake improvements in water and sewerage systems on the North Coast, where tourism investment is concentrated. In all its dialogue and program efforts, USAID will seek to enhance the more efficient use of resources, particularly in the delivery of public sector services.

The Mission's Human Resource Strategy is in its final stages of development and is scheduled for submission to the LAC Bureau in concurrence with the FY 90/91 Action Plan. In sum, this strategy is designed to help maximize the impact of USAID efforts in achieving its goals of diversifying and strengthening the productive sectors of Jamaica, stressing more effective development of human capital. The strategy includes four goals:

- 1) To help increase the achievement of internal performance standards in terms of desired cognitive, manual, attitudinal, and behavioral skills;
- 2) To assist in establishing internal performance standards that are more closely related to the requirements of the labor market;
- 3) To encourage enhanced social and economic mobility;
- 4) To help promote the efficiency with which public and private resources are used in the production of human capital skills.

Each goal includes a set of strategic objectives. The program presented in this Action Plan flows from the Human Resource Strategy, particularly in the areas of policy analysis within the HRD sector (both education/training activities and labor utilization) and efficiency enhancement in school and system operations.

Preserve and Manage Natural Resources which was introduced as a new objective in last year's Action Plan, remains a separate objective of the current Action Plan program. The Mission plans to initiate the Protected Areas Resource Conservation project this fiscal year. Preliminary discussions with the PNP government indicate that environmental issues will assume a greater role for this administration.

Finally, USAID is continuing to collect and evaluate data on the status of the poor in Jamaica and on the role of women as participants as well as beneficiaries of the USAID program. A number of food policy studies were completed in the past year providing analysis of data on expenditures on food by low income households and the GOJ food stamp program. Background data analyses for the Human Resource Strategy provide a wealth of information on employment issues for women. Studies associated with development of the Export Development and Investment Promotion, and Microenterprise Development projects will expand the Mission's knowledge of the role of women in small business, microenterprise, and export industries.

B. OVERVIEW OF PROGRESS

USAID/Jamaica has made considerable progress in the past year in meeting its goals of economic stabilization, encouraging structural reforms to ensure broadened, diversified and sustained economic growth, a wider sharing of the benefits of growth, and strengthening democratic institutions. The challenge of solidifying gains made and spreading the benefits of structural reform became even more critical in light of the country's worst natural disaster this century --- Hurricane Gilbert --- and the change of government resulting from general elections in February of this year. Despite these developments, the track laid out in the Mission's FY 89 Country Development Strategy Statement was followed and is still largely intact. Progress made since last year's Action Plan and the FY 90-91 program reflect the Mission's emphasis on: policy framework, productivity, access to opportunity, and human capital development.

Highlights of progress and anticipated results in 1989-90:

Economic Stabilization

Until the passage of the hurricane, the GOJ was on track in decreasing the public sector deficit, holding the line on inflation, and decreasing the balance of payments deficit. However, indicators fell short of projections for the year largely due to increased expenditures associated with hurricane recovery. The widening of the central government deficit and decreased revenues should be reversed this year. Smooth implementation of the General Consumption Tax (GCT) over the next year will complete the main pieces of tax reform and provide further revenue growth potential.

External debt remains high; debt service, even after rescheduling, requires approximately 43 percent of earnings from exports of goods and services.

USAID's policy agenda impacting on other goals as well as stabilization includes: privatization, the GCT, acceleration of trade and tariff reform, reduction in the near monopoly role in some sectors of the Jamaica Commodity Trading Corporation, measures to deepen capital markets, additional financial sector reform and control of public sector deficits. The reinstatement of ESF balance of payments assistance in FY 89 and through the Action Plan period contributes to a favorable climate for additional policy dialogue.

U. S. assistance for hurricane recovery was generous and timely. Assistance under the Emergency Rehabilitation project and the Hurricane Reconstruction project permit restoration and improvement of power, water, and communication services, rehabilitation of public facilities, support for business recovery and relief for the poor. USAID moved quickly and responsibly in setting up and implementing hurricane recovery programs. Indications at this point are that AID support is helping to alleviate constraints to recovery, and more importantly, is responsive to pressing needs.

Basic Structural Reforms

In agriculture, the trend of increased production of domestic consumption and export crops continued until the advent of Hurricane Gilbert. The agriculture sector sustained heavy damage; full recovery in the near term is unlikely for such crops as coffee. The outlook is more promising for other tree crops and ornamental horticulture. Banana recovery is well underway.

A simple review of indicators, however, overlooks important institutional developments in the agriculture sector in the past year which impact on the Mission's thrust to improve productivity. The imminent return of the dean and increased progress in the construction of facilities at the College of Agriculture, along with dialogue with new GOJ policymakers, indicate that institutional obstacles in developing agriculture education may at last be overcome. A new Irrigation Law was enacted, which should lay the groundwork for improved management of an irrigation system which expanded in the past year.

Private investment as a percentage of GDP and percentage of total credit going to the private sector both increased in 1988, in part because of large reinsurance inflows in the last quarter. The value of assets acquired by the private sector through privatization and divestiture did not meet projections. However, the GOJ proceeded with divestiture of a major company, Telecommunications of Jamaica, in September and October despite the disruption of the hurricane, and the new administration has consistently emphasized that privatization of government owned enterprises will continue. The Manley government is also assiduously courting the private sector in Jamaica, and prospective foreign investors.

As indicated earlier, crop loss and physical damage to businesses and utilities resulted in lost sales for the all-important export sector. Nonetheless, the foundation for internationally competitive, private sector led export growth remains. The near term prospects for the export sector are

bright: bauxite/alumina prices are strong and production capacity, which suffered minimal damage from the hurricane, has been increased. Tourism is recovering more quickly than expected.

Constraints to export expansion are addressed by the USAID program through policy dialogue and project assistance. The Export Development and Investment Promotion project beginning in FY89 uses a systems approach to elimination of constraints facing the current and potential exporter. The FY 89 Agriculture Export Services project focuses on improving services such as fumigation and preclearance which are critical to expansion into hard currency markets. In FY 90, USAID also plans on initiating a discrete tourism project to provide limited assistance in this sector. The Mission's policy dialogue agenda includes acceleration of tariff and trade reforms.

In FY 89, USAID will begin targeted assistance aimed at preserving and managing Jamaica's natural resources. The Protected Areas Resource Conservation project will assist in establishing the legal and institutional framework necessary to identify, establish and manage protected areas, as well as supporting the development of two pilot parks. Assistance in this area meshes with the Mission's focus on export development and expansion, in that the country's natural beauty attracts tourists.

Wider Sharing of the Benefits of Growth

As stated in USAID Jamaica's CDSS, if the benefits of growth are to be more widely shared among Jamaicans, obstacles to increasing participation in the economy and creating greater efficiencies in the delivery of services will have to be overcome. The development of human resources plays an important role in achievement of this goal. Because of this, USAID concentrated on completing a Human Resource Development Strategy in the past year, and on mapping out activities in line with this strategy for pursuit in the months ahead.

Overall, the Country Development Indicators for Jamaica for this goal describe a populace relatively well-educated, well-housed, and in better health than populations of other developing countries. The gross primary enrollment (though not attendance) ratio remains in the 99 percent range; the percentage of urban households with substandard housing has leveled to 44 percent. The annual rate of population growth appears to have stabilized. The incidence of sexually transmitted diseases has declined. Performance under AID Program Indicators was mixed; in many cases, achievement of targets was less than projected because of disruption from the hurricane and the immediacy of relief-associated problems. The uncertainty leading up to the national elections also slowed progress.

Nonetheless, important steps have been taken. In the education sector, for example, in recognition of the fact that public sector resources are limited, both the former and the current GOJ have moved to increase community contributions in the provision of primary education. USAID's Primary Education Assistance II project will support further enhancement of community development activities initiated under the present primary education project. The GOJ is not only concerned with broadening the resource base but also with making more cost effective investments in the educational system. The former Prime Minister, for example, requested USAID assistance for education policy analysis; the present GOJ is equally interested in upgrading the effectiveness and efficiency of the educational system. Skills training policy is still in the process of being sorted out, but initial indications are that there will be receptivity for demand rather than supply driven programs.

As health, family planning services, and shelter are similarly constricted by the lack of resources, financing is a priority. The previous GOJ moved cautiously in divestment and rationalization of health services, but there was some movement: five hospitals were converted to health centers and alternative financing plan was developed. The Seaga government also took a concerted step in enunciating a housing strategy which termed the public sector as a facilitator rather than a provider of low cost housing solution. With the new government, progress in this area is less clear. Improvement of social services is high on the political agenda, but how this will be carried out in view of the tough times of budget stringency remains to be seen.

Strengthen Democratic Institutions

In terms of this goal, USAID Jamaica has focused on improving the judicial system and providing greater exposure of Jamaicans to democratic institutions in the U.S. through participant training. The Mission's progress in achieving this goal through the latter means has been profoundly and negatively affected by external events in the past year. These include the Congressional hold placed upon FY 88 funds which continued late into the fiscal year; the inability to tap funds previously obligated in the USA contract; the resultant need to fund participants already in training with FY 89 funds; and the cut in the Mission's OYB for the President's Training Initiative for the Island Caribbean program.

B. Overview of Progress
FY 1989 Performance Matrix

OBJECTIVE No. 3: Stabilize Financial Structures

A. <u>Country Development Trends Indicators:</u>	(Actual)		
	<u>1986</u>	<u>1987</u>	<u>**1988</u>
A. Total public sector deficit as % of GDP:			
Central government	-1.4%	0.0%	- 5.0%
Rest of Public Sector	1.5%	0.0%	1.4%
Central Bank Losses	-5.7%	-5.4%	- 5.1%
TOTAL	-5.6%	-5.4%	- 8.7%
B. Consolidated nonfinancial public sector savings as a % of GDP	0.1%	0.0%	- 3.6%
C. Expansion of Broad Money (% change)	23.6%	21.1%	20.5%
D. Current account balance of payments deficit as a % of GDP	-2.8%	-4.5%	- 7.6%
E. Inflation (% change in price index) GDP deflator (% change)	11.4%	6.8%	9.0%

All figures on JFY basis

**Estimated

B. A.I.D. Program Performance Indicators:

Planned Actual

N O N E

C. Policy Reform Targets:

<u>Planned</u>	<u>Actual</u>
Ongoing. GOJ pursuing monetary and fiscal policies to contain inflation and maintain competitiveness	Goals accomplished prior to September 1988. BOJ losses exceeded expectation
1Q/89. Complete revision of banking legislation	Substantially completed 4Q/88. Legislation enacted for most major reforms, additional study of non-bank in progress

1Q/89. Remove non-cash portion of liquid asset reserve requirement

Effectively removed 4Q/88. Requirement reduced to 0% above required reserve ratio.

4Q/90. Overall deficit to decline to less than 3% of GDP

On track prior to September, '88. Wider deficit in FY88/89 resulting from hurricane

Ongoing, expenditure control programs, reduce Central Government expenditure by one-half percent per annum on average

Prior to hurricane expenditures rose slightly for capital spending. Government's share will increase by about 5% of GDP

Ongoing improvement in implementation and revision of public sector investment program

Public sector enterprises surpluses growing

2Q/89. Pass legislation enacting the general consumption tax to replace indirect domestic taxes.

Ministry Paper # 1 on GCT presented to House of Representatives March 14/89

Ongoing. Secure, disburse ESF to assist GOJ to consolidate and defend policy achievements and continuing additional policy reforms

US\$12.1 disbursed March 1989 against impressive list of accomplishments

Ongoing. Use PL 480 to work with GOJ to enact policy changes in agricultural sector

PL480 discussions include the near monopoly of the JCTC. GOJ to provide data on JCTC activities especially as they relate to cross subsidies

Ongoing. Work with GOJ through Board of Revenue Assistance Project to fully implement reformed tax system, mainly through training and computerization.

Completed training of 40 Revenue Agents. Present training of an additional 39 Agents to be completed o/a September 1989

FY 1989 Performance Matrix

OBJECTIVE No. 1 Increase agricultural production

A.	<u>Country Development Trends Indicators:</u>	(Actual)		
		<u>1986</u>	<u>1987</u>	<u>1988</u>
1.	Real Growth in Value Added in Agriculture (% change)	(2)	2.50	1.2
2.	Volume in Production of Selected Domestic Consumption Crops (000 tons)			
	- Cereals	9.00	7.70	4.20
	- Yams & other tubers	236.90	241.90	232.45
	- Legumes	11.10	11.40	8.43
	- Vegetables	120.00	121.10	96.93
3.	Domestic Milk Production (Grade A Millions of Imp. Qrts per Year)	16.00	19.00	19.10

B.	<u>A.I.D. Program Performance Indicators:</u>	<u>Planned</u>	<u>Actual</u>
		1.	Acres Irrigated by Refurbished Rio Cobre Irrigation System (cumulative)
2.	Average Real Income of Target Groups of Small Farmers Household (in 1985 US\$)	500	535
3.	Miles of roads rehabilitated (cumulative)	203	83

C. Policy Reform Targets:

	<u>Planned</u>	<u>Actual</u>
1.	Enactment and implementation of the new Irrigation Law including new water user fee structure and provisions for retaining and investing the fees in irrigation systems operations and maintenance.	The Irrigation Law was passed to make the National Irrigation Commission (NIC) an autonomous body with responsibilities for all matters concerning irrigation activities.

2. Continue to implement policy decisions aimed at strengthening the domestic dairy industry, especially pricing policies. Also, continuation of support for dairy industry, development projects, especially regarding the effective use of divested lands and outreach programs for small farmers.

This initiative did not materialize in FY 88 but policy formulations are still geared (to) proper pricing policy in the dairy industry and the divestment of lands to benefit small farmers.
3. Improvement of essential pest eradication and quarantine program as well as plant and animal protection and inspection programs

On track. Included in FY 89 PL 480 Title I Self-help measures. Mission plans further support in this area as part of the new Agricultural Export Services Project.
4. Privatization of Ministry of Agriculture programs (e.g. veterinary and AI services) that the private sector has the capacity to absorb

This was to be included in Strengthening the Agricultural Sector Project which was dropped.
5. Establishment of an agricultural information network to facilitate the adoption of both local and international research to maximize the use of Jamaica's limited physical, human and financial resources in the agricultural sector

The JADF is initiating a national research council which will help to focus research activities in the future.
6. Continue efforts to improve both the processing and pricing of edible oils by means of increased private sector participation in the processing of edible oil seeds (PL 480 self help measures.

Studies completed. New GOJ must now review and decide upon policy options.
7. GOJ to examine the food stamp and generalized subsidy program with a view to understanding the direct and indirect costs of those programs and to examine other possible income support mechanisms (PL 480 self help measure)

Studies have been completed and the new GOJ is now reviewing the policy recommendations.

FY 1989 Performance Matrix

OBJECTIVE No. 2 Strengthen the private sector

A.	<u>Country Development Trends Indicators:</u>	(Actual)		
		<u>1986</u>	<u>1987</u>	<u>1988</u>
A.	Private investment as a percentage of GDP	6.6%	8%	9.2%
B.	Percentage of total credit going to private sector	39%	40%	50%
C.	Public administration employment as a percentage of total employment	10%	9.4%	8.7%

B.	<u>A.I.D. Program Performance Indicators:</u>	<u>Planned</u>	<u>Actual</u>
		A.	Value of assets acquired by the private sector under divestiture/privatization programs (US\$ million)
B.	AID-supported credit to the private sector (US\$ million)	\$11	\$8.6
C.	Direct employment created under AID-supported projects and programs (net new jobs)	11,000	11,500
D.	Number of small enterprises* receiving credit under AID-supported credit programs	600	698
E.	New domestic and foreign investment in productive enterprises (US\$ millions)	120	134

* Defined by the Small Business Association of Jamaica as a firm with assets of J\$1 million or less, sales of J\$5 million or less, and up to 50 employees. Includes enterprises receiving credit under the Mission's hurricane projects

C. Policy Reform Targets:

Planned
Value of government owned assets
acquired by private sector to aver-
\$50 million per annum

Actual
A total of 126.5 million
ordinary shares in the
Telecommunications of
Jamaica, a GOJ company
were issued to the public
at a value of US \$23
million

Debt-equity swaps worth at least
US\$10 million annually

Swaps valued at at \$9.27
million were concluded
in 1988

JNIP, JDIC and JNEC complete or-
ganizational merger

The three organizations
merged to become JAMPRO
in April 1988

FY 1989 Performance Matrix

OBJECTIVE No. 5 Promote Exports

A.	<u>Country Development Trends Indicators:</u>	(Actual)		
		<u>1986</u>	<u>1987</u>	<u>1988</u>
A.	Value of total commodity exports (US\$ millions): (of which agriculture)	\$623 (\$109)	\$774 (\$132)	\$770 (\$127)
B.	Exports as a % of GDP	43%	44%	35%
C.	Value of nontraditional exports (US\$ millions):			
	Agricultural	\$16	\$19	\$15
	Industrial	\$77	\$113	N/A
	Value added in free zone	\$39	\$42	N/A
D.	Foreign exchange earnings from tourism (US\$ millions)	\$503	\$540	\$456

N/A - Not available

B.	<u>A.I.D. Program Performance Indicators:</u>	<u>Planned</u>	<u>Actual</u>
		A.	Value of selected non-traditional exports resulting from AID-supported programs (US\$ millions):
	Winter vegetables	2.8	1.9
	Ornamental horticulture	5.7	2.7
	Manufacturing (garments)	150.0	187.0
B.	Production of selected traditional exports resulting from AID-supported programs (acres in production***):		
	Coffee	6,700	2,000
	Cacao	3,250	3,000

C. Policy Reform Targets:

Planned .

Actual

Continue progressive liberalization of exchange controls; permit easier repatriation of profits and dividends for foreigners making direct and portfolio investment

Purchase limit for travel increased from US\$150 to US\$300, new government has agreed in principle to further liberalization of exchange control

Maintenance of a competitive exchange rate policy to ensure balance of payments viability

High flow through auction being maintained under Manley government

Comprehensive import duty rebate scheme for exports in place

Present rebate scheme to be replaced with GCT

Replace remaining quantitative restrictions with tariffs except those items of a security nature

Trade and tariff issues now being addressed as part of GCT now before House of Representative

FY 1989 Performance Matrix

OBJECTIVE No. 6: Preserve and manage natural resources

A. Country Development Trends Indicators: (Actual)

	<u>1986</u>	<u>1987</u>	<u>1988</u>
1. Protected Areas declared and established (cumulative)	-	-	-

B. A.I.D. Program Performance Indicators:

	<u>Planned</u>	<u>Actual</u>
1. Acreage incorporated into declared protected areas (cumulative)	-	-

C. Policy Reform Targets:

Planned
Current legislation revised and new institution enacted to establish legal and institutional framework necessary to identify, establish and manage protected areas.

Actual
The process of setting up has been slower than expected because of absence of a clear policy direction on environment

FY 1989 Performance Matrix

OBJECTIVE No. 8: Increase access to voluntary family planning services

A.	<u>Country Development Trends Indicators:</u>	(Actual)		
		<u>1986</u>	<u>1987</u>	<u>1988*</u>
A.	Annual Rate of Population Growth	0.9	0.4	0.6
B.	Crude Birth Rate	23.1	22.2	22.7
C.	Total Fertility Rate	2.9	2.6	2.5

B.	<u>A.I.D. Program Performance Indicators:</u>		<u>Planned</u>	<u>Actual</u>
A.	Number of new female family planning acceptors under AID-supported programs		63,000	54,597
B.	Number of new female acceptors under 20 years of age under AID supported programs		12,500	11,198
C.	Couple years protection under commercial contraceptive retail sales program		54,865	57,054
D.	Number of voluntary surgical contraceptive procedures under AID-supported programs			
	i. Female		6,000	4,471**
	ii. Male		25	16

C.	<u>Policy Reform Targets:</u>			
	<u>Planned</u>		<u>Actual</u>	
	Through further policy dialogue on quality assurance of family planning services, implement training plan for counsellors and clinic staff involved in surgical contraception			Training plan will be prepared under the PIO/T with AVSC. This assistance scheduled to begin March 1989.
	Further dialogue between National Family Planning Board, Ministry of Education and USAID on reinstatement of family life education program in schools			Dialogue has been on-going. Family life education is being taught in most schools

* Estimated

** Excludes figures for six hospitals

FY 1989 Performance Matrix

OBJECTIVE No. 9: Improve health and child survival

<u>A. Country Development Trends Indicators:</u>		<u>(Actual)</u>		
		<u>1986</u>	<u>1987</u>	<u>1988</u>
A.	Number of AIDS cases (cumulative # of cases)	11	44	74
B.	Percentage of public health sector budget allocated to primary health care	22	21	19*

<u>B. A.I.D. Program Performance Indicators:</u>		<u>Planned</u>	<u>Actual</u>
A.	Incidence of sexually transmitted diseases	13,000	11,682
B.	Number of visits to public health centers for preventive health services	412/1000	364/000

C. Policy Reform Targets:

<u>Planned</u>	<u>Actual</u>
GOJ to budget for staff and recurrent costs of STD/AIDS program	MOH signed AIDS/STD PROAG with covenant to budget for 15 additional contact investigators and STD drugs over LOP.
Adoption of revised hospital user fees system by GOJ	Discussion of hospital user fees is part of policy agenda to be discussed with new government

*Estimate

FY 1989 Performance Matrix

OBJECTIVE No. 10: Improve housing

A.	<u>Country Development Trends Indicators:</u>	(Actual)		
		<u>1986</u>	<u>1987</u>	<u>1988</u>
1.	Percentage of urban households with substandard housing	45	44	44
2.	Percentage of urban housing units with direct access to piped water	60	61	61
3.	Percentage of urban housing units with direct access to sewerage	12	14	14

B.	<u>A.I.D. Program Performance Indicators:</u>	<u>Planned</u>	<u>Actual</u>
		1.	New housing units sold under A.I.D.-supported programs
2.	Housing units improved under A.I.D.-supported programs (includes mortgage loans)	350	209
3.	Plots with access to improved infrastructure services financed under A.I.D.-supported programs (includes sites & services)	1600	175
4.	Number of plots sold to leaseholder/squatter occupants	1500	50

C.	<u>Planned</u>	<u>Actual</u>
	1.	Further reduction of GOJ's role in direct housing production.
2.	Role of the NHT especially regarding the distribution of its resources for lower income families.	
3.	Greater efficiency and effectiveness of GOJ regulations.	
4.	Expanding water and sewerage services to lower income families.	
5.	Lower cost technology such as the provision of standpipes.	
6.	Infrastructure systems maintenance through contracting to private sector.	

FY 1989 Performance Matrix

OBJECTIVE No. 11: Improve educational opportunities

A. <u>Country Development Trends Indicators:</u>		(Actual)		
		<u>1986</u>	<u>1987</u>	<u>1988</u>
1.	Gross Primary Enrollment Ratio	99.6%	99.6%	99.6%
2.	Primary School Completion Rate %	75%	68%	68%
3.	% Graduates with Functional Literacy/Numeracy	71%	71%	75%
4.	Employability of Technical School Graduate (formal/non-formal)%	62%	60%	63%

B. <u>A.I.D. Program Performance Indicators:</u>			<u>Planned</u>	<u>Actual</u>
A.	Number and percentage of primary school students/teachers receiving textbooks/teachers' guides under AID supported programs		301,000 92%	301,000 92%
B.	Number of primary teachers receiving inservice/preservice training under AID supported programs		96	108
C.	Number of classrooms built/refurbished under AID supported programs			
	- Built		5	5
	- Refurbished		321	146
D.	Persons trained under AID supported vocational and management programs (excludes participant training and vocational training in agriculture)			
	Vocational (a) Men		2,844	3,800
	(b) Women		11,191	13,099
	Management (a) Men		450	296
	(b) Women		445	475

C. Policy Reform Targets:

Planned

Closer collaboration between the Department of Management Studies (DOMS), University of the West Indies (UWI) and the business sector to ensure relevance of program to needs of the market. Plan for such a program to be submitted. (3Q FY 88)

Closer collaboration between the Department of Management Studies (DOMS), and other major institutions providing management training such as, College of Arts, Science and Technology (CAST), Institute of Management and Production (IMP) and Jamaica Institute of Management (JIM). Report to be submitted. (3Q FY 88)

Collaboration with the University of the West Indies' Cave Hill campus and RDO/C re the second Management Education project with a view to maximizing project objectives and minimizing cost by avoiding duplication on both projects.

USAID, HEART and MOE to link Tracer Studies done for students leaving technical schools and HEART academies to course offerings, in order to validate adequacy of school courses in terms of the market place. (1Q FY 89)

HEART and MOE to co-ordinate with the Private Sector to set up 15 Advisory Committees for technical schools and HEART academies to improve employability of graduates. (4Q FY 88)

Actual

UWI's newly appointed Vice Chancellor has embarked on an aggressive promotional program with the private sector. USAID did not receive a plan. However, an evaluation of the relationship of UWI program offerings to needs of private sector will be undertaken in April 1989.

Meetings between DOMS and other training institutions held in May 1988. No report received. Collaboration to be evaluated in April 1989.

First meeting held November 1988. Second meeting planned for April 1989. There is some evidence that the desire for collaboration is waning, or at least the timing is problematic.

The MOE in process of setting up tracer study. The HEART Trust attention is directed elsewhere, i.e., operating the academies. However, tracer study likely to be completed by new PACD of 7/31/90.

The MOE has attempted to set up these committees. The Ministry and the H.E.A.R.T Trust are in discussions re H.E.A.R.T representation on the technical schools committees. Expect MOE to be set up by 4Q 1989. The H.E.A.R.T. committees are set up.

C. Policy Reform Targets:

Planned

Discussion with the GOJ on possible new project with focus on training at both technical and vocational levels and the provision of teacher training for instructors at HEART academies. (4Q FY 88)

Discussion with the Ministry of Education and the Ministry of Youth and Community Development on proposed new Primary Education Assistance Project II to (a) more actively involve local communities in the renovation and maintenance of buildings and reduction of vandalism, and (b) improved efficiency and relevancy of the educational delivery system. (4Q FY 88)

Actual

Discussions currently going forward with MOE. It seems likely that H.E.A.R.T.'s operational role vis-a-vis non-formal training in academies may shift to MOE.

Discussions with new MOE staff suggest willingness to pursue both objectives; specific means may have to await outcome of policy studies financed under PEAP.

FY 1989 Performance Matrix

OBJECTIVE No. 12: Strengthen democratic institutions

A. <u>Country Development Trends Indicators:</u>	(Actual)		
	<u>1986</u>	<u>1987</u>	<u>1988</u>
Median time for processing of Criminal Case	4	4	3
Percentage of Criminal cases before Court of Appeal that were determined	N/A	65%	69%
Average number of months between conviction and hearing of appeal for Criminal Cases	3	3	6
Median time for processing of Civil Case	3	3	3.5
Percentage of Civil Cases before the Court of Appeal that were determined	N/A	56%	51%

B. A.I.D. Program Performance Indicators:

	<u>Planned</u>	<u>Actual</u>
Back log in Court Reporting of cases (mos.)	2	6
Inservice training in how to carry out responsibilities (No. people)	258	117
Number of RM Courts rehabilitated	15	0
Supreme Court rehabilitated	0	0
Number of persons beginning training programs under CLASP		
-- Short-term (up to 9 months)	120	62
-- Long-term (more than 9 months)	30	25
Number of persons beginning training under Other (Non-CLASP programs)		
-- Short-term (up to 9 months)	207	101
-- Long-term (more than 9 months)	20	0

C. Policy Reform Targets:

<u>Planned</u>	<u>Actual</u>
Increase in quantum of resident magistrates from 36 to 40 (3Q FY89)	The additional RMs have been appointed
Establishment of a property management unit (2Q FY89)	This is dependent upon approval from the Ministry of Public Service and is now targetted for 3Q FY 89

Establishment of an officer of
administration for the Supreme
Court (3Q FY89)

Same as above

Reform of the court reporting
system (4Q FY88)

Delays in completion
of the physical
modifications to the
Court Reporters'
section of the
Supreme Court
hampered the
installation of the
equipment.
Automation of
transcription is now
taking place.

C. GOALS/OBJECTIVES/MATRIX

	<u>STABILIZATION</u>	<u>REFORMS/ GROWTH</u>	<u>SPREADING BENEFITS</u>	<u>DEMOCRACY</u>
1. Increase agricultural production		(X	X	
2. Strengthen the private sector		(X		
3. Stabilize financial structures	X			
4. Increase GDP		X		
5. Promote exports		(X		
6. Preserve and manage natural resources				
7. Expand and improve the infrastructure		(X		
8. Increase access to voluntary family planning services			X X	
9. Improve health and child survival			X	
10. Improve housing			X	
11. Improve educational opportunities		X	X	
12. Strengthen democratic institutions				(X
13. Disaster relief and reconstruction	(X			

GOAL: SHORT TERM ECONOMIC STABILIZATION

OBJECTIVE #3: Stabilize Financial Structures

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986/87 <u>Actual</u>	1987/88 <u>Actual</u>	1988/89 <u>Proj.</u>	1988/89 <u>Actual**</u>	1989/90 <u>Proj.</u>	1990/91 <u>Proj.</u>	1991/92 <u>Proj.</u>
A. Total public sector deficit as % of GDP:							
Central government	-1.4%	0.0%	-0.8%	- 5.0%	-2.1%	-1.5%	1.0%
Rest of Public Sector	1.5%	0.0%	2.0%	1.4%	1.5%	1.6%	1.7%
Central Bank losses	-5.7%	-5.4%	-4.5%	- 5.1%	-4.5%	-4.5%	-4.5%
TOTAL	-5.6%	-5.4%	-3.3%	- 8.7%	-5.1%	-4.4%	-1.8%
B. Consolidated nonfinancial public sector savings as a % of GDP	0.1%	0.0%	1.2%	- 3.6%	0.6%	0.1%	2.7%
C. Expansion of Broad Money (% change)	23.6%	21.1%	15.0%	20.5%	20.0%	19.0%	18.0%
D. Current account balance of payments as a % of GDP	-2.8%	-4.5%	-1.9%	- 7.6%	-3.5%	-3.0%	-2.5%
E. Inflation							
GDP deflator (% change)	11.4%	6.8%	7.0%	9.0%	9.5%	9.0%	8.5%

All Figures on JFY basis

** Estimated

2. <u>A.I.D. PROGRAM PERFORMANCE INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
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N O N E

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
-- GOJ to pursue appropriate monetary and fiscal policies consistent with a further decline in domestic inflation and maintenance of international competitiveness	Ongoing		Prior to Hurricane Gilbert in September 1988, goals were accomplished generally as anticipated as a result of better than expected overall economic expansion, and exceptionally buoyant tax revenues. However, BOJ losses exceeded expectations, interest rates fell very little and money and credit growth generally remained at the high end of acceptable levels.
-- Complete the revision of banking legislation	1Q/FY89	4Q/88	Substantially completed. Legislation has been enacted for most major reforms, some additional study of non-bank financial institutions is in progress
-- Complete removal of non-cash portion of the liquid asset reserve requirement	1Q/89	4Q/FY88	Effectively removed. Liquid asset requirement has been reduced to zero percent above the required reserve ratio
-- Overall deficit will continue to decline to less than 3 percent of GDP	4Q/FY90		Substantially on track prior to September 1988. Emergency relief/rehabilitation needs, loss of revenue from Hurricane necessitate wider deficit in FY88/89

- | | | |
|---|----------------|--|
| <p>-- Maintain expenditure control programs; reduce Central Government expenditure as a percent of GDP by at least one-half percent per annum on average.</p> | <p>Ongoing</p> | <p>Prior to the hurricane expenditures were rising slightly mainly for capital spending, since the hurricane government's share will increase by about 5 percent of GDP.</p> |
| <p>-- Continue improvements in implementation capacity and revision of the public sector investment program</p> | <p>Ongoing</p> | <p>Public sector enterprises in surplus despite hurricane losses</p> |
| <p>-- Pass legislation enacting the general consumption tax to replace indirect domestic taxes</p> | <p>2Q FY89</p> | <p>Ministry Paper # 1 "Revision of the Indirect Tax Structure" was tabled in the House of Representatives on March 14,1989. A blue ribbon review committee has been established and a report is due by the end of May. Enactment is expected soon thereafter</p> |
| <p>-- Secure and disburse ESF on a timely basis to assist GOJ to consolidate and defend policy achievements to date while continuing with additional policy reforms</p> | <p>Ongoing</p> | <p>Jamaica received no ESF funding for balance of payment support in their JFY87/88. A US\$12.1 million ESF cash transfer grant was disbursed in 3/89 against an impressive list of accomplishments, including completion of the privatization of Telecommunications of Jamaica by share offer only one month after Hurricane Gilbert, successful negotiation of a new standby agreement with the IMF, and implementation of significant reductions in duties on capital goods</p> |
| <p>-- Use PL 480 to work with GOJ to enact important policy changes in agricultural sector</p> | <p>Ongoing</p> | <p>PL 480 self-help measure discussions included the issue of the near monopoly role of the JCTC in the importation of food stuff, motor vehicles and pharmaceuticals. The GOJ agreed to provide data on JCTC activities especially as they relate to cross subsidies.</p> |

-- Work with GOJ through the Board of Revenue Assistance project to implement fully reformed tax system, primarily through training and computerization.

Ongoing

The Board of Revenue Assistance Project continues to provide vital technical assistance for design and implementation of the General Consumption Tax resulting in the assignment of tax numbers to virtually all businesses in Jamaica drafting of a majority of the language and provisions of the GCT's presentation to Parliament Recently completed training and graduation of the third batch of of Revenue Agents, consisting of 19 students. Total graduated to date is 40 Training is now taking place of another 39 Revenue Agents which will be completed o/a September 1989.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

- In combination with PL 480 self-help discussions, work to reduce the near monopoly role of the Jamaica Commodity Trading Corporation, especially in the area of building materials, motor vehicles and pharmaceuticals. Ongoing
- Initiate studies and assist the GOJ in carrying out recommendations for deepening capital markets through such innovations as foreign owned mutual fund shares, listing of Government debt securities and a regional stock exchange. Ongoing
- Maintain pressure for resumption of lower public sector deficits following an unavoidable bulge in the deficit in fiscal 1988/89 resulting from the loss of revenue and emergency expenditures in the aftermath of Hurricane Gilbert. Ongoing

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

- Provide technical assistance through the Board of Revenue Assistance Project to complete the final design of the General Consumption Tax and assist in its implementation. 1Q FY90
- Further privatization efforts, including the divestment of 2 government-owned hotels as a priority activity. 4Q FY89
- Disburse ESF on a timely basis to assist GOJ to consolidate and defend policy achievements to date while continuing additional policy reforms.

6. PROJECTS SUPPORTING OBJECTIVES

Title	Number	New (N) or Ongoing(O)	Type of Funding	LOP (\$000)	L/G/LC	Cum. thru FY 88	OBLIGATIONS		
							FY 1989	FY 1990	FY 1991
Production & Employment IX	532-0142	N-FY89	ESF	24200	G		24200		
Production & Employment X	532-0154	N-FY90	ESF	27000	G			27000	
Production & Employment XI	532-0164	N-FY91	ESF	27000	G				27000
PL 480 Title I	N/A	0	PL480		L		30000	30000	30000
Board of Revenue	532-0095	0	DA	4500	G	3500		500	500
				4522	L	4522			
Local currency			ESF		LC	3410	3571	3152	3152

* FY 88 only

7. NARRATIVE

The GOJ has successfully weathered the hurricane and its damaging wake, and appears to have made an unexpectedly smooth transition into new government. The better than expected performance, especially with regard to the election, has reinforced the growing worldwide perception that Jamaica is serious about putting her political and economic woes behind her. The new Government initially has endorsed the full array of economic policy reforms, and appears ready to carry out the program accomplishments as planned under this objective.

Notwithstanding the above, the hurricane related economic disruption produced major shortfalls in the expected achievements outlined in last year's Action Plan. The consensus estimate of the damage to capital stock was in excess of US\$1 billion and the loss to GDP growth about 2 percentage points for the fiscal year ending March 31, 1989. The Central Government deficit, which had been projected at less than 1 percent of GDP is now estimated to

come in at -5.0 percent of GDP for FY 1989/89 as a result of increased expenditures for relief and clean up efforts, and reduced taxes resulting from lower incomes and profits. Prices are now expected to be moderately higher for this year and next as the effects of higher prices, especially for food and shelter, work their way through the system. The expansion of the broadly defined money aggregate continued about the same as in previous years, rather than declining as projected, but this appears to be more a function of institutional changes in the Jamaican financial system rather than a direct result of Bank of Jamaica's monetary policy, and would not necessarily signal higher inflation rates in outlying years.

The principal stumbling block to continuing economic expansion and a return to steady improvement in monetary and fiscal aggregates is the overhang of external and internal debt. On every front the Government faces constraints on its maneuverability in responding to the country's pressing needs. Spending must remain in check in anticipation of the decline in donor support once the hurricane relief and rehabilitation funds pass through the system. Tax revenues must be sustained and even augmented through the new General Consumption Tax, to avoid a return to persistently high central government deficits. Interest rates must decline to encourage investment, but only slowly so there will continue to be a strong incentive to forego consumption.

Likewise, the foreign exchange bulge from donor assistance and insurance reflows have permitted Jamaica to obtain needed imports while continuing to meet IMF targets with respect to replenishing net international reserves. On a longer term basis, this foreign exchange windfall must be replaced by a strong performance in tourism and bauxite/alumina sales, and a resurgence of other exports, especially non-traditional agriculture and manufacturing exports. The challenge is to encourage the steady rebuilding of these foreign exchange earners, while patiently pursuing economic policies that minimize the amount of sacrifice throughout the economy. The temptation will be to attempt to achieve extraordinary and rapid progress through policy tinkering or government intervention in key instances. The weight of the assistance provided under this goal will be used to encourage the GOJ to continue on a steady economic policy path, placing increasing emphasis on reforms in support of export activities and substitution of market-oriented decision making for direct government involvement in the economy.

The Board of Revenue Project will be amended to add US\$1 million for further assistance to the Revenue Board in FY 90/91. The additional funds will provide an extension of the contracts for technical assistance for implementation of the General Consumption Tax (GCT), now scheduled for enactment in August 1989 and for training of Revenue Agents with responsibilities for collecting the GCT. The funds will also provide for an evaluation of the Board of Revenue Project and some follow on policy studies of payroll taxes, in coordination with studies for housing and private sector projects.

GOAL: SHORT TERM ECONOMIC STABILIZATION

OBJECTIVE #13: Disaster relief and reconstruction

1. <u>COUNTRY DEVELOPMENT TRENDS INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
None							
2. <u>A.I.D. PROGRAM PERFORMANCE INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>

A. Miles of power distribution lines rehabilitated

250

B. Schools and courthouses repaired

238

C. Enterprises assisted through business recovery program

800

D. No. of families provided with relief support or participating in income generating activities (thousands)

50

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets) (CONT'D)

Target

Planned

Actual

Discussion

None. This objective was not included in last year's Action Plan, and programs began in September 1988 and January 1989.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

None, because projects and programs supporting this objective are disaster assistance.

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

Hurricane Reconstruction project

- Orders placed for \$6 million of AID procured equipment (i.e. power, water, communication, and disaster preparedness) 3Q FY89
- 1.4 million textbooks replaced and distributed to 205,000 primary/all age students 3Q FY89
- Initial loans authorized by NDF and JADF, and initial grants made by JAMPRO for business recovery 4Q FY89
- Courthouse repairs completed 4Q FY89
- Delivery of all AID-procured commodities 1Q FY90
- Disbursement of 100% of funds to PVOs by United Way of Jamaica/Council of Voluntary Services under Component III relief for the poor grant 1Q FY90
- School repairs completed 3Q FY90

6. PROJECTS SUPPORTING OBJECTIVE

<u>Title</u>	<u>Number</u>	<u>New (N) or Ongoing(O)</u>	<u>Type of Funding</u>	<u>LOP (\$000)</u>	<u>L/G/LC</u>	<u>OBLIGATIONS</u>			
						<u>Cum. thru FY 88</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
Emergency Rehabilitation	0185	N	DA	25,000	G	20,000	5,000	-	-
Hurricane Reconstruction	0158	N	DA	30,000	G	-	30,000	-	-

7. NARRATIVE

Hurricane Gilbert hit Jamaica directly on September 12, 1988, creating the island's worst calamity this century. The Hurricane cut electricity and telephone lines, destroyed rooftops, battered homes, damaged agriculture, disabled the tourism sector, and damaged the potable water supply system, causing a loss in excess of US \$1 billion in damage to capital stock and a one to two point reduction in GDP growth output for the current fiscal year. In addition to immediate disaster relief provided through OFDA at a value of \$1,511,559, AID provided a \$20 million grant-funded Emergency Rehabilitation Project on September 28, 1988, which was subsequently increased to \$25 million. AID also accelerated funds provided through PL 480 and housing guarantee programs.

AID's response to the disaster was quick. Within two days, large Air Force cargo planes were delivering the first shipment of relief supplies from OFDA. The AID Emergency Rehabilitation Project Agreement was signed 16 days after the Hurricane struck, and approximately a month later USAID had committed \$15.6 million, or 80 percent, of project funds. By the end of November, the Project Agreement had been increased to \$25 million, and USAID had committed more than \$20 million. By the end of December, funds were 86 percent committed and by the end of January, commitments were 97 percent. Disbursements have been made promptly, though of course lag because they are made only after work is done and a billing received.

The ER Project provided assistance to the power, telecommunications, shelter and water sectors, as well as grants to three NGOs and more limited assistance to the health and agriculture sectors. Specific sectors were chosen because of their importance to quick recovery. For example, because the power sector was severely damaged and outage affected recovery of other sectors, this sector received \$10.8 million, or 43 percent of funds, to finance U.S. line crews and electrical equipment and materials to aid in speedy recovery. Important for human survival were the shelter sector, which received \$7.0 million, or 28 percent of funds, for replacement roofing and prefabricated housing units; the water sector, which received \$2.1 million, or 8 percent of funds, to purchase water/sewerage pipes and pumps to keep the system operating; and the health sector, which received \$0.9 million to procure vehicles, communications equipment, and laboratory supplies to expand its reach into remote, damaged areas of the island. The badly hit agriculture sector received \$0.6 million to purchase seeds necessary to replace lost crops. The needy were reached through NGO's, which received \$2.7 million, or 11 percent of funds, to distribute food, roofing, health services, and to make business loans to restore employment opportunities. In addition, smaller amounts were provided for telephone sector equipment to help in system restoration and for removal of bottlenecked relief goods from Kingston port.

In managing the project, the Mission changed from its normal project implementation style. First, it contracted with the local offices of two international accounting firms for concurrent audit, to work in cooperation with the Regional Inspector General's Office and for monitoring/tracking services. These contracts were signed, respectively, on October 21 and 27, less than a month after the Project Agreement. Also, the Mission managed the project by assigning responsibilities for specific components to related technical divisions (e.g., power to engineering division), increasing the procurement staff, and providing a single overall control point in the Office of Projects and Private Enterprise. Lessons learned will be applied to management of the new Hurricane Reconstruction Project.

When the project ended on February 25, 1989, preliminary indications show a wide range of impacts of AID assistance. For instance, power was restored in 80 days (30 days ahead of schedule) to its pre-hurricane level of 260 MW after shut-down the day of the hurricane, with virtually all individual customers fully restored. AID financed 145 linesmen from six American companies who worked 89-hour weeks to help restore power to some 97,000, or 35 percent, of total customers. AID financed 806 prefabricated housing units for needy, homeless families. In support of Jamaica's successful efforts to fully restore water sources, AID financed some 80 percent of pipes, fittings, and pumps used to

restore broken main distribution lines, water/sewerage plants, and small and large pipelines. AID-financed seeds have been planted and harvested, and these crops are now reappearing in urban market places. In the health sector, AID financed vehicles for a mosquito spraying operation to ensure there would be no occurrence of dengue fever. A Jamaican NGO made 308 new loans to hurricane-damaged businesses, of which 30 percent went to women-owned businesses, and helped restore some 1,200 jobs. In downtown Kingston, an NGO staffed a health clinic which provided some 3,000 persons with health care and health education in the aftermath of the hurricane. In addition, AID financed removal of some 180 containers of relief goods which were blocking congested port warehouses, so they could be distributed to needy individuals.

Through Denton Amendment shipments, U.S. private and voluntary organizations provided an overwhelming response: they donated over one million pounds of relief supplies, primarily non-perishable food, clothing, and medical supplies. The recipients, mostly church affiliated groups and civic organizations, distributed the goods on a non-political basis.

The follow-on \$30 million Hurricane Reconstruction Project was obligated on February 15 and addresses the following areas: Component I - Rehabilitation of Infrastructure, including support for power, telecommunications, water, courthouses, and education; Component II - agriculture and business recovery, including support for a grant to the Jamaica Agricultural Development Foundation, a grant to the National Development Foundation, and assistance to JAMPRO; and Component III - disaster preparedness and relief for the poor, including disaster preparedness assistance and a grant to CVSS/United Way. Funds are also provided for monitoring and tracking of commodities, auditing services and program coordination requirements.

GOAL: BASIC STRUCTURAL REFORMS LEADING TO RAPID AND SUSTAINED ECONOMIC GROWTH

OBJECTIVE #1: Increase agricultural production

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual*</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Real growth of value added in agriculture (% change)	(2)	2.50	10	1.2	3	5	5
B. Volume of production of selected domestic consumption crops: (000 tons)							
-- Cereals	9.00	7.70	8.00	4.20	3.10	5.00	6.00
-- Yams & other tubers	236.00	241.90	245.00	232.45	235.00	239.00	245.00
-- Legumes	11.10	11.40	15	8.43	10.50	11.00	12.00
-- Vegetables	120.00	121.10	121.20	96.93	121.20	127.20	133.70
C. Domestic milk production (Grade A, millions of imperial quarts/year)	16.00	19.00	20.00	19.10	20.10	21.10	22.20
				(*estimate)			
2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual*</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Acres irrigated by refurbished Rio Cobre Irrigation System (cumulative)	7,000	7,400	9,000	10,000	15,000	20,000	20,000
B. Average real income of target groups of small farmer households (in 1985 US\$)	473	500	530	535	572	613	656
C. Miles of roads under AID-supported programs:							
Rehabilitated		33	203	83	230*	303*	

(*estimate)
(** with PACD extension)

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Enactment and implementation of the new Irrigation Law including new water user fee structure and provisions for retaining and investing the fees in irrigation systems operations and maintenance	4Q FY88	1Q FY89	Irrigation Law was enacted in December 1988. Mission continues to support the NIC under the CD/I Project.
- Improvement of essential pest eradication and quarantine program as well as plant and animal protection and inspection programs	4Q FY90	On-going	On track. Included in FY 89 PL 480 Title I Self-help measures. Mission plans further support in this area as part of the new Agricultural Export Services Project.
- Privatization of Ministry of Agriculture programs (e.g. veterinary and AI services) that the private sector has the capacity to absorb	3Q FY89	Deferred	This was to be included in the Strengthening the Agricultural Sector Project which was dropped.
- Establishment of an agricultural information network to facilitate the adoption of both local and international research to maximize the use of Jamaica's limited physical, human and financial resources in the agricultural sector	3Q FY89	On-going	The JADF is initiating a national research council which will help to focus research activities in the future.
- Continue to implement policy decisions aimed at strengthening the domestic dairy industry, especially pricing policies. Also, continuation of support for dairy industry development projects, especially regarding effective use of divested lands and outreach programs for small farmers	4Q FY88	On-going	Mission continues to monitor GOJ performance/compliance in this area. Included in FY 89 PL 480 Title I Self-help measures.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets) (CONT'D)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Continue efforts to improve both the processing and pricing of edible oils by means of increased private sector participation in the processing of edible oilseeds (PL 480 self help measure)	4Q FY88		Studies completed. New GOJ must now review and decide upon policy options.
- GOJ to examine the food stamp and generalized subsidy program with a view to understanding the direct and indirect costs of those programs and to examine other possible income support mechanisms (PL 480 self help measure)	4Q FY89		Studies have been completed and the new GOJ is now reviewing the policy recommendations.
- Under the Crop Diversification/Irrigation project, the Rio Cobre Irrigation System which serves approximately 2,000 small farmers on the south central plains of Jamaica will be fully rehabilitated and functioning. In 1990, approximately 34 miles of the system's canals will be rehabilitated.	4Q FY90		Mission based on the recent evaluation plans to request a one-year PACD extension to allow for the completion of project construction/rehabilitation activities that were severely delayed due to Hurricane Gilbert and the local election.
- Approximately 6,000 small farmers will be benefiting from AID-assisted projects.	4Q FY89	4Q FY 89	Small Farmer continue to be a major focus of ARDO and PL 480 funded activities.
- Construction and facilities rehabilitation at College of Agriculture completed under the Agriculture Education project	4Q FY90		Mission based on the recent evaluation plans to request a one-year PACD extension to accommodate changes needed in the project, as well as to allow for accomplishment of project objectives including construction and facilities rehabilitation.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets) (CONT'D)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Four additional research subgrants approved under the Agricultural Research project	4Q FY88	2Q FY89	By the 4Q FY 88 only 3 additional research sub-grants had been approved, bringing the total to 6 research sub-grants. As of the end of the 2Q FY 89 there was a total of 16 approved sub-grants being implemented with an additional 20 in preparation/under consideration.
- St. Catherine Vegetable Producers Association (SCVPA) functioning with local management and providing technical and marketing services to approximately 400 small farmer members/beneficiaries	4Q FY89	2Q FY89	SCVPA is currently providing technical and/or marketing services to approximately 400 small farmer members/beneficiaries.
- Encourage formation of a Road Maintenance Funding Committee to develop a viable plan for financing road maintenance and improvements. The Committee is to be made up of representatives of the GOJ, in particular the Ministry of Construction Works and the Ministry of Finance, USAID and other donors which are financing road rehabilitation. The Committee should be formed in June 1987 and the plan should be drafted in FY88.	2Q FY87 and 3Q FY88	Est. 2Q FY89	It is expected that committee's output will be received 2Q FY89. In addition, it is anticipated that a road maintenance "Lengthman" system will be instituted.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

- Adoption by the GOJ of a policy providing adequate support to the College of Agriculture in the form of budgetary resources and high quality management.

3Q FY 89

4. <u>KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD(CONT'D)</u>	<u>QUARTER/YEAR</u>
- Review the level of investment in port facilities for handling bulk grains to see if upgraded discharging facilities would not result in substantially lower long term costs.	2Q FY 90
- Substantially increase the development budget disbursements for the agriculture sector particularly as funded by PL 480 Title I.	3Q FY 90
- Continue to implement policy decisions aimed at strengthening the domestic dairy industry especially pricing policies. Also, continuation of support for dairy industry development projects, especially regarding the effective use of divested lands and outreach programs for small farmers.	On-going
- Adopt a policy and program commitment of managing land transactions efficiently so as to have an effective land market.	2Q FY 91
- GOJ to examine the food stamp and generalized subsidy program with a view to undertaking understanding the direct and indirect costs of those programs and to examine other possible income support mechanism. (PL 480 self help measure).	On-going
Developing a commitment to a road maintenance ethic in the Ministry of Construction is a key policy dialog issue. A meeting with the Minister of Construction was requested prior to the election. Followup with the new Minister is planned.	3Q FY89
5. <u>KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD</u>	<u>QUARTER/YEAR</u>
- Under the Crop Diversification/Irrigation Project the Rio Cobre Irrigation System which serves approximately 2,000 small farmers on the south central plains of Jamaica will be fully rehabilitated and functioning. In 1991, approximately 34 miles of the system's canals will be rehabilitated.	4Q FY 91
- Approximately 10,000 small farmers will be benefiting from AID-assisted projects.	4Q FY 91
- Construction and facilities rehabilitation at College of Agriculture completed under the under the Agricultural Education Project.	4Q FY 91
- Ten additional research sub-grants approved under the Agricultural Research Project.	2Q FY90
- St. Catherine Vegetable Producers Association functioning with local management and providing technical and marketing services to approximately 500 small farmer members.	4Q FY89

6. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N) or Ongoing(O)	Type of Funding	LOP (\$000)	L/G/LC	OBLIGATIONS			
						Cum. thru FY 88	FY 1989	FY 1990	FY 1991
✓ Agriculture Education	532-0082	0	DA	3560	G	3000		560	
				6500	L	6500			
✓ Small Farmer Prod/Mktg.	532-0097	0	DA	1060	G	1060			
✓ Ag. Research	532-0128	0	DA	7600	G	2350	1350	1500	1000
Program Dev. & Support	532-9103	0	DA		G		137	150	150
✓ Crop Diversification/Irr. ^{1/}	532-0123	0	DA	9905.5	G	9050	856		
				8094.5	L	8094.5			
✓ Agricultural Marketing ^{2/}	532-0060	0	DA	2700	G	2700			
				7100	L				
✓ Food Aid Monitoring and Support Project	532-0157	N	DA	2500	G		300	490	550
Agricultural Productivity Enhancement	532-0167	N	DA	7000	G				500
Local Currency			PL 480		LC	9228 ^{3/}	12169	5500	5500
Local Currency			ESF		LC	16	17	15	15

^{1/}As this project supports two objectives, it is also included under #5 Promote Exports.

^{2/}Pural Roads component.

^{3/}FY 88 only

7. NARRATIVE

Macroeconomic, level policy reform has had a positive effect on agriculture. Devaluation of the Jamaican Dollar helped stimulate agricultural exports. Pricing and packaging measures concerning imported powdered milk have resulted in increased farm gate prices for dairy farmers and increased production levels. However, continuance of high interest rates still limits new investments and growth in agriculture. Assuming macroeconomic signals remain positive, policy dialogue in the agriculture sector (including PL 480 Title I Self-help measures) will continue to be focussed on sector specific issues.

USAID's agricultural project portfolio has been designed to address critical constraints to production and productivity in Jamaica. Although Jamaica has an adequate array of physical resources suitable for expanded agricultural production, it has not kept pace with other developing countries in the application of technology to agriculture. This is largely due to the fact that the Jamaican agricultural system has historically been divided between large single commodity estates in the valleys or plains, and small mixed produce holdings primarily in the hills. It is only relatively recently, that new, commercially oriented agricultural entrepreneurs have come on the scene, bringing modern technological and business practices to bear on agriculture.

Consequently, average agricultural yields of both export and domestic crops are considerably below developing country average yields. Low productivity is at the root of Jamaica's loss of market share for agricultural exports. Thus, USAID's assistance focuses on addressing institutional constraints to increased productivity. These involve research, education, and land and water resource use. Projects in these areas are covered in this objective while projects with more of a export crop focus are included under Objective #5 Promote Exports.

Performance under indicators generally fell short of projections due to the devastation of Hurricane Gilbert which struck Jamaica on September 12, 1988. Damage to agriculture was massive and will require large infusions of capital to restore production trends, which were generally upwards, to pre-Gilbert levels. The Emergency Rehabilitation and Hurricane Reconstruction projects channel US\$55 million into the country, of which US\$4.65 million has been allocated to the agriculture sector for seeds and tools for small farmers, as well as credit for resuscitation of small banana and poultry farms.

During the last several months the Mission finalized evaluations of the Agricultural Education and Crop Diversification Irrigation Projects. As a result, the Mission is developing a PP supplement for the Agricultural Education project and will provide additional funding for technical assistance for this project in FY 90. The Crop Diversification/Irrigation project will most likely be extended by one year. The first evaluation of the Hillside Agriculture Project will be carried out early in FY 90 and will focus on refining the experimental project implementation mechanisms.

During FY 89 the Mission expects to authorize the new Food Aid Monitoring and Support Project which will provide a much needed new policy vehicle. Also, for FY 91, the Mission is considering a new start called Agricultural Productivity Enhancement to build on current efforts in irrigation system development and to address land market constraints.

Of the 172 miles of roads currently included under the Rural Roads component of the Agricultural Marketing project, 83 miles have been completed. It is expected that an additional 89 will be completed by May 1989. The Mission anticipates that approximately 180 miles will be completed by the current PACD of 7.31.89. GOJ budget constraints have limited the amount of roads being rehabilitated throughout the program to date. The formation of the Road Maintenance Committee and the establishment of a road maintenance "lengthman" system have been pending for sometime. The Ministry's proposals concerning these two areas is anticipated soon. At this time, approximately 65% of the funds obligated for road rehabilitation have been expended. Full utilization of the obligated funds would therefore be contingent on an extension of the PACD. Such an extension however will only be considered if the GOJ implements the maintenance activities as required under the PROAG.

GOAL: BASIC STRUCTURAL REFORMS LEADING TO RAPID AND SUSTAINED ECONOMIC GROWTH

OBJECTIVE #2: Strengthen the private sector

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Private investment as a percentage of GDP	6.6%	8%	9%	9.2%	9.5%	9.7%	10.0%
B. Percentage of total credit going to private sector	39%	40%	45%	50%	49%	47%	48%
C. Public administration employment as a percentage of total employment	10%	9.4%	9.0%	8.7%	8.7%	8.5%	8.5%
2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Value of assets acquired by the private sector under divestiture/privatization programs (US\$ million)	\$26.6	\$72	\$60	\$23*	\$30	\$20	\$15
B. AID-supported credit to the private sector (US\$ million)	\$2.7	\$9.6	\$11	\$8.6	\$10.4	\$7.5	\$7.5
C. Direct employment created under AID-supported projects and programs (net new jobs)	7,000	9,650	11,000	11,500	12,075	12,678	12,678

* This figure only reflects the share offering of Telecommunications of Jamaica (TOJ). The value of other divestments activities by the GOJ, i.e., hotels and other government-owned entities, is not available to the public.

2. <u>A.I.D. PROGRAM PERFORMANCE INDICATORS (CONT'D)</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
D. Number of small and micro enterprises* receiving credit under AID-supported credit programs	500	550	600	698	880	325	325
E. New domestic and foreign investment in productive enterprises (US\$ millions)	90	115	120	134	147	162	178

* Defined by the Small Business Association of Jamaica as a firm with assets of J\$1 million or less, sales of J\$5 million or less, and up to 50 employees. Includes enterprises receiving credit through the Emergency Rehabilitation and Hurricane Reconstruction projects.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Value of government owned assets acquired by private sector to average at least \$50 million per annum	ongoing	4Q FY88	A total of 126.5 million ordinary shares in Telecommunications of Jamaica (TOJ), a GOJ-owned company, were issued to the public at a value of US\$23 million.
- Debt-equity swaps worth at least US\$10 million per annum will be concluded	ongoing	ongoing	Total debt-equity swaps approved in principle to date stand at US\$80.8 million. Of this figure, US\$9.27 million was concluded during 1988. Export agriculture, export manufacturing and tourism are sectors included in the swaps.
- JNIP, JDIC and JNEC complete or-organizational merger	4Q FY88	3Q FY88	On target. The three organizations merged to become Jamaica Promotions Limited (JAMPRO) in April, 1988.
- US\$1 million in Section 108 provided to National Development Foundation, increasing loan portfolio by 20%	2Q FY88	3Q FY88	US\$1 million Section 108 loan to NDF was committed to over 275 small and micro entrepreneurs, increasing NDF's portfolio by 20%.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Six government owned hotel divested	3Q FY89	1Q FY89	One hotel, the Royal Caribbean, was divested in 1Q FY89. However, the GOJ currently has firm offers for divestment of eight more hotels during 1989/90.
- Section 108 funds auctioned to commercial banks	4Q FY88	3Q FY89	Auction system has been designed; first auction expected during third quarter of FY 89.
- Kingston Bus Terminal constructed	4Q FY89	4Q FY90	Rural Bus Terminal Construction contract was awarded and contractor mobilized 1Q FY88. New target for completion of Rural Bus Terminal is 3Q FY89. Urban Bus Terminal construction to begin 3Q FY89. New target for completion of Urban Bus Terminal is 4Q FY90. Both completion dates were revised due to the additional time required by the Urban Development Corporation for the preparation of plans.
- Work will include completion of improvements to sanitary sewer system along Harbour Street in downtown Kingston in conjunction with the USAID-funded improvements to inner Kingston. Present system is overloaded and in poor condition. Improvements will add 11.6 million US gallons per day to the sanitary sewer capacity.			Project is being carried out under two contracts, one a supply contract awarded in 1Q FY89 and the other a construction contract awarded in 2Q FY 89. Projected construction time: 72 weeks. Construction should be completed in 4Q FY90 or 1Q FY91.
Engineering plans complete	3Q FY88	3Q FY88	
Construction start	4Q FY88	2Q FY89	

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR
(*e.g., 3Q FY 89)

Customs and stamp duty on capital goods reduced to the targeted level of an aggregate 20 percent	3Q FY89
Maximum tariff and stamp duty rates reduced from current maximum 60 percent to 20 percent	3Q FY89
Analyses for broadening and deepening the Jamaican capital markets, including a feasibility of a regional stock exchange, foreign owned mutual fund shares and listing of Government debt securities on the Stock Exchange.	4Q FY89

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

- Completion of new Export Development and Investment Promotion Project design	3Q FY89
- Completion of sector assessments: Small Business, Export Marketing Process and Feeder Industries	3Q FY89
- Auction of US\$3.7 million of Section 108 Funds	3Q FY89
- Divestment of two government-owned hotels	4Q FY89
- Completion of Micro-enterprise Development Project design	1Q FY90
- Completion of improvements to sanitary sewer system along Harbour Street in downtown Kingston, these improvements will add 11.6 million US gallons per day to the sanitary sewer capacity.	1Q FY91
- Completion of Kingston Bus Terminal (both urban and rural service facilities)	4Q FY90

6. PROJECTS SUPPORTING OBJECTIVES

Title	Number	New (N) or Ongoing(O)	Type of Funding	LOP (\$000)	L/G/LC	OBLIGATIONS			
						Cum. thru FY 88	FY 1989	FY 1990	FY 1991
✓ Technical Consultations & Training Grant ^{1/} *	532-0079	0	DA/ESF	13730	G	11610	-	-	-
✓ Private Sector Bank	532-0091	0	DA	20000	L	12500 13000	-	-	-
✓ JADF Technical Support and Investment	532-0105	0	DA PL 480	1000	G	1000	-	-	-
✓ National Dev. Foundation	532-0108	0	DA	870	G	870	-	-	-
✓ Inner Kingston Improvement	532-0120	0	DA	10000	G	7141 732	2200	568 559	-
SDA	532-0029	0	DA	5000	L	5000	-	-	-
PL 480 Section 108			DA	C	G		140	140	140
Micro-enterprise Development	532-0156	N-FY 90	DA	2000	G	-	-	750	-
Export Development and Investment Promotion	532-0135	N-FY 89	DA	14000	G	-	2000	2250	2250
Inner Kingston Phase II	532-0151	N-FY91	DA	5000	G	-	-	-	1000
PD&S	532-9106	0	DA	C	G	515	146	131	160
Local currency		0	ESF	C	LC	67142 ^{2/}	7031	6206	6206

^{1/} As this project supports two objectives, it is also listed under #5 Promote Exports; LOP and obligations have been split accordingly. TCTG sub-projects which relate to this objective: JNIP, JIDC, PSOJ, and divestment.

^{2/} FY 88 only

* Total: Authorized 27,460: PLANNED 23,220: OBLIGATED 23,220

7. NARRATIVE

Although Hurricane Gilbert severely affected all productive sectors of the economy during the last quarter of 1988, the first three quarters of the year clearly demonstrated economic gains in private sector development and growth. Prior to the hurricane, private sector accomplishments included: over 60 percent of new small business start ups established over the last eight years; non-traditional exports (between 1987/88 GOJ FY and 1986/87), which is an indication that the economy is diversifying, increased by 39 percent; and GOJ efforts to privatize government-owned entities by share

offerings were enthusiastically oversubscribed. Tourist arrivals, topping 1 million visitors for 1987, increased by 4 percent over the previous year for stop-overs, but the industry experienced a decline in long-stay visitors for the same period. In essence, a more competitive environment is developing in Jamaica (there are now two daily newspapers, for example). The above indicators support the Mission's Private Sector Strategy, developed a year ago. The Mission continues to concentrate on three strategic objectives: (1) increasing exports; (2) diversifying business; and (3) expanding privatization in an effort to strengthen the private sector.

The Mission's private sector activities are not concentrated, however, under one discreet program objective, but are, instead, woven throughout the portfolio. And, the Mission's private sector goal to increase the private sector contribution to Jamaica's economic development has received enthusiastic support from the new GOJ administration. The new Government has, after less than a month in office, publicly encouraged the expansion of a vigorous private sector. The ESF policy dialogue is being used as the forum for a number of issues relating to the government's role in the economy including the activities of the publicly owned import company (JCTC) and this dialogue will focus increasingly on reducing the overall role of government in economic activity through lower central government deficits, and a reduction in production and distribution activities directly controlled by government entities.

USAID/Jamaica's new Export Development and Investment Promotion project is coming on stream at an ideal time. The project proposes to foster economic growth and equity by removing constraints to export and business opportunities, policy dialogue and private sector expansion. These objectives support the Mission's private sector strategy developed one year ago. Several sector analyses contribute to project design. In an effort to identify constraints to private sector growth in a number of sub-sectors, four sector assessments were begun and are in various stages of finalization. These assessments are: Financial Markets, Export Marketing Process, Small Business and Feeder Industries. This project has taken an innovative approach to eliminating and reducing sectoral constraints by using a systems approach to economic development. Each of the above four sub-sectors is totally dependent on the other sub-sectors in order to realistically provide a level playing ground for private sector growth. For example, constraints in financial markets will adversely affect growth of small businesses, feeder industries and export marketing. The Mission has high hopes that this initiative over the next five years will lead Jamaica into the 1990s with a strong, competitive diversified private sector. The Financial Markets Assessment addresses three critical areas of the financial market: the banking system, the capital market and private enterprise development. The absence of true venture capital, inadequacies of the stock market, and poor attraction and allocation of capital are major constraints identified by the assessment.

Other initiatives include the Micro-enterprise Development Project which is scheduled to come on stream in FY 90. This project ties in with the Mission's goal of broadening the base of the economy. This project plans to introduce informal, micro-entrepreneurs into the formal sector by removing constraints to full participation. Specifically, the project will provide technical assistance to organizations which assist micro-entrepreneurs in the areas of production, marketing, credit management, training and policy reform. The project is a multi-phase effort designed to increase private sector activity. On-going project activities include the National Development Foundation, which provides credit and technical

assistance and training to small and micro entrepreneurs, and the Trafalgar Development Bank, a private sector development bank with shares traded on the Kingston Stock Exchange. Emergency Rehabilitation Project funds (discussed under Objective #13) permitted NDF to rehabilitate or create over 1500 new jobs. With USAID encouragement, TDB has been successful in reducing its pipeline and making more loans to private sector companies outside of the Kingston Corporate area.

Technical Consultations and Training Grant (TC and TG) is winding down in August 1989, and preliminary assessments of the project indicate that it has been successful in policy dialogue, export and industrial development, tourism and investment promotion activities by providing support to JAMPRO, the GOJ's economic development agency. In April 1988, JAMPRO consolidated the activities of three GOJ agencies: Jamaica National Investment Promotion (JNIP), Jamaica National Export Corporation (JNEC), and Jamaica Industrial Development Corporation (JIDC). The full operational effectiveness of JAMPRO was delayed during the last four months of 1988 by the effects of the hurricane. As JAMPRO adjusts to the reorganized structure over the next few months its expectations as an efficient promoter of investments and exports and effective developer of industry should be realized. An early indication of JAMPRO's success is the elimination of many duplicative activities. This alone has resulted in a 25% staff reduction - from 480 cumulative for the three organizations to 360 under the new structure.

The Mission's private sector activities are also an integral part of health, agriculture and housing projects. The Office of Health, Nutrition and Population (OHNP) has undertaken a new initiative to encourage the GOJ to reduce system deficiencies through increased private sector participation. Although the new GOJ Administration has not clearly defined its role in the health care delivery system, the Mission will continue to engage in policy dialogue with the government in this area. The FY 89 Health Sector Initiatives Project will provide technical assistance and training for both the public and private sectors in support of increasing private sector delivery of health services and maximizing public health care resources.

The Mission also promotes private sector strengthening in agricultural development. USAID financing promotes agricultural investment by private companies, encourages divestment of underused GOJ-owned land, supports the rehabilitation and improvement of irrigation systems, and establishes feeder relationships between small farmers and larger, more modern farms. Credit to small and medium-sized farmers is also a component of USAID support to the Jamaican Agricultural Development Foundation, a private sector entity. Further activities include the PL 480 Title I policy dialogue which will focus on reducing constraints to private sector investment in agricultural production (i.e., pricing policy, land markets, and port facilities).

The Inner Kingston Development Project, implemented in part by the Kingston Restoration Corporation, a public purpose private sector entity, is another Mission-supported private sector activity. The project is revitalizing downtown Kingston through the rehabilitation of abandoned and derelict structures by establishing manufacturing facilities and retail outlets. To date, KRC has completed 145,000 square feet of factory space which is fully rented and has generated approximately 800 new permanent jobs. Revitalization of the project area includes rehabilitation of the sewer system and construction of a central bus terminal by the Urban Development Corporation, a government parastatal, which are scheduled for completion over the next 18 months. These projects support private investment in the economically depressed project area by addressing critical infrastructure constraints.

RHUDO also administers the Housing Guaranty (HG) Program which provides market rate loans to assist the GOJ in shelter policy reform, particularly in increasing private sector participation in the design, construction, marketing and sales of shelter and shelter-related services. This program also encourages private sector lending institutions to originate and service loans at the private sector's risk to low and moderate income households. The most recent HG loan authorized during 1988 takes an innovative sector approach to development by linking program disbursements to policy reforms for eliminating constraints to private sector growth in the shelter sector.

The Missions education portfolio is also focussed on private sector strengthening activities through its Basic Skills Training Project and the University of the West Indies Management project. Both projects are designed to encourage development of appropriate training curricula that are responsive to private sector employment needs in the labor market. It is clear, however, that more work needs to be done on strengthening the link between the training institutions and the private sector. Future Mission activities will focus more on this aspect.

GOAL: BASIC STRUCTURAL REFORMS LEADING TO RAPID AND SUSTAINED ECONOMIC GROWTH

OBJECTIVE #5: Promote Exports

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual*</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Value of merchandise exports (US\$ millions): (of which agriculture)	\$623 (\$109)	\$774 (\$132)	\$872 (\$132)	\$770 (\$127)	\$891 (\$152)	\$1045 (\$182)	\$1116 (\$219)
B. Exports (including Tourism) as % GDP	43%	44%	45%	35%	42%	46%	48%
C. Value of non-traditional exports (US\$ millions):							
Agricultural	\$16	\$ 19	\$ 20	\$15	\$ 17	\$ 20	\$ 23
Industrial	\$77	\$113	\$120	N/A	\$200	\$250	\$280
Value added in free zone industries	\$39	\$ 42	\$ 45	N/A	\$ 50	\$ 60	\$ 75
D. Foreign exchange earnings tourism, net (US\$ millions)	\$503	\$540	\$584	\$456 ¹	\$625	\$710	\$805

All Figures on JFY basis

N/A - Not available

2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual*</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Value of selected non-traditional exports resulting from AID-supported programs (US\$ millions):							
Winter vegetables	2.3	3.7	2.8	1.9	2.0	2.0	2.5
Ornamental horticulture	2.7	3.3	5.7	2.7	3.1	4.0	5.0
Manufacturing (garments)	52.5	102.6	150.0	187.0	210.0	245.0	290.0

* Estimate

¹/ This figure is an estimated projection for the year based on data for the first 3 quarters of 1988

2. <u>A.I.D. PROGRAM PERFORMANCE INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
B. Production of selected traditional exports resulting from AID-supported programs (acres in production***):							
Coffee	750	1,899	6,700	2,000	4,000	8,000	15,000
Cacao	900	2,150	3,250	3,000	5,000	9,000	11,000

(*** In last year's Action Plan, this indicator was expressed in terms of all acres in production island-wide, not only AID-supported. The 1988 Actual figure represents acres under production as a result of the Hillside Agriculture Project.)

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Continue progressive liberalization of exchange controls; permit easier repatriation of profits and dividends for foreigners making direct and portfolio investment	4Q FY90	ongoing	Purchase limit for travel increased from US\$150 to US\$300. New government has agreed in principle to further liberalization of exchange control
- Maintenance of a competitive exchange rate policy to ensure balance of payments viability	ongoing	1Q FY89	High flow through auction being maintained under Manley government, also temporary increased latitude granted by IMF for real exchange rate appreciation
- Comprehensive import duty rebate scheme for exports in place	4Q FY90	2Q FY89	Present rebate scheme to be replaced as part of integration of Customs and General Consumption Tax
- Replace remaining quantitative restrictions with tariffs except those items of a security nature	4Q FY90	2Q FY89	Trade and tariff issues being addressed as part of the GCT now before House of Representatives. Approach similar to that used in the corporate and personal income tax reform. Enactment expected after May 1989

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Completion of improvements to water systems, adding 1.0 million imperial gallons a day to Negril water system, .5 million imperial gallons a day to Eastern St. Thomas water system, and 5 million imperial gallons a day to Tulloch Springs water system.	3Q FY88	1Q FY89	All works are completed.
- Begin implementation of 8 sub-projects under the Hillside Agriculture project to benefit approximately 2,500 small hillside farmers	4Q FY88	1Q FY89	To date 6 sub-projects are approved with 5 under implementation. An additional 5 sub-projects are either under design or being reviewed for approval.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

	<u>QUARTER/YEAR</u>
GOJ permission to the private sector to permanently continue to import, alongside the Jamaica Commodity Trading Corporation, such non-food items as building materials and pharmaceuticals	(*e.g., 3Q FY 89) 3Q FY89
Analysis of interim report on a study of JCTC activities, including costs and sales prices of major commodities	2Q FY89

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

	<u>QUARTER/YEAR</u>
Expect non-traditional exports to increase by 20 percent	3Q FY89
Increase foreign and domestic investment by 20 percent	4Q FY89
Two government-owned hotels divested	4Q FY89
Identify and resolve specific constraints that restrict export earnings	4Q FY89
Initiate Agricultural Export Services Project	4Q FY 89
Begin implementation of an additional 5 sub-projects under Hillside Agriculture project to raise productivity of perennial crops	4Q FY 89
Evaluate Hillside Agriculture project to assess implementation mechanisms	1Q FY 90

6. PROJECTS SUPPORTING OBJECTIVES

Title	Number	New (N) or Ongoing(O)	Type of Funding	LOP (\$000)	L/G/ LC	OBLIGATIONS			
						Cum. thru FY 88	FY 1989	FY 1990	FY 1991
✓ Technical Consultations & Training Grant*	532-0079	0	DA/ESF	13730	G	11610	-	-	-
✓ Export Development and Investment Promotion	532-0135	N-FY89	DA	(14000)	G		(2000)	(2250)	(2250)
✓ Hillside Assessment	532-0113	0	DA	600	G		800	2250	2200
✓ Hillside Agriculture	532-0101	0	DA	10000	G	2200	800	2250	2200
✓ Crop Diversification/ Irrigation	532-0123	0	DA	(9905.5) (8094.5)	G L	(9050.5) (8094.5)			
✓ Ag. Export Services	532-0123	N-FY89	DA	7000	G	-	1000	1000	950
✓ Tourism Support	532-0166	N-FY90	DA	3000	G	-	-	500	500
✓ Board of Revenue	532-0095	0	DA	(4500) (4522)	G L	(3500)		(500)	(500)
Local currency		0	PL 480		LC	3296**	4346	2240	2240
		0	ESF		LC	1302**	1364	1204	1204

*Total: AUTHORIZED 27460: PLANNED 23220: OBLIGATED 23220

TCTG sub-projects which contribute to this objective include: Jamaica National Export Corp., Kingston Heirloom, Jamtex, and tourism support.

** FY 88 only

7. NARRATIVE

Prior to the passage of Hurricane Gilbert, the Jamaican economy was on a fairly broad-based export-propelled growth path, reflecting the structural adjustments already in place and exogenous factors such as the growth of the US economy. Laying the foundation over the past eight years, Jamaica has vigorously pursued export-oriented development. During the first three quarters of 1988, the Jamaican economy showed signs of positive growth in several sectors. Traditional and non-traditional agriculture exports were growing steadily and exports of bananas, citrus, and coffee fueled a 15 percent increase of the sub-sector in 1987-88. Export earnings from non-traditional agriculture rose 12 percent during the first three quarters of 1988. And, in non-agriculture exports, growth was also impressive. Miscellaneous manufactured exports grew by 81 percent; apparel exports, by over 111 percent. The tourism industry continued to expand, topping 1 million visitors in 1987 and was the country's principal foreign exchange earner.

Although these impressive gains were slowed as a result of Hurricane Gilbert, the foundation is there for continued export-led growth. Damage from the hurricane dampened momentum and hampered further economic gains for the year. Non-traditional exports and local manufacturing were significantly affected by the unavailability of power, water and communication services, and structural damage caused by the storm's high winds and rains. In agriculture, the banana industry was almost totally devastated. It will take at least 12 months before exports can resume on a reasonable scale. Coffee and pimento were also severely affected. Sugar, citrus and cocoa sustained relatively minor damage in comparison, but exports of furniture, electronics and ornamental horticulture, which registered strong gains in the first two quarters of 1988, saw sales drop by 50 percent in the last quarter. Hotels in the North Coast resort areas initially saw bookings evaporate as cancellations from travel agents started pouring in.

Despite the loss in momentum, indications are that the prospects for recovery and future growth of the export sector are good. The GOJ's hurricane recovery program, together with reinsurance flows of US \$650 million, will have a major influence on economic activity in 1989. Thanks to the foundation for export growth already in place and the minimal damage to bauxite and alumina, exports (including tourism) are projected to reach US\$1,500 million in FY 1989/90, an increase of fifteen percent over the last full fiscal year prior to the hurricane. Hotels are now reporting relatively high occupancy rates and the peaceful elections have removed a major source of concern in the tourist sectors. Another optimistic note concerns former and potential investors, originally frightened by the negative press concerning the hurricane and elections, who are beginning to make inquiries again.

The new Manley government has also sent signals which are encouraging for recovery. Soon after taking office, the government began clearing away some of the fears of domestic and foreign investors. For example, it has publicly announced that privatization of government-owned tourist facilities will continue. It has also held discussions with visiting groups from the Caribbean and American business communities to stress the new Government's receptiveness to private foreign investment and the importance of continuity.

During the Action Plan period, USAID will continue to focus on the development of a strong and diverse export sector in Jamaica. The Mission's efforts in agriculture and rural development, private sector development, urban development, and skills training buttress this focus and demonstrate that the objective of export promotion is cross-sectoral. A number of USAID on-going and planned projects impact on the achievement of this objective.

USAID responded quickly to Jamaica's need for assistance to rebuild and restore the economy after Hurricane Gilbert. The Emergency Rehabilitation and Hurricane Reconstruction projects provide financing for reconstruction and upgrading of utilities vital to the export sector. Restoration and improvement of power, water and telephone services will contribute to revitalization of business activity and commerce. Grants to JAMPRO for a market recovery program and to small businesses such as the craft vendors association will help reestablish essential income earning activities in the tourist areas.

Mission export-oriented private sector activities include Technical Consultations and Training Grant (TC&TG), Trafalgar Development Bank (TDB), and Inner Kingston Development project. A major Mission initiative during FY 89 is design of a new Export Development and Investment Promotion project. This project addresses the constraints which hamper development of a dynamic export sector and of an attractive investment environment. The project is financing four sector assessments which will form the foundation for project activities. The assessments: Financial Markets, Export Marketing Process, Small Business, and Feeder Industries, are key to placing Jamaica in a strong position to compete internationally. Mission activities under TC&TG, which is drawing to a close during FY 89, support the JAMPRO export promotion program which sponsors trade fairs, export seminars, and promotional material for the export sector. Credit under TDB, a private sector entity, supports export-oriented projects in agro-industry, tourism, manufacturing and other related sectors. To date, TDB has approved over 50 project loans in the fields of agro-industry, horticulture, data-processing, garments, furniture, and tourism. And, factories in the Inner Kingston area resulting from the Inner Kingston Development project are overwhelmingly export-oriented.

USAID agriculture support activities include the ongoing Hillside Agriculture and FY 89 Agriculture Export Services projects, the Jamaica Agriculture Development Foundation (JADF), and the Crop Diversification/Irrigation project. The Hillside Agriculture project contributes to increased exports by supporting small farmers who produce permanent tree crops such as coffee and cocoa. The first component of the Agriculture Export Services project will provide public support for exports and is directed at increasing agricultural efficiency and expanding laboratory services (i.e., plant protection and quarantine, grades and standards, pesticide residue analysis, and other lab services). This project is essential to developing local institutional capabilities in this area and in saving needed foreign exchange. For example, lab services for ornamental horticulture are currently handled in Miami which is a foreign exchange drain. The second component of this project will provide assistance in increasing productivity levels for both traditional and non-traditional agriculture exports. Both projects are vital to establishing a vibrant export-oriented agriculture sector. The Jamaica Agriculture Development Foundation (JADF) provides both loan and equity financing for agricultural production and agri-business development and expansion. The vast majority of the JADF's portfolio is in support of export agriculture.

Other activities in the Mission's agriculture portfolio include a recent USAID-funded mid-term evaluation of the Mission's Crop Diversification/Irrigation project which confirmed that achievement of profitable, sustainable agriculture takes time -- 30 years or more for countries which have substantial production in marketing advantages over Jamaica. Further, it concluded that a sound time frame for crop diversification, non-traditional agricultural export projects is not less than 10 years and as a result AID's initiatives in this area have been too short term in nature.

In the area of tourism, for FY 91 the Mission proposes to initiate the Tourism Support project to provide assistance in addressing a number of problems which constrain tourism expansion. This project will better coordinate the expertise of several Mission offices in private sector development, housing and urban development, education, agriculture, and economic planning to more closely integrate Mission tourism activities. Other tourism support

activities are promoted through housing and infrastructure upgrading and the Tourism Action Plan (TAP). Many of the housing and infrastructure upgrading and sites and services projects are located in the fast growing tourist centers. The recently signed HG 13 project has as its foundation policy dialogue which is critical to alleviating constraints to further development of needed housing and infrastructure in the tourist sector and eliminatinn of deteriorated and substandard housing surrounding tourist centers. Under the TAP project the Mission supports a private sector-led company that has all the major tourism-related institutions represented on its Board of Directors. It was formed in 1987 and funded by USAID at the end of 1988. TAP is developing a comprehensive plan to promote and coordinate investments in the tourist centers by working with local chambers of commerce. TAP has also provided assistance, for example, to the hotel industry by training chefs, and technical assistance for studies to support tourism development. One of TAP's major thrusts over the next two years will be to finance the implementation of the tourist center plans.

One major new Mission initiative in support of tourism is the Protected Areas Resource Conservation (PARC) project. This project will identify two pilot parks which will be designed to reduce environmental degradation and lay the foundation for a national park system in Jamaica. It is expected that the parks will be located near tourist centers or in easily accessible areas, thereby providing an opportunity to increase government revenues and maincain tourist attractions. Recently completed energy-saving improvements to water systems in Negril and Ocho Rios financed under the Energy Sector Assistance project enhanced public utilities services in tourist areas. Feasibility studies also financed under the energy project assisted in attracting EEC financing for water and sewerage improvements along the North Coast. The Mission seeks to capitalize on these efforts and provide limited assistance in this important sector of the economy.

ESF and PL 480 policy dialogue support the Mission's strategy to diversify and expand Jamaica's export sector. Policy dialogue encouraging tax reform, control of government deficits, privatization, trade and tariff reform, expansion of the capital market, and a reduction of the new monopoly role of the publicly-owned trading company has been accepted by the new government. Future economic policy dialogue will support projects under this objective by increasing the focus on removal of constraints to exporting and further reductions in the government's direct role in economic activity. Mission project accomplishments outlined above provide the foundation upon which continued policy dialogue must be built. Policy reform, brought about by policy dialogue, paves the way for further liberalization of the economy and increased opportunity for export-oriented activities. Gains in this area are supported by both projects and program which support a well designed policy dialogue agenda.

GOAL: BASIC STRUCTURAL REFORMS LEADING TO RAPID AND SUSTAINED ECONOMIC GROWTH

OBJECTIVE #6: Preserve and Manage Natural Resources

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
Protected areas declared and established (cumulative)	-	-	-	-	-	2	3
2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
Acreage incorporated into declared protected areas (cumulative)	-	-	-	-	-	150,000	200,000

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Current legislation revised and new legislation enacted to establish legal and institutional framework necessary to identify, establish and manage protected areas	10 areas 4Q FY89	0 as of 2Q FY89	The process of setting up a national park has been slower than expected because of absence of a clear policy direction on environment. The new government is expected to take a greater leadership role and accelerate national parks development.
- 10 protected areas, encompassing approximately 400,000 acres declared as such by GOJ	4Q FY 90	0 as of 2Q FY89	Target from last year's Action Plan was too ambitious and has been revised downward
- Begin implementation of 8 subprojects under the Hillside Agriculture project to raise productivity of perennial crops in two critical watersheds	8 sub-proj 4Q FY88	7 2Q FY89	7 sub-projects were approved and implementation has begun. All focus on increasing productivity of perennial crops in densely populated watershed areas. An additional 5 projects are in advance stages of review prior to final approval.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

- Current legislation revised and new legislation enacted to establish legal and institutional framework to identify, establish and manage protected areas. 2Q FY90

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

- Initiate the Protected Areas Resource Conservation project 3Q FY89
- On-going implementation of 7 sub-projects and begin implementation of an additional 5 sub-projects under the Hillside Agriculture Project to raise productivity of perennial crops in two densely populated watershed areas. 4Q FY 89

6. PROJECTS SUPPORTING OBJECTIVES

<u>Title</u>	<u>Number</u>	<u>New (N) or Ongoing(O)</u>	<u>Type of Funding</u>	<u>LOP (\$000)</u>	<u>L/G/LC</u>	<u>Cum. thru FY 88</u>	<u>OBLIGATIONS</u>		
							<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
✓ Protected Areas Resource Conservation	532-0148	N-FY 89	1,000	G		550	550	450	
Hillside Agriculture Local currency	532-0101	0	DA PL 480 ESF	(10,000)	G LC LC	2200 659* 84*	800 869 87	2250 35 77	2200 35 77

*FY 88 only

7. NARRATIVE

This Action Plan contains an update of the Background Assessment entitled "Analysis of Needs for Conservation of Jamaican Biological Diversity and Tropical Forests" that was originally submitted as part of the USAID/Jamaica FY 89 - 93 Country Development Strategy Statement. Most of the analysis remains valid for this Action Plan period. In the past year, the Mission has actively pursued design of the Protected Areas Resource Conservation Projects (532-0148) which seeks to implement many of the recommendations in the analysis. The update reflects progress on the PARC Project and what little is known with respect to the policies of the new government on the environment.

The natural resource base in Jamaica is presently at risk due to a number of factors. These factors center around government policy relating to the environment, and can be summarized as follows: legislation does not adequately provide for the protection of natural resources; existing legislation is poorly enforced; the impact of development projects is rarely considered in the design and implementation of projects; insufficient budget is devoted to conservation and environmental management; and there is very little support for environmental education. The result of this is that environmental mismanagement is manifest in deforestation, soil erosion, loss of watershed, destruction of habitat, decreasing quality and quantity of water resources, increased frequency of floods, pollution of rivers and harbors, and degradation of coastal zones.

It is necessary to focus actions on two levels at the same time. Policy dialogue must be undertaken with the government in order to stress the importance of natural resources issues. This dialogue needs to focus on strengthening the institutional framework in which environmental management takes place. On the project level, actions should focus on mechanisms designed to productively utilize and manage the natural resources. The declaration and establishment of protected areas by the GOJ will be a major step in the right direction. Presently the Hillside Agricultural Project (532-0101) is working on developing and extending technologies to raise the productivity of perennial crops in two densely populated watershed areas.

The goal of the Protected Areas Resource Conservation Project is to integrate the conservation of biological diversity with sustainable economic development. The purpose of the project is to lay the foundation for a new National Park and Protected Areas system, and to plan and implement two pilot parks. Key sector problems to be addressed by the project will include: decline in biological resources due to habitat and ecosystem destruction; environmental degradation, especially on the hillsides and in the coastal zones; and the loss of potential economic benefits as a result of the above. The project is also expected to place Jamaica in an ideal position to tap additional off-shore funding for these efforts, especially the new "debt for nature" type funding.

GOAL: WIDER SHARING OF THE BENEFITS OF GROWTH

OBJECTIVE #8: Increase Access to Voluntary Family Planning Services

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual*</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Annual Rate of Population Growth	0.9	0.4	1.2	0.6	0.6	0.5	0.5
B. Crude Birth Rate	23.1	22.2	22.0	22.7	22.4	22.0	21.7
C. Total Fertility Rate	2.9	2.6	2.5	2.5	2.5	2.5	2.5
2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual*</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Number of new female family planning acceptors under A.I.D.-supported programs	59,644	53,632	63,000	54,597	55,580	56,580	57,600
B. Number of new female acceptors under 20 years of age under AID-supported programs	11,648	9,514	12,500	11,198	13,180	15,513	18,259
C. Couple years protection under commercial contraceptive retail sales program	50,157	52,252	54,865	57,054	59,907	62,902	66,047
D. Number of voluntary surgical contraceptive procedures under A.I.D.-supported programs							
i. Female	5,037	4,353	6,000	4,471**	6,000	6,000	6,000
ii. Male	8	12	25	16	30	40	50

* Estimated

** Excludes fugures for 6 hospitals

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Through further policy dialogue on quality assurance of family planning services, implement training plan for counsellors and clinic staff involved in surgical contraception	1Q FY89	4Q FY89	Training plan will be prepared under the PIO/T with AVSC. This assistance scheduled to begin June 1989.
- Further dialogue between National Family Planning Board, Ministry of Education and USAID on of family life education program in schools	1Q FY89	1Q FY89	Dialogue has been ongoing. Family life education is being taught in most schools.
- Complete the national Young Adult Reproductive Health Survey	3Q FY88	4Q FY88	Final report received by USAID.
- Study on Family Planning/Family Peer Counselling program completed, and program redesigned to incorporate results of study as appropriate	1Q FY89	1Q FY89	Final report received by USAID. No program redesign was recommended.
- With assistance from AVSC, implement quality assurance plans for Voluntary Surgical Contraception program	1Q FY89	2Q FY89	Implementation document prepared and contracting underway. Assistance scheduled to commence June 1989. This assistance will be ongoing for approximately two years.
- Complete the national Contraceptive Prevalence Survey	3Q FY89	1Q FY90	Field work of survey to commence 2Q FY89. Final report is tentatively scheduled for end of 1Q FY90.

- | | | | |
|--|---------|---------|---|
| - Obtain private sector sponsorship for Family Planning Theatre project with the Jamaica Family Planning Association | 4Q FY89 | 4Q FY89 | Script has been presented to JFPA for approval. |
| - Family life education included in curriculum of all public schools | 3Q FY90 | 3Q FY90 | Dialogue has been ongoing. Family life education is being taught in most schools. |

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

- | | | |
|---|--|---------|
| Discuss with the National Family Planning Board and the Ministry of Health future financing mechanisms for contraceptives in the public sector program. | | 2Q FY90 |
| Develop regional level family planning program plans based on results of CPS to decentralize the national family planning program | | 2Q FY90 |
| Discuss continued AID financing, phase over and phase out of project funded activities based on evaluation results with GOJ/NFPB/MOH | | 4Q FY89 |
| Discuss need to include FLE in curriculum of all public schools. | | 3Q FY90 |

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

- | | | |
|---|--|---------|
| Commence 2-year technical assistance program for Voluntary Surgical Contraception | | 3Q FY89 |
| Complete the national contraceptive prevalence survey | | 1Q FY90 |
| Evaluation of the Population and Family Planning Services Project | | 4Q FY89 |
| Report on the demographic analysis of the Jamaican Family Planning Program | | 4Q FY89 |
| Prepare PID for a new population project | | 4Q FY90 |

6. PROJECTS SUPPORTING OBJECTIVE

Title	Number	New (N) Ongoing(O)	Type of LOP Funding	LOP (\$000)	L/G/ LC	OBLIGATIONS			
						Cum. thru FY 88	FY 1989	FY 1990	FY 1991
Population & Family Planning Services	532-0069	0	DA	10711	G	9011 870	403	650	647
Voluntary Sector Development	532-0085	0	DA	(100)	G	(50)			
Private Sector Promotion of Family Planning	532-0122	0	DA	448	G	448	-	-	
Program Dev.& Support Local Currency	532-9104	0	DA	-	G	30	-	70	100
		0	PL-480	-	LC	192	524	142	142

7. NARRATIVE

The Total Fertility Rate in Jamaica continues to decline, and annual rates of population growth are lower than projected due to increased levels of outmigration starting in 1986. The Mission's FY1989-1993 CDSS reiterated the need to target family planning services to the increased numbers of females in the younger childbearing age groups and to the older female cohort who have completed their desired family size. Accordingly, USAID's project with the National Family Planning Board has emphasized programs for young adults, including peer counselling, outreach and education programs; improvements in the quality and overall access to voluntary surgical contraception services; and continued support for the well established Contraceptive Retail Sales Program, Ministry of Health clinic-based family planning programs and various private sector institutions.

During the past year, the NFPB hired and trained 15 regional and parish level family planning liaison officers (PLO) under the bilateral project. This action was undertaken to address the need to decentralize planning and management of the family planning program, and to develop a more field oriented program through improved coordination of family planning activities. In addition, due to the increasing demand for funds available under the bilateral project, USAID and the NFPB reached agreement on the activities to be financed through the life of the project with available monies. This resulted in a number of actions, including an earlier than anticipated phaseover of funding for the PLOs to the GOJ's recurrent budget. In the 3Q of FY 89, the Government of Jamaica will absorb the funding of nine of these officers and the other 6 will be absorbed by March 1990.

While the high rates of teenage pregnancy in Jamaica have intensified concern for more explicit family life education programs, this has been an area of limited success between the Ministry of Education and the NFPB. Although adolescent fertility activities are being carried out through family life education programs in some of the Ministry of Education schools, and several private sector institutions including the Roman Catholic Church, the Ministry of Education could not assure the National Family Planning Board that family life education program would be mandatory in the curriculum of all schools by the end of the Project Completion Date, March 31, 1991. Given this fact and the budgetary constraints joint agreement was reached that no further funding would be approved for this sub-project. The new government has stated that Family Life Education will be a high priority and it is anticipated they will be receptive to addressing these issues.

Nonetheless, findings from the recently completed Jamaican Young Adult Reproductive Health Survey show that age specific fertility rates for the 15-19 year olds have declined continuously from 137 births per 1,000 women in 1975/76 to 122 per 1,000 women in 1983 and now 113 per 1,000 women in the 1988 survey.

A program of Technical Assistance from the Association of the Voluntary Surgical Contraception is scheduled to begin 3Q FY89. Recent data which indicate a decline in the number of surgical contraception procedures performed annually, thought to be attributable to problems in services provision, should be addressed by this technical assistance.

Earlier problems in the NFPB's financial management of the bilateral project have been resolved and verified by a recent Controller's review. This has been reported to AID/W.

Three research and evaluation efforts are planned for completion during this Action Plan reporting period: 1) a demographic analysis of the Jamaican Family Planning Program; 2) a Contraceptive Prevalence Survey ; and 3) an evaluation of the bilateral Population and Family Planning Services Project. The evaluation will assess the degree to which the Project's outputs have contributed to increased levels of contraceptive prevalence, as well as examine the sustainability of the Project's outputs. Results from these studies will identify priority areas to be addressed under a new FY 1992 Population project.

Because of cutbacks in the rate of funding for the PN account, it is highly unlikely that planned activities under the Population and Family Planning Services Project (0069) will be completed within the PACD of March 31, 1991. This includes vital activities such as procurement of contraceptives. Mission therefore intends to extend the PACD by one year to March 31, 1992.

GOAL: WIDER SHARING OF THE BENEFITS OF GROWTH

OBJECTIVE #9: Improve Health and Child Survival

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Number of AIDS cases (cumulative # of cases).	11	44	88	74	176	352	704
B. Percentage of public health sector budget allocated to primary health care	22	21	19	19*	20	21	21
2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Number of visits to public health centers for preventive health services	461/1000	408/1000	412/1000	364/1000	384/1000	400/1000	420/1000
B. Incidence of sexually transmitted diseases	11,824	13,700	13,000	11,682	11,000	10,500	10,000

* Estimates

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- GOJ to budget for staff and recurrent costs of AIDS/STD program	4Q FY88	4Q FY88	MOH signed AIDS/STD Project Agreement covenant to budget for 15 additional contact investigators and STD drugs over LOP.
- Adoption of revised hospital user fees system by GOJ	2Q FY89	2Q FY89	Discussion of hospital user fees has been discussed with the new government
- Rationalization of hospital system:			
- Internal evaluation of rationalization completed by GOJ	1Q FY89	4Q FY88	As planned.
- 5 hospitals converted to health centers	2Q FY89	2Q FY89	All physical renovations are now underway. Functional conversion from hospital to health center completed.
- Major and minor renovation of health centers complete	2Q FY89	2Q FY89	63 of 65 renovations completed.
- Alternative Financing Plan submitted by GOJ reviewed and approved by USAID	2Q FY88	4Q FY88	Plan submitted and approved by USAID
- Divestment:			
- Dietary services divested in 3 public hospitals	2Q FY89	3Q FY89	This is a policy dialogue item with the new government: It is not clear if they will continue to support this.
- Feasibility study on divestment of maintenance services completed	2Q FY89	2Q FY89	The Contractor is currently completing the study.
- Private or alternative management system of at least one public hospital in place	2Q FY89	3Q FY89	This is a policy dialogue item with the new government: It is not clear if they will continue to support this.
- AIDS public awareness campaign and KAP pre and post evaluation surveys implemented	2Q FY89	2Q FY89	The pre campaign surveys are complete. The campaign is underway and will be finished in April. Then the post survey will be done.

- Evaluation of HMIP completed 2Q FY89 - This has been shelved since development of the new Health Sector Initiatives Project will entail analysis of the work accomplished under HMIP.
- USAID assistance to the National AIDS Prevention and Control Program designed and in place 4Q FY89 4Q FY88 The new bilateral AIDS/STD Prevention and Control Project was signed 4Q FY88.
- PP for Health Sector Initiatives project completed 2Q FY89 2Q FY89 The Consultants have completed the various analyses and a final PP is scheduled for approval as stated.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

- Greater delegation of management and budget authority to hospitals 4Q FY89
- Improved pharmaceutical procurement and utilization 4Q FY89
- Reform of the system of hospital user fees 4Q FY89
- Formulation of policy re:
 - Divestment of hospital support services and alternative hospital management systems 3Q FY89

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

- AIDS public awareness campaign complete and post evaluation survey implemented 3Q/FY89

Health Management Improvement Project financed activities completed	2Q/FY90
AIDS/STD Project is operational and ACOSTRAD sub-grant in place	3Q/FY89
Ministry of Health Title II Supplementary Feeding Program (post-Gilbert) in place	3Q/FY89

6. PROJECTS SUPPORTING OBJECTIVES

<u>Title</u>	<u>New (N) or Number</u>	<u>Ongoing(O)</u>	<u>Type of LOP Funding (\$000)</u>	<u>L/G/ LC</u>	<u>OBLIGATIONS</u>				
					<u>Cum. thru FY 88</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	
Health Management Improvement	532-0064	0	DA	3017	G	3017	-	-	-
				8554	L	8554	-	-	-
Voluntary Sector Development	532-0085	0	DA	(774)	G	(774)	-	-	-
Program Dev. and Support	532-9108	0	DA	-	G	159	-	50	50
AIDS/STD Prevention & Control	532-0153	0	DA	2500	G	540	250	300	300
Health Sector Initiatives	532-0152	N-FY89	DA	6500	G	-	468	650	850
Local Currency		0	PL-480		L	9879	30407	8393	8393

7. NARRATIVE

Based upon the Mission's Health Sector Assessment completed in 1Q FY88, the Mission prepared a PID for the Health Sector Initiatives Project which was reviewed and approved by AID/W in 2Q FY88. The PID proposed activities as follows: 1) promoting greater private sector activities in health care delivery; 2) strengthening the management, financial solvency and operation of MOH services and greater cost sharing with users; and 3) development of a strong vertical program to track and control AIDS and Sexually Transmitted Diseases (STDs) including requisite surveillance and laboratory support. AID/W suggested that two projects be developed; subsequently, the AIDS/STD Prevention and Control Project was developed and approved 4Q FY88, and the Health Sector Initiatives Project which will increase private sector participation in health, and increase MOH efficiency and effectiveness is currently under development. The project will also build upon and replicate activities of the New Initiatives in Health Care Financing and Management component of the ongoing Health Management Improvement Project (HMIP) which has a PACD of March 31, 1990. Design and authorization of the new health project is a major objective of the action plan period.

Implementation of the HMIP has progressed well. Major and minor renovations of 63 of the planned 65 health centers are complete. Work is underway to renovate the 5 rationalized hospitals, with one facility nearly complete. The report on the evaluation of the rationalization program has been completed, with the major conclusion that the polyclinics have registered major cost reductions and have increased the level of services delivered. Under the New Initiatives component of the Project, the MOH has submitted an overall plan for the use of AID funds which has been approved by A.I.D. Work preparatory to divestment of catering services in three Kingston public hospitals has taken place and the feasibility study of privatized MOH maintenance services is underway. Spanish Town Hospital has been preliminarily identified as the facility to undergo "face-lifting" financed by USAID prior to privatized management, and the construction contract has been tendered.

Discussions are underway with the new Minister of Health, especially the new Government's policies regarding divestment of hospital support services, privatized management arrangements, hospital user fees, and improved pharmaceutical procurement and utilization practices. Policy dialogue agenda will affect the proposed activities to be financed under the new Health Sector Initiatives project as well as the ongoing Health Management Improvement project.

AID has been a major donor to the Government of Jamaica's National AIDS Prevention and Control Program, even prior to the start-up of the new bilateral AIDS/STD Prevention and Control Project. The SOMARC-financed focus group and National AIDS/STD baseline KAP surveys have been completed and analyzed. The results have provided major inputs into the formulation of a national AIDS prevention mass media campaign financed under the bilateral Population project. Technical Assistance has been provided to the Jamaican program from the AIDSCOM and AIDSTECH projects, including placement of two resident Jamaican advisors (operations research and communication specialists) in the Ministry of Health. All of these activities and those planned under the new bilateral AIDS project support the GOJ's recently completed Medium Term AIDS plan.

Finally post-hurricane Gilbert support for the MOH has included communication and transportation facilities assistance for the parish medical officers, essential laboratory supplies and a Title II Supplementary Feeding Program for malnourished children. Modest support for hurricane damage repair of facilities already targetted by HMIP was provided.

GOAL: WIDER SHARING OF THE BENEFITS OF GROWTH

OBJECTIVE #10: Improve Housing

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Percentage of urban households with substandard housing	45	44	44	44	43	42	40
B. Percentage of urban housing units with direct access to piped water	60	61	61	61	61	66	68
C. Percentage of urban housing units with direct access to sewerage	12	14	14	14	16	20	22
2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. New housing units sold under A.I.D.-supported programs	507	738	345	320	200	0	0
B. Housing units improved under A.I.D.-supported programs (includes mortgage loans)	184	95	350	209	700	850	1000
C. Number of service sites/plots with access to new or improved infrastructure services financed under A.I.D.-supported programs (includes sites & services and build on own land)	205	225	1600	175	800	1200	1500
D. Number of upgraded squatter plots	570	407	1500	50	400	600	1000

Note: These program performance indicators relate only to HG's 011 and 012 (Public Sector, Private Sector, Basic Shelter). HG 013 is designed for policy-based disbursement.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
<p>1. <u>Further Reduction of GOJ's role in direct housing production.</u> The 1987 National Housing Policy re-directs the role of the Ministry of Construction (Housing) from the production of shelter to the facilitation of shelter production by the private and non-profit sectors. USAID will continue its dialogue with the GOJ in this sector on the continuing process of re-directing the GOJ's role as called for in the policy, and on the more detailed aspects that grow out of this overall shift in GOJ policy.</p>			<p>A management analysis of MOC/H is proposed to identify structural changes that will be the first step in improving its ability to perform the "enabling" role called for in the GOJ Strategy. Further, the HG 012 Private Sector component has attracted significant interest from private developers, financial institutions and low income depositors for financing shelter solutions such as mortgages, home improvement loans or minimally serviced sites. This is demonstrating the enormous potential of the private sector to support low income and self-help solutions.</p>
<p>2. <u>Role of the National Housing Trust.</u> A nation-wide system of mandatory salary-based contributions of all major employers and their employees ensure a continuing and substantial flow of cash to NHT, which is charged with using these funds for shelter finance for all income groups. USAID will initiate a policy dialogue with the NHT and the Ministry of Finance and Planning on the distribution of these resources, with a view to developing new and expanding existing NHT programs for increasing the use of NHT proceeds for lower income families.</p>			<p>USAID has initiated discussions with NHT officials who have requested technical assistance support to examine possible programs that will more directly benefit low income contributors to NHT. USAID has also proposed to examine the long-term financial viability of the NHT, including the appropriate role of the salary-based contributions, based on studies coordinated with the Board of Revenue project, payroll taxes policy analysis. These negotiations, if successful, should lead to an action oriented policy agenda established by the completion of the plan period.</p>
<p>3. <u>Greater efficiency and effectiveness of GOJ regulations.</u> In order to enhance the role of the private sector in shelter development, a number of regulatory areas will have to be critically examined and certain revisions made in order that procedural bottlenecks not impede implementation of Government policy in the sector (as discussed under #1). These include town planning, development plan approval processes, land registration.</p>			<p>The Town Planning Project has completed Phase I, which proposed several recommendations to expedite the review and approval of housing development applications. These have been accepted by the GOJ but have yet to be implemented. Phase II is now underway to clarify and improve subdivision and land development regulations, improve applications systems and make recommendations on updating base maps. A Phase III will be explored with the GOJ at an appropriate prior to the end of FY 89.</p>

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
<p>4. <u>Expanding water and sewerage services to lower income families.</u> In urban areas, the expansion of the water and sewerage network has not kept pace with the expansion of lower income neighborhoods. In order to broaden the coverage of these essential services the public authorities will need to re-examine cost recovery for existing services in order to generate greater revenue for expanding the network. Public bodies, such as the National Water Commission (NWC), will need to take a more flexible approach to servicing individual households (e.g. NWC unnecessarily requires full property title in order to bring water and sewerage to a plot).</p>			<p>Policy dialogue with the NWC is continuing regarding the provision of water and sewer hook-ups. A policy is under development that will reduce the amount of documentation of ownership necessary for water hookups. In addition a program for planning and financing off-site infrastructure is being reviewed.</p>
<p>5. <u>Lower cost technology.</u> Another aspect of servicing the poor is to develop alternative low-cost systems where traditional systems are too costly or otherwise not feasible. One obvious area is the provision of water standpipes on a temporary basis for poor urban areas.</p>			<p>A policy dialogue has resulted in a GOJ policy decision to experiment with communal water supply systems (standpipes), and cost recovery mechanisms that will make such a policy self-sustaining. These should come on line in FY 89.</p>
<p>6. <u>Infrastructure systems maintenance.</u> Maintenance of essential water and sewerage systems is a chronic problem in Jamaica. In order to improve existing services and ultimately reduce costs in a period of fiscal restraint, innovative ways to improve systems maintenance through contracting to the private sector or community-based organizations, will need to be explored.</p>			<p>A policy dialogue with the NWC has resulted in a proposal to implement a leak detection program to curb water loss through leaks in the distribution system, and to privatize the detection and correction of leaks on the customer side of the water meter. This should come on line during FY 89.</p>

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets) (CONT'D)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Reach agreement with GOJ on amendment to Project 532-0067 to increase funding, extend PACD, and include technical assistance on infrastructure development.	4Q FY88	4Q FY 88	PROAG No. 7 increasing funding by \$196,000 and extending the PACD to September 30, 1991 was signed in August 1988. Work plans have been developed for the anticipated technical assistance on infrastructure development which will begin by the 4th quarter of FY 89.
- Reach agreement with GOJ on amendment to Project 532-HG-012 to add \$10 million for a new water and sewerage policy-based project component.	4Q FY88	N/A	This amendment was folded into new HG-013 at \$50M level and HG-013 authorization accelerated to FY 88.
- Disburse \$10 million based on GOJ progress in the following policy areas: - Expansion of secondary water systems through public standpipes - Relaxation of land title requirements for individual lot hook-ups to water and sewerage - Improvements in maintenance, leak detection and rehabilitation of existing infrastructure through NWC contracting with private firms - Elaboration of nation-wide water and sewerage investment plan	4Q FY88	4Q FY 88	Disbursed \$20M of which \$5M was capitalization of first 3 years of interest payments and \$15M disbursed to GOJ. Additional \$5M was to supplement USAID Hurricane Relief Assistance. In addition, a policy agenda for review and revision of GOJ land, subsidy and private sector shelter production was negotiated and is being reviewed by the new government prior to implementation.
- Design a 2-year plan for technical assistance and studies	1Q FY89	4Q FY 88	Included under HG-013 & 532-0149 design.
- 532-HG-013 and 532-0149 PID completion and approval	1Q FY89	2Q FY 88	
- 532-HG-013 and 532-0149 PP completion and approval	2Q FY89	4Q FY, 88	

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION
PLAN PERIOD QUARTER/YEAR

The following are the key policy agenda items scheduled for the balance of the current FY:

- | | |
|---|----------|
| 1. Develop an NWC policy for land tenure documentation that allows for broader access to potable water. | 3Q FY89 |
| 2. Develop a methodology and a plan for NWC to finance individual sewerage hookups on a cost recovery basis. | 2Q FY89 |
| 3. Develop a policy for delivery and financing of off-site water infrastructure by NWC for the MOC/H serviced site schemes. | 3Q FY89 |
| 4. Begin development of a land inventory system for publicly-owned land. | 3Q FY89 |
| 5. Conduct a management analysis of the MOC/H's capacity for implementing the Shelter Sector Strategy. | 3Q FY89 |
| 6. Conduct a study of the magnitude and distribution by income group of the subsidies implicit in current MOC/H and NHT programs. | 3Q FY89 |
| 7. Prepare a plan for strengthening the involvement of Community-based and Non-Governmental organizations in informal sector construction and settlement upgrading, and for strengthening the community outreach capacity of public agencies. | 2Q FY89 |
| 8. Prepare a report on the feasibility of using the private sector to develop serviced sites. | 3Q FY89 |
| 9. Review and re-negotiate current year agenda. | 3Q FY 89 |
| 10. Conduct first annual review of HG-013 sector program and establish year 2 policy and production agenda. | 4Q FY 89 |

5. <u>KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD</u>	<u>QUARTER/YEAR</u>
1. NWC to install new water connections for low income shelter units.	3Q FY89*
2. NWC to develop plan for financing off-site water infrastructure development costs.	3Q/4Q FY89
3. NWC to implement a program of leak detection and repair on the public water distribution network.	3Q FY89 - 4Q FY 90
4. NWC to facilitate the development of leak detection capacity in the private sector.	3Q FY89 - 4Q FY 90
5. Expansion of public sector production of serviced sites and settlement upgrading.	1Q FY89 - 4Q FY 90
6. MOC(H) to initiate development of a land inventory system.	3Q/4Q FY89
7. MOC(H) to identify private firms interested in turnkey sites and services development projects.	3Q FY89 - 4Q FY 90

* This will be an ongoing program which should begin in 3Q FY-89.

6. PROJECTS SUPPORTING OBJECTIVES

<u>Title</u>	<u>Number</u>	<u>New (N) or Ongoing(O)</u>	<u>Type of Funding</u>	<u>LOP (\$000)</u>	<u>L/G/ LC</u>	<u>OBLIGATIONS</u>				
						<u>Cum. thru FY 88</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	
✓ Low Cost Shelter Dev.	532-0067	0	DA	2581	G	2181	400			
✓ Urban sector Tech. Asst.	532-0117	0	DA	900	G	900				
Housing Guaranty	532-HG-011	0	HG	15000	L					
Housing Guaranty	532-HG-012 (Public)	0	HG	10000	L					
	532-HG-012 (Private)	0	HG	10000	L					
	532-HG-012 (Basic)	0	HG	20000	L					
Shelter and Urban Services										
Policy Program	532-HG-013	0	HG	50000	L	25000*	5000	10000	10000	
✓ Technical Support for Shelter & Urban Services Policy Program	532-0149	N	DA	3000	G		600	600	700	
Local Currency		0	ESF		LC	396	415	366	366	
		0	PL-480		LC	97	129	45	45	

* For HG projects, authorization is defined as obligation.

7. NARRATIVE

During FY 1988 the GOJ and particularly the MOC/H attempted to digest the programmatic implications of the change in its role called for in the National Shelter Strategy. The Strategy called for the GOJ to "facilitate" the private sector production of housing by providing those services and functions that either the formal or informal private sector cannot do for themselves. The MOC/H embarked on an ambitious program of lower cost solutions, mostly settlement upgrading, serviced sites schemes and renovation and sale of decrepit public rental units. The program is an ambitious bite for a ministry that had produced an average of 1200 solutions yearly for the proceeding seven years. In order to accomplish this, the design work was begun on a large number of sub-projects at the same time. Many of these were ready for construction but were set back by the impending elections and Hurricane Gilbert. The effort is now beginning to bear fruit as the new GOJ has indicated that it will carry almost all of this preparatory work to completion. Therefore, while the performance indicators regarding delivery of serviced sites or upgraded plots are exceedingly low, we anticipate a substantial improvement in the performance indicators during FY 89 and 90. In order to clarify the production being financed by USAID programs, the program performance indicators C. and D. are being redefined to reflect the serviced sites or upgraded squatter plots actually being financed.

7. NARRATIVE Cont'd

The Private Sector component of HG 012 also experienced some startup difficulties and was placed on the most recent SAR "troubled list". In mid FY 88 as the program began to gain momentum, the implementing institution experienced severe organizational problems, requiring the installation of a new General Manager and board of directors. The hurricane exacerbated the delays this caused. However, a number of private sector lenders and developers have submitted acceptable applications and half of the \$10 million allocation has been committed. The program is now beginning to disburse low income housing finance in substantial amounts and this performance indicator should improve during the plan period.

As a result of the progress on both HG 012 components, the substantial pipeline of unborrowed funds should diminish and be disbursed completely during the plan period.

A very significant step forward was taken as a result of the design, authorization and first disbursement of HG 013, the Sectoral policy program, and its accompanying \$3 million TA program. (Last year's Action Plan had called for this to be designed and authorized in two phases, a \$10 million amendment to HG 012 in FY 88 focusing on a water and sewer policy agenda, and a \$40 million HG 013 to be designed in FY 89. However, sufficient design work and consensus with the GOJ was achieved to permit the entire \$50 million program to be authorized as HG 013, aimed at the broader shelter sector.) This far-reaching and flexible program capitalizes on the policy dialogue of earlier years and supports the GOJ as it seeks to increase the delivery of solutions by both the public and private sector to the scale needed. (Some estimate this at 10,000 units or more annually.) As a sectoral policy program, it permits disbursement of loan proceeds on the basis of an agreed upon policy agenda, with the local currency proceeds flowing through the budget to produce eligible shelter and urban services. The program is reviewed annually, and succeeding loans are authorized on the basis of progress made on the policy agenda and the production programs, and the achievement of a consensus on a policy agenda for the upcoming year.

Water and sewer policy concerns are featured prominently during this Year I of HG 013. Policy dialogue with the National Water Commission has led to policies permitting low income people to receive water hookups with less than perfect title, and to access revolving fund financing to support these hookups. With AID support, the NWC is also looking at policy options for planning and financing the off-site infrastructure (eg, - trunk and lateral water mains) serving low-income households.

Shelter policy issues will also receive substantial attention, as the GOJ policies regarding land inventory, public subsidies, private sector production, organization of the MOC/H, NHT programs and shelter and urban renewal planning will be examined in detail for modification during Year II of the sector program.

In addition, the mission expects to examine through evaluations the impact of HGs 010, 011 and 012 on the target beneficiaries. The findings of these impact assessments will be used to refine and more carefully target the future policy agenda of HG 013.

GOAL: WIDER SHARING OF THE BENEFITS OF GROWTH

OBJECTIVE #11: Improve Educational Opportunities

1. <u>COUNTRY DEVELOPMENT TRENDS</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Gross Primary Enrollment Ratio	99.6%	99.6	99.6	99.6	99.6	99.6	99.6
B. Primary School Completion Rate	75	68	69	68	66	69	70
C. % Graduates with functional Literacy/Numeracy	71	71	71	75	71	73	75
D. Employability of Technical School Graduates (formal/non-formal)	62	60	61	63	63	66	66
2. <u>A.I.D. PROGRAM PERFORMANCE</u> <u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
A. Number and percentage of primary school students & teachers receiving textbooks and guides under AID supported programs	350,000 100%	301,000 92%	301,000 92%	301,000 92%	0* 0	320,000** 100%	0 0
B. Number of primary school teachers receiving in-service/pre-service training under AID supported programs.		12	96	108	162	300	2,000
C. Number of classrooms refurbished under A.I.D.-supported programs							
- Built		24	5	5	-0-	-0-	-0-
- Refurbished		386	321	146	310	500	500

* Replacement books to be provided under HRP
 ** Hard cover books with five year useful life

2. <u>A.I.D. PROGRAM PERFORMANCE INDICATORS (CONT'D)</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
D. Persons trained under A.I.D. -supported vocational and management programs (excludes participant training and vocational training in agriculture)							
1. Vocational -- Total	11,100	9,707	14,035	16,899	16,800	17,000	18,200
a. Men	2,950	2,456	2,844	3,800	3,800	4,000	4,000
b. Women	8,150	7,251	11,191	13,099	13,000	13,000	14,200
2. Management -- Total	1,178	821	895	771	848	850	850
a. Men	770	518	450	296	326	330	330
b. Women	408	303	445	475	522	520	520

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Closer collaboration between the Department of Management Studies (DOMS), University of the West Indies (UWI) and the business sector to ensure relevance of program to needs of the market. Plan for such a program to be submitted.	3Q FY88	Estimated 3Q FY 89	UWI's newly appointed Vice Chancellor has embarked on an aggressive promotional program with the private sector. USAID did not receive a plan. However, an evaluation of the relationship of UWI program offerings to needs of private sector will be undertaken in April 1989.
- Closer collaboration between the Department of Management Studies (DOMS), and other major institutions providing management training such as, College of Arts, Science and Technology (CAST), Institute of Management and Production (IMP) and Jamaica Institute of Management (JIM). Report to be submitted.	3Q FY88	Estimated 3Q FY 89	Meetings between DOMS and other training institutions held in May 1988. No report received. Collaboration to be evaluated in April 1989.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
- Collaboration with the University of the West Indies' Cave Hill campus and RDO/C re the second Management Education project with a view to maximizing project objectives and minimizing cost by avoiding duplication on both projects.	On-going	On-going	First meeting held November 1988. Second meeting planned for April 1989. There is some evidence that the desire for collaboration is waning, or at least the timing is problematic.
- <u>Primary Education Assistance Project</u> Approximately 5 million textbooks distributed and program evaluated.	4Q FY88	4Q FY 88	
Pilot program for vandalism completed.	4Q FY88	75% achieved	Program delay due to hurricane. PACD extended to 12/31/89 which will permit 160 principals/community leaders to be trained.
Evaluation of PEAP Project.	4Q FY88	Partially done	Textbook component evaluated 2Q FY89. Community development component to be evaluated 1Q FY90
Approximately 321 additional classrooms will be renovated	1Q FY89	1Q FY90	As of 2Q FY89, 52% were completed. Remainder expected to be completed by revised PACD.
Participant training provided to 140 teachers and community leaders.	1Q FY89	1Q FY90	As of 2Q FY89, 75% have been trained. Remainder to be trained by revised PACD.
PID completed for Primary Education Assistance II	3Q FY89	4Q FY89	Delayed because of change of government and outcomes of policy studies.
Discussion with the Ministry of Education and the Ministry of Youth and Community Development on proposed new Primary Education Assistance Project II to (a) more actively involve local communities in the renovation and maintenance of buildings and reduction of vandalism, and (b) improved efficiency and relevancy of the educational delivery system	4Q FY88	Begun 2Q FY89	Discussions with new MOE staff suggest willingness to pursue both objectives; specific means may have to await outcome of policy studies financed under PEAP.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

Basic Skills Training Project

<p>USAID, HEART and MOE to link Tracer Studies done for students leaving technical schools and HEART academies to course offerings, in order to validate adequacy of school courses in terms of the market place. One overall study to be completed.</p>	<p>1Q FY89</p>	<p>Estimated 4Q FY90</p>	<p>The MOE in process of setting up tracer study. The HEART Trust attention is directed elsewhere, i.e., operating the academies. However, tracer study likely to be completed by new PACD of 7/31/90</p>
<p>Studies done for students leaving technical schools and HEART academies to course offerings, in order to validate adequacy of school courses in terms of the market place. One pilot study has been completed.</p>	<p>1Q FY89</p>	<p>Not Done</p>	<p>This activity is related to the Tracer Studies. See above.</p>
<p>- HEART and MOE to co-ordinate with the Private Sector to set up 15 Advisory Committees for technical schools and HEART academies to improve employability of graduates.</p>	<p>4Q FY88</p>	<p>40% done</p>	<p>The MOE has attempted to set up these committees. The Ministry and the H.E.A.R.T. Trust are in discussions re H.E.A.R.T. representation on the technical schools committees. Expect MOE committees to be set up by 4Q 1989. The HEART committees are set up.</p>
<p>- Discussion with the GOJ on possible new project with focus on training at both technical and vocational levels and the provision of teacher training for instructors at HEART academies.</p>	<p>4Q FY88</p>	<p>Began 4Q 1988</p>	<p>Discussions currently going forward with MOE. It seems likely that HEART's operational role vis a vis non-formal training in academies may shift to MOE.</p>

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets) (CONT'D)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
<u>--- Basic Skills Training</u>			
External Evaluation of Project completed	3Q FY88	1Q FY89	Completed 12/88; Mission awaiting receipt of GOJ comments.
Renovation -fourth HEART Academy Kenilworth finished	4Q FY88	4Q FY88	
PID for Technical/Vocational Education project	4Q FY89	Estimated 4Q FY90	Discussions with new GOJ/MOE going forward. Mission plans to extend PACD of Basic Skills Training to 12/31/90.
Establishment of HEART Management Information System (MIS) in the HEART Trust and the academies	2Q FY89	4Q FY90	Approximately 35% done. HEART has requested one year's extension to complete by July 1990.
Construction of new building at Herbert Morrison completed.	3Q FY89	Estimated 3Q FY89	Approximately 45% completed; scheduled for completion in June 1989.
<u>--- Management Education</u>			
U.W.I. plan for management training program finalized.	3Q FY88	3Q FY89	The finalization of this plan has been delayed to allow the new Vice Chancellor to have input. Plan expected by June 1989.
New management building completed.	1Q FY89	2Q FY 89	Completion of the building delayed by hurricane.
Three Executive Development Seminars completed.	2Q FY89	3Q FY89	Two seminars have been held to date; third to be held in 3Q FY89
Ten executive MBA course modules completed.	3Q FY89	3Q FY89	
Two Jamaican case studies completed.	3Q FY89	3Q FY89	Studies have yet to be tested for use in BSc. program.
Mid Project evaluation completed.	4Q FY89	Estimated 3Q FY89	Scheduled for completion 3Q FY 89.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

Basic Skills Training

- Meeting with Managing Director of the H.E.A.R.T. Trust, MOE and Director of USAID to discuss revised implementation plan and budget for balance of project and components in extension of the PACD to include provision for policy studies (i.e., alternative interventions to achieve education objectives) in support of new government's initiatives. 3Q FY89
- Discussion with the GOJ/MOE of possible new project with focus on technical training with emphasis on the formal system, the provision of teacher training for instructors for both formal and non-formal programs with consideration of a greater involvement of C.A.S.T., and greater collaboration with the private sector in both determining needs and assisting the MOE to meet them through in-plant training. 4Q FY89

U.W.I. Management Education

- In context of project evaluation, reach agreement with U.W.I. on implementations of evaluation recommendation affecting Phase I of project. 4Q FY89

Primary Education Assistance

- Discussions with MOE regarding new government's plans for primary, secondary and tertiary (non UWI) levels. 3Q FY89

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

Basic Skills Training

- (a) If agreement reached on project extension, policy studies directed to determining alternative means for producing skill training graduate will be initiated. 3Q FY89
- (b) MIS system fully operational. 4Q FY90
- (c) Private sector advisory councils for MOE and academies established and provide reports on (1) relevancy of program offering and (2) skill demands for 1990 - 1996. 2Q FY90
- (d) PID and PP completed for technical/vocational training project. 4Q FY90

U.W.I. Management Project

- (a) Staff Development - nine new faculty members trained to Masters level. 4Q FY90
- (b) Executive MBA Program commences - 35 students enrolled - 2 year program. 4Q FY89
- (c) The Institute of Business will be established and operating. 3Q FY89
- (d) Opening of the new DOMS building
- (e) First EMBA class of 35 students graduate. 3Q FY91

Primary Education

- (a) 4 in-country conferences for training of trainers of community leaders. 3Q FY89
- (b) 6 - 8 policy studies completed. 4Q FY89
- (c) Evaluation of Community Development Component. 4Q FY89
- (d) PP for PEAP II finalized. 1Q FY90

Narcotics Awareness

- (a) Finalize project design and initiate FY 89 Narcotics Awareness project 4Q FY89

6. PROJECTS SUPPORTING OBJECTIVES

Title	Number	New (N) or Ongoing(O)	Type of Funding	LOP(1) (\$000)	L/G/LC	OBLIGATIONS			
						Cum. thru FY 88	FY 1989	FY 1990	FY 1991
✓ Basic Skills Training	532-0083	0	DA	4900	G	3950	400	500(2)	
		0	DA	8500	L	8500			
Voluntary Sector Development	532-0085	0	DA	3900	G	3900			
Primary Education Asst.	532-0126	0	DA	11300	G	6550	400		
✓ UWI Management Education	532-0129	0	DA	2450	G	1200	1250	300(3)	300
Program Dev. & Support	532-9105	0	DA		G	98	150	100	100
Technical/Vocational Education II	532-0150	N FY91	DA	3500	G				700
✓ Primary Educ. Assistance II	532-0155	N FY90	DA	4000 7000	G			600	800
✓ Narcotics Awareness Activs.	532-0161	N FY89	DA	300	G		100	100	100
Local Currency		0	ESF		LC	3903	4088	3608	3608
Local Currency		0	PL-480		LC	3251	5254	820	820

(1) Authorized amounts.
 (2) PACD extended.
 (3) if Phase II funded.

7. NARRATIVE

The USAID/Jamaica CDSS cites the effective development of human capital as one of the three central themes on which Mission will focus. In support of this theme USAID has, over the last year, generated considerable information on the adequacy of project efforts through the following:

- (i) formal, external evaluation of skill training efforts; surveys of the effectiveness and efficiency of the primary education system; evaluation of the textbook program; and efforts to determine the relevance of management training being offered by the U.W.I.
- (ii) a Human Resource Development Strategy which brings under one conceptual umbrella all human capital formation activities funded by the Mission for the purpose of maximizing training impact, increasing utilization of human capital already formed and minimizing duplication within USAID's efforts; and
- (iii) a PTMIS system which permits the Mission to identify rapidly and accurately human capital formed under previous Mission projects and provides the base for developing 'follow-on' activities in-country to enhance the utilization of individuals trained.

These efforts, as well as lessons learned from ongoing EHRD projects, have provided the Mission with valuable information regarding, for example, the planning, management and financial capabilities of the Ministry of Education; the lack of effective linkages within the education system itself, and between training institutions at all levels and the private sector; the need for special attention to cost efficiency of the system. The new GOJ has proposed broad education policy guidelines of which those of particular significance to USAID are (a) the establishment in early 1989 of a new National Education Council (NEC) which will seek, among other things, to increase community and private sector participation, and to upgrade effectiveness and efficiency at all levels, and (b) policy studies to provide options for implementing objectives of the NEC.

Primary Education: USAID's efforts under the PEAP have met with mixed results. The planned FY 88 targets fell short in refurbishing and training, due primarily to the hurricane. Textbooks and teacher materials targets were met. The one-year extension is proving to be exceptionally useful in the light of the (a) support it provides for the new government's plans for undertaking policy studies and to broaden community participation, (b) the upcoming Donors' meeting in which Donor interest will be expressed, and (c) the findings and recommendations of the Human Resource Development Strategy. Mission is proceeding with the development of a follow-on project--PEAP II, and although the final PP must await the outcome of policy work, it is likely that the focus will be on (a) further enhancing community development activities initiated under PEAP I and (b)/improving the effectiveness of the primary education system.

Basic Skills Training: While building schedules have been largely met, performance in achieving full institutionalization is well behind schedule. Shortcomings stem primarily from the GOJ's decision to shift operational responsibility for non-formal skill training from the Ministry of Youth and Community Development (MYCD) to the H.E.A.R.T. Trust, thus diverting time and effort that would otherwise have gone into completing institutionalization capacity to running academies which, among other things, had been badly managed under MYCD. The problems of running academies at H.E.A.R.T. was further compounded by the hurricane that devastated several facilities.

The new government's intention is to place at least the instructional operation of non-formal facilities under the direction of the MOE. Furthermore, there is clear evidence that it will shift teacher preparation and curriculum

development responsibility from MYCD to CAST. Other general policy guidelines received from the MOE suggest that the new government intends to factor community colleges into the skill training equation. What may happen to H.E.A.R.T. as we know it, is not at all clear. What is clear is that there is a need to do research to guide final policy decisions to be made by the new national Educational Council. In short, experience with the current project, the results of the recent evaluation, and the need to have clearer policy to guide the development of any follow-on project dictate an project extension of 12-17 months. During this bridging period we will limit USAID's inputs primarily to completing activities which will be needed regardless of future directions in skills training, and conducting policy research. At the moment, it is envisaged that follow-on efforts will include (a) increasing its effectiveness and efficiency by providing teacher training, equipment and instructional materials, (b) enhancing the role of C.A.S.T. in teacher training; and (c) developing pilot programs for increasing in-plant training. We see this follow on initiative as being well within the Human Resource Development Strategy objectives. It will provide better skill training to meet critical manpower needs, equip the GOJ to increase the resource base by utilizing in-plant facilities and staff and, consequently, will serve as a more effective avenue of upward social mobility within the society.

U.W.I. Management Education Project: While training of staff and construction are on target, finalization of plans and procedures for more effectively linking undergraduate and graduate programs to the needs of the private sector lag. Although conceived as a ten year institutional development program, funding for phases two and three will be contingent upon demonstrable performance within the first three years. By improving the curricula, developing locally relevant case studies, providing essential facilities, and closely linking instructional and research efforts to the private sector, USAID expects to markedly increase the quality of and access to both degree and non-degree management programs. The primary focus is on management for the private sector. The FY89 evaluation will focus on: (a) the extent to which the UWI is internally "positioning" itself to develop and sustain quality BA and MBA programs (e.g., creating new faculty positions; approving new course outlines, involving other parts of UWI in the delivery of programs, and utilizing instructors from the private sector); (b) survey private sector firms to determine the extent to which UWI is planning programs with them; (c) survey non-academic management programs such as the Jamaican Institute of Management and the Institute of Management and Production to determine the extent to which the UWI project will assist them to do a better job; and (d) survey students and non-DOMS faculty regarding their understanding of the DOMS initiatives in instruction and research. While there has been some oral evidence of concern about the UWI program from other campus representatives, it is expected that the April 1989 meeting between MONA, Trinidad and Barbados will resolve outstanding issues concerning the relationship of the new/or revised UWI Mona program and the efforts of the campuses. For the moment, we expect that there will be a Phase II, but at a much lower level of assistance from USAID.

CVSS/United Way: This project will soon draw to a close. All the evidence suggest that the project objectives have been met. CVSS/United Way's performance during hurricane relief efforts highlighted the fact that Jamaica now has in place well organized management capability to carry out PVO assistance activities under self sustaining basis. We expect to have external evaluation of the project in May or June, 1989 from AID/W sources and propose a rather extensive write up of the project for distribution to other islands in the Caribbean.

Narcotics Awareness: Project development stems from and hinges upon close collaboration with State and other agencies at post. The Ambassador and DCM take an interest in narcotics awareness/demand reduction; USAID's new project will be a part of an overall US Mission program. At this time, we envision that USAID assistance will be directed towards furthering awareness of the ramifications of illicit drugs in Jamaica among community leaders and concerned parents.

GOAL: STRENGTHENING DEMOCRATIC INSTITUTIONS

OBJECTIVE #12: Strengthen democratic institutions

1. <u>COUNTRY DEVELOPMENT TRENDS</u>	1986	1987	1988	1989	1990	1991
<u>INDICATORS</u>	<u>Actual</u>	<u>Actual</u>	<u>Proj.</u>	<u>Actual</u>	<u>Proj.</u>	<u>Proj.</u>
Category - <u>STRENGTHEN THE COURT SYSTEM</u>						
<u>Criminal</u>						
Median time for processing of Criminal Case (years)	4	4	N/A	3	3	2
Percentage of Criminal cases before the Court of Appeal (filed in current year and pending from previous year) that were determined	N/A	65%	65%	69%	70%	72%
The average period of time between conviction and hearing of an appeal (months)	3	3	1	6	5	4
<u>Civil</u>						
Median time for processing of Civil Case (years)	3	3	N/A	3.5	2	1
Percentage of Civil cases before the Court of Appeal (filed in current year and pending from previous year) that were determined	N/A	56%	60%	51%	52%	53%
2. <u>A.I.D. PROGRAM PERFORMANCE</u>						
<u>INDICATORS</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	1989 <u>Actual</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
Back log in Court Reporting of cases (mos.)	N/A	6	2	6	2	0
Inservice training in how to carry out responsibilities						
Judges						
- local	0	16	75	68	68	0
- overseas	0	4	38	15	18	0
Other court personnel						
- local	0	0	145	28	120	0
- overseas	0	1	0	6	21	0
The number of court buildings renovated:						
- RM Courts	0	0	15	0	19	0
- Supreme Court	0	0	0	0	1	0

2. <u>A.I.D. PROGRAM PERFORMANCE INDICATORS (CONT'D)</u>	1986 <u>Actual</u>	1987 <u>Actual</u>	1988 <u>Proj.</u>	<u>Actual</u>	1989 <u>Proj.</u>	1990 <u>Proj.</u>	1991 <u>Proj.</u>
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Number of persons beginning training programs under CLASP

1. Short-term (up to 9 months)--

Total	<u>88</u>	<u>71</u>	<u>120</u>	<u>62</u>	<u>72</u>	<u>110</u>	<u>110</u>
a. Men	55	38	59	22	31	44	44
b. Women	33	33	61	40	41	66	66

2. Long-term (more than 9 months)--

Total	<u>14</u>	<u>73</u>	<u>30</u>	<u>25</u>	<u>25</u>	<u>35</u>	<u>35</u>
a. Men	9	23	17	13	13	17	17
b. Women	5	50	13	12	12	18	18

Number of persons beginning training under Other (Non-CLASP programs)

1. Short-term (up to 9 months)--

Total	<u>69</u>	<u>95</u>	<u>207</u>	<u>101</u>	<u>49</u>	<u>44</u>	<u>47</u>
a. Men	42	56	111	53	40	30	33
b. Women	27	39	96	48	9	14	14

2. Long-term (more than 9 months)--

Total	<u>14</u>	<u>7</u>	<u>20</u>	<u>0</u>	<u>2</u>	<u>5</u>	<u>5</u>
a. Men	14	3	17	0	0	1	2
b. Women	0	4	3	0	2	4	3

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
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- Improvements in the Administration of the Judicial System in Jamaica

Increase in quantum of resident magistrates from 36 to 40	3Q FY 89	4Q FY 88	Number of RMs is now 40.
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3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
Procurement of equipment and furnishings for Resident Magistrate Courts and Supreme Court	3Q FY 88	3Q FY 89	Although delivery of the furniture and equipment began early in the 2Q FY 88, due to difficulties inherent to dealing with the GOJ Supply Division, we do not anticipate that the delivery will be completed until 3Q FY 89.
Procurement of books and legal materials for the Supreme Court Library and Resident Magistrate Courts	3Q FY 88	4Q FY 88	The books were delivered to the Supreme Court Library; however, subsequent inspection by the Librarian revealed that a substantial number of the books had either not been included or the wrong book had been sent.
Reform of court reporting system	3Q FY 88	3Q FY 89	It has taken longer than anticipated to complete the physical upgrading of the court reporters area in the Supreme Court where the computer equipment is to be installed. In the interim, a firm has been contracted to provide training to the initial group of 4 reporters.
Supreme Court Registry management upgraded	4Q FY 88	3Q FY 89	Recommendations as to Hardware/Software requirements are being reviewed by IRM/W. Subsequent to approval equipment will be purchased and installed.
Supreme Court Library management upgraded	4Q FY 88	3Q FY 89	Same as above.
Renovation of 19 Resident Magistrate Courts	1Q FY 89	4Q FY 89	Due to funding limitations, the number of courthouses has been reduced to 19. As of 2/15/89, construction contracts had been signed for 12 of these courthouses, with signing of the remainder expected before 6/30/89. Completion of renovation work to 18 of the RM courts is expected by 8/31/89.
Renovation of Supreme Court	4Q FY 89	2Q FY 90	As of 2/15/89, 30 % of the work on this component had been completed. Because of the projected time needed to complete the work, a PACD extension until 3/31/90 is anticipated.

3. ACTUAL VS. PLANNED ACCOMPLISHMENTS IN FY 1988 AND EARLY 1989, AS IDENTIFIED IN BLOCKS 4 AND 5 OF LAST YEAR'S ACTION PLAN (Briefly explain any significant departures -- in either direction -- from targets)

<u>Target</u>	<u>Planned</u>	<u>Actual</u>	<u>Discussion</u>
Development of a new Mission-wide Human Resources Strategy	4Q FY88	2Q FY89	Delayed because of Hurricane Gilbert.
Total of 201 participants departed for various short term training programs	3Q FY88	3Q FY88	163 departed due to delayed receipt of FY88 funds.
First group of 11 long term trainees departed for graduate level training	4Q FY88	4Q FY88	8 departed. Balance not placed in time for departure.
Total of 34 participants departed for long term training for Bachelors degrees	4Q FY88	4Q FY88	17 departed due to delay in receipt of FY88 funds.
Second group of 12 long term trainees departed for graduate level training	4Q FY89		Revised. Plan to send 14. Will likely be delayed due to lack of funds.
Total of 162 participants departed for various short term training programs	4Q FY89		Revised. Plan to send 121. Expect to meet revised target if funding made available.
Total of 32 participants depart for long term training for Bachelor degrees	4Q FY89		Revised. Plan to send 15. Contingent upon funding made available.
12 participants departed for long term graduate level training	4Q FY90		Revised. Plan to send 18 if funding available.
38 participants departed for long term undergraduate training (mainly teachers)	4Q FY90		Revised. Plan to send 22 if funding available.
230 participants depart for short term training programs (mainly groups)	4Q FY90		Revised. Plan to send 154 if funding available.

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD QUARTER/YEAR

Improvements in the Administration of the Judicial System in Jamaica

Establishment of a property management unit	3Q FY 89
Establishment of an officer of administration for the Supreme Court	3Q FY 89

4. KEY POLICY DIALOGUE ACTIONS AND CONDITIONALITIES PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

4Q FY 89

The National Advisory Council on Crime and Justice will continue to examine and make recommendations on subjects such as: the abolition of preliminary examination; the abolition of unsworn testimony; amalgamation of the jurisdiction of the resident magistrates in the corporate area; guidelines on granting bail; the use of radio programs for public education programs; examination of the categories of cases dealt with in petty session; assignment of resident magistrate court personnel by the chief justice; and increased interaction between resident magistrates and the department of corrections.

5. KEY PROJECT/PROGRAM ACCOMPLISHMENTS PLANNED FOR BALANCE OF CURRENT FY AND ACTION PLAN PERIOD

QUARTER/YEAR

-- Procurement of equipment and furnishings for Resident Magistrate Courts and Supreme Court	2Q FY 89
-- Reform of court reporting system	3Q FY 89
-- Supreme Court Registry management upgraded	3Q FY 89
-- Supreme Court Library management upgraded	3Q FY 89
-- Renovation of 20 Resident Magistrate Courts	4Q FY 89
-- Renovation of Supreme Court	1Q FY 90

6. PROJECTS SUPPORTING OBJECTIVES

<u>Title</u>	<u>Number</u>	<u>New (N) or Ongoing(O)</u>	<u>Type of LOP Funding (\$000)</u>	<u>L/G/LC</u>	<u>Cum. thru FY 88</u>	<u>OBLIGATIONS</u>		
						<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
Caribbean Justice Improvement	598-0645.08	0	ESF	2800	G	2000	800	-
PTIIC ^{1/}	532-0147	0	DA	3300	G	2200	900	1100
LAC II	598-0640.08	0	DA	908	G	908	-	-
Local Currency		0	ESF		LC	658	689	608

^{1/}FY 90 and FY 91 obligations assume successor project.

7. NARRATIVE

Jamaica has strong democratic traditions. The Mission's approach to strengthening democratic institutions is therefore to upgrade the existing system which administers justice and to use the participant training program to promote a better understanding of democratic institutions.

Administration of Justice - The focus of this part of the USAID program has been the rehabilitation and upgrading of both the physical and human infrastructure of the court system. During 1988, the completion of A/E work enable the signing of construction contracts for nine courthouses. Renovation of the Supreme Court has proceeded more slowly than anticipated, primarily due to a lag in the completion of the A/E plans. With concerted efforts by the Project Management Unit at the Ministry of Justice, work has begun to pick up and plans for the remaining phases are expected to be completed by 6/1/89, with construction being undertaken on the remaining phases soon thereafter. Delivery of the furniture and equipment for the Supreme Court and the Resident Magistrate Courts was at a virtual standstill during most of FY 1988; however it has improved markedly under the administration of the new head of the Supply Division. Deliveries are now more or less in line with the revised target. The hardware for the automation of the court transcription has been installed. The four court reporters trained in the use of the CAT software are building up their respective dictionairies. However, use of the equipment in actual court proceedings is not advancing as rapidly as anticipated, due to a certain degree of "computer-phobia" on the part of the court reporters.

The Jamaican component of the Caribbean Justice Improvement Project Administration of Justice Project was originally scheduled to reach its PACD in August 1989. Due to the delays encountered in the Supreme Court rehabilitation, USAID/J plans to extend the PACD by ten months to March 31, 1990. Prior to that during 2Q of FY89, an evaluation of the entire regional project is expected; the evaluation focus in Jamaica is expected to include an assessment of the Jamaican judicial sector to determine whether the project's outputs are in fact adequately addressing the existing constraints to the administration of justice and whether additional development activities are warranted in the sector following PACD.

Participant Training - The broad objective of the training program over the period FY88/89 was to realize an increase in numbers of persons trained in the U.S. Actual figures for FY88/89 fell well short of planned targets because FY88 funds under PTIIC were not received until August 1988. FY89 starts are problematical because all FY89 money has been used to meet funding requirements for forty participants already in the U.S., leaving funding for only eight new starts in FY89. Mission had planned on sending a substantially larger number but has been precluded from such action because FY86, 87 and 88 funds tied up in the USA Contract have not been released.

While Mission will make every effort to keep numbers up, our ability to do so is constrained by a reduction in our FY89 OYB for PTIIC and likely smaller OYBs in FY90 and 91 than Mission has enjoyed up until FY89. We will continue to try to meet long-term/short-term, advantaged/disadvantaged, male/female ratios. As always, appropriate attention will be given to the use of HBCUs.

In implementing PTIIC, the Mission will pay strict attention to "Experience America" guidelines. We believe that a better understanding of U.S. democratic institutions will have a positive, desirable impact on how returnees view and use their own institutions.

The PTMS is well advanced. All past participant data is now in the System and we are currently up-dating addresses with a view to initiating better follow-up with returnees in the hope of being able to capitalize upon their knowledge and skills. To initiate and sustain an accurate data base and appropriate follow-up activities may require enlarging local staff by one in the Training Office.

Mission has completed a conceptual framework for its new Human Resource Development Strategy and is working out a methodology for implementing the Strategy within individual offices and for the Mission as a whole. We do not expect, however, to have completed the implementation strategy until the latter part of FY89. To the extent that the Strategy entails marked changes in the attached CTP, we will advise AID/W with an amendment to the CTP.

II. B. SUMMARY PROGRAM FUNDING TABLE*
Dollar Program by Functional Account
(\$000)

<u>Project Title and No.</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>
<u>ARDN</u>			
Agricultural Education 532-0082		560	
Hillside Agriculture 532-0101	800	2250	2200
Crop Diversification/Irrigation 532-0123	856		
Agriculture Research 532-0128	1350	1500	1000
PTIIC 532-0147	200	200	200
PARC 532-0148	550	450	
Export Development and Investment Promotion 532-0135	1000	950	950
Microenterprise Development 532-0156		250	250
Food Aid Support & Monitoring 532-0157	300	490	550
Hurricane Reconstruction 532-0158	15595		
Emergency Rehabilitation 532-0185	5000		
Agriculture Export Services 532-0165	1000	1000	950
Agricultural Productivity Enhancement 532-0167			500
PD&S 532-9103	137	150	150
Subtotal	26788	7800	6650
(Loan)			
(Grant)	26788	7800	6750
<u>Population</u>			
Population and Family Planning Services 532-0069	403	650	647
Hurricane Reconstruction 532-0158	8245		
PD&S 532-9104		50	53
Subtotal	8648	700	700
(Loan)			
(Grant)	8648	700	700
<u>Health</u>			
Health Sector Initiatives 532-0152	468	650	850
Hurricane Reconstruction 532-0158	3606		
PD&S 532-9108		50	50
Subtotal	4074	700	900
(Loan)			
(Grant)	4074	700	900
<u>AIDS</u>			
AIDS/STD Prevention & Control 532-0153	250	300	300
Subtotal	250	300	300
(Loan)			
(Grant)	250	300	300
<u>Child Survival</u>			
Hurricane Reconstruction 532-0158	1254		
Subtotal	1254		
(Loan)			
(Grant)	1254		

*Does not include de-ob/re-ob.

<u>Project Title and No.</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>
<u>Education</u>			
Basic Skills Training 532-0083	400	500	
Primary Education Assistance 532-0126	400		
UWI Management Education 532-0129	1250	300	300
PTIIC 532-0147	700	900	900
Technical/Vocational Training 532-0150			700
Primary Educ. Community Dev. 532-0155		600	800
Hurricane Reconstruction 532-0158	695		
Narcotics Awareness 532-0161	100	100	100
PD&S 532-9105	150	100	100
Subtotal	3695	2500	2900
(Loan)			
(Grant)	3695	2500	2900
<u>Private Sector,</u>			
<u>Environment and Energy</u>			
Special Dev. Activities 532-0029	140	140	140
Low Cost Shelter Dev. 532-0067	400		
Board of Revenue 532-0095		500	500
Inner Kingston Improvement 532-0120	2200	569	
Inner Kingston Development Phase II 532-0151			1000
Export Development and Investment Promotion 532-0135	1000	1300	1300
Tech. Svcs. for Shelter and Urban Svcs. Policy Program 532-0149	600	600	700
Microenterprise Development 532-0156		500	400
Hurricane Reconstruction 532-0158	605		
Tourism Support 532-0166		500	500
PD&S 532-9106	146	141	160
Subtotal	5091	4250	4700
(Loan)			
(Grant)	5091	4250	4700
TOTAL DA	49800	16250	16250
(Loan)			
(Grant)	49800	16250	16250
<u>Economic Support Fund</u>	<u>25000</u>	<u>27000</u>	<u>27000</u>
(Loan)			
(Grant)	25000	27000	27000
P.L. 480 Title I	40000	30000	30000
Title II	3600	3600	3600
Housing Guaranty (non add)	(10000)	(10000)	(10000)
PROGRAM TOTAL	118400	76850	76850

II.B.2. SUMMARY PROJECT LIST BY OBJECTIVES

PROJECT TITLE & NUMBER	OBJECTIVES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
Special Dev. Activities 532-0029		P											
Agricultural Marketing 532-0060	P												
Health Mgt. Improvement 532-0064								P					
Low Cost Shelter Dev. 532-0067										P			
Population & Family Planning Services 532-0069								P					
Technical Consultations 532-0079 and Training Grant		P			P								
Agriculture Education 532-0082	P												
Basic Skills Training 532-0083											P		
Voluntary Sector Dev. 532-0085											P		
Private Sector Dev. Bank 532-0091		P											
Board of Revenue 532-0095			P										
Small Farmer Prod/Mktg. 532-0097	P												
Hillside Agriculture 532-0101					P								
JADF Technical Support 532-0105 and Investment		P											

PROJECT TITLE & NUMBER

OBJECTIVES

1 2 3 4 5 6 7 8 9 10 11 12 13

Hillside Assessment 532-0113

P

Urban Sector Technical 532-0117

P

Assistance

Inner Kingston Improve- 532-0120

P

ment

Private Sector Prom. of

Family Planning-OPG 532-0122

P

Crop Diversification/Irr. 532-0123

P

P

Primary Education Asst. 532-0126

P

Agricultural Research 532-0128

P

UWI Management Education 532-0129

P

Export Development and 532-0135

P

P

Investment Promotion

PTIIC 532-0147

Production & Employ- 532-0146

ment IX

Protected Areas Resource 532-0148

P

Conservation

PROJECT TITLE & NUMBER	OBJECTIVES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
Technical Support for Shelter & Urban Services 532-0149										P			
Technical/Vocational Education 532-0150											P		
Inner Kingston Develop- ment II 532-0151			P										
Health Sector Initiatives 532-0152									P				
AIDS/STD Prevention and Control 532-0153									P				
Production & Employment X 532-0154				P									
Primary Education Assistance II 532-0155											P		
Microenterprise Dev. 532-0156			P										
Food Aid Support and Monitoring 532-0157				P									
Hurricane Reconstruction 532-0158													P

PROJECT TITLE & NUMBER

OBJECTIVES

		1	2	3	4	5	6	7	8	9	10	11	12	13
Narcotics Awareness	532-0161											P		
Activities														
Caribbean Justice Improv-	532-0162												P	
ment (598-0645.08)														
Production & Employ-	532-0164			P										
ment XI														
Agricultural Export	532-0165					P								
Services														
Tourism Support	532-0166					P								
Agricultural Productivity	532-0167	P												
Enhancement														
Emergency Rehabilitation	532-0185													P
Program Dev. & Support	532-9103			P										
Program Dev. & Support	532-9104								P					
Program Dev. & Support	532-9105											P		
Program Dev. & Support	532-9106			P										
Program Dev. & Support	532-9108									P				

C. SPECIAL PROGRAM ANALYSES

NEW PROJECT DESCRIPTION

GOAL: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth

OBJECTIVE: Enhance the developmental impact of Food Aid to Jamaica.

PROJECT TITLE: Food Aid Support and Monitoring

PROJECT NUMBER: 532-0157

PROJECT FUNDING: (\$000) FY 89: \$300 (G) LOP: \$2500 (G)

FUNCTIONAL ACCOUNT: Agriculture, Rural Development and Nutrition (ARDN)

PURPOSE CODE: 000

A. Relationship to A.I.D. Country Strategy/Objective: The AID strategy for agricultural development in Jamaica is to improve productive efficiency of the sector in order to: a) raise the incomes of the rural poor; b) increase foreign exchange earnings/savings from agriculture; and, c) maintain the natural resource base. The PL 480 program directly or indirectly addresses all of these objectives. Jamaica has no comparative advantage in producing low cost starchy staples (e.g., wheat, rice and corn) and, therefore, has adopted a policy of importing to meet its staple food requirements. The country is also under substantial pressure to meet foreign debt servicing requirements while scaling back its balance of payments deficit. The Mission FY 89-93 CDSS supports a continuation of a large food aid program for Jamaica. This project provides developmental assistance funding to make more effective developmental use of the food aid resources provided and generated under the PL 480 program.

B. Relationship to Host Country and Other Donors: A main component of the GOJ's macroeconomic development strategy is to generate foreign exchange earnings through export led development growth. Concessional food sales agreements under the PL 480 Title I program have allowed the GOJ to meet the food consumption needs of the population and devote scarce foreign exchange earnings to the productive sectors. This DA project will provide funding for the food aid related activities which provide critical support to the GOJ's development strategy.

C. Conformance with Agency and Bureau Policies: The proposed Project conforms with Agency policy regarding both the integration of food aid and development assistance resources and the closer monitoring of food aid resources. It will also provide the Mission with a more effective means of pursuing an ongoing, long-term policy dialogue with the GOJ.

D. Project Description: The purpose of this 5 year project is to allow for regularized multi-year planning and management of all food aid resources. The project will fund inputs needed to facilitate self-help measures and related activities necessary for the implementation of the policy reform measures agreed to under the Title I Agreements. In regard to the policy reform measures, implementation of the Self-Help Measures will be accomplished on a more rational basis by having assured multi-year funding for studies and other analyses. Another benefit of the project will be a more focused programming and utilization of Food Aid local currency resources in the areas of nutrition, health, education, agriculture and rural development, including the direct monitoring of their use and effectiveness. Some of these activities were previously funded with PD&S funds; others will be new and unique to this Project. The following items represent the types of activities to be supported under the Project: the Section 108 auction; USDA/GOJ animal and plant health activities; monitoring of Title II and Section 416 programs; certain self-help measures under Title I; and, technical assistance necessary to develop the Jamaica College of Agriculture into a Food Grant College.

Implementing Agencies: The Planning Institute of Jamaica

Method of Obligation: A bilateral grant agreement in accordance with procedures outlined in Handbook 3.

E. Mission Management: An ADO supervised USPSC employee in the Agriculture and Rural Development Office will assume overall responsibility for project management. The PSC will also be assisted by an FSN in the same office.

F. PID and PP Approval: USAID/Jamaica requests Bureau concurrence with Mission Director delegation of authority to approve PID and PP.

G. Potential Issues: None.

H. AID/W TDY Support for Project Development: None needed

I. Estimated PID Approval: April 1989

PP Approval: June 1989

NEW PROJECT DESCRIPTION

GOAL: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth

OBJECTIVE: To increase the productivity and profitability of selected traditional and non-traditional export crops

PROJECT TITLE: Agricultural Export Services

PROJECT NUMBER: 532-0165

PROJECT FUNDING: (\$000) FY 89: \$1000(G) LOP: \$7,000(G)

FUNCTIONAL ACCOUNT: Agriculture, Rural Development and Nutrition (ARDN)

PURPOSE CODE: 000

A. Relationship to A.I.D. Country Strategy/Objective: The Mission's FY 1989-93 CDSS states that the greatest potential for future growth in the agriculture sector is in exports. This is to be achieved by encouraging technological change, and the development of a policy environment supportive of exports. One of the two primary foci of the Mission's approved agricultural sector strategy, is to encourage increased private investment in the production of non-traditional exports. This project is consistent with and supportive of the above, and will assist the Mission to accomplish the Action Plan objectives of increasing agricultural production, increasing exports, and strengthening the private sector.

B. Relationship to Host Country and Other Donors: Jamaica's agricultural development strategy increasingly has focused on the expansion of both traditional and non-traditional exports to earn foreign exchange, increase employment, and to broaden and diversify the ownership base of the Jamaican agricultural sector. It is likely that this focus will intensify. The project will be supportive of, but not dependent on, the ongoing World Bank Export Crops Project.

C. Conformance with Agency and Bureau Policies: The project is supportive of the Agency and Bureau policies regarding increasing private sector participation and strengthening institutional capabilities. It will also serve as another vehicle for policy dialogue, especially as regards the rationalization of government vs. private sector service provision for the agriculture sector. Gray Amendment procurement will be determined during the intensive review.

D. Project Description: The project purpose is to increase the export of non-traditional and selected traditional agricultural products. In order to do so, project resources will be focused on two areas over a 7 year period; productivity enhancement and export related services. There will be three distinct but related project components:

1) An agricultural export services component which would include continued support for the preclearance program as well as other public sector services for the agricultural export sub-sector. Under this component assistance will be provided to expand and increase the effectiveness of such critical support services as; plant protection and quarantine, pesticide residue analysis, other lab services, grades and standards, etc. Expected outputs would include more effective and cost efficient public sector support services, as well as increased exports due to more reliable support services.

2) A production technology/management practices introduction component which will assist the private sector to identify, introduce and test agricultural production technologies and management practices under commercial conditions. This will be accomplished by using a grant/matching grant approach for feasibility studies and technical assistance targetted on increasing agricultural exports. This component would most likely be managed by one or more of the private financial institutions which are already involved in the agriculture sector. The proposed methodology would be to fund a fixed percentage (perhaps 33%) of the cost of bankable feasibility studies for agricultural export projects. Similarly, USAID would fund a technical assistance sub-component through matching grants, e.g. 50% of the TA requirements for projects accepted by banks for lending in agricultural export expansion. The net effect, i.e. expected output, of the two matching grants would be to stimulate the development and funding of new agricultural export projects by the private sector, as well as to facilitate entry into the export sub-sector by additional individuals and firms.

3) A productivity enhancement projects component to provide assistance to private sector commodity groups already involved in the production and export of agricultural products. The primary focus of this component will be to expand as quickly as possible the production and export of products such as bananas, ornamental horticulture, yams, ethnic and other speciality crops, winter vegetables, and aquaculture. Sub-grants will be provided to groups already in export agriculture, or where appropriate, to groups that have the potential to move into export production with a minimum of assistance. The purpose of the sub-grants would be to expand, strengthen, or in some instances, establish within the participating private sector groups, critical support services such as extension and training programs for their membership, the lack of which currently constrains expansion of export production. Anticipated outputs of this component would be increased exports and foreign exchange earnings due to the expansion of production of crops/products that currently have guaranteed or expanding markets.

E. Implementing Agencies: The Ministry of Agriculture and various private sector producer organizations such as the Jamaica Banana Producers Association, the All Island Banana Growers Association, the Jamaica Broilers Group, the newly formed ornamental horticulture association, etc.

F. Method of Obligation: A bilateral grant agreement in accordance with the procedures outlined in Handbook 3, and one or more Handbook 13 grants for the private sector component of the project.

G. Mission Management: The proposed project will be managed by the Mission Office of Agriculture and Rural Development. Project management responsibilities will be shared by one USDH project officer and the USDA/APHIS officer at post.

H. PID and PP Approval: USAID/Jamaica requests concurrence with Mission approval of the PID and PP.

I. Potential Issues: New policy directions or implementation arrangements of the new GOJ in the areas of agriculture development, export promotion, and public vs. private sector roles. These areas should become clearer over the next few months, and will be addressed during the project development process.

J. AID/W TDY Support for Project Development: Expertise in the areas of environmental assessment and economic analysis will be sought from AID/W or from contracted technical assistance.

K. Estimated PID Approval: June 1989
Estimated PP Approval: September 1989

NEW PROJECT DESCRIPTION

GOAL: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth

OBJECTIVE: To develop a viable College of Agriculture, and improve Jamaica's Secondary Agricultural Schools.

PROJECT TITLE: Agricultural Education, Amendment.

PROJECT NUMBER: 532-0082

PROJECT FUNDING: (\$000) FY 90: \$560 (G) LOP: \$3,560 (G), \$6,500 (L)

FUNCTIONAL ACCOUNT: ARDN

PURPOSE CODE(S): 000, 500

A. Relationship to A.I.D. Country Strategy/Objective: The Mission's Agriculture Sector Strategy identified low productivity levels as the principal contributing factor to Jamaica's loss of market share, high unit costs of production and reduced farm incomes. The strategy recognized the essential agricultural services that must be improved for Jamaica to be able to develop and sustain a viable, internationally competitive, export oriented agricultural sector. This project will directly address the objective of increasing agricultural production and productivity by creating a cadre of trained agriculturalist and mid-level managers for the agricultural sector.

B. Relationship to Host Country and Other Donors: Successive leaders of the Government of Jamaica have stressed the importance of the agricultural sector as one of the engines of economic growth. Education has been identified as an area of particular importance by the new government. This project will facilitate the meeting of these government priorities.

C. Conformance with Agency and Bureau Policies: The project is supportive of the Agency and Bureau policies regarding increasing private sector participation and strengthening institutional capabilities. The project amendment is pursuant to a mid-term evaluation and aims to implement the recommendations stemming from that evaluation. Gray Amendment procurement is being followed.

D. Project Description: The specific purposes of the project are to develop and expand the Jamaican College of Agriculture and expand and improve the Knockalva Secondary Agricultural School. A project amendment is required at this time to implement the recommendations of the recently finished evaluation. The evaluation highlighted a number of problems that have caused project implementation to be behind schedule. These are: poor management of the College of Agriculture, underfunding by the GOJ of the College, inadequate policy level support, and a lack of trained faculty and staff at the College. As a result of these problems, delays in both the construction and training components are substantial and additional time is needed to achieve project goals. Given the new

higher priority accorded education by the new GOJ, the project is now poised to overcome previous constraints and play a significant role in post secondary education in agriculture.

One major change is that the new GOJ, as a matter of public policy anticipates, using local expertise for development instead of relying on imported technical assistance. This will necessitate making the COA management function more effectively. It is anticipated that a new dean, who is very highly regarded, will come on board this summer. It is also anticipated that the negotiations on GOJ budgetary support for the College will result in a more appropriate level of resources for the institution. Finally, a major group of instructors will be returning from project financed training which will overcome major staff constraints for the first time.

Therefore, although the funding associated with this one year extension of the project is modest, it is likely to be the most critical in terms of making the entire investment pay off, since it is focused on extending the technical assistance required to finalize the policy, institutional and curriculum changes now underway at the College, as well as allow for the return of faculty currently away for training. Finally, growing out of our concern for the long-term sustainability of the COA as supported by our PL 480 Title I self-help measures and policy dialogue, we are developing a Food Grant College proposal, which along with the foundation mechanism being developed, will provide a potential vehicle for long range food aid and private sector support for the institution. We view this project extension as essential to achieving both the goals of the original project and to exploring this new long term initiative.

Implementing Agencies: The Ministry of Education.

Method of Obligation: An amendment to the bilateral agreement in accordance with procedures outlined in Handbook 3.

E. Mission Management: USDH employee in the Agriculture and Rural Development Office will continue to assume responsibility for overall project monitoring. An additional FSN employee in the Office of Engineering, Energy, and Environment will continue to be responsible for the construction aspects of the project.

F. PP Supplement Approval: Approval will be by the Mission Director under Delegation of Authority Number 133 and Handbook 3.

G. Potential Issues: The Minister of Education has agreed to the establishment of the College of Agriculture Foundation which will have innovative means to generate resources in support of agricultural education. This includes the planned transfer of the 280 acre Spring Gardens Farm to the Foundation. However, until the transfer or a lease arrangement is made, it is the policy of the GOJ for proceeds generated by government owned enterprises to go into the general treasury.

H. AID/W TDY Support for Project Development: None needed.

I. Estimated Project Supplement Approval: April 1989.

NEW PROJECT DESCRIPTION

GOAL: Wider sharing of the benefits of growth

OBJECTIVE: To improve the quality and efficiency of Jamaica's primary education system through the provision of a more effective teaching/learning environment

PROJECT TITLE: Primary Education Community Development Project

PROJECT NUMBER: 532-0155

PROJECT FUNDING: (\$000. FY 90: \$600 (G) LOP \$4,000 (G)

FUNCTIONAL ACCOUNT: EHRD

PURPOSE CODE: 500

A. Relationship of Project to A.I.D. Country Strategy:

A.I.D's strategy in this sector is to improve the educational opportunities at both the primary and secondary levels while allowing specific support to be dictated by activities which will improve effectiveness and efficiency. The overall levels of educational enrollment in Jamaica are quite high. USAID's strategy seeks to provide cost-effective interventions that will make the system more effective and efficient while operating under severe monetary constraint. We expect to increase the numbers of school leavers who have functional literacy and numeracy, reduce wastage and repetition and consequently reduce the cost of producing a graduate.

B. Relationship to Host Country and Other Donors:

Improvement of primary and secondary education is a priority of the new government. It is seeking policy options to improve overall performance, reduction of costs, broadening of the financial base and enhancing the relevance of programs at all levels. USAID's current program of assisting in policy analysis complements the efforts of other donors, particularly, the IBRD and the IDB. The IBRD is conducting policy studies for the secondary level and will concentrate their assistance at that level. They have expressed the desire to link their efforts more effectively to those of USAID's. The IDB is re-formulating its assistance to the GOJ at the primary level. USAID expects that the GOJ will meet with donors involved in education as a group in Jamaica as part of the FY 89 AID funded Policy Studies for the Primary Level.

C. Conformance with Agency and Bureau Policies:

The project conforms with Agency's policies on minimizing recurrent cost in service delivery. It also is consistent with AID's thrust in basic education. Gray Amendment procurement will be utilized as appropriate.

D. Project Purpose:

The purpose of the project is to improve the effectiveness and efficiency of the primary school system and expand the resource base available to it. Inherent in the project is a shift from overcentralized management to greater involvement of communities, leaving the MOE to deal more effectively with common, critical issues while the communities will deal with the bulk of their particular concerns. The project will focus on:

1. further enhancing community participation activities in improving local educational facilities. The project will provide limited cash grants direct to communities whose leaders would already have taken advantage of training offered in PEAP I, because we have learned that in doing so: (a) the learning environment is improved because schools/communities employ the resources effectively and rapidly to improve the physical and instructional facilities; (b) vandalism drops in direct proportion to the involvement of the community/school in maintaining and improving the school. That is, when a community sees the school as belonging to the MOE little positive development occurs. However when the school is viewed as being the community's, they value and protect it; (c) communities are willing and in most cases able to provide matching resources (cash or in-kind) which expand the resource base; and (d) communities can manage local problems better than the centralized MOE and, if they are encouraged to do so, the MOE can concentrate on improving the administrative capabilities on large-scale, common/critical problems.
2. improving the effectiveness of the primary education system by: (a) providing more cost-effective instructional materials; that is, using a combination of durable texts (in four key subject areas where performance lags: reading, writing, arithmetic and science) and disposable supplemental literature to impart needed information on such topics as nutrition, health and drug abuse. Such a program would also emphasize sustainability within Jamaica's resources; (b) assisting the MOE to develop programs using a wider and more cost-effective array of media for delivering quality education to supplement the work of teachers; (c) providing training for teacher-trainers who in turn will train others, as well as training for a limited number of high-level administrators/planners within the MOE so that they may more effectively develop, implement and monitor new and/or revised education efforts.

USAID will develop the project on the basis of results of policy studies funded under the Primary Education Assistance Project, and evaluation of the existing community development effort of PEAP I during the fourth quarter of FY89. Project LOP is expected to be 6 years.

Implementing Agency:

Under the aegis of the Ministry of Education (MOE) this program will be implemented as follows: (i) the instructional materials, that is, the textbooks, will be obtained through international competitive procurement while the supplemental disposable materials will be developed by the Curriculum Development Unit of the MOE and will be procured locally; (ii) a U.S. Contractor will provide the services required for the Improved Instructional Technology component; (iii) a local contractor will be hired under the Community Development activities to handle the flow of resources through the School /Community Outreach Program for Education (SCOPE), to the schools; and (iv) a local contractor will provide technical assistance services for the training of the MOE's administrative staff in the areas of project development, implementation, monitoring and evaluation. This will involve a combination of training overseas as well as at the local College of Arts, Science and Technology (CAST).

Method of Obligation:

A bilateral agreement in accordance with procedures outlined in Handbook 3.

E. Mission Management: An FSN employee in the Office of Education and Human Resources will assume overall responsibility for project monitoring.

F. PID and PP Approval: Mission request Bureau concurrence with Mission Director's delegation of authority to approve PID and PP.

G. Potential Issues None

H. A.I.D./W TDY Support for Project Development None needed.

I. Estimated PID Approval: June 1989

Estimated PP approval: November 1989

NEW PROJECT DESCRIPTION

GOAL: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth.

OBJECTIVE: Strengthen the Private Sector

PROJECT TITLE: Micro Enterprise Development

PROJECT NUMBER: 532-0156

PROJECT FUNDING: (\$000) FY 90: \$750 (G) LOP \$2000 (G)

FUNCTIONAL ACCOUNT: PSEE
ARDN

PURPOSE CODE: 800, Aa

A. Relationship to A.I.D. Country Strategy/Objectives: This project supports A.I.D.'s goal of encouraging basic structural reforms leading to rapid and sustained economic growth. Growth of micro enterprises also addresses one of the primary strategic objectives of the USAID Private Sector Strategy, which is to diversify both the ownership base and product mix of Jamaica's business base to increase GDP, create employment and broaden access to business opportunities. Within this, a key aim is to introduce micro entrepreneurs into the formal commercial sector who have been traditionally excluded from it. In so doing, individuals benefit by operating productive enterprises and the economic base of the country will expand.

B. Relationship to Host Country and Other Donors: The Government of Jamaica (GOJ) has made the small business sector a priority and is exploring expanding the focus to include micro enterprises. JAMPRO is initiating a micro enterprise activity and may wish to expand this thrust in order to complement other small business programs under their purview. Other donors such as Canada and West Germany are actively developing and implementing programs with organizations working with the small and micro enterprise business community.

C. Conformance with Agency and Bureau Policies: The project is in line, not only with Agency policies of promoting the private sector, but also with new Congressional legislation earmarking an increasing amount of funding to be directed to micro enterprise development.

D. Project Description: The project purpose is to assist in easing or removing the constraints which the micro enterprise business community faces, whether these are in the areas of production, marketing, credit, management, training or policy. The project is a multi phase effort which will be implemented over 4 years, and may include the following illustrative components:

(1) Strengthening Micro Enterprises - to provide discrete technical assistance through organizations which assist micro entrepreneurs in the areas of production, marketing, credit management, training, policy reform and other defined areas which hamper micro enterprise activities.

(2) Credit Delivery to the Micro Enterprise Sector - provide funds to organizations and institutions with the specific purpose of making more funds available for micro entrepreneurs.

An assessment of the micro enterprise informal sector is now underway which will among other things, further define the specific issues and areas of assistance needs which will be incorporated in the PID and Project Paper effort.

The project will also complement the new Export Development and Investment Promotion Project, which envisions a major thrust directed towards the small business sector.

Implementing Agencies: The micro enterprise informal sector assessment now underway, will also help identify potential implementing entities in terms of their effectiveness in delivering assistance, their area(s) of special competence (credit, TA, training, or a combination thereof) and the extent of their outreach, i.e. both rural and urban. Lessons learned from assistance to the micro entrepreneurs under the Hurricane Reconstruction Project will also be instrumental in determining the implementing agency for the project.

It is expected that the implementing agency will be selected from among the few already existing entities such as National Development Foundation of Jamaica, a non government organization, now administering programs which provide access to credit, technical assistance and training to the micro enterprise informal business sector. In addition to its own direct operation, this entity may, in turn, work with and through organizations such as vendor associations and small cooperatives who will provide individual assistance to the micro entrepreneur.

Method of Obligation: A Handbook 13 grant agreement will most likely be the method of obligation.

E. Mission Management: A USDH employee in the Office of Projects and Private Enterprise, Private Enterprise Development will assume responsibility for overall project monitoring.

F. PID and PP Approval: USAID/Jamaica request bureau concurrence with Mission Director delegation of authority to approve the PID and the PP.

G. Potential Issues: None.

H. AID/W TDY Support for Project Development: None needed.

I. Estimated PID Approval: June 1989
Estimated PP Approval: November 1989

NEW PROJECT DESCRIPTION

GOAL: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth

OBJECTIVE: Support Private Sector Led Expansion of the Tourism Industry

PROJECT TITLE: Tourism Support

PROJECT NUMBER: 532-0166

PROJECT FUNDING: (\$000) FY90: \$500 (G) LOP: \$3,000 (G)

FUNCTIONAL ACCOUNT: Private Sector, Environment and Energy (PSEE)

PURPOSE CODE: 800

A. Relationship to A.I.D. Country Strategy/Objectives: Tourism is Jamaica's largest foreign exchange earning industry, and has experienced dynamic growth in recent years. It is overwhelmingly concentrated in the private sector. Growth in tourism will result in increased export earnings, diversified business by product and ownership, and expanded privatization, all of which are strategic objectives of the Private Sector Strategy in the Country Development Strategy Statement.

B. Relationship to Host Country and Other Donors: The government has consistently supported expansion of tourism. The mandate of the newly created Ministry of Tourism is to increase foreign exchange earnings from tourism. Tourism expansion will create new jobs and provide for participation by sub-suppliers to the industry on a broad basis. Other donors have made relatively small contributions to assisting in tourism development through infrastructure development in tourist areas.

C. Conformance with Agency and Bureau Policies: The project has considerable opportunities for private sector involvement and promotion of export earnings. Gray Amendment procurement will be used whenever practical.

D. Project Description: The project purpose is to support tourism expansion with technical assistance, advisors, training, selected pilot projects and a limited amount of related commodities. The project will finance neither construction of infrastructure nor credit programs.

This project will better coordinate the expertise of several Mission offices in private sector development, housing and urban development, education, agriculture, economic planning, etc., to more closely integrate our activities in tourism. Specific activities to be investigated include:

- o Continued support for Tourism Action Plan Limited (TAP) activities to bring together local tourism interests with government agencies, by funding studies of town planning, feasibility studies of water/sewerage facilities, port expansion for tourist ships, etc.

- o Strengthening of locally based community organizations with interest in the tourism sector such as the local chambers of commerce.

- o Training in tourism operations, such as hotel services, food management, marketing, etc., whether through Jamaica educational institutions, company training programs, or participant programs.

- o Technical advisory services for government on policy issues and for groups of similar tourism businesses to improve sales, operations, and services.

- o Analytical studies for evaluating alternative options in expanding tourism foreign exchange earnings, whether related to targetted marketing, types of facilities, local development plans, etc.

The project will concentrate the Mission's activities in the tourism industry under a single umbrella. At present, the Mission is undertaking several discrete activities which support tourism, either directly or indirectly, such as: chef training; small craft vendors' marketplaces; Tourism Action Plan, Ltd. (TAP), a private, non-profit organization which brings together private and government interests to improve infrastructure by funding feasibility studies; and the PARC project, which is an environmental project but also supports tourism development.

Implementing Agencies: The project will work through a variety of Jamaican institutions including TAP, private tourism organizations, and the Ministry of Tourism.

Method of Obligation: It is envisaged that a bilateral grant agreement will be signed with the Government of Jamaica but will provide for separate sub-obligations to other organizations. However, as some of the components will be implemented by private sector organizations, Handbook 13 grants opportunities will be investigated during project design.

E. Mission Management: The project will be coordinated through the Office of Projects and Private Enterprise but appropriate components will be managed by the relevant technical offices.

F. PID and PP Approval: The Mission is requesting that both PID and PP Approval Authority be delegated to the Mission Director.

G. Potential Issues: AID/W is preparing an Agency policy paper on tourism, which will be taken into account during project development. Also, the Mission will draw upon Agency experience in developing other tourism projects in Barbados and Honduras.

H. AID/W TDY Support for Project Development: None contemplated at this time.

I. Estimated PID Approval: Oct. 1989 PP Approval: March 1990.

NEW PROJECT DESCRIPTION

GOAL: Short Term Economic Stabilization

OBJECTIVE: Provision of immediate balance of payments assistance to sustain Jamaica's economic growth.

PROJECT TITLE: Production and Employment X

PROJECT NUMBER: 532-0154

PROJECT FUNDING: (\$000) FY 90: \$27,000 (G) LOP: \$27,000 (G)

FUNCTIONAL ACCOUNT: ESF

PURPOSE CODE: Aa

A. Relationship to A.I.D. Country Strategy/Objectives: The CDSS for Jamaica recognizes the need for continuing grant funded cash transfer in substantial amounts to help sustain both economic growth and provision of increased economic opportunity for all Jamaicans.

B. Relationship to Host Country and Other Donors: Prior to Hurricane Gilbert in September 1988, the GOJ had made significant progress in restoring the economy with its structural adjustment programs. The overall public sector deficit had been reduced from about 15 percent of GDP to 5 1/2 percent. An increase in the deficit occurred in the aftermath of the hurricane and a concerted effort will be required to return to the previous path of falling public sector deficits and spreading opportunity for the private sector. Fortunately, Jamaica has in place a broad base of economic policy reforms that will assist policy makers in reestablishing this path. A comprehensive program of tax reform has reduced personal and corporate income tax rates, which increased incentives for individual initiative and productive investment. A significant privatization program turned over assets to the private sector while stimulating capital markets. A major financial reform was undertaken to increase the mobilization of financial savings and to improve the efficiency of financial intermediation. The exchange rate has become more competitively determined. Trade restrictions have been reduced, and the import substitution regime has been slowly dismantled and is being replaced by a regime of relatively low tariffs. If the GOJ, with strong encouragement from the IMF, World Bank, USAID and other major donors, is to continue with its structural adjustment program and its reduction of the budget deficit, Balance of Payment support from donors will continue to be required.

C. Conformance with Agency and Bureau Policies: A continuing need for grant funding (originally approved for the 1985 cash transfer) is anticipated, given Jamaica's extreme debt burden; policy reforms will continue to support market dictated decisions increasingly with a focus on export promotion and an increasing role for the private sector.

D. Project Description: The purpose of the Production and Employment X Project is to provide immediate balance of payments assistance to support continued economic growth and thereby consolidate and defend the structural adjustments, policy reforms, and stabilization measures undertaken by the GOJ. These ESF resources, in conjunction with continued policy dialogue, are necessary to assist the GOJ in sustaining solid growth. As in the past, the ESF funds will be used to service debt. The GOJ will also deposit an equivalent amount of Jamaican dollars in a special account locally as general budgetary support for use in high priority development sectors by the GOJ. Ongoing policy dialogue will promote further progress in reforming the country's policy framework.

<u>Activities</u>	<u>Output</u>
Policies encouraging exports	X
Continued reduction of the public deficit	X
Increasing role for the private sector	X
Economic Stability	X

Implementing Agency: As with previous Production and Employment projects, this Project will continue to be implemented by the Ministry of Finance and Planning.

Method of Obligation: A bilateral grant agreement in accordance with procedures outlined in Handbook 4.

E. Mission Management: The policy reform agenda and conceptual design will continue to be the responsibility of the Office of Program and Economic Planning. A USDH employee in the Office of Projects and Private Enterprise, Project Development and Support will continue to assume responsibility for overall project monitoring with assistance from an FSN.

F. Concepts Paper and PAAD Approval: The Mission will submit the Concepts Paper and PAAD to AID/W for Bureau approval.

G. Potential Issues: Provision of Balance of Payment support for a period extending from FY1981.

H. AID/W TDY Support for Project Development: USAID/J anticipates the need of TDY support from an Economist in LAC/DP during PAAD development.

I. Estimated Concepts Paper Approval: October 1989
Estimated PAAD Approval: November 1989

NEW PROJECT DESCRIPTION

GOAL: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth

OBJECTIVE: To increase agricultural production by expanding access of potential producers to land while at the same time improving the management of agricultural resources.

PROJECT TITLE: Agricultural Productivity Enhancement

PROJECT NUMBER: 532-0167

PROJECT FUNDING: (\$000) FY 91: \$500 (G) LOP: \$7,000 (G)

FUNCTIONAL ACCOUNT: ARDN

PURPOSE CODE: 000

A. Relationship of Project to A.I.D. Country Strategy: The Mission's current CDSS incorporated the Agricultural Sector Strategy which identified a number of constraints to increasing both production and productivity in the agricultural sector. Two of these constraints are the large amounts of unused and/or under utilized agricultural lands and the inefficient management at both the institutional and farm levels of agricultural resources, especially water. The proposed project will attempt to assist Jamaica to address these constraints in a manner consistent with the focus on increasing productivity of those crops for which there is a comparative advantage and/or guaranteed export markets.

B. Relationship to Host Country and Other Donors: The IDB is helping the GOJ with a project to provide land titles to small farmers, but it is only dealing with a small part of the sector. However, the basic policy issues of increasing both access to unused and underutilized land by potential producers and maximizing the effectiveness of resource management in the agricultural sector are not being addressed. The host country recognizes the necessity to deal with this problem, and the new government has expressed an interest in addressing these issues.

C. Conformance with Agency and Bureau Policies: Increasing access to and improving utilization of such basic agricultural resources as land and water are central to accomplishing the Agency and Bureau objectives regarding equity and increased private sector participation in the economy. Agriculture in Jamaica is for the most part based on privately held lands. Improved land market efficiency coupled to better management of the water resources at both the institutional and farm levels will be of benefit to all of agriculture. However, the majority of the project activities will be impact first on small land holdings, so the primary beneficiaries will be the small farmers, who are AID's identified target group.

D. Project Description:

1. Land Resources Component

In order to fully define the extent of the problem, and to identify the constraints that have the greatest impact on agricultural production, a baseline survey will be conducted which will have the effectiveness of the current land market system as its main focus. The relationship between the land market's effectiveness and the economics of agricultural production will be examined in order to identify those constraints that can be best dealt with under the project. The first output of this component will be a priority list of policy, legal, institutional and technical constraints upon which the GOJ and the Mission can then focus their resources. It is anticipated at this time that these will include new legislation, institutional strengthening, and introduction of new technologies related to land market transactions.

2. Water Resources Component

This component will be comprised of two related activities at two levels. These are: increasing the effectiveness of the National Irrigation Commission (NIC) as the GOJ agency responsible for overall irrigation system management, operation and maintenance; and upgrading the ability of farmers so that they are better able to efficiently use and profit from irrigation at the level of the individual farm. This component will provide short term technical assistance and training, as well as limited commodity and staff support to the NIC in areas such as implementation of the new irrigation price policy, planning for future expansion of the NIC responsibilities as it takes over additional irrigation systems, review and revision as needed of irrigation system operation and maintenance costs, further decentralization of the decision making process and actual management of irrigation resources towards the farm gate level, and provision of services to irrigation system users. The objective of the planned assistance will be to reduce the size of the NIC to a size which is sustainable without donor assistance or substantial GOJ subsidies. At the farm level this project component will provide assistance in the areas of water user group formation, improved irrigation practices, and management of what for many farmers is a new production input. It is expected that this component will be focused initially on two or three Parishes where irrigation systems have been or are about to be taken over by the NIC.

E. Implementing Agencies: For the Land Resources Component, the Ministry of Agriculture and the Commissioner of Lands. For the Water Resources Component, the National Irrigation Commission and one or more producer groups and/or private voluntary organizations such as CARE.

F. Method of Obligation: A bilateral grant agreement in accordance with the procedures outlined in A.I.D. Handbook No. 3.

G. Mission Management: The project will be managed by a USDH employee in the Mission's Agriculture and Rural Development Office.

NEW PROJECT DESCRIPTION

GOAL: Wider sharing of the benefits of growth

OBJECTIVE: Improvement of the Technical/Vocational skills training system

PROJECT TITLE: Technical/Vocational Education

PROJECT NUMBER: 532-0150

PROJECT FUNDING: (\$000) FY 91: \$700 (G) LOP: \$3,500(G)

FUNCTIONAL ACCOUNT: EHRD

PURPOSE CODE: 500

A. Relationship of Project to A.I.D. Country Strategy: AID's strategy in this sector is to improve the educational opportunities at both primary and secondary levels and to assure that the educational establishment is better equipped to meet the skill training needs of Jamaica. Specific support is dictated by activities which will improve the relevance, effectiveness and efficiency of the system. USAID's strategy in the proposed project is to enhance the capacity of the technical/vocational training establishments to meet labor force requirements and to provide more effective avenues of upward mobility for Jamaica's youth. The proposed project conforms with the Human Resource Development Strategy in that it broadens the base of educational and employment opportunity while emphasizing increased efficiency in doing so.

B. Relationship to Host Country and Other Donors: Under the previous government a central organization (Human Employment and Resource Training (H.E.A.R.T.) had overall responsibility for developing a more effective skills training system for Jamaica, by planning, monitoring, evaluating and coordinating skills training activities within two other ministries; i.e., MOE and MYCD. Eventually, H.E.A.R.T. was given operational responsibility for all the nation's non-formal skill training academies. With the change of government in February, 1989, new policy directions have been set down, indicating:

1. responsibility for operating non-formal skill training institutions will be largely removed from H.E.A.R.T. and placed under the directorship of the MOE;
2. the new government wishes to articulate current skill training initiatives with a revised program for community colleges;
3. that teacher training will be largely removed from MYCD and transferred to the MOE/CAST; and
4. greater involvement with the private sector is desired in both determining demand and increasing private sector involvement in the instructional process.

The H.E.A.R.T. Trust has been assisted by the Canadians, Dutch, IBRD and USAID through the Basic Skills Training Project. Other donors are currently awaiting the policy decisions of the new government. Some ideas of donor commitments should be forthcoming from the up-coming donors meeting which, we understand, will look at all education to include skill training.

C. Conformance with Agency and Bureau Policies: The proposed poroject is in conformancy with AID policies by providing grant assistance encouraging the public sector to seek greater cost efficiencies in education and work more closely, and better utilize private sector entities in the area of skills training.

D. Project Purpose: The purpose of the project is to increase the capacity of skill training institutions to more effectively and efficiently meet the skilled labor force requirements of the private and public sectors. Two components are envisaged:

- a. assistance to the formal and non-formal training systems to increase their relevance and efficiency. This will emphasize local teacher training and the provision of limited amounts of equipment and instructional materials; and
- b. Developing staff, procedures and facilities within the MOE so that it can design and assist selected private sector firms to improve in-plant training.

Implementing Agency: The Ministry of Education will be the agency to coordinate and implement the project.

Method of Obligation: A bilateral grant agreement in accordance with procedures outlined in Handbook 3.

E. Mission Management: A USDH and a FSN in the EHRD Office will assume overall responsibility for project monitoring. They will also be responsible for supervising T.A.

NEW PROJECT DESCRIPTION

GOAL: Basic Structural Reforms Leading to Rapid and Sustained Economic Growth

OBJECTIVE: Private Sector Led Job Creation and Restoration

PROJECT TITLE: Inner Kingston Development-Phase II

PROJECT NUMBER: 532-0151

PROJECT FUNDING : (\$000) FY 91: \$1,000(G) LOP \$5,000(G)

FUNCTIONAL ACCOUNT: PSEE

PURPOSE CODE: 800

A. Relationship of Project to A.I.D. Country Strategy: AID is giving increasing attention to urban areas and to income generation as a prerequisite for addressing housing and urban needs. The Inner Kingston Development Project promotes urban economic development and job generation. AID's CDSS for Jamaica emphasizes creating jobs through expanding exports and promoting business growth and through increased privatization to foster efficiency and productivity.

B. Relationship to Host Country and Other Donors: Inner Kingston Project activity during the first phase was planned in coordination with GOJ efforts in the area and was also carefully designed to achieve political balance. While the new government has not yet enunciated its policies, there is every reason to expect that a continuation of Inner Kingston Project themes will win its endorsement and support. From the outset, the Inner Kingston Project was planned to complement other donors' focus on urban infrastructure improvements, such as the \$31 million West Kingston Markets Project being supported by the Interamerican Development Bank and implemented by the Urban Development Corporation (UDC).

C. Conformance with Agency and Bureau Policies: The second phase of the project would work solely through KRC and the private sector. Its major aims would include reinvigoration of the real estate and investment market downtown and acceleration of the divestiture of vacant and underutilized public properties and lands in the area for private development.

D. Project Description: The FY90 evaluation of the Inner Kingston Project recommended an expansion of the scale of the project and a recognition that such a project requires a minimum of five to ten years to complete. It also suggested that a follow on project be considered and that the specific design for that project be based on a new strategic plan which takes into account more complete analysis of changing market circumstances and opportunities. By the end of the phase II project it is anticipated that large parts of downtown would be physically rehabilitated, business and commerce would have grown substantially increasing the number of jobs downtown and that an active and healthy

real estate market would exist. As a result of these activities, rates of return on real estate developments would approach market rates of return. The applicability of the KRC model to other cities in Jamaica would have been ascertained. Specifically, the five year project would include:

(i) Industrial Development. KRC was able to successfully rehabilitate vacant and deteriorated structures for industrial use and lease them at market rents and higher rents than had been anticipated originally. This activity would continue with the emphasis on inducing private companies and developers to develop their own industrial projects

(ii) Commercial Development. No commercial projects have been developed as yet by KRC. In phase II strategic commercial properties would be rehabilitated by KRC and private developers.

(iii) Bringing Underutilized Public Space into Private Use. Special efforts would be made in phase II to expedite bringing more of the substantial vacant and underutilized space owned by public entities in Inner Kingston into active private use.

(iv) Expansion of Public Office Activity Downtown. In phase II KRC expects to act as a catalyst to facilitate rehabilitation of underutilized publicly owned space for public offices.

(v) Community Development and Restoration Grants. Both of these components have operated well, have been critical to the success of KRC's overall program in phase I, and will be continued in phase II.

(vi) Street Improvements. A street improvement program for Inner Kingston's main shopping street (King Street) is being initiated by KRC in 1989; in phase II could be extended to cover other key streets.

Implementing Agencies: The project will be implemented by Kingston Restoration Company.

Method of Obligation: A Cooperative Agreement with KRC

E. Mission Management. Overall management responsibility for phase II will lie with the Regional Housing and Urban Development Office for the Caribbean and a USAID/Jamaica project committee will provide policy guidance.

NEW PROJECT DESCRIPTION

GOAL: Short Term Economic Stabilization

OBJECTIVE: Provision of immediate balance of payments assistance to sustain Jamaica's economic growth.

PROJECT TITLE: Production and Employment XI

PROJECT NUMBER: 532-0164

PROJECT FUNDING: (\$000) FY 91: \$27,000 (G) LOP: \$27,000 (G)

FUNCTIONAL ACCOUNT: ESF

PURPOSE CODE: Aa

A. Relationship to A.I.D. Country Strategy/Objectives: The CDSS for Jamaica recognizes the need for continuing grant funded cash transfer in substantial amounts to help sustain both economic growth and provision of increased economic opportunity for all Jamaicans.

B. Relationship to Host Country and Other Donors: Continued heavy debt service burden and extent of policy reforms inherent in moving from a public sector dominated, import-substitution based economy, to one driven by private sector decisions and an emphasis on exporting will require support from U.S. and other donors/lenders for an extended period. Multinational lenders and other donors are continuing to support Jamaica on the basis of their assessment that Jamaica will grow - albeit slowly - out of its dependence on large scale foreign assistance. U.S. balance of payment assistance on a grant basis, together with highly concessional Pl 480 loans, are required to sustain the economic environment that fosters this growth.

C. Conformance with Agency and Bureau Policies: A continuing need for grant funding is anticipated, given Jamaica's extreme debt burden. Policy reforms are expected to reinforce a sound fiscal and monetary policy base, with emphasis on a stable economic environment strongly conducive to exports and supportive of increased economic participation by a wide spectrum of the population.

D. Project Description: The purpose of the Production and Employment XI Project is to provide immediate balance of payments assistance to support continued economic growth and thereby consolidate and defend the structural adjustments, policy reforms, and stabilization measures undertaken by the GOJ. These ESF resources, in conjunction with continued policy dialogue, are necessary to assist the GOJ in sustaining solid growth. As in the past, the ESF funds will be used to service debt. The GOJ will also deposit an equivalent amount of Jamaican dollars in a special account locally as general budgetary support for use in high priority development sectors by the GOJ. Ongoing policy dialogue will promote further progress in reforming the country's policy framework.

<u>Activities</u>	<u>Output</u>
Reduce public role in foreign exchange allocation	X
Removal of other export constraints	X
Economic Stability	X

Implementing Agency: As with previous Production and Employment projects, this Project will continue to be implemented by the Ministry of Finance and Planning.

Method of Obligation: A bilateral grant agreement in accordance with procedures outlined in Handbook 4.

E. Mission Management: The policy reform agenda and conceptual design will continue to be the responsibility of the Office of Program and Economic Planning. A USDH employee in the Office of Projects and Private Enterprise, Project Development and Support will continue to assume responsibility for overall project monitoring with assistance from an FSN.

II. C. 2. Food Aid

Food aid remains the largest single resource available to USAID to accomplish action plan objectives. The PL 480 resources contribute to a number of USAID objectives in addition to increase agricultural production and strengthening the private sector. With a new government in Jamaica which will undoubtedly place emphasis on different policies from the previous government, the food aid programs offer the potential for quick response. Therefore, we can anticipate a broadened role for food aid in the FY 1990-91 Action Plan period. In the Action Plan period, food aid for Jamaica will consist of a large Title I program, continued significant support for the Jamaican Agricultural Development Foundation (JADF) through Title II, the possibility of continued school feeding and public health support through Title II, as well as other initiatives under development.

The single largest food aid program in Jamaica is the Title I program. For the FY 1987-89 period the program has had two distinct aspects with 75% of it on credit terms and 25% on Section 108 cash payment terms. The larger portion achieves developmental impact primarily through the policy dialogue process on self-help measures. In addition, this part of the program generates GOJ owned local currencies which are programmed on a sectoral basis in support of the GOJ's development budget. The 25% of the program on local currency payment terms generates USG owned Jamaican dollars which are primarily restricted to use for onlending to private borrowers. In FY 1989, the Jamaica Section 108 program will implement an auction to determine the highest interest rates available to the program on the market and at the same time allocate loans to the high bidders. This auction methodology is an exciting initiative which may pave the way for new forms of private sector programming in the financial sector. Also, as the GOJ's new government has a history of not adequately supporting the private sector when previously in power, maintaining Section 108 as a significant program alternative may become increasingly important. The importance of this alternative will depend on which way the new GOJ moves on agricultural investment policy in the future.

Another very significant private sector lending program in agriculture is the Title II supported Jamaica Agricultural Development Foundation (JADF) program. This activity was originally funded through donations of cheese and butter, but as dairy products market in Jamaica developed slowly and surpluses disappeared in the US, a change in commodities had to be made. For FY 1989, US \$3.6 million in corn has been committed to the program, and the Food Aid Subcommittee of the DCC has agreed to provide a total of US \$9.0 million in bulk grain commodities to JADF over the next two to three years with a minimum of US \$3.6 million in the action plan years of FY 1990 and FY 1991. With the fulfillment of this commitment, JADF will be adequately capitalized to perform a critical role in the agricultural lending. The continued implementation of this Title II monetization program will be of major importance in the Action Plan period.

While both the Section 108 and the JADF Title II programs are strong private sector initiatives which may require reemphasis under the new GOJ government, there are other food aid programs which the new government may be anxious to work with as a demonstration of its willingness to support needy people. The continuation of school feeding and public health feeding programs under Title II in FY 1989 as part of the post Hurricane Gilbert response has established a mechanism for this kind of programming. Providing additional resources through these programs in the Action Plan period may be an important way of working with the new GOJ on common goals.

A food grant college proposal has been developed to support the Jamaica College of Agriculture on a long term basis. This initiative integrates development assistance and PL 480 resources in a meaningful manner. It helps meet Jamaica's food import requirements while turning the food resources into capital to fund higher education in agriculture. The Action Plan period may be an appropriate time to implement this initiative.

- (a) The relationship of food aid to the overall country strategy is detailed in both the approved CDSS and the Mission's Agricultural Sector Strategy. As mentioned above, food aid is a resource which impacts on several key action plan objectives. These basic planning documents do not change with the new GOJ administration in place.
- (b) All aspects of the Jamaica food situation were reviewed in the "Food Deficit Assessment Analysis for Jamaica" dated April 1988 and prepared by Steve Pollard of California State University. With a strategy of self-reliance, Jamaica meets a major portion of low cost staple needs through commercial or food aid imports. In FY 1989 the financing requirement for food imports was aggravated by both the destruction of domestic staples by Hurricane Gilbert, and the higher cost of imported commodities which resulted from the drought in the US. We hope to return to a period of less demand and lower cost commodities in FY 1990-91.
- (c) The proposed food assistance levels are:
 - Title I - \$30 to \$40 million each year consisting of wheat, corn, rice, and wood products.
 - Title II JADF - \$3.6 million each year of bulk grains.
 - Title II/Section 416 Food Grant Proposal - \$3 million of bulk grains.
 - Title II school feeding/public health - no specific proposal prepared.

- (d) Potential disincentive effects have been thoroughly analyzed by Donald G. McClelland in "Jamaica Food Aid Disincentives Study" and by S.R. Pollard in "The Role of PL 480 in Jamaican Food and Agricultural Policy" and the conclusion is that Jamaica does not have a comparative advantage in the production of low cost grains. With commercial imports in the long run and food aid assistance in the short run as the appropriate strategy; Jamaica does not have a disincentive problem. The drought in the US has caused an unusual, short term upward price movement in imported commodities which does not call for long term consumer price adjustments in Jamaica assuming trends will move back to normal with future crops.
- (e) Current host-country food policies and key reforms sought in association with food aid. A study to review relative costs and returns from subsidized food commodities versus targeted food aid programs required both by a Title I self-help measure and by the World Bank is in process. Findings from this effort may result in recommendations for food aid policy reform, although at this time is premature to speculate on what changes may be necessary. At the same time, the new GOJ may wish to reconsider some of these programs.
- (f) The details of the Title II/Section 416 proposals mentioned above have been or will be presented in detailed separate submissions.
- (g) Although we are not proposing it today, a US PVO, the Nature Conservancy, has expressed an interest in developing a Title II monetization project to support preservation of biological diversity. This project would be integrated with the development assistance funded, Protected Areas Conservation Project which will be initiated this fiscal year. If the DCC is receptive to the concept, the Mission is prepared to work with The Nature Conservancy to further develop this idea.
- (h) Mission management arrangements for food assistance may evolve somewhat during the Action Plan period. Food assistance management is already fully integrated in the agriculture office with the ADO, deputy ADO, contract staffer, an FSN, and others sharing responsibilities. In addition, the private sector office manages several Section 108 local currency financed lending activities. A new Food Aid Monitoring and Support project will be on line to strengthen this structure by providing a means for contract project management and support.

II. C. 3. Local Currency Narrative

ESF - The local currency made available for joint programming under ESF Agreements is used to assist the GOJ in meeting its fiscal objectives. This budget support for the GOJ is provided in support of the capital development portion of the annual Estimates of Expenditure that is not being financed by other sources, i.e., USAID or other external donor contribution to a project or local currency made available through the PL 480 or other donor programs. Although the ESF local currency is programmed as general budgetary support, the MOF ESF expenditure report has been formatted in such a way that enables the Mission to allocate the expenditures by objective for the purpose of the Action Plan.

PL 480 Title I The GOJ has found it difficult in the past to utilize all the funds derived from the PL 480 Title I Program in any one year, therefore, based on new Washington guidance the Mission took the decision that sectorial programming designed to use overprogramming for approved subsectors would be put in place. By so doing, more funds are allocated to each sector or subsector above the total of authorized activities and in excess of available resources.

The first step in this process is working down the backlog of generations accumulated under the previous project based disbursement model. This backlog is still being handled so that more funds for budgetary support are programmed for FY 1988 and 1989, as is seen in the PL 480 Local Currency Tables for these two years than for subsequent years. It is anticipated the PL 480 local currency programming will reflect expected levels, approximately \$30 million, in FY 1990 and FY 1991.

The Lotus 123 spreadsheet based monitoring system instituted by USAID to keep track of the sectoral local currency disbursements is beginning to show practical management results. It not only gives clear and current readouts on sectoral performance and shows weakness, moving up the pace of overall disbursements, but more specifically inadequate disbursement for agriculture. Local currency disbursements may, therefore, be an appropriate subject for self-help measure attention in the FY 1990 Title I program.

Title I - Section 108 The Section 108 program which uses USG owned local currencies for a private enterprise lending program is entering an interesting phase at this time. With the implementation of an auction mechanism to determine market interest rates and allocate resources, the program will fully and aggressively implement the full cost market drive aspects to the program guidance. If the auction is a successful as we expect, we will have developed a very interesting way for implementing private enterprise programming. For now we anticipate keeping Section 108 at twenty five percent of Title I allocations.

Title II - JADF The JADF program will continue through the action plan period at a level of US 3.6 million per year. This will help to bring the program to its planned level of capitalization in about three years. JADF as an institution is gaining strength and influence in agricultural development quickly as the mix of development assistance funding and Title II resources are channeled to it become significant. With a hurricane response lending program with development assistance funding combined with Title II capitalization, the lending program is going to really make a difference in the critical post hurricane reconstruction period. At the same time, the development assistance funded research project run by JADF is moving into larger scale implementation.

Title II - Food Grant College Our proposal to use PL 480 grant resources for a monetization project to fund higher education in agriculture has been forwarded to Washington.

FY 1988
LOCAL CURRENCY UTILIZATION
(\$ 000)

A. USES								Assumptions
	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL	(1) FY88 ESF local currency expenditures were drawn from residuals in accounts for P&E VI and VII.
HG BUDGET GENERAL	23,663	--	--	--	--	--	23,663	
HG BUDGET SECTOR	--	37,831	--	--	--	--	37,831	
HG CONTRIBUTION TO AID PROJECTS	--	--	--	--	--	--	--	
HG CONTRIBUTION TO OTHER DONOR	--	--	--	--	--	--	--	
HG MANAGED L/C PROJ. GOVT. OR PRIVATE	--	--	--	--	--	--	--	
AID PROG TRUST FUND	--	--	--	--	--	--	--	
AID OE TRUST FUND	1,832	--	--	--	--	--	1,832	
UNDP TRUST FUND	1,154	--	--	--	--	--	1,154	
SECTION 108	--	7,400	--	--	--	--	7,400	
OTHER (Monetized PL 480 Title II with JADF)	--	--	1,800	--	--	--	1,800	
TOTAL	26,648	45,230	1,800	--	--	--	73,680	
B. CHANNEL FOR ASSISTANCE *	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL	
PUBLIC SECTOR	26,648	37,830	--	--	--	--	64,478	
PRIVATE SECTOR	--	7,400	1,800	--	--	--	9,200	
TOTAL	26,648	45,230	1,800	--	--	--	73,680	

* Determined by organization primarily responsible for managing the local currency.

FY 1991
LOCAL CURRENCY UTILIZATION
(\$ 000)

A. USES								Assumptions
	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL	(1) FY91 ESF will be \$27.0 million
HG BUDGET GENERAL	21,872	--	--	--	--	--	21,872	
HG BUDGET SECTOR	--	22,500	--	--	--	--	22,500	(2) FY 91 PL 480 Title II Budget is available per State Cable 044414 (89)
HG CONTRIBUTION TO AID PROJECTS	--	--	--	--	--	--	--	
HG CONTRIBUTION TO OTHER DONOR	--	--	--	--	--	--	--	(3) Title I is estimated to be \$30M with 25% going to Section 108.
HG MANAGED L/C PROJ. GOVT. OR PRIVATE	--	--	--	--	--	--	--	
AID PROG TRUST FUND	--	--	--	--	--	--	--	
AID OE TRUST FUND	3,663	--	--	--	--	--	3,663	
UNDP TRUST FUND	1,465	--	--	--	--	--	1,465	
SECTION 108	--	7,500	--	--	--	--	7,500	
OTHER Monetizing PL 480 Title II with JADF	--	--	3,600	--	--	--	3,600	
TOTAL	27,000	30,000	3,600	--	--	--	60,600	

B. CHANNEL FOR ASSISTANCE *	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL
PUBLIC SECTOR	27,000	22,500	--	--	--	--	49,500
PRIVATE SECTOR	--	7,500	3,600	--	--	--	11,500
TOTAL	27,000	30,000	3,600	--	--	--	60,600

* Determined by organization primarily responsible for managing the local currency.

FY 1990
LOCAL CURRENCY UTILIZATION
(\$ 000)

A. USES								Assumptions
	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL	(1) FY90 ESF will be \$27.0 million
HG BUDGET GENERAL	21,872	--	--	--	--	--	21,872	
HG BUDGET SECTOR	--	22,500	--	--	--	--	22,500	(2) FY90 PL 480 Title II Budget is available per State Cable 044414 (89)
HG CONTRIBUTION TO AID PROJECTS	--	--	--	--	--	--	--	
HG CONTRIBUTION TO OTHER DONOR	--	--	--	--	--	--	--	
HG MANAGED L/C PROJ. GOVT. OR PRIVATE	--	--	--	--	--	--	--	(3) Title I is estimated to be \$30M with 25% going to Section 108
AID PROG TRUST FUND	--	--	--	--	--	--	--	
AID OE TRUST FUND	3,663	--	--	--	--	--	3,663	
UNDP TRUST FUND	1,465	--	--	--	--	--	1,465	
SECTION 108	--	7,500	--	--	--	--	7,500	
OTHER (Monetized PL 480 Title II with JADF)	--	--	3,600	--	--	--	3,600	
TOTAL	27,000	30,000	3,600	--	--	--	60,600	
B. CHANNEL FOR ASSISTANCE *	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL	
PUBLIC SECTOR	27,000	22,500	--	--	--	--	49,500	
PRIVATE SECTOR	--	7,500	3,600	--	--	--	11,100	
TOTAL	27,000	30,000	3,600	--	--	--	60,600	

* Determined by organization primarily responsible for managing the local currency.

FY 1989
LOCAL CURRENCY UTILIZATION
(\$ 000)

A. USES								Assumptions
	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL	(1) FY89 ESF will be \$24.2 million
HG BUDGET GENERAL	24,781	--	--	--	--	--	24,781	(2) Interest that should have accrued on P&E Vs, VI, and VII amounting to approximately US\$4.8 million will be made available for joint programming
HG BUDGET SECTOR	--	68,275	--	--	--	--	68,275	
HG CONTRIBUTION TO AID PROJECTS	--	--	--	--	--	--	--	
HG CONTRIBUTION TO OTHER DONOR	--	--	--	--	--	--	--	
HG MANAGED L/C PROJ. GOVT. OR PRIVATE	--	--	--	--	--	--	--	
AID PROG TRUST FUND	--	--	--	--	--	--	--	
AID OE TRUST FUND	2,747	--	--	--	--	--	2,747	
UNDP TRUST FUND	1,465	--	--	--	--	--	1,465	
SECTION 108	--	7,500	--	--	--	--	7,500	
OTHER (JADF Monetized PL 480 Title II)	--	--	3,600	--	--	--	3,600	
TOTAL	28,993	76,225	3,600	--	--	--	108,818	
B. CHANNEL FOR ASSISTANCE *	ESF	PL-480 I	PL-480 II	PL-480 III	SEC. 416	OTHER	TOTAL	
PUBLIC SECTOR	28,993	68,725	--	--	--	--	97,718	
PRIVATE SECTOR	--	7,500	3,600	--	--	--	11,100	
TOTAL	28,993	76,225	3,600	--	--	--	108,818	

* Determined by organization primarily responsible for managing the local currency.

II. C. 4. Women in Development

Women represent approximately 46% of the labor force and just over 51% of the population aged 14 years and over. Of the employed labor force, women represent some 41%. What is most telling is that women represent 65% of the unemployed labor force. Although gains have been made in decreasing unemployment in Jamaica in recent years (the rate of unemployment stood at 25% in April 1986 and 18.4% in April 1988) unemployment among women remains twice as high as men. Only in the manufacturing sector have women made substantial gains in employment, whereas men have benefitted from growth in construction and commerce, as well as manufacturing. Of the unemployed labor force, 85% are classified as having no training. This percentage is roughly the same for both men and women. However, as women represent a much higher percentage of the unemployed, the lack of training among them is more glaring.

The status of women in the Jamaican economy appears to differ between the "modern" sector and the "traditional" sector. Among the segment of the labor force classified as professional by the Statistical Institute of Jamaica, 56% are women (April 1988 data). This group accounts for approximately 10% of the female employed labor force, in contrast to a 5% professional share of the male employed labor force.

A survey of small businesses related to the development of the Mission's FY 89 Export Development and Investment Promotion project revealed that women are better represented in terms of ownership of these businesses than their level of participation in the labor force would indicate. Women represented 47% of owners in the sample surveyed; they represented 50% of owners of small businesses in rural areas.. However, surveyors attribute this representation to three factors: 1) the law requires that at least two people be listed as owners of a limited liability company, so wives may join with husbands as principals even though they have no active role in the business; 2) in rural areas, more men than women are involved directly in agriculture production; and 3) among non-agriculture small businesses, female ownership is predominate where the skills involved have traditionally been dominated by women, e.g. garments, handicrafts, and personal care services.

The 1987 Young Adult Reproductive Health Survey confirm the observation that sexual activity begins at an early age in Jamaica. Fifteen percent of the females had their first intercourse by age 14; by age 18, the percentage rises to 76.5%. The survey also found that 61% of the sexually experienced females reported having been pregnant. Nearly one-third had had a pregnancy by age 15-17, increasing to 50% by age 18-19 years.

Accomplishments since the FY 89/90 Action Plan

USAID has made substantial progress in incorporating gender issues in the current program. Some specific accomplishments are:

Objective #3: Stabilize financial structures

- Of the 40 revenue agents trained thus far under the Board of Revenue Assistance project, 25 are female. Of the 39 agents currently in training, 22 are female.

Objective #13: Disaster relief and reconstruction

- 30% of the loans made by the National Development Foundation under the Emergency Rehabilitation project went to women-owned small and microenterprises.

Objective #1: Increase agricultural production

- A survey associated with the FY 88 evaluation of the Agricultural Education project revealed that 18% of Jamaica's College of Agriculture graduates from 1985-87 are women. In 1988, 21% of the graduating class were women, and in 1989, this percentage is expected to increase to 33%.

- Under the same project, two of the four participants studying in the US for MSc degrees are women; three of the 13 undergraduate students in agriculture programs at UWI's Cave Hill campus are women.

Objective #2: Strengthen the Private Sector

- Evaluation of the Inner Kingston project revealed that 800 permanent jobs have been created thus far in the project area; an estimated 80% of these jobs are held by women.

Objective #8: Increase access to voluntary family planning services

- The recently completed Young Adult Reproductive Health Survey, funded through USAID's Population and Family Planning Services project confirmed a declining trend in the fertility of young women: between 1975-76 to 1987 the age specific fertility rate for 15-19 year olds declined from 137 per 1,000 to 113 per 1,000 females, and for the 20-24 year olds from 234 per 1,000 females to 163 per 1,000 females.

- In 1988, there were 55,000 new female family planning acceptors and 11,000 new female acceptors under the age of 20 in AID-supported programs.

Objective #9: Improve health and child survival

Under the AIDS/STD Prevention and Control project, the baseline survey of AIDS and sexually transmitted diseases in Jamaica revealed that new media messages should be targeted particularly at women. The themes should be that AIDS risks are related to behavior and that there is need to control and protect oneself in the event that one's partner is known to be unfaithful; women are likely to be at risk due to unfaithful partners but are not taking action to reduce their risks.

Objective #11: Improve educational opportunities:

- In 1988, 13,000 women were enrolled in AID-supported skills training programs.

Objective #12: Strengthen Democratic Institutions

- Under the PTIIC project, women participants represented 57% of FY 88 new starts.

- Under the Caribbean Justice Improvement project, half of the judges slated for overseas training in 1989 are women.

Gender-disaggregated data and training

In line with current legislation and Agency policy, USAID Jamaica is incorporating the collection and analysis of gender disaggregated data in program and project documentation. For example, project development of the new Health Sector Initiative project includes gender-disaggregated data on use of private and public sector health facilities. Evaluation of the Crop Diversification/Irrigation project is resulting in a survey of the project area which will provide new gender-disaggregated data on agriculture in the St. Catherine plains. Background analyses associated with development of the Human Resource Strategy provide a wealth of data on employment issues. The Mission is also in the initial stages of planning a portfolio review or analysis to be undertaken this fiscal year to focus on rural women. It is expected that this review will draw upon resources available through PPC/WID.

Two Mission USDH staff attended the Regional Gender Issues in Development Workshop in Antigua, Guatemala in November 1988, and information from PPC/WID on the gender issues framework has been widely distributed within the Mission for use in the design and development of projects and programs.

III. A. MANAGEMENT STRATEGY

The increase in USAID/Jamaica program levels in late FY 88 and in FY 89 because of Hurricane Gilbert resulted in several changes in the Mission's management strategy as described in last year's Action Plan. The \$25 million Emergency Rehabilitation project and the \$30 million Hurricane Reconstruction project increased pipeline and Mission management units. Implementation of hurricane disaster relief requires a temporary increase in staff and resultant support costs over the FY 89-91 Action Plan period. The staff increase consists of short term PSC contractors whose services will not be required beyond mid CY 1990. Given the nature of disaster assistance and its relatively short time frame, the Mission's increased management responsibility is not expected to last beyond FY 1990.

The Mission minimized OE costs associated with managing the U.S. hurricane relief efforts. Project design of the two disaster relief projects was carried out in-house by USAID with assistance from RHUDO and LAC Bureau TDY staff. USAID funded the services of two chartered accounting firms for monitoring/tracking and concurrent non-federal audits, and an engineer to assist in implementing the large power components under the projects. The overall management coordination function for the hurricane relief projects resides with the Project Development and Support Division of the Office of Projects and Private Enterprise; day-to-day implementation responsibility of specific sub-projects rests with the relevant technical offices.

Although USAID sustained relatively little physical damage from Hurricane Gilbert, the hurricane disrupted Mission operations in several ways. Power and communication cuts adversely affected the operations of GOJ implementing agencies and grantees, creating logistical difficulties for these organizations. The extensive damage caused by the hurricane created new priorities for GOJ ministries and private sector organizations. As a consequence, implementation of on-going programs slowed and/or shifted direction for a short period of time, permitting USAID staff to focus on design and implementation of the first hurricane relief project. The recent general elections and change of government also contributed to a slowdown in on-going program implementation and again permitting sufficient time to focus on the design and start-up of the second relief project.

In July 1988, USAID conducted an indepth study of staffing requirments in order to determine the level and composition of USDH staff needed over a three year period. The study determined that the overall level of 21 USDHs meets USAID's requirements. However, in order to address gaps in program planning and monitoring, and better ensure compliance with Agency policies, procedures and regulations, the Mission eliminated the positions of Engineer and Health Officer, replacing these with a Legal Advisor and Assistant Program Officer. The new positions have been established and will be filled before the end of FY 1989.

The contracting services provided by the two chartered accounting firms under the two hurricane projects have provided additional benefits to the Mission. In carrying out their work, the firms have conducted management reviews of over 50% of the entities implementing the non-hurricane program. These reviews are the ongoing requirements of payment verification policies and internal control assessment. Another benefit is that reporting and financial systems established under the hurricane programs have resulted in project management and tracking improvements which are being applied to the Mission's regular program.

In order to closely monitor OE support costs and efficiency, the Mission initiated a second review of the contracted GSO operations in January, 1989. This review compared present operations with that previously provided under the JAO system. Findings reveal that the quality of service has improved markedly under the new system with a decrease in operating costs.

USAID Jamaica continues to emphasize short term training for assigned emplyees, both USDH and FSN. The FY 89 training plan approved by the Director schedules Project Implementation Course training for 2 USDHs and 4 FSNs; Management Skills Course training for 5 USDHs; and specialized training for an additional 4 USDHs. USAID Jamaica hosted the Communication and Records Management Workshop February 28 - March 3, 1989; 11 FSN employees participated in this workshop. The Mission's focus on data processing training and development of new software packages has made a substantial contribution to the enhancement of USAID's communication, document processing, project monitoring and economic analysis processes.

Another improvement in the area of information management was the creation of a computerized library system within the Mission. USAID hired a part-time professional librarian to set up this system and assist USAID staff in locating and securing information resources available locally. This system will also be an asset in increased and better utilization of information sources currently on-hand.

The Mission continues to address the Trust Fund issue to decrease its dependency on regular OE fund. USAID built up an adequate reserve in prior years to offset the elimination of the ESF program during FY 88. An additional J\$5 million was agreed to by the GOJ during a reprogramming exercise of unutilized prior year funds. This amount will be sufficient to fund local costs incurred until FY 89 funds become available on April 1, 1989. The Mission will request J\$20 million payable to USAID in four equal quarterly installments starting April 1, 1989.

The Mission is correcting deficiencies identified in the internal control assessment conducted in early FY 1989. Deficiencies were noted in the areas of host country contracting, follow-up of participant trainees, and procurement and control of non-expendable property. To address these weaknesses, the Mission is setting up an IQC-type contract with a local accounting firm to conduct a series of financial reviews, refining its participant follow-up system, and utilizing a computerized tracking system for non-expendable property.

III. B. STAFFING

USAID/Jamaica
DATE: March 20, 1989

MISSION HUMAN RESOURCE TABLE
ALLOCATION OF WORKYEARS TO ACTIVITIES
FY 1988

ACTIVITY	USDH		FNDH		US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		MAN PWR COST		TOTALS		GRAND TOTAL	NO. OF ACTIVE PROJ.	
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG			
MISSION MANAGEMENT																			
EXEC DIRECTION	2.0															2.0	2.0		
PROG PLANNING	4.0		1.2				.8									6.0	6.0		
PARTICIPANT TRAINING	.8		.8				1.4									3.0	3.0		2
FINANCIAL MGT	2.0		3.6		.5		4.9									11.0	11.0		
ADMINISTRATIVE MGT	.8		.4				3.4									4.6	4.6		
CONTRACT MGT	.5						1.3									1.8	1.8		
CLERICAL SUPPORT			2.0		1.6		20.3									23.9	23.9		
OFFICE OPERATIONS																			
SUPPORT			1.3		2.9		8.2						12.0			24.4	24.4		
RESIDENTIAL OPS SUPPT													18.4			18.4	18.4		
LEGAL ANALYSIS																			
ECONOMIC ANALYSIS	2.0															2.0	2.0		
AUDIT																			
INVESTIGATIONS																			
SUB-TOTAL	12.1		9.3		5.0		40.3							30.4		97.1	97.1		2
PROG/PROJ. MGT																			
-ESF COMMODITY																			
IMPORT PROG																			
-ESF - PROJECTS	1.8				1.0		1.0									2.8	1.0	3.8	2
-ESF- NON-PROJECTS	.1															.1	.1		
-AG/RD/NUTRITION	3.3		.9		1.5		1.4				1.0					5.6	2.5	8.1	8
-POPULATION	.2		.8													1.0	1.0		2
-AIDS	.2															.2	.2		1
-HEALTH	.3						.4									.7	.7		1
-CHILD SURVIVAL			.2													.2	.2		
EDUC & HUMAN RESOURCES	.9		1.9		.5		1.4									4.2	.5	4.7	5
PVTSCTR/ENERGY/ENVRMNT	1.0				.3											1.0	.3	1.3	3

ACTIVITY	USDH		FNDH		US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		WAS PWR COST		TOTALS		GRAND TOTAL	NO. OF ACTIVE PROJ.	
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG			
SUB-SAHARAN AF DEV ASST																			
SO AF DEV ASST																			
SAHEL DEV. PROG.																			
PVT SECT DEV LOAN FUND																			
ASHA																			
HOUSING-GUARANTEE	1.4			.8											1.4	.8	2.2		1
HOUSING-NON-GUARANTEE	.4			.5	.5										.9	.5	1.4		
PL - 480 TITLE II	.3	.3		.3											.6	.3	.9		
PL 480 ALL OTHER	.4	.2		.5											.6	.5	1.1		
DISASTER ASST	.3	.2		.1	.1										.6	.1	.7		2
CENTRALLY-FUNDED PROJS.	.6	.1				1.0									.7	1.0	1.7		
REGIONALLY-FUNDED PROJS	.6														.6		.6		1
OTHER				1.5												1.5	1.5		7
SUB-TOTAL	11.8	4.6		7.0	4.8	1.0				1.0					21.2	9.0	30.2		33
TOTAL	23.9	13.9	5.0	7.0	45.1	1.0				1.0	30.4				118.3	9.0	127.3		35

USAID/Jamaica
DATE: March 20, 1989

MISSION HUMAN RESOURCE TABLE
ALLOCATION OF WORKYEARS TO ACTIVITIES
FY 1989

ACTIVITY	USDH		FNDH		US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		MAN PWR COST		TOTALS		GRAND TOTAL	NO. OF ACTIVE PROJ.	
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG			
MISSION MANAGEMENT																			
EXEC DIRECTION	1.0															1.0	1.0		
PROG PLANNING	2.1	1.2				.8										4.1	4.1		
PARTICIPANT TRAINING	.6	.8				1.4										2.8	2.8	2	
FINANCIAL MGT	2.0	3.7	0.7			5.5										11.9	11.9		
ADMINISTRATIVE MGT	.6	.4	0.5			3.4										4.9	4.9		
CONTRACT MGT	.5					1.5										2.0	2.0		
CLERICAL SUPPORT		2.0	2.0			19.3										23.3	23.3		
OFFICE OPERATIONS SUPPORT		2.3	2.3			8.8							12.0			25.4	25.4		
RESIDENTIAL OPS SUPPT													18.4			18.4	18.4		
LEGAL ANALYSIS	.3															.3	.3		
ECONOMIC ANALYSIS	1.5															1.5	1.5		
AUDIT INVESTIGATIONS																			

SUB-TOTAL	8.6	10.4	5.5			40.7								30.4		95.6	95.6	2	
PROG/PROJ. MGT																			
-ESF COMMODITY IMPORT PROG																			
-ESF - PROJECTS	1.8			1.0	1.0											2.8	1.0	3.8	2
-ESF- NON-PROJECTS	.1															.1	.1		
-AG/RD/NUTRITION	3.3	.9		1.5	1.4				1.0							5.6	2.5	8.1	8
-POPULATION	.2	.8														1.0	1.0	2	
-AIDS	.2															.2	.2	1	
-HEALTH	.3				.4											.7	.7	1	
-CHILD SURVIVAL		.2														.2	.2		
EDUC & HUMAN RESOURCES	.9	1.9			1.4											4.2	4.2	5	
PVTSCTR/ENERGY/ENVRMNT	1.0			.3	1.0											2.0	.3	2.3	3

ACTIVITY	USDH		FNDH		US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		WAS PWR COST		TOTALS		GRAND TOTAL	NO. OF ACTIVE PROJ.
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG		
SUB-SAHARAN AF DEV AST																		
SO AF DEV ASST																		
SAHEL DEV. PROG.																		
PVT SECT DEV LOAN FUND																		
ASHA																		
HOUSING-GUARANTEE	1.4			.8									1.4	.8		2.2		1
HOUSING-NON-GUARANTEE	.4			.5	.3								.7	.5		1.2		
PL - 480 TITLE II	.3	.3		.3									.6	.3		.9		
PL 480 ALL OTHER	.4	.2		.5									.6	.5		1.1		
DISASTER ASST	.3	.2		.1	.1								.6	.1		.7		2
CENTRALLY-FUNDED PROJS.	.6					1.0							.6	1.0		1.6		
REGIONALLY-FUNDED PROJS.	.6												.6			.6		1
OTHER				1.0										1.0		1.0		7
SUB-TOTAL	11.8	4.5		6.0	5.6	1.0							30.4	21.9	8.0	30.1		33
TOTAL	20.4	14.9	5.5	6.0	46.3	1.0							30.4	117.5	8.0	125.5		35

USAID/Jamaica
DATE: March 20, 1989

MISSION HUMAN RESOURCE TABLE
ALLOCATION OF WORKYEARS TO ACTIVITIES
FY 1990

ACTIVITY	USDH		FNDH		US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		MAN PWR COST		TOTALS		GRAND TOTAL	NO. OF ACTIVE PROJ.	
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG			
MISSION MANAGEMENT																			
EXEC DIRECTION	2.0															2.0	2.0		
PROG PLANNING	2.0	1.3				.8										4.1	4.1		
PARTICIPANT TRAINING	.8	.8				1.4										3.0	3.0	2	
FINANCIAL MGT	2.0	2.7	1.0			5.5										11.2	11.2		
ADMINISTRATIVE MGT	.8	1.4				3.4										5.6	5.6		
CONTRACT MGT	.5	1.3				1.5										3.3	3.3		
CLERICAL SUPPORT		2.0	1.4			19.3										22.7	22.7		
OFFICE OPERATIONS																			
SUPPORT		3.0	2.5			9.8							12.0			27.3	27.3		
RESIDENTIAL OPS SUPPT													18.4			18.4	18.4		
LEGAL ANALYSIS	1.0															1.0	1.0		
ECONOMIC ANALYSIS	1.1															1.1	1.1		
AUDIT INVESTIGATIONS																			
SUB-TOTAL	10.2	12.5	4.9			41.7							30.4			99.7	99.7	2	
PROG/PROJ. MGT																			
-ESF COMMODITY																			
IMPORT PROG																			
-ESF - PROJECTS	2.8			1.0	1.0											3.8	1.0	4.8	2
-ESF- NON-PROJECTS	.1															.1		.1	
-AG/RD/NUTRITION	3.3	.9		1.5	1.4				1.0							5.6	2.5	8.1	8
-POPULATION	.2	.8														1.0		1.0	2
-AIDS	.2															.2		.2	1
-HEALTH	.3				.4											.7		.7	1
-CHILD SURVIVAL		.2														.2		.2	
EDUC & HUMAN RESOURCES	.9	1.9			1.4											4.2		4.2	5
PVTSCTR/ENERGY/ENVRMNT	1.0			.3	1.0											2.0	.3	2.3	3

ACTIVITY	USDH		FNDH		US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		WAS PWR COST		TOTALS		GRAND TOTAL	NO. OF ACTIVE PROJ.	
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG			
SUB-SAHARAN AF DEV AST																			
SO AF DEV ASST																			
SAHEL DEV. PROG.																			
PVT SECT DEV LOAN FUND																			
ASHA																			
HOUSING-GUARANTEE	1.4			.8										1.4	.8		2.2		1
HOUSING-NON-GUARANTEE	.4			.5										.4	.5		.9		
PL - 480 TITLE II	.3	.3		.3										.6	.3		.9		
PL 480 ALL OTHER	.4	.2		.5										.6	.5		1.1		
DISASTER ASST	.3	.2		.1	.1									.6	.1		.7		2
CENTRALLY-FUNDED PROJS.	.6					1.0								.6	1.0		1.6		
REGIONALLY-FUNDED PROJS.	.6													.6			.6		1
OTHER				1.0											1.0		1.0		7
SUB-TOTAL	12.8	4.5		6.0	4.3	1.0								30.4	22.6	8.0	30.6		33
TOTAL	23.0	17.0	3.5	6.0	46.0	1.0								30.4	120.9	8.0	128.9		35

USAID/Jamaica
DATE: March 20, 1989

MISSION HUMAN RESOURCE TABLE
ALLOCATION OF WORKYEARS TO ACTIVITIES
FY 1991

ACTIVITY	USDH	FNDH	US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		MAN PWR COST		TOTALS		GRAND	NO. OF ACTIVE PROJ.	
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	TOTAL		
MISSION MANAGEMENT																	
EXEC DIRECTION	2.0													2.0	2.0		
PROG PLANNING	2.0	1.2				.8								4.0	4.0		
PARTICIPANT TRAINING	.6	.8				1.4								2.8	2.8	2	
FINANCIAL MGT	2.0	2.7	1.0			5.5								11.2	11.2		
ADMINISTRATIVE MGT	.8	1.4				3.4								5.6	5.6		
CONTRACT MGT	.5	1.3				1.5								3.3	3.3		
CLERICAL SUPPORT		2.0				19.3								21.3	21.3		
OFFICE OPERATIONS																	
SUPPORT		3.0	2.5			8.8					12.0			26.3	26.3		
RESIDENTIAL OPS SUPPT											18.4			18.4	18.4		
LEGAL ANALYSIS	1.0													1.0	1.0		
ECONOMIC ANALYSIS	1.0													1.0	1.0		
AUDIT																	
INVESTIGATIONS																	
SUB-TOTAL	9.9	12.4	3.5			40.7					30.4			96.9	96.9	2	
PROG/PROJ. MGT																	
-ESF COMMODITY																	
IMPORT PROG																	
-ESF - PROJECTS	1.8			1.0	1.0									2.8	1.0	3.8	2
-ESF- NON-PROJECTS																	
-AG/RD/NUTRITION	3.3	1.0		1.0	1.4				1.0					5.7	2.0	7.7	8
-POPULATION	.2	.8												1.0	1.0	2	
-AIDS																1	
-HEALTH	.3				.4									.7	.7	1	
-CHILD SURVIVAL																	
EDUC & HUMAN RESOURCES	.9	1.9			1.4									4.2	4.2	5	
PVTSCTR/ENERGY/ENVRMNT	1.0			.3	1.0									1.0	.3	1.3	3

ACTIVITY	USDH		FNDH		US PSC		FN PSC		IPA/JCC/DST		RASA/PASA		WAS PWR COST		TOTALS		GRAND TOTAL	ND. OF ACTIVE PROJ.	
	OE	OE/TF	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG	OE/TF	PROG			TOTAL
SUB-SAHARAN AF DEV AST																			
SO AF DEV ASST																			
SAHEL DEV. PROG.																			
PVT SECT DEV LOAN FUND																			
ASHA																			
HOUSING-GUARANTEE	1.4			.8									1.4	.8		2.2		1	
HOUSING-NON-GUARANTEE	.4			.5									.4	.5		.9			
PL - 480 TITLE II	.3	.3		.3									.6	.3		.9			
PL 480 ALL OTHER	.4	.2		.5									.6	.5		1.1			
DISASTER ASST	.3	.2		.1	.1								.6	.1		.7		2	
CENTRALLY-FUNDED PROJS.	.6	.1				1.0							.7	1.0		1.7			
REGIONALLY-FUNDED PROJS.	.6												.6			.6		1	
OTHER				.5										0.5		0.5		7	
SUB-TOTAL	11.5	4.6		5.0	5.3	1.0							30.4	20.5	7.0	30.2		33	
TOTAL	21.4	17.0	3.5	5.0	46.0	1.0							30.4	117.3	7.0	124.3		35	

III. C. OPERATING EXPENSES
 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		1,836.4	82.4	1,918.8	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1,266.1		1,266.1	20.4
PT/TEMP. U.S. BASIC PAY	U102	112	0.0		0.0	0
DIFFERENTIAL PAY	U103	116	189.9		189.9	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	107.4	18.0	125.4	18
RETIREMENT - U.S.	U107	120	59.5		59.5	XXXXX
LIVING ALLOWANCES	U108	128			0.0	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	87.7		87.7	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	11.7	2.5	14.2	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	6.5		6.5	5
POST ASSIGNMENT - FREIGHT	U112	22	68.5		68.5	5
HOME LEAVE - TRAVEL	U113	212	9.3	15.7	25.0	14
HOME LEAVE - FREIGHT	U114	22	14.7	20.8	35.5	14
EDUCATION TRAVEL	U115	215	1.2	1.2	2.4	6
R & R TRAVEL	U116	215		20.2	20.2	12
ALL OTHER CODE 215 TRAVEL	U117	215	14.0	4.0	18.0	5
FOREIGN NATIONAL DH	U200		2.7	251.1	253.8	XXXXX
BASIC PAY	U201	114		204.2	204.2	14.9
OVERTIME, HOLIDAY PAY	U202	115		10.2	10.2	0.5
ALL OTHER CODE 11 - FN	U203	119		20.0	20.0	XXXXX
ALL OTHER CODE 12 - FN	U204	129	2.7	13.6	16.3	XXXXX
BENEFITS FORMER FN PERS.	U205	13		3.0	3.0	XXXXX
CONTRACT PERSONNEL	U300		131.2	968.6	1,099.8	XXXXX
PASA TECHNICIANS	U301	258	0.0		0.0	0
U.S. PSC - SALARY/BENEFITS	U302	113	131.2	111.2	242.4	5.6
ALL OTHER U.S. PSC COSTS	U303	255			0.0	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113		559.0	559.0	46.3
ALL OTHER F.N. PSC COSTS	U305	255		21.0	21.0	XXXXX
MANPOWER CONTRACTS	U306	259		277.4	277.4	24
JCC COSTS PAID BY AID/W	U307	113	0.0		0.0	0
HOUSING	U400		62.8	878.3	941.1	XXXXX
RENT	U401	235		396.6	396.6	23.5
UTILITIES	U402	235		81.8	81.8	XXXXX
RENOVATION AND MAINT.	U403	259	26.0	64.0	90.0	XXXXX
QUARTERS ALLOWANCE	U404	127		0.0	0.0	0
PURCHASES RES. FURN/EQUIP.	U405	311	29.3	3.5	32.8	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	5.9		5.9	XXXXX
SECURITY GUARD SERVICES	U407	254		332.4	332.4	79.8
OFFICIAL RESIDENCE ALLOW.	U408	254			0.0	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.6		1.6	XXXXX

OFFICE OPERATIONS		U500	613.1	964.6	1,577.7	XXXXX

RENT	U501	234		223.8	223.8	XXXXX
UTILITIES	U502	234		136.4	136.4	XXXXX
BUILDING MAINT./RENOV.	U503	259	6.0	80.4	86.4	XXXXX
OFFICE FURN./EQUIP.	U504	310	103.2	5.5	108.7	XXXXX
VEHICLES	U505	312	64.0		64.0	XXXXX
OTHER EQUIPMENT	U506	319	85.5		85.5	XXXXX
TRANSPORTATION/FREIGHT	U507	22	14.8		14.8	XXXXX
FURN./EQUIP./VEH. REPAIR/MAINT	U508	259	36.0	48.0	84.0	XXXXX
COMMUNICATIONS	U509	230		89.0	89.0	XXXXX
SECURITY GUARD SERVICES	U510	254		98.2	98.2	21.1
PRINTING	U511	24		29.1	29.1	XXXXX
RIG/II OPERATIONAL TRAVEL	U512	210	0.0		0.0	0
SITE VISITS-Mission	U513	210	27.5	14.0	41.5	56
SITE VISITS - OTHER	U514	210	11.0	2.0	13.0	3
INFORMATION MEETINGS	U515	210	0.0		0.0	0
TRAINING ATTENDANCE	U516	210	8.4	4.5	12.9	10
CONFERENCE ATTENDANCE	U517	210	18.4	12.0	30.4	15
OTHER OPERATIONAL TRAVEL	U518	210	1.2	1.0	2.2	2
SUPPLIES AND MATERIALS	U519	26	24.0	100.0	124.0	XXXXX
FAAS	U520	257	150.0		150.0	XXXXX
CONSULTING SVCS - CONT.	U521	259			0.0	XXXXX
MGT./PROF. SVCS. - CONT.	U522	259	20.0		20.0	0.1
SPEC. STUDIES/ANALYSES CONT.	U523	259	18.1		18.1	0.1
ALL OTHER CODE 25	U524	259	25.0	120.7	145.7	XXXXX
TOTAL O.E. BUDGET			2,636.3	3,155.0	5,791.2	XXXXX
RECONCILIATION			1,753.2	0.0	1,753.2	XXXXX
OPERATING ALLOWANCE REQUEST			883.1	3,155.0	4,038.1	XXXXX

TABLE VIII - FY 1990
USAID/JAMAICA
(\$000)

EXPENSE CATEGORY	F.C.	O.C.	DOLLAR FUNDED	TRUST FUNDED	TOTAL BUDGET	UNITS
U.S. DIRECT HIRE	U100		2,027.9	85.8	2,113.6	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1,390.9		1,390.9	23.0
PT/TEMP U.S. BASIC PAY	U102	112	0.0		0.0	0
DIFFERENTIAL PAY	U103	116	208.6		208.6	XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119	24.0		24.0	XXXXX
OTHER MISSION FUNDED O.C. 11	U105	119	0.0		0.0	XXXXX
EDUCATION ALLOWANCES	U106	126	110.0	15.1	125.1	15
RETIREMENT - U.S.	U107	120	61.9		61.9	XXXXX
LIVING ALLOWANCES	U108	128			0.0	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	102.4		102.4	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	8.6	3.5	12.1	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	6.1		6.1	5
POST ASSIGNMENT - FREIGHT	U112	22	73.0		73.0	5
HOME LEAVE - TRAVEL	U113	212	14.0	17.1	31.1	15
HOME LEAVE - FREIGHT	U114	22	12.4	27.4	39.8	15
EDUCATION TRAVEL	U115	215	1.0	1.2	2.2	5
R & R TRAVEL	U116	215		16.5	16.5	11
ALL OTHER CODE 215 TRAVEL	U117	215	15.0	5.0	20.0	5
FOREIGN NATIONAL DH	U200		2.7	291.7	294.4	XXXXX
BASIC PAY	U201	114		241.3	241.3	17
OVERTIME, HOLIDAY PAY	U202	115		12.1	12.1	0.5
ALL OTHER CODE 11 - FN	U203	119		21.0	21.0	XXXXX
ALL OTHER CODE 12 - FN	U204	129	2.7	14.3	17.0	XXXXX
BENEFITS FORMER FN PERS.	U205	13		3.0	3.0	XXXXX
CONTRACT PERSONNEL	U300		60.0	960.4	1,020.4	XXXXX
PASA TECHNICIANS	U301	258	0.0		0.0	0
U.S. PSC - SALARY/BENEFITS	U302	113	60.0	72.7	132.7	3.5
ALL OTHER U.S. PSC COSTS	U303	255			0.0	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113		579.8	579.8	47.0
ALL OTHER F.N. PSC COSTS	U305	255		22.3	22.3	XXXXX
MANPOWER CONTRACTS	U306	259		285.7	285.7	24
JCC COSTS PAID BY AID/W	U307	113	0.0		0.0	0
HOUSING	U400		43.3	920.3	963.6	XXXXX
RENT	U401	235		408.2	408.2	23.4
UTILITIES	U402	235		86.7	86.7	XXXXX
RENOVATION AND MAINT.	U403	259	27.0	73.0	100.0	XXXXX
QUARTERS ALLOWANCE	U404	127		0.0	0.0	0
PURCHASES RES. FURN/EQUIP.	U405	311	12.3		12.3	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	2.4		2.4	XXXXX
SECURITY GUARD SERVICES	U407	254		352.3	352.3	83.8
OFFICIAL RESIDENCE ALLOW.	U408	254			0.0	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.6		1.6	XXXXX

OFFICE OPERATIONS		U500	611.6	1,039.9	1,651.5	XXXXX	

RENT	U501	234		278.7	278.7	XXXXX	
UTILITIES	U502	234		147.3	147.3	XXXXX	
BUILDING MAINT./RENOV.	U503	259	8.0	85.3	93.3	XXXXX	
OFFICE FURN./EQUIP.	U504	310	10.0	4.2	14.2	XXXXX	
VEHICLES	U505	312	63.8		63.8	XXXXX	
OTHER EQUIPMENT	U506	319	191.8		191.8	XXXXX	
TRANSPORTATION/FREIGHT	U507	22	12.4		12.4	XXXXX	
FURN./EQUIP./VEH. REPAIR/MAINT	U508	259	38.0	52.8	90.8	XXXXX	
COMMUNICATIONS	U509	230		97.3	97.3	XXXXX	
SECURITY GUARD SERVICES	U510	254		108.0	108.0	21.1	
PRINTING	U511	24		31.4	31.4	XXXXX	
RIG/II OPERATIONAL TRAVEL	U512	210	0.0		0.0	0	
SITE VISITS-Mission	U513	210	27.5	14.0	41.5	56	
SITE VISITS - OTHER	U514	210	11.0	2.0	13.0	3	
INFORMATION MEETINGS	U515	210	0.0		0.0	0	
TRAINING ATTENDANCE	U516	210	8.4	4.5	12.9	10	
CONFERENCE ATTENDANCE	U517	210	18.4	12.0	30.4	15	
OTHER OPERATIONAL TRAVEL	U518	210	1.2	1.0	2.2	2	
SUPPLIES AND MATERIALS	U519	26	25.4	106.0	131.4	XXXXX	
FAAS	U520	257	150.0		150.0	XXXXX	
CONSULTING SVCS - CONT.	U521	259			0.0	XXXXX	
MGT./PROF. SVCS. - CONT.	U522	259			0.0	XXXXX	
SPEC. STUDIES/ANALYSES CONT.	U523	259	18.1		18.1	0.1	
ALL OTHER CODE 25	U524	259	27.5	95.4	122.9	XXXXX	
TOTAL O.E. BUDGET				2,745.4	3,298.2	6,043.6	XXXXX
RECONCILIATION				1,937.9	0.0	1,937.9	XXXXX
OPERATING ALLOWANCE REQUEST				807.5	3,298.2	4,105.7	XXXXX

TABLE VIII - FY 1991
USAID/JAMAICA
(\$000)

EXPENSE CATEGORY -----	F.C. ----	O.C. ----	DOLLAR FUNDED -----	TRUST FUNDED -----	TOTAL BUDGET -----	UNITS -----
U.S. DIRECT HIRE -----	U100		1,920.0	86.0	2,006.0	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	1,314.1		1,314.1	21.4
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	114.0	15.2	129.2	15
RETIREMENT - U.S.	U107	120	55.0		55.0	XXXXX
LIVING ALLOWANCES	U108	128			0.0	XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	103.8		103.8	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129	9.5	4.2	13.7	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	8.5		8.5	5
POST ASSIGNMENT - FREIGHT	U112	22	78.0		78.0	5
HOME LEAVE - TRAVEL	U113	212	12.0	21.3	33.3	16
HOME LEAVE - FREIGHT	U114	22	11.1	18.6	29.7	16
EDUCATION TRAVEL	U115	215	1.4	1.4	2.8	6
R & R TRAVEL	U116	215		18.9	18.9	10
ALL OTHER CODE 215 TRAVEL	U117	215	15.5	6.5	22.0	5
FOREIGN NATIONAL DH -----	U200		2.7	301.1	303.8	XXXXX
BASIC PAY	U201	114		248.6	248.6	17
OVERTIME, HOLIDAY PAY	U202	115		12.4	12.4	0.5
ALL OTHER CODE 11 - FN	U203	119		22.0	22.0	XXXXX
ALL OTHER CODE 12 - FN	U204	129	2.7	15.0	17.7	XXXXX
BENEFITS FORMER FN PERS.	U205	13		3.0	3.0	XXXXX
CONTRACT PERSONNEL -----	U300		63.0	998.6	1,061.6	XXXXX
PASA TECHNICIANS	U301	258	0.0		0.0	0
U.S. PSC - SALARY/BENEFITS	U302	113	63.0	77.7	140.7	3.5
ALL OTHER U.S. PSC COSTS	U303	255			0.0	XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113		597.5	597.5	47.0
ALL OTHER F.N. PSC COSTS	U305	255		23.4	23.4	XXXXX
MANPOWER CONTRACTS	U306	259		300.0	300.0	24
JCC COSTS PAID BY AID/W	U307	113	0.0		0.0	0
HOUSING -----	U400		54.3	954.3	1,008.5	XXXXX
RENT	U401	235		421.1	421.1	23.0
UTILITIES	U402	235		86.7	86.7	XXXXX
RENOVATION AND MAINT.	U403	259	27.0	73.0	100.0	XXXXX
QUARTERS ALLOWANCE	U404	127		0.0	0.0	0
PURCHASES RES. FURN/EQUIP.	U405	311	19.7		19.7	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	6.0		6.0	XXXXX
SECURITY GUARD SERVICES	U407	254		373.5	373.5	79.6
OFFICIAL RESIDENCE ALLOW.	U408	254			0.0	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.6		1.6	XXXXX

OFFICE OPERATIONS	U500		657.2	1,103.2	1,760.4	XXXXX
RENT	U501	234		298.1	298.1	XXXXX
UTILITIES	U502	234		156.1	156.1	XXXXX
BUILDING MAINT./RENOV.	U503	259	10.0	87.9	97.9	XXXXX
OFFICE FURN./EQUIP.	U504	310	2.1	1.2	3.3	XXXXX
VEHICLES	U505	312	34.0		34.0	XXXXX
OTHER EQUIPMENT	U506	319	242.7		242.7	XXXXX
TRANSPORTATION/FREIGHT	U507	22	12.4		12.4	XXXXX
FURN./EQUIP./VEH. REPAIR/MAINT	U508	259	40.5	56.1	96.6	XXXXX
COMMUNICATIONS	U509	230		105.1	105.1	XXXXX
SECURITY GUARD SERVICES	U510	254		116.6	116.6	21.1
PRINTING	U511	24		33.3	33.3	XXXXX
RIG/II OPERATIONAL TRAVEL	U512	210	0.0		0.0	0
SITE VISITS-Mission	U513	210	28.5	15.0	43.5	58
SITE VISITS - OTHER	U514	210	11.5	2.5	14.0	3
INFORMATION MEETINGS	U515	210	0.0		0.0	0
TRAINING ATTENDANCE	U516	210	8.4	4.5	12.9	10
CONFERENCE ATTENDANCE	U517	210	19.4	13.0	32.4	16
OTHER OPERATIONAL TRAVEL	U518	210	1.2	1.0	2.2	2
SUPPLIES AND MATERIALS	U519	26	26.7	112.4	139.1	XXXXX
FAAS	U520	257	170.0		170.0	XXXXX
CONSULTING SVCS - CONT.	U521	259			0.0	XXXXX
MGT./PROF. SVCS. - CONT.	U522	259			0.0	XXXXX
SPEC. STUDIES/ANALYSES CONT.	U523	259	21.0		21.0	0.1
ALL OTHER CODE 25	U524	259	28.9	100.3	129.2	XXXXX
TOTAL O.E. BUDGET			2,697.2	3,443.1	6,140.2	XXXXX
RECONCILIATION			1,840.0	0.0	1,840.0	XXXXX
OPERATING ALLOWANCE REQUEST			857.2	3,443.1	4,300.3	XXXXX

III. D. EVALUATION PLAN

PROJECT NO. & TITLE	DATE LAST EVALUATION COMPLETED	FY 90		FY 91		<u>REASONS/ISSUES</u>
		START (QTR.)	TO AID/W (QTR)	START (QTR.)	TO AID/W (QTR)	
532-0101 Hillside Agriculture		1	2			To evaluate the appropriateness of the implementation process and to examine and recommend alternatives where necessary.
532-0128 Agricultural Research		3	4			Assessment to determine progress made with respect to the organization and initiation of the adaptive research program operations. Special attention will be paid to the program's capacity to initiate adaptive research for selected high priority crops, the establishment of needed linkages with international research centers and the development of a constituency through the appropriate selection of RAC members.
532-0069 Population & Family Planning Services		4/89	1			To assess the extent to which the project has succeeded in expanding the coverage and improving the effectiveness of family planning services in Jamaica, and to assist the Mission in determining target areas for follow-on project.
532-0153 AIDS/STD Prevention and Control				4	1/92	To assess achievements under the project against stated purpose and continued relevance to the objectives and needs of the GOJ's program of prevention and control of AIDS and STDs.

EVALUATION PLAN

PROJECT NO. & TITLE	DATE LAST EVALUATION COMPLETED	FY 90		FY 91		<u>REASONS/ISSUES</u>
		START (QTR.)	TO AID/W (QTR)	START (QTR.)	TO AID/W (QTR)	
532-0126 Primary Education Assistance		1	2			Major issues will be (a) examination of the GOJ policy studies and (b) the extent of success under the community participation component, and the implications for the development of the Primary Education Assistance Project II proposed for an FY 1990 start.
Housing Guaranty HG 10, 11 & 12A		1	2			The main purpose of these end-of-project evaluations will be to assess the effectiveness and sustainability of shelter solutions provided under the projects, and to guide Mission in the design of future interventions in the housing sector.
Housing Guaranty HG 12B - Private Sector				2	3	
HG 12C - Basic Shelter						
532-0095 Board of Revenue Assistance	1986	1	2			To assess the achievements under the the project extension, and to assist the Mission to make decisions about further project extension or follow-on project.

III. E. FY 90 COUNTRY TRAINING PLAN

I. Mission's Training Objectives

A. Overall Objective

The overall objective of USAID/Jamaica's Participant Training Program is to address pressing human resource development needs through academic and technical scholarship opportunities. This broad training objective supports the Mission's overall program goals as outlined in its CDSS and is conceptually articulated in the new Human Resource Development Strategy. The Mission's program focuses on strengthening the productive sectors with special interest in the generation of foreign exchange and improving relevancy and efficiency within private and public sectors.

B. Presidential Training Initiative for the Island Caribbean (PTIIC)

The objectives of the PTIIC are to:

- a) Provide a meaningful exchange of experiences and cultures between the people of the United States and trainees from Jamaica;
- b) Upgrade skills of private and public sector leaders in specialized positions that are critical to development priorities, as identified in this Country Training Plan;
- c) Train special concern groups such as the poor, women, minorities, and urban and rural youth; and
- d) Train trainers to provide for the broadest possible multiplier effects out of training.

II. Summary of Training under PTIIC

During FY 88, in response to sector office needs, some emphasis was given to long-term graduate training for prospective managers from private and public sectors. Generally speaking, the focus during this period was on long-term undergraduate training and short term training for community leaders and labor union delegates. Training for FY 89 and FY 90 will continue this emphasis with specific attention being paid to a much larger proportion of socially and economically disadvantaged in the following fields: a) agricultural exports; b) investment banking and entrepreneurship; c) health; d) urban development; and e) education.

III. Target Groups

To bring our PTIIC targets into line with desired objectives, Jamaica will target the socially disadvantaged, rural people, economically disadvantaged and will continue its focus on women. The key factors being used in identifying individuals in these categories are detailed below:

- A. Target groups: Currently, specific functional groups include small entrepreneurs, teachers, small farmers and agriculturalists, working class labor union delegates and aspiring public and private sector middle-level managers. These groups and the types of training needed were identified by the Training Office in consultation with USAID Project Officers, returned participants, private sector groups and GOJ officials.
- B. Types of Training: Training will include the following specific programs:
- o Approximately 40 primary school teachers, mainly women from rural areas, will receive 8 weeks training at Western Carolina University. This training will allow for the completion of the Bachelor Degree in Early Childhood Education which is conducted locally by the University with final examinations held in North Carolina;
 - o 20 trade union representatives will be sent on 6 weeks observation training at various institutions in the U.S. This program will incorporate "Experience America" activities with particular relevance to trade unionism in a democratic society;
 - o 10 rural youth involved in small scale agriculture will be given six weeks training in commercial bee-keeping at Ohio State University; and
 - o 43 youth will receive two year's academic training (at the graduate and under-graduate levels) in a variety of disciplines throughout the U.S.

IV. Compliance with CLASP Policy Guidance

In FY 1990, 24% of the projected participants will receive long-term training in an effort to meet AID/W's minimum requirement of 30% long-term training. Short-term training will increase and focus on women in entrepreneurship, youth leaders, working class union representatives, small farmers, low-income skilled workers and teachers. Short-term training will average 6 weeks in duration but will not be less than 4 weeks long to allow for relevant "Experience America" activities. By 1990, 65% of all participants will fall within the "disadvantaged" category.

A. Progress to Date on PTIIC

<u>LOP Target</u>	<u>Achievement to Date (new starts to date)</u>	<u>FY 89 Target</u>	<u>FY 90 Target</u>
40% Women	62%	55%	58%
10% HBCUS	27%	20%	20%
30% Long term training	48%	26%	24%
70% Disadvantaged	20%	40%	65%

B. Economically Disadvantaged

We have revised our application form to reflect new criteria to better select the economically disadvantaged and prevent training of members of the elite. The criteria now being used is in essence our Financial Means Test and are given below:

- income (household income divided by the number of dependents);
- level of education of father/mother;
- occupation of father/mother;
- location of residence;
- assets;
- financing of education to date; and
- schools attended indicating whether private or public institutions.

Each of these factors is given weights by the screening and interviewing committees made up of representatives of the Mission's Technical Offices as well as representatives from Governmental and non-governmental agencies.

C. "Experience America"

The inclusion of an "Experience America" element in group programs under the PTIIC had mixed results, but there were more positives than negatives. Short term trainees got more out of the cultural exchange aspect of the program than long-term trainees.

Based on our experience, USAID believes that "Experience America" objectives are enhanced when:

- a) the place of training is located in a small or medium-sized community;
- b) the entire receiving community is involved and understands the role it is to play;
- c) the learning experience is multi-directional; and
- d) the trainees understand and accept the "Experience America" objectives.

Short-term program results are better because "Experience America" objectives are made specific and specific activities are developed to achieve the objectives. In long-term programs, objectives are more obscure and, in not being specifically structured more difficult to meet.

USAID/Jamaica suggests that these factors should be tested by the contractor and, if accurate, be used to guide future selection and placements.

D. Follow-on

Mission follow-on activities have been minimal to date. Recognizing the need for identifying and maximizing the use of human capital already formed, the following are now being initiated:

1. mail questionnaires have been sent to all returnees from the past decade to determine current addresses and job positions, how they are using the skills provided, and what, in terms of local, post-training activities would enhance their U.S. training and its impact on the society;
2. a newspaper campaign to reach those missed in the mail questionnaire;
3. continued participation of returnees in pre-departure orientation sessions; and
4. professional pilot workshops with small groups of returned participants to learn how their impact on society can be enhanced, and, using the results of pilot efforts, develop plans with professional groups and the Ministry of the Public Service for holding professional and other group seminars to advance the development of professional society members and their role in a pluralistic society.

Follow-on activities will include all the training activities of the Mission and will, therefore, necessitate the closer involvement of all the technical offices with the Training Office.

E. Cost Containment

Mission implements cost containment measures for all training. Steps that are currently being taken will continue through FY 90. In particular, cost containment will include:

1. cost-sharing through partially funded programs in which the participant and/or the participant's employer contributes a percentage of the total cost and covers costs such as international airfare;
2. having the contractor identify programs for groups of students at specific institutions, thereby obtaining group airfares, reduced tuition and accommodation costs;
3. confining USAID support for undergraduate training to two years by selecting participants with local college diplomas; and
4. increasing the relative number of participants in short-term group programs which will permit us to reach overall target numbers while dealing with the fact that short-term training can be more expensive per month than long-term training.

V. Major Changes in Training Plan from 1989 CTP

While AID/W directed that we use the FY 89 CTP update figures, we have not done so. Instead, we have revised FY 89 CTP targets because of: (a) the termination of the USA contract and non-release of FY 86, 87 and 88 funds; (b) the need to fully fund participants utilizing only FY89 funds; and (c) the Mission's OYB for PTIIC was reduced from \$1.1 million to \$900,000. In the event that USA Contract funds are released for Mission use in the near future, we would expect to meet 1989 CTP targets.

TABLE 1
CLASP TRAINING
FY 1990 COUNTRY TRAINING PLAN UPDATE
NUMBER OF NEW STARTS

PROGRAM: PTIIC <u>TYPE OF TRAINING</u>	COUNTRY OF ORIGIN: JAMAICA						<u>FY 1991 AND BEYOND</u>	<u>TOTAL</u>
	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>		
<u>TECHNICAL - 27 days or less</u>								
Female			11	22				33
Male			5	15				20
<u>TECHNICAL - 28-180 days</u>								
Female			14	10	40	66	66	196
Male			15		30	44	44	133
<u>TECHNICAL - 180-269 days</u>								
Female				1				1
Male								
<u>TECHNICAL - 270 days or more</u>								
Female								
Male								
<u>TOTAL TECHNICAL</u>			45	48	70(1)	110(1)	110(1)	383

1/ Assumes USA Contract funds (FY86, 87, 88) released by March 1989 for new starts in FY 89.

TABLE 1
 (page 2 - continued)
 FY 1990 COUNTRY TRAINING PLAN UPDATE
 NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991 AND BEYOND</u>	<u>TOTAL</u>
<u>ACADEMIC Undergraduate - 1 year</u>								
Female			42					42
Male			12	2				14
<u>ACADEMIC Undergraduate - 2 years</u>								
Female			5	6	6	10	10	37
Male			4	9	7	10	10	40
<u>Academic Undergraduate - 3 years</u>								
Female								
Male								
<u>Academic Undergraduate - 4 years or more</u>								
Female								
Male								
<u>Academic - Graduate level - 1 year</u>								
Female				1				1
Male								
<u>Academic Graduate level - 2 year</u>								
Female				4	6	8	8	26
Male					6	7	7	20
<u>TOTAL ACADEMIC</u>			63	22	25(1)	35(2)	35(2)	180

1/ Fully funded participants. Figures will increase if mission receives funding in sufficient time for programming.
 2/ Assumes USA Contract funds (FY86, 87, 88) released by March 1989 for new starts in FY 89.

TABLE 1
 (page 3 - continued)
 FY 1990 COUNTRY TRAINING PLAN UPDATE
 NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991 AND BEYOND</u>	<u>TOTAL</u>
<u>SUMMARY</u>								
<u>TOTAL TRAINEES</u>			108	70	95	145	145	563
<u>ACADEMIC</u>								
Female			47	7	12	18	18	102
Male			16	15	13	17	17	78
<u>TECHNICAL</u>								
Female			25	33	40	66	66	230
Male			20	15	30	44	44	153
<u>LONG-TERM</u>								
Female			47	7	12	18	18	102
Male			16	15	13	17	17	78
<u>SHORT-TERM</u>								
Female			25	33	40	66	66	230
Male			20	15	30	44	44	153
<u>HBCU PLACEMENTS</u>								
Academic			40%	54%	30%	30%	30%	
Technical			10%	0	10%	10%	10%	

TABLE 1
CLASP TRAINING
FY 1990 COUNTRY TRAINING PLAN UPDATE
NUMBER OF NEW STARTS

PROGRAM: LAC II <u>TYPE OF TRAINING</u>	COUNTRY OF ORIGIN: JAMAICA						<u>TOTAL</u>
	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	
<u>TECHNICAL - 27 days or less</u>							
Female	1	11	3	6	1		22
Male	0	19	13	5	1		38
<u>TECHNICAL - 28-180 days</u>							
Female	0	24	4	1			29
Male	0	41	4	2			47
<u>TECHNICAL - 180-269 days</u>							
Female			0				0
Male			1				1
<u>TECHNICAL - 270 days or more</u>							
Female							
Male							
<u>TOTAL TECHNICAL</u>	1	95	25	14	2		137

TABLE 1
 (page 2 - continued)
 FY 1990 COUNTRY TRAINING PLAN UPDATE
 NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991 AND BEYOND</u>	<u>TOTAL</u>
<u>ACADEMIC Undergraduate - 1 year</u>								
Female								
Male								
<u>ACADEMIC Undergraduate - 2 years</u>								
Female								
Male								
<u>Academic Undergraduate - 3 years</u>								
Female								
Male								
<u>Academic Undergraduate - 4 years or more</u>								
Female								
Male								
<u>Academic - Graduate level - 1 year</u>								
Female	2	1	1	1				5
Male	1	0	0	0				1
<u>Academic Graduate level - 2 years+</u>								
Female	3	2	4	0				9
Male	1	6	8	2				17
<u>TOTAL ACADEMIC</u>	7	9	13	3				32

TABLE 1
 (page 3 - continued)
 FY 1990 COUNTRY TRAINING PLAN UPDATE
 NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991 AND BEYOND</u>	<u>TOTAL</u>
<u>SUMMARY</u>								
<u>TOTAL TRAINEES</u>	8	104	38	17	2			169
<u>ACADEMIC</u>								
Female	5	3	5	1				14
Male	2	6	8	2				18
<u>TECHNICAL</u>								
Female	1	35	7	7	1			51
Male	0	60	18	7	1			86
<u>LONG-TERM</u>								
Female	5	3	5	1				14
Male	2	6	8	2				18
<u>SHORT-TERM</u>								
Female	1	35	7	7	1			50
Male	0	60	18	7	1			85
<u>HBCU PLACEMENTS</u>								
Academic	0	0	8	0	0			
Technical	0	0	0	0	0			

TABLE 2
 (page 2 - continued)
 FY 1990 COUNTRY TRAINING PLAN UPDATE
 NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>TOTAL</u>
<u>ACADEMIC Undergraduate - 1 year</u>								
Female								
Male								
<u>ACADEMIC Undergraduate - 2 years</u>								
Female	5					1	1	7
Male	3					1	1	5
<u>Academic Undergraduate - 3 years</u>								
Female								
Male								
<u>Academic Undergraduate - 4 years or more</u>								
Female								
Male								
<u>Academic - Graduate level - 1 year</u>								
Female	2				2	3	2	9
Male	1						1	2
<u>Academic Graduate level - 2 years</u>								
Female	4	5	3					12
Male	3	9	7					19
<u>TOTAL ACADEMIC</u>	18	14	10	0	2	5	5	54

TABLE 2
(page 3 - continued)

FY 1990 COUNTRY TRAINING PLAN UPDATE
NUMBER OF NEW STARTS

<u>TYPE OF TRAINING</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>TOTAL</u>
<u>SUMMARY</u>								
<u>TOTAL TRAINEES</u>	<u>54</u>	<u>102</u>	<u>36</u>	<u>101</u>	<u>51</u>	<u>49</u>	<u>52</u>	<u>445</u>
<u>ACADEMIC</u>								
Female	11	5	3	0	2	4	3	28
Male	7	9	7	0	0	1	2	26
<u>TECHNICAL</u>								
Female	20	23	8	48	9	14	14	146
Male	16	55	18	53	40	30	33	245
<u>LONG-TERM</u>								
Female	11	5	3	0	2	4	3	28
Male	7	9	7	0	0	1	2	26
<u>SHORT-TERM</u>								
Female	20	33	8	48	9	14	14	146
Male	16	55	18	53	40	30	33	245
<u>HBCU PLACEMENTS</u>								
FY 85 40 of 76 S/T	50%							
FY 86 60 of 88 S/T		68%						
FY 87 8 of 26 S/T			30%					
FY 88 68 of 101 S/T				67%				

F. GRAY AMENDMENT

	<u>Total DA</u>	<u>DA Avail for U.S. Proc.</u>	<u>Awards to Gray Amendment Firms</u>	<u>% Firms Awarded to Gray Amendment Firms</u>
FY 1988 <u>Actual</u>	37,389,000	32,312,420	8,633,267	26.7%
FY 1989 <u>Estimated</u>	49,800,000	21,021,000	2,102,100	10%

PROCUREMENT
FROM
GRAY AMENDMENT FIRMS

FY 1988

<u>Contractors</u>	<u>Project Title</u>	<u>Amount</u>	<u>Date</u>
1. MANCOR	Basic Skills Training 532-0083	\$35,756.00	6/2/88
2. Lambet	Population & Family Planning 532-0069	95,650.00	8/18/88
3. Southern University	Primary Education 532-0126	603,243.21	7/22/88
4. Weis, Elain Ms.	Low Cost Shelter 532-0067	15,000.00	6/28/88

5.	Foster, Lloyd	Crop Diversification/Irrigation 532-0123	174,412.00	1/20/88
6.	AAPC Inc.	Agricultural Education 532-0082	1,198,500.00	11/19/87
7.	United Schools of America	PTIIC 532-0147	1,100,000.00	8/11/88
8.	Nerbonne, Mary Ms.	PD&S 532-9105	2,300.00	9/21/88
9.	Nerbonne, Mary Ms.	PD&S 532-9105	4,000.00	6/16/88
10.	Greve, Albert Dr.	PRE/Housing 532-1001	25,000.00	12/30/87
11.	Greve, Albert Dr.	PRE/Housing 532-1001	40,000.00	1/28/88
12.	Greve, Albert Dr.	PRE/Housing 532-1001	10,000.00	8/26/88
13.	Greve, Albert Dr.	PRE/Housing 532-1001	35,000.00	6/15/88
14.	Wahlberg, Debra Ms.	TC&TG 532-0079	15,000.00	7/15/88

15.	J.M. Wright & Co.	Urban Sector TA (Cast)532-0117	380.00	8/18/88
16.	J.M. Wright & Co.	Hillside Agriculture 532-0101	400.00	4/8/88
17.	Ishimall, Len Ms.	PRE/Housing 532-1008	1, 253.00	7/16/88
18.	Ishimall, Len Ms.	PRE/Housing 532-1008	1, 265.00	1/19/88
19.	Policy Research Inc.	HMIP 532-0064	22,178.00	4/15/88
20.	Blank, Lorraine	PD&S 532-9106	5,000.00	7/12/88
21.	Montgomery, Arnold	Inner Kingston 532-0120	5,756.00	2/87
22.	Red Carpet Travel	Inner Kingston 532-0120	14,331.00	2/87
23.	Univer. Trad/UTECO	Emergency Rehabilitation Project 532-0185	161,938.93	11/30/88
24.	Peco Int'l	Emergency Rehabilitation Project 532-0185	408,742.65	11/10/88

25.	Regency Contract	Emergency Rehabilitation Project 532-0185	1,483.20 11/15/88
26.	Equip & Supplies Inc	Emergency Rehabilitation Project 532-0185	71,358.57 12/15/88
27.	Equip & Supplies Inc	Emergency Rehabilitation Project 532-0185	73,052.36 12/005/88
28.	Pexi	Emergency Rehabilitation Project 532-0185	46,851.00 11/12/88
29.	Cherokee Export	Emergency Rehabilitation Project 532-0185	207,141.00 11/07/88
30.	Cherokee Export	Emergency Rehabilitation Project 532-0185	18,831.00 11/07/88
31.	Cherokee Export	Emergency Rehabilitation Project 532-0185	25,895.23 11/087/88
32.	Int'l Alliance	Emergency Rehabilitation Project 532-0185	638,926.20 10/11/88
33.	Int'l Alliance	Emergency Rehabilitation Project 532-0185	1,540,273.80 10/11/88
34.	Int'l Alliance	Emergency Rehabilitation Project 532-0185	241,450.00 10/11/88

35. Int'l Alliance	Emergency Rehabilitation Project 532-0185	95,550.00	10/11/88
36. Regency	Emergency Rehabilitation Project 532-0185	306,000.00	11/14/88
37. Regency	Emergency Rehabilitation Project 532-0185	49,760.00	12/17/88
38. Cholorinator Inc.	Emergency Rehabilitation Project 532-0185	304,198.40	11/01/88
40. Pexi	Emergency Rehabilitation Project 532-0185	51,438.00	01/10/88
41. Pexi	Emergency Rehabilitation Project 532-0185	92,760.00	10/04/88
42. Baker Equipment	Emergency Rehabilitation Project 532-0185	196,686.00	10/17/88
43. Pexi	Emergency Rehabilitation Project 532-0185	111,210.00	10/14/88
44. Baker Equipment	Emergency Rehabilitation Project 532-0185	360,180.87	10/27/88
45. Pexi	Emergency Rehabilitation Project 532-0185	<u>222,115.97</u>	11/28/88
	TOTAL	<u>\$8,633,267.00</u>	

March 1989 Update
of the

BACKGROUND ASSESSMENT:

ANALYSIS OF NEEDS FOR CONSERVATION OF JAMAICAN
BIOLOGICAL DIVERSITY AND TROPICAL FORESTS

Originally

Prepared for USAID/Kingston

by Loren B. Ford, Ph.D
USDA Forest Service
Rio Piedras, Puerto Rico

Submitted as an annex to the
USAID/Jamaica FY 1990/91 Action Plan.

The original Background Assessment was
submitted as Annex B to the
USAID/Jamaica CDSS for FY 1989-93

March 1989 Update

BACKGROUND ASSESSMENT:

ANALYSIS OF NEEDS FOR CONSERVATION OF JAMAICAN
BIOLOGICAL DIVERSITY AND TROPICAL FORESTS

Introduction

Very little has been changed in this March 1989 update of the original June 1988 report prepared for the FY89-93 Country Development Strategy Statement. The descriptions of the legislation, the status and management of protected areas and endangered species, and the major issues, essentially remain the same. The changes that have occurred relate to two factors: first, the newly elected government of the Peoples National Party is likely to have a different approach to environmental management in general, and second USAID has progressed in the development of the Protected Areas Resources Conservation Project.

The Peoples National Party won national elections in Jamaica in February 1989. The new government has already shifted the Natural Resources Conservation Division out of the Ministry of Agriculture into the newly created Ministry of Development, Planning and Production. This shift in itself indicates that the new government intends to upgrade the level of attention provided to environmental affairs as this new "super-Ministry" falls under the portfolio of the Deputy Prime Minister. While it is still too early to tell how this new change will affect environmental policies, programs, and budgets, the change is seen as positive by local environmentalists.

The second area of change is recent developments on the Protected Areas Resources Conservation (PARC) Project (532-0148). A Project Identification Document was approved in Washington in July 1988. A project design team worked in November 1988 to develop the series of technical analyses to support the Project Paper. Based on these technical analyses, a Project Paper was drafted. The Project Paper is currently being finalized for an expected obligation in the third quarter of FY 89.

The goal of the PARC Project is to integrate conservation of biological diversity with sustainable economic development. The purpose of the Project is to lay the foundation for a new National Park and Protected Area System, and to plan and implement two pilot parks. These pilot parks will develop local management experience and expertise, as well as demonstrate the biological, ecological, social, and economic benefits of protecting upland, coastal, and marine environments.

A sizeable body of legislation exists in Jamaica that supports conservation of biological diversity and tropical forests. However, penalties for lack of compliance are light, enforcement is given little priority by police and magistrates, and potential violators have little incentive to behave otherwise. Inadequate budgets largely in the Ministry of Agriculture, restrain government agencies with the mandate to protect the environment, as a result of GOJ financial problems. Nevertheless, GOJ awareness of the interrelationship of such important sectors as tourism, agriculture and public health with natural ecosystem conservation and watershed protection is growing. Requirements for assessment of environmental impacts of development projects are needed, either through new legislation, or through amendments of the approval procedures specified by existing laws.

Coastal resources are especially important to the economic well-being of Jamaica, due to the importance of the tourist industry, yet these resources are among the first to suffer from lack of conservation. The attractiveness of coastal ecosystems fades quickly under the siltation from dredging, landfills and poor agricultural practices in the hills. Freshwater wetlands and mangroves are important as habitat and as settling basins for turbid rivers, yet wetlands are under constant pressure for conversion to agriculture and peat mining, and mangroves are cut for charcoal or filled for industrial and tourist development. Marine parks present a promising opportunity to conserve representative coastal habitat, while at the same time attracting tourists, but must be coupled with ecologically sound development on the shore.

Traditional hillside cropping techniques can impact biological diversity and tropical forests. This is evident when eroding soils force farmers to clear new land to maintain farm productivity, when farmers plow steep hillside lands to plant vegetables, and when heavy siltation from degraded watersheds affects coral reefs. Incorporation of trees and permanent crops into farming systems, offers promise to stabilize hillside agriculture at the same time that farmer incomes are increased.

USAID is addressing these issues through the Hillside Agriculture Project (532-0101) which funds self-managing sub-projects designed to increase the productivity of perennial crops. Currently in its second year of implementation, the Hillside Agriculture Project funds two major, and five minor, sub-projects that focus on coffee and cocoa resuscitation.

Protection of habitat is the most critical need for conserving Jamaica's animal and plant diversity. Legislation authorizing and regulating a system of National Parks and Protected Areas is needed. Essential for establishment of representative protected areas is a categorization of the major animal and plant associations of Jamaica. A non-governmental National Parks Trust might facilitate cooperation with international NGOs for training and funding of recurrent management costs of a parks system. The Wild Life Protection Act should be amended to allow Jamaica to join CITES.

More emphasis should be given to management of natural forests by the Forest and Soil Conservation Department. Currently, hardwood species are not managed for sustained production; those species utilized are "mined" from the forest. Rural populations use many non-timber products from the forest, for medicine, food, shelter and fuelwood, but no scientific management of these resources is practiced to assure sustainability. Damaging floods in recent years have renewed GOJ awareness of the importance of forests for infiltration and storage of rainwater. Lack of recognition of the contribution of natural forests to the economy has led to GOJ policy to replace them with coffee and pine plantations. Increasing the industrial efficiency of hardwood lumber and charcoal production would augment the economic production from forest lands, while conserving the benefits provided by natural forests. Technical assistance should be provided to private landowners to manage on-farm trees, either in association with crops or in woodlots. Conservation of Jamaica's tropical forests will only be supported by the public and private sectors if the economic contribution of these forests is appreciated.

This report recommends that USAID/Jamaica engage in policy dialogue with the GOJ to promote recognition of the importance of biological diversity and tropical forests, as well as taking definitive steps to rationalize the complex institutional framework for environmental management.

March 1989 Update

BACKGROUND ASSESSMENT:

**ANALYSIS OF NEEDS FOR CONSERVATION OF JAMAICAN
BIOLOGICAL DIVERSITY AND TROPICAL FORESTS**

I. Introduction

This report was prepared based on published information, unpublished reports and interviews with Jamaican government employees and other citizens. The Jamaica Country Environmental Profile (MOA 1987), produced by the Natural Resources Conservation Division (NRCD) of the Ministry of Agriculture (MOA), was a valuable resource, with information compiled in a concise format by subject area.

The author of the report reviewed publications and reports, and interviewed people, during three trips to Jamaica, in October, 1986, and July and November, 1987. In addition, this report was edited and expanded upon by USAID/Jamaica staff in Feb. 1988 and March 1989.

II. Legislation and Institutions

A. GOJ Legislation and Institutions

The conservation of the natural resources of Jamaica is regulated by a broad range of legislation, which generally specifies a GOJ institution responsible for its implementation. These resources, and the legislation and GOJ agencies regulating their use, can be grouped by 1) Coastal Zones, 2) Water Resources, 3) Wildlife Resources and 4) Forestry. The following discussion is extracted from the Jamaica Country Environmental Profile (CEP).

1. Coastal Zones

The Beach Control Act of 1956 invests in the Crown the foreshore and ocean floor. Commercial enterprise is permitted only with license from the MOA's Recreation and Conservation Division (RCD). The RCD can declare areas to be protected from fishing, dredging and waste disposal.

The removal, sale or possession of turtle eggs and immature fish, fishing with explosives or poison, and discharge of industrial waste into harbors, lagoons, estuaries and streams is prohibited by the Wild Life Protection Act of 1973. Enforcement is the responsibility of the NRCD.

The Petroleum Act of 1979 allows the Minister of Mining, Energy and Tourism to make regulations for prevention of pollution in areas of petroleum operations, including in coastal areas. The Act gives the Petroleum Company of Jamaica exclusive right to explore and develop petroleum, as well as coastal peat resources.

Broad-based land use plans and regulations to control development in rural and urban areas, subject to approval by the Town and Country Planning Authority/Town Planning Department of the Ministry of Finance and Planning, are required by the Town and Country Planning Act of 1957. These plans are prepared by parish councils, for submission to the Town Planning Department. The affiliated Local Improvements Act requires developers to submit plans for approval for any subdivision or major land use change to parish councils and the Town Planning Department prior to this change.

The Urban Development Act of 1968 gives the Urban Development Corporation (UDC) authority to acquire, manage and dispose of land in designated UDC areas, most of which are coastal. The UDC is a statutory corporation of the Ministry of Finance and Planning.

2. Fisheries

Through its Fisheries Division, the MOA regulates fisheries, licensing of fishermen and vessels in Jamaican waters, establishment of closed seasons, creation of fish sanctuaries, and penalties for possession and sale of illegally caught fish, under authority of the Fisheries Industry Act of 1975. The Inland Fisheries Unit is responsible for promoting freshwater fish farming.

The Morant and Pedro Cays Act of 1907 requires a license for fishing, slaying, startling or capturing birds, and capture of turtles.

The catching of fish with explosives or poison, and capture of immature fish and turtles are prohibited by the Wild Life Protection Act of 1964.

The Beach Control Act of 1955 prohibits the use of public beaches for fishing.

3. Water

Although the Water Act of 1922 designated no agency to oversee water resources, control of development and use of surface water resources was legislated. The National Water Commission of the Ministry of Public Utilities has designated responsibility under the Water Act of 1980 for domestic water supply and most of the sewerage installations in the Kingston/St. Andrew corporate area. The Water Resources Division of the Ministry of Local Government gives technical assistance and information on water resources, such as streamflow, critical water levels, etc., to other GOJ agencies.

The Watershed Protection Act of 1963 controls development in watersheds, under the authority of the NRCD. A Watershed Protection Commission oversees watershed activities of the division, with the assistance of the Watershed Engineering Division.

The Underground Water Authority administers the Underground Water Control Act of 1959, controlling exploitation of subterranean water resources by licensing wells.

The Irrigation Act of 1956 establishes local Irrigation Authorities under the Ministry of Agriculture to control irrigation.

Standards for domestic water consumption and waste disposal are provided by the Environmental Control Division, Ministry of Health, under the Public Health Act of 1974.

Control of water developments in areas under mining lease is vested in the Mines and Quarries Division, Ministry of Mining, Energy and Tourism, by the Lining Act of 1947.

4. Wildlife

The Wild Life Protection Act of 1973 authorizes NRCD to designate protected species, and prohibits possession of any part of 10 protected species. This includes protection of rare, endemic and endangered species and their habitats. The Act authorizes hunting seasons, regulates freshwater fish traps and prohibits river pollution. Enforcement of the law is the responsibility of the Ecology Division of the NRCD, which delegates nominal powers of arrest, entry into lands, and search and seizure of property to a corps of Game Wardens. In practice, public policy does not support Game Wardens in strict enforcement of the law. This lack of support is due in part to the weak penalties for violation of the law, and the tendency of police and magistrates to concentrate on laws carrying stiffer penalties.

All Forest Reserves (except one) are designated as Game Sanctuaries, so the MOA Forest and Soil Conservation Department is responsible for managing land that serves as wildlife habitat. No department personnel has received training in wildlife management, however. The MOA Veterinary Division and Public Gardens Division (which includes the Hope Zoo) are also involved in Wildlife Resources Management. Additionally, the Natural History Division of the Institute of Jamaica and the Trade Board have wildlife involvement.

The Beach Control Act of 1956 authorizes creation of Marine Protected Areas and protects marine benthic organisms.

As mentioned above under Fisheries, the Morant and Pedro Cays Act of 1907 requires a license for fishing, slaying, startling or capturing of birds, and capture of turtles.

5. Forestry

The Forest Act of 1937 provides for establishment and regulation of Forest Reserves, under the administration of the Forest Department (now the Forest and Soil Conservation Department, FSCD). The FSCD is responsible for development of forest plantations (especially hardwood), management of plantations and state-owned natural forest, forestry research, training of forestry staff, soil conservation and watershed management in collaboration with the NRCD, forest extension and development of private forestry, and forest recreation development and management.

In 1978, the Forest Industries Development Company Ltd (FIDCO) was set up as an autonomous corporation under the National Investment Bank of Jamaica, an institution of the Ministry of Finance and Planning. FIDCO is responsible for logging, transport and processing of pine timber, as well as establishment and maintenance of new plantations on land leased from other government agencies. FIDCO is now wholly-owned by the Ministry of Finance and Planning, but still maintains its autonomous corporate organization.

The Watershed Protection Act of 1963 provides for protection of watersheds, which are nominally administered by the NRCD. No laws currently exist to require sustainable land use on private land in watersheds. In fact, watersheds dedicated to provision of public water supplies are managed (maintained under forest) by the NWC. In some cases, where previously deforested watersheds had been planted with pine, FIDCO has purchased stumpage and harvested pine from these watersheds.

No comprehensive National Parks legislation exists, although the above-mentioned Morant and Pedro Cays Act, Wild Life Protection Act, Beach Control Act, Forest Act and Watershed Protection Act all embrace the principle of protection of natural areas. The 1978-98 National Physical Plan included a definition of National Parks. The National Parks Branch of the NRCD was established in 1975, and has carried on the work of identifying potential National Parks that was started by the Forest Department in 1970. Since 1984, the National Parks Branch has received international funding to work with the NRCD Ecology Branch to develop what is to be Jamaica's first national Park at Canoe Valley on the south coast. Until National Parks legislation and regulations are passed, the future of National Parks in Jamaica will remain uncertain.

As can be seen above there are many overlapping jurisdictions in management of Jamaica's biological and forest resources, which complicates management of these resources. Several bills are currently being considered to rectify this situation.

The GOJ institutions involved with conservation of biological diversity and tropical forests are spread out in different Ministries. The Peoples National Party Government elected in February 1989 has decided to move the NRCDC into the Science Technology and Environment Division of the new Ministry of Development Planning and Production. The Forestry and Soil Conservation Department will remain within the Ministry of Agriculture. In the past, these two agencies have been primarily responsible for implementing GOJ environmental policy. While it is still too early to determine the specific policies of the new administration, preliminary indications are that they will take a more active and assertive policy on environmental management. Whether the new institutional arrangements turn out to be, true commitment will be shown when adequate budgets are provided to concerned agencies, and when support is given to police and wardens for enforcement of existing laws.

Jamaica participated in the 1972 UNESCO Conference on the Human Environment in Stockholm, which galvanized a worldwide commitment to conservation, and founded the United Nations Environment Program. The same year saw the adoption in Paris of the Convention Concerning the Protection of the World Cultural and Natural Heritage, joined by Jamaica in 1983 (Goodland and Webb 1987). While the GOJ has recently joined the Convention on Wetlands of International Importance Especially as Wildfowl Habitat (Ramsar, 1971) (personal communication, Dr. Karl Aiken, University of the West Indies), to date the nation has not signed the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES, concluded in Washington, 1973). According to Aiken, the GOJ supports CITES in principle, but must amend the Wild Life Protection Act before it can legally enforce the convention. Jamaica also has yet to sign the Convention on Nature Protection and Wildlife Preservation in the Western Hemisphere (Washington, 1940) or the Convention on Conservation of Migratory Species of Animals (Bonn, 1979) (MOA 1987).

B. Non-governmental Organizations

Non-governmental organizations (NGOs) play an ever-increasing role in conservation of biological diversity and tropical forests in Jamaica. Some of the Jamaican NGOs concerned with environmental conservation in Jamaica include the Zoology, Botany and Geography Departments of the University of the West Indies (UWI), the Natural History Society of Jamaica, the Jamaica Junior Naturalists, the Jamaica Society of Scientists and Technologists, the Geological Society of Jamaica, the Jamaica Geographical Society, the Jamaica Camping and Hiking Association, the Negril

155

Association for the Conservation of Nature, the Association of Science Teachers of Jamaica and the Gosse Bird Club. Also, at the College of Agriculture, there is interest in incorporating forestry and agroforestry studies into the curriculum.

In November 1987, a new NGO was formed entitled the Jamaica Conservation and Development Trust (JCDDT). The JCDDT consists of Jamaican professional from various fields primarily concerned with the establishment and protection of natural and protected areas in Jamaica. It is expected that this group will have a significant role to play in the new PARC Project.

Initial involvement of NGOs in environmental issues dealt mostly with resource conservation, especially wildlife, and outdoor recreation. Activities now include environmental education of the public, and public discussions on water quality, forest harvesting and peat mining. Participation of NGOs in the development of nature-related tourism is likely to grow in the future. Currently, negotiations are being made for the development of a marine park on the north coast, to be managed by an NGO, with authority over the marine area delegated by the GOJ as a result of a debt-equity swap. Individuals in many of the organizations mentioned in the previous paragraph support the development of an NGO to raise domestic and international funds for management of a Jamaican National Park System.

C. International Organizations

1. Multi-lateral Organizations

The United Nations Food and Agriculture Organization (FAO) office in Jamaica is responsible for developing and implementing FAO training and technical assistance projects. FAO assistance was provided to the FSCD, in drafting a bill with new regulations for the department. This bill has yet to be acted on by the Jamaican parliament. Included in the FAO portfolio is a project to promote agroforestry in the Rio Cobre watershed, as a means of counteracting the negative impacts of agricultural expansion on steep slopes. Through the FSCD, the GOJ participates in the Eastern Caribbean Upper Watershed Technical Cooperation Network, organized by the FAO Regional Office in Santiago, Chile. Jamaica is also a member of the FAO Latin American Forestry Commission.

The Organization of American States maintains an office in Jamaica, which engages in development and implementation of rural development activities, including training and technical cooperation in forestry. An OAS trial of *Leucaena* provenances is being carried out in cooperation with the FSCD. OAS has also worked with the NRCDD in development of the Alligator Hole River Project.

The Regional Coordinating Unit of the United Nations Environment Programme (UNEP) Seven Seas Programme was established in Kingston in 1986. This presence should support GOJ efforts to conserve coastal resources.

186

Jamaica is a member of the Caribbean Conservation Association (CCA), but has maintained a low level of activity with the organization. Increased activity should improve the ability of GOJ natural resource managers to conserve their resources, by benefitting from experiences from other CCA member nations.

As a member of CARICOM, Jamaica maintains a Caribbean Agricultural Research and Development Institute (CARDI) office. Although to date there has been no formal CARDI activity in agroforestry, this is a promising area that could contribute to development and promotion of sustainable farming systems for hillside lands.

FIDCO has received funding from the World Bank for establishment of its sawmilling and logging operations.

2. Bi-lateral Organizations

a. USAID--Support for past, present and future development projects have, and will continue to, strengthen the ability of the GOJ and Jamaican private sector to effectively conserve biological diversity and tropical forests. Two decades ago, USAID provided funds for planting of pines in areas in the Blue Mountains that had been degraded due to inappropriate agricultural practices. While these trees were planted to protect watersheds and provide income to rural inhabitants as an alternative to farming, this pine resource now provides the raw material for FIDCO's operations.

The Integrated Rural Development II Project (532-0046) promoted sustainable hillside farming technologies, including tree planting. Two thousand acres of trees were planted in the project, and productive cropping technologies were promoted, to increase production on existing agricultural land so that forests would not have to be converted to agriculture.

The Energy Sector Assistance Project (532-0065) included a component for fuelwood species trials.

The Hillside Agriculture Project (532-0101) promotes perennial crops in two target watersheds. The project is focused on extending technologies to make tree crops more productive and profitable for small hillside farmers in two of the most critical watersheds.

USAID also provided financial support for the production of the Jamaica Country Environmental Profile (JCEP). The JCEP which took two and a half years to produce, is a comprehensive document that catalogues the environmental resources, problems, issues, programs and plans of Jamaica. It pulls together in one document facts, figures, policies and programs from the wide diversity of sectors that impact upon the Jamaican environment.

181

b. Other Bi-lateral--The Canadian International Development Agency (CIDA) is in the process of developing a forestry project in cooperation with the FSCD. This project will provide training and technical assistance support to promote improved management of forest lands (public and private), establish a Natural Forest Utilization Unit, increase private sector forest development, and implement a rural forestry demonstration activity.

The British Commonwealth Development Corporation (CDC) helped fund the establishment of FIDCO, and is negotiating funding for development of a new sawmill that would be located nearer to the pine plantations in the Blue Mountains. Other British assistance has been provided by the Overseas Development Administration (ODA), which has provided technical cooperation officers. One utilization specialist currently is assigned to FIDCO.

Fourteen small hydroelectric projects are being funded by Canadian, German and Italian government agencies. These will be managed by the Ministry of Mining, Energy and Tourism (MOA 1987).

III Status and Management of Protected Areas

A. Forest Reserves

The FSCD manages 92 Forest Reserves, totalling 288,450 acres. Of these, 67 percent are in three large blocks in the Blue Mountains, while the remainder consists of small blocks scattered throughout the island (Jones, 1985). These reserves are managed for conservation of soil and water resources, production of timber and wood products to meet local demands, and outdoor recreation. On these government lands, about 24,700 acres of plantations have been established, mostly in Honduran pine (*Pinus caribaea* var. *hondurensis*). As stated above, Forest Reserves, with the exception of the Peak Bay Reserve, are Game Sanctuaries, in which hunting is not allowed.

In some areas of the Blue Mountains, land from gazetted Forest Reserves is leased from the FSCD by the Coffee Industries Development Company (CIDCC). Forest, either natural or plantation, is cleared, and coffee is planted. These areas suffer considerable erosion in the first year, after the vegetative cover is removed. Current GOJ policy places more importance on generation of foreign exchange through the sale of Blue Mountain coffee (with the world's highest F.O.B. price) by the para-statal CIDCO than it does on conservation of biological diversity and tropical forests by the FSCD.

A 49-year lease has been given to FIDCO for 41,657 acres of the Forest Estate, concentrated in the eastern portion of the Blue Mountains. About seven million board feet of pine are harvested annually, mostly from plantations established within the lease area. These plantations are managed on a 20-year rotation, producing about 10.6 thousand board feet per acre (personal communication, Eric Budhlall, Director, FIDCO Logging Department). By October of 1985, FIDCO had planted about 14,500 acres to pine (Jones 1985), in areas where pine had been harvested or in areas with low-grade hardwoods. About 50-60 percent of the land in the FIDCO leasehold area is commercially manageable (personal communication, Guy Symes, FIDCO managing director). Land that is not currently feasible to manage includes the higher reaches of the Blue Mountains, being too steep and wet, and other areas that are remote or too rocky. Considering that FIDCO's land leases are for 49 years, the company can be considered to be dedicated to long-term land management. The economic future of the institution depends on re-establishment of plantations after harvest, although there are cases where no such planting has occurred. FIDCO's mandate is to manage just one resource, pine. The company has been criticized for erosion caused by roadbuilding, and for removing hardwood forest to establish new pine plantations. However, FIDCO's managing director has shown concern for environmental matters, and has been active in promoting environmental education in the country.

For the most part, the Forest Reserves have been gazetted from land that was left in forest cover because it was too remote, steep or poorly drained to practice agriculture. Thus, although it is estimated that as much as 24.3 percent of Jamaica is forested (MOA 1987), this forest probably does not adequately represent all forest types native to the island. Of the seven Life Zones (Holdridge) in Jamaica, only the Premontane Rain Forest, Premontane Wet Forest and Tropical Very Dry Forest Life Zones have appreciable areas remaining, due largely to their remoteness and/or unsuitability for cropping. Almost all of the Tropical Dry Forest, Tropical Moist Forest, Tropical Wet Forest and Premontane Moist Forest has been converted to agriculture. The exceptions, such as forest on limestone outcroppings, coastal mangroves and freshwater wetlands, are threatened by charcoal cutting, and development of industry and tourism. Mining of peat and projects to drain wetlands for conversion to agriculture are potential threats to the Negril and Black River Morass wetlands.

B. National Parks

Figure 1, drawn directly from the CEP, shows existing and proposed parks and protected areas. Plans are well advanced for the development of what is to be Jamaica's first land-based National Park at Canoe Valley. This park has been developed around the Alligator Hole River Project, carried out jointly by the OAS and the NRCD (MOA 1987). However, disputes as to land ownership, and mineral rights in recent months have halted progress on this park. Twelve other areas are proposed for National Park status in the Jamaica CEP (Table 1). A scientific evaluation of the natural habitat types of Jamaica should be made, to determine what areas are most in need of protection. Comprehensive National Parks legislation is also needed, and assured funding sources for additional parks need to be identified. The Urban Development Corporation has proposed a National Park in the Hellshire Hills. This area, which is under intense pressure for development and charcoal cutting due to its proximity to Kingston, needs urgent protection, since it may be the last remaining habitat of the endangered Jamaican iguana (*Cyclura collei*, that may already be extinct). The two Marine National Parks, at Montego Bay and Ocho Rios, have been gazetted, but as yet there are no management plans or enforcement regulations.

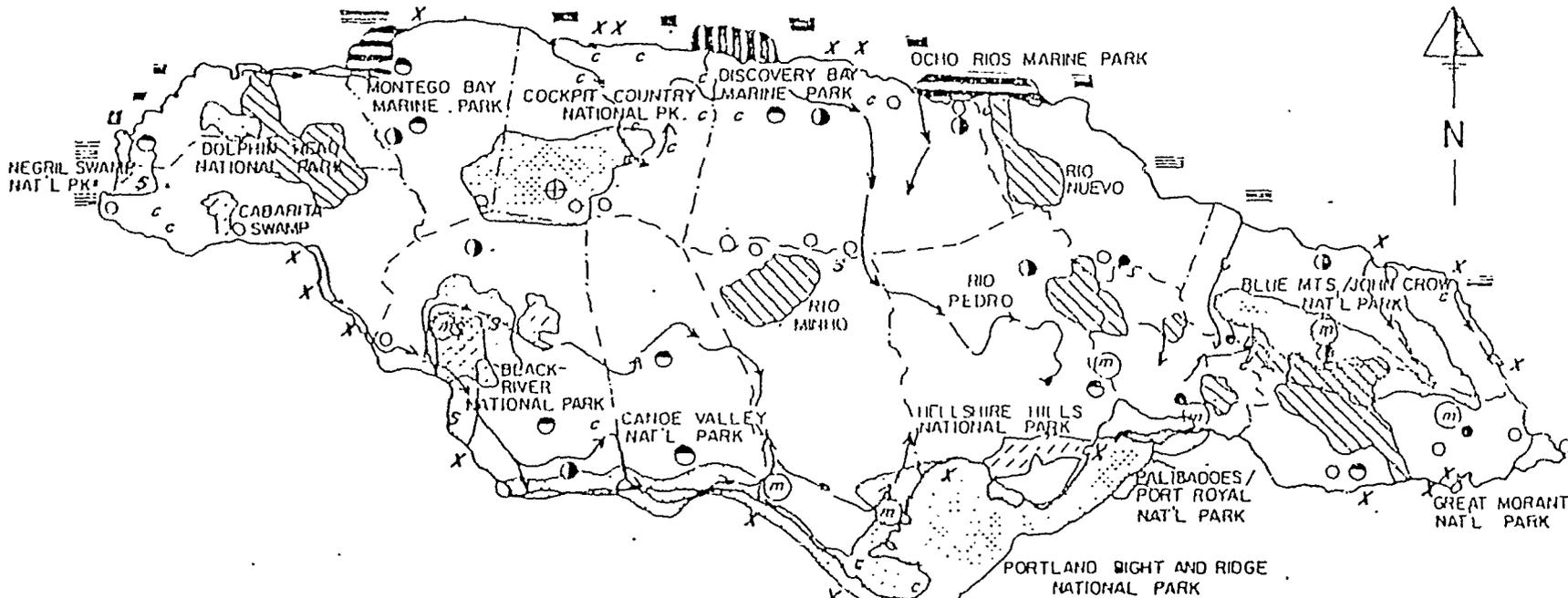
C. Other Reserves

The Petroleum Corporation of Jamaica will develop the Luana Point Wildlife Reserve, which was initially proposed by the NRCD. This reserve would protect habitat for the American crocodile (*Crocodylus acutus*). PCJ currently manages the Negril Royal Palm Reserve, for recreation and preservation of a stand of the endemic Royal Palm (*Roystonea princeps*). Sooty terns (*Sterna fuscata*) are protected on Middle Cay of the Morant Group, in an agreement between the NRCD, Jamaican Defense Forces and the Fisheries Division. Other reserves are recommended in the Jamaica CEP (Table 1).

IV Status and Protection of Endangered Species

As an island in the Caribbean Sea, Jamaica has developed unique associations of plants and animals. All of the native species have either migrated there from the mainland or other islands, or have evolved in Jamaica from species that migrated there long ago. A large proportion of Jamaica's animal and plant species are endemic, that is, they are found nowhere else in the world.

EXISTING AND PROPOSED PARKS AND PROTECTED AREAS



-  EXISTING MARINE PARKS
-  PROPOSED MARINE PARK
-  PROPOSED NATIONAL PARK
-  SCIENTIFIC RESERVE PROPOSALS
-  PROPOSED NATURE CONSERVATION RESERVE
-  PROPOSED NATURAL MONUMENT
-  BOTANICAL GARDENS
-  PUBLIC BEACHES

-  SCENIC ROUTES
-  PROPOSED SCENIC ROUTES
-  CAVES
-  MINERAL SPRINGS
-  LARGE INLAND CONSERVATION AREA
-  SMALL INLAND CONSERVATION AREA
-  WATERSHED
-  MARINE REEF

Source: National Physical Plan, Jamaica (1978-'98)

For Table 1. List of Some Proposed Protected Areas for Jamaica.

Scientific Reserves/Nature Reserves

Mason River Field Station Holland Swamp Forest

National Parks

Great Morass	Blue Mountains
Canoe Valley	John Crow Mountains
Palisadoes, Port Royal Cay	Hellshire
Cockpit Country	Black River Lower Morass
Dolphin Head	Negril (Marine and Terrestrial)
Ocho Rios Marine Park	Montego Bay Marine Park
Discovery Bay Marine Park	Marine Parks in St. Mary

Natural Monuments/National Landmarks

Fern Gulley	Blue Mountain Peak
Rio D'Oro Natural Arch	Thatchfield Cave
Windsor Cave	Lovers Leap
Ys River Falls	

Nature Conservation Reserves/Wildlife Sanctuaries

Middle Cay (Morant Group)	Southwest Cay (Pedro Group)
Belvedere	Portland Bight Fish Sanctuary
Bogue Fish Sanctuary	San San Tree Preservation Area
Rocklands Bird Sanctuary	Luana/Font Hill
West Harbour Fish Sanctuary	Old Harbour Bay Fish Sanctuary
Galleon Harbour Fish Sanctuary	Long Bay Fish Sanctuary
Cuguar Bay Fish Sanctuary	Manatee Bay Fish Sanctuary
Falmouth Bay Fish Sanctuary	Folly Bay Fish Sanctuary
Bloody Bay Fish Sanctuary	Discovery Bay Fish Sanctuary
Port Royal Fish Sanctuary (Mangrove and Cays)	

Protected Landscape or Seascape

East Coast Scenic Route	Buff Bay Scenic Route
Cockpit Country Scenic Route	

Multiple Use Management Areas

Jacks Hill	Kingston and St. Andrew Game Reserve
All Watershed Areas	All Forest Reserves

World Heritage Site

Cockpit Country

Source: Jamaica Country Environmental Profile (MOA 1987)

192

For instance, of 19 Jamaican frog and toad species, 15 are endemic. Twenty of the 24 species of lizards are endemic, as are 784 of the 3000 flowering plant species, 27 of the 256 nesting bird species, four of the 23 bat species, 46 of the 200 orchid species, and 82 of the 579 fern species. Few areas in the world have such a high rate of endemism. If Jamaica's natural heritage is to be preserved, a turnaround is necessary in the trend that has left eight vertebrate species extinct in the last 150 years, and many more endangered, threatened or rare.

The biggest problem in biodiversity conservation in Jamaica is the loss of habitat for endangered plant and animal species. The Jamaica CEP (MOA 1987) lists eight critically endangered or extinct species of animals, and five endangered species. Sixteen threatened animal species are listed, as are ten rare species or groups. In the Plant Kingdom, 81 species are listed as endangered, threatened or rare (MOA 1987).

Individual species are protected in the Wild Life Protection Act, including all birds except for those listed as specific game or pest species. No animals may be hunted in Game Sanctuaries, which include all but one Forest Reserve. However, as discussed above, enforcement of these laws is far less than adequate. Even if the wildlife protection laws are enforced, many animal and plant species will become extinct if measures are not taken to assure conservation of habitats representative of all of Jamaica's major animal and plant associations. Development of a National Park and Protected Areas system, with concise regulations and adequate funding mechanisms, is necessary if the island's biological diversity is to be conserved.

V Conservation Outside of Protected Areas

A. Managed Natural Ecosystems

1. Forests--When Columbus discovered Jamaica on his second voyage in 1494, the island was almost completely covered by forests. Indeed, the name for the island came from the Arawak word "Xamayca", meaning the "land of wood and water". As mentioned above, the natural terrestrial ecosystems of Jamaica are distributed in seven Life Zones (Holdridge 1967). Within these Life Zones, the degree of natural and man-caused disturbance, and edaphic conditions, result in an undetermined number of plant associations. In most of the Tropical Dry, Tropical Moist, Tropical Wet and Premontane Moist Life Zones, natural vegetation has been substituted by agriculture, except in areas unsuitable for agriculture, such as the wetlands of the Negril and Lower Black River Morasses. Remaining forest has experienced intervention in the form of selection cutting of timber trees. Traditionally, these are felled and sawn on the

1993

spot by pit sawyers. In order to design a comprehensive protected area system, a detailed study describing the composition and remaining inventory of Jamaica's natural plant associations is urgently needed. Throughout her history, one of the main economic contributions of Jamaica's forests has been as a source of new land for agricultural expansion, necessary to feed the expanding population. As such, the forest has been a non-renewable resource, except in areas where swidden agriculture is practiced, where the secondary, or "ruinate" forest replenishes soil organic matter and chokes out weeds during the fallow period.

Another important economic contribution of forests, more important every day, is the infiltration and storage of rainwater, vital for domestic, agricultural and industrial uses in the countryside and towns. Damaging floods in the last two years have increased the level of concern in the GOJ and the public about the effect on river flow of deforestation in the hills. Freshwater wetlands and mangroves are also important as areas where silt can settle out of stormwater. The tourist industry depends to a large degree on clean water and beaches to attract tourists. Additionally, the fishery industry benefits from wetland, as mangroves serve as fish nurseries, and reefs that are protected from silty storm runoff are more productive.

Natural forests receive little scientific management for production of wood products, but are still important as sources of fuelwood, poles and timber. Current exploitation is nearly akin to mining, with no measures taken to assure regeneration of desirable species. Efforts are needed to introduce management and increase the industrial efficiency of charcoal and hardwood lumber production. Economic participation of rural populations in the benefits of this management and production is essential if these same populations are to maintain these forests. The FSCD carries out a program with private landowners to promote the plantation of timber trees. This program does not currently cooperate actively with the existing network of agricultural extension agents, to promote management of natural forests and agroforestry.

An extensive knowledge of the medicinal uses of wild plants has developed throughout history; additional support should be provided for efforts to record this folklore, and studies should be made for pharmaceutical applications.

While not natural ecosystems, the pine plantations of Jamaica now meet about 20 percent of the annual demand for softwood lumber products. Most of this effective import substitution is produced by FIDCO, which harvests, transports and saws pine, mostly from Blue Mountain plantations established prior to the existence of FIDCO. While FIDCO currently operates at a profit, it is unclear

if the company's profit margin would cover the cost of establishment and maintenance of plantations over the 20-year commercial rotation, because of the high cost of its operations. This high cost is due in part to the steep slopes where pines are growing, which result in high road-building and yarding costs. The relatively small size of trees means high yarding, transport and sawmilling cost, as well. As an import-substitution endeavor, FIDCO could improve its performance with respect to energy consumption. A dehumidifier dry kiln that uses electricity is employed, while sawmill residues (58% of the log volume) are totally unused (personal communication, Don Bennett, FIDCO Sawmill Mgr.). Currently, most of Jamaica's electrical power comes from imported fossil fuel.

While Jamaica has no large native terrestrial mammals, other vertebrates such as iguanas and pigeons have provided a source of protein for rural people, and populations of many species have consequently reached dangerously low levels.

2. Coastal zones--The coastal resources of Jamaica, as the meeting place of sun, sea and sand, are of utmost importance for the success of the tourism industry, the nation's greatest source of foreign exchange. The coast itself is about 500 miles in length, punctuated by numerous inlets and bays. Part of the attraction to tourists is the broad range of ecosystems presented by the variation in the coastline--rocky headlands, bays, beaches, estuaries, mangrove swamps and cays. However, many areas have suffered some degree of degradation because the island's principal commercial and population centers are situated on the coast, and because these coastal resources are especially sensitive to over-use and mismanagement.

Jamaica's beaches are of international fame. Along the north and west coasts are vast stretches of white sand beaches, which provide the basis for the principal resort areas, such as Montego Bay, Negril and Ocho Rios. This white sand is eroded from offshore corals and calcareous algae and is deposited in the lagoons behind the reefs. The beaches of the south coast are more typically composed of black sand, that has been carried to the sea by rivers. In spite of the importance of beaches to tourism, they are frequently used as a source of sand for construction. Illegal sand mining and consequent beach erosion have caused serious problems in Johnson Town (Hanover), Hope Wharf (Westmoreland), Crane River (St. Elizabeth), Mahoe Bay/Rose Hall (St. James) and along the Portland coast (MOA 1987).

Seagrass beds and coral reefs suffer from the effects of increased sedimentation and pollution. Sediment erosion, transport and deposition are natural processes, which over geologic time have reached a dynamic equilibrium to which all physical and biological processes have adjusted. Coral reefs and seagrass beds reflect a long-established pattern of sediment discharge (Dubois, Berry & Ford 1985). As a result of inappropriate land use in the hills and near the shore, this equilibrium has changed, resulting in the burying of seagrass beds and suffocation of coral because of increased sediment loads. Pollution from domestic and industrial sewerage also has a negative impact on these resources. Oil-using industries, and the oil industry itself, result in coastal pollution, in the form of leaks from pipelines, storage tanks and tankers. A major source of Jamaica's foreign exchange, the bauxite industry, has polluted coastal environments, especially at Port Kaiser, Port Esquivel, Port Rhodes, Rocky Point and Reynolds Pier. This has included smothering of corals at Reynold's Pier in Ocho Rios, and impacted seagrass beds at Port Esquivel and Port Kaiser (MOA 1987). These two ecosystems are important for populations of fin and shellfish, so their deterioration has a negative impact on local fisheries. Also affected is the tourist industry, which utilizes these resources as a source of fresh seafood and as a site for snorkeling and glass bottom boat viewing.

Tourism itself has an impact on coastal resources. The filling of coastal mangroves, leveling of dunes and other disturbance of coastal ecosystems for the construction of hotels and other tourist facilities has an impact on the biological diversity of these areas. Pollution from these installations, and sedimentation resulting from construction, can affect nearby coral reefs and seagrass beds. Lights along beaches confuse sea turtles that lay their eggs there. The use of coastal organisms as souvenirs has contributed to the degradation of coastal resources. Black coral is protected by the Beach Control Act, but is still illegally harvested and used to make jewelry. Conch, starfish, elkhorn coral and other reef organisms are also collected for souvenirs.

B. Impacts of Development Projects

No Jamaican legislation requires an assessment of the environmental impact of public or private development projects. The review of industrial development plans by the Town Planning Department, required under the Town and Country Planning Act and the Local Improvements Act, takes into consideration impacts on traffic, conformation with current zoning ordinances, sources of employment, etc., but not environmental impacts. Although not currently legislatively mandated, environmental impacts could be studied, and serve as criteria for approval of development.

projects, in the Town Planning Department review. The Environmental Control Division of the Ministry of Health looks primarily at occupational hazards (MOA 1987). No legislative authority is vested in the NRCD to perform, or require, an environmental impact assessment of development projects, nor to require mitigative measures for adverse impacts.

Jamaica's natural forests, which mostly remain only in areas unfit for agriculture due to soil conditions or remoteness, such as upper watersheds, wetlands or excessively rocky areas, are theoretically protected from a change in use by the Watershed Protection Act and Forest Act. However, conversion of forests to coffee plantations by CIDCO in the Blue Mountains is taking place, without an evaluation of the impact of this activity on the amount of remaining premontane forest. FIDCO is also converting hardwood forest to pine plantations in the Blue and John Crow Mountains, with no impact assessment. No doubt, the perceived lack of contribution of natural forests to the economy results in public policy that favors economic development projects such as coffee or pine planting over conservation of biological diversity and natural forests. The pressure for housing sites in the Kingston Metropolitan Area is forcing development of the Hellshire Hills, without an assessment of the impact on the sole remaining habitat of the Jamaican iguana, which may already be extinct. Additionally, wetlands have undergone draining for agricultural development, without comprehensive environmental impact assessment.

The economic pressure for tourism development makes assessment and mitigation of environmental impacts unlikely to restrict this activity, as Jamaica's number one source of foreign exchange. Education of the public and private sector about the degree of interdependence between the health of natural ecosystems and the attractiveness of Jamaica to tourists would do a lot to promote effective environmental impact assessments for tourism development projects. The Town Planning Department could require environmental assessments prior to approval of tourism developments, as described above. In certain areas, the Urban Development Authority could also implement assessments. Public policy will continue to favor development of foreign exchange sources, however, so environmentally sound development needs to be promoted.

Agricultural development projects have potential impacts on the conservation of biological diversity and tropical forests, which need to be analyzed. The planting of new coffee in the Blue Mountains is an example discussed above. Current projects by USAID and other agencies promote on-farm income generation through increasing the productivity of known and/or potential crops. As such, these projects tend to have a positive environmental impact, because they reduce the pressure on natural forests by increasing

the production of existing plots and promoting agricultural sustainability through vegetative soil conservation measures such as permanent crops. Nevertheless, the impact of agricultural chemicals needs to be assessed, and measures taken to minimize this impact, for these agricultural projects. No current Jamaican legislation exists requiring such assessment.

USAID has been required to evaluate potential environmental impacts of its projects for several years. Canada has recently passed legislation that requires CIDA to evaluate the environmental impacts of its projects. The mechanism for this CIDA evaluation is now being worked out. In the World Bank, a new organizational structure is being implemented, which will integrate environmental criteria into the development project design and approval process. Environmental concern by international development agencies can only help the adoption of environmental impact assessment by Jamaican public and private institutions.

C. Ex-situ Conservation

The Ministry of Agriculture maintains the Royal Botanical Gardens at Hope, Cinchona, Castleton and Bath. While many of the collections in these gardens are of introduced plants, native plants are represented, as well, and research is carried out on their care (MOA 1987). Additionally, these sites are utilized for public education.

Also under MOA direction is the Hope Zoo, which displays and breeds selected indigenous and endemic species. The Zoo manages a small watershed and reservoir, and would like to develop this resource to further its public education activities (personal communication, Rema Kerr, Hope Zoo). The Hope Zoo Trust, an NGO, promotes the upgrading and development of the Hope Zoo.

The Jamaica Orchid Society manages the Spur Tree Orchid Reserve, in which native and introduced species and hybrids of orchids are tended and propagated.

The University of the West Indies at Mona maintains an Herbarium in the Botany Department, and a collection of preserved native animals in the Zoology Department. Plant and animal specimens from Jamaica are contained in the Smithsonian Institution, the British Museum and other natural history collections.

The NRCDC maintains a collection of environmental information, but needs technical and financial assistance to develop this into a full-fledged conservation data base.

VI Conservation of Economically Important Germplasm

It would be difficult to state categorically that any of Jamaica's native plant or animal species has no economic value. While few native Jamaican species have obtained worldwide economic importance, the value of a particular species to the healthy maintenance of a specific habitat, and its interaction with other species in that habitat, give economic importance to all native species. The economic contribution of native ecosystems to the human ecosystem, through protection of watersheds and amelioration of climate, cannot be overstressed. Rural populations utilize a large number of native plants as sources of medicines, food, beverages and shelter. This economic use of these species may appear to have little impact on Jamaica's national economy, but loss of this source of goods would require a substitution through import, if the quality of rural life were to be sustained. Work has been done to catalogue folk medicines and remedies by botanists from the University of the West Indies, but no studies have been made of the effect of rural communities on the populations of these plants. The use of wild animals for food, such as iguanas and doves, has no doubt impacted their populations, but likewise, no statistical studies have been made of this impact. The need for conservation of these resources through habitat protection provided by a comprehensive system of national parks and protected areas is widely recognized by Jamaican scientists and bureaucrats.

The number of flowering plants in Jamaica is estimated to be about 2,800 species. This is about twice the number of species found in the British Isles (which is 25 times bigger), and about the same as in Sri Lanka (which is 6 times bigger). More than 20% of the species of plants are endemic, a figure much higher than other islands in the Caribbean (Trinidad 7%, Lesser Antilles 12%, and Puerto Rico 13%). For the most part, the specific economic value of Jamaica's genetic resources has still not been assessed. Orchids, ferns, bromeliads, gesneriads, and tree ferns are among the groups which have so far attracted attention. Many plants may be expected to have horticultural, genetic, and pharmaceutical values which are yet to be discovered. The Jamaica Country Environmental Profile provides detailed information on the flora and fauna resources of Jamaica.

The native Jamaican species with probably the greatest worldwide economic importance is pimento, *Pimenta dioica*, from which allspice and allspice oil are derived. While this species is not endemic, originating also in Cuba, Central America and Mexico, Jamaica is the world's largest supplier of the spice. Cultivation of the tree is somewhat haphazard, usually intercropped with other fruit trees, permanent crops, annual crops and pasture.

Harvesting techniques are unsophisticated, involving breaking of branches, which results in large scars, and possibly a poor crop the following year (Adams 1971). The MOA has developed asexual propagation techniques, and has established collections of native and introduced clones (MOA 1973).

Blue mahoe, Hibiscus elatus, is another species, native only to Jamaica and Cuba, with international economic value. This valuable timber tree has been planted throughout the Lesser Antilles and in Puerto Rico, where it has shown good adaptability and growth. Apparently the species hybridizes with the closely related, pantropical species H. tiliaceus, from which it has probably evolved (Adams 1973). The growth and wood characteristics of both H. tiliaceus and the hybrid are vastly inferior to blue mahoe. Conservation of pure gene pools of blue mahoe should be undertaken by establishing stands of superior phenotypes at the upper extension of its range, well away from populations of H. tiliaceus, which frequents lower elevations. Seeds for establishment of blue mahoe plantations should also be collected from higher-elevation stands of the species.

While ackee, Blighia sapida, is native to Africa, having been brought to Jamaica by slaves, it is an important Jamaican plant, has been chosen as the national fruit, and constitutes an ingredient of the national dish, ackee and saltfish. The export of canned ackee, largely to Jamaican expatriate populations in the United States, Canada and Great Britain, offers tremendous potential. However, soft flesh types of ackee break up in processing. Ackee established from seedlings results in groves of mixed fruit types. The MOA has identified individual trees with good fruit quality, has vegetatively propagated these, and in 1969 established a gene bank at Lawrencefield (MOA 1973).

The FSCD annually collects forest seed, for its own planting purposes and for sale to other countries. A refrigerated seed locker is maintained at Constant Spring road. No seed orchards have been established with improved, grafted stock. Seeds are collected from superior phenotype trees in plantations or natural stands.

VII Major Biological Diversity and Tropical Forestry Issues

A. Government Policy

The GOJ must show true commitment to conserving Jamaican biological diversity and tropical forests. Much existing legislation provides for protection of resources yet there is no legislation specifically authorizing national parks. The regulations to support existing legislation often provide penalties that are too weak to discourage violations. The Act to establish the Natural Resources Conservation Authority as a

statutory body with expanded powers was not passed by the Jamaican Parliament before it was dissolved in January 1989. Adequate budgets need to be provided to GOJ agencies responsible for conserving biological diversity and tropical forests. Sufficient funding will result if policy makers are educated about the interrelation of healthy natural ecosystems and protected watersheds with important sectors of the economy such as tourism, agriculture and public health.

In many cases, penalties for transgressions of laws are insufficient. Since police and magistrates enforce laws in proportion to the potential penalties, conservation laws receive little priority. Of course, with slight penalties, potential violators have little incentive to obey conservation laws.

New development projects must be assessed for their potential environmental impact, including the impact on biological diversity and tropical forests. New legislation creating a Ministry of the Environment could include such a requirement. However, existing legislation, such as the Town and Country Planning Act, Local Improvement Act and Urban Development Act call for review of development plans, and GOJ policy could require that these reviews be expanded to include environmental assessments. Monitoring of industries and other enterprises is necessary to assure compliance with conservation laws and mitigation measures identified in environmental assessments.

GOJ support for public environmental education should be increased. Support of the Royal Botanical Gardens and Hope Zoo would support this effort.

The GOJ should become a more active member of the Caribbean Conservation Association. This NGO could provide technical assistance and policy analysis to government agencies and local environmental NGOs.

B. Coastal Zones

Most development projects impact coastal zones. Since coastal resources are so important to tourism, GOJ commitment to protecting these resources should exist. Environmental assessments for new projects, and monitoring of ongoing activities, should be adequate to protect these resources.

Sedimentation has a heavy impact on coral reefs and other coastal resources. In dredging and filling along the coast, precautions must be taken to minimize sedimentation. Rivers provide the link between hillside land use and coastal impacts. Improper agricultural practices in the hillsides can negatively impact coastal biological resources.

Mining of beach sands must be managed, such that removal of sand is compensated by deposition. Impacts on tourism must be minimized, as well.

20

Marine parks present a promising opportunity to conserve representative coastal habitat, while at the same time attracting tourists. Such parks should include integrated management on the foreshore.

C. Water

Watershed protection involves many aspects of conservation of biological diversity and tropical forests. Inappropriate agricultural practices are non-sustainable, with the result that forests are felled to provide new agricultural land. With the loss of forests, wildlife habitat disappears, jeopardizing the survival of many species. Unprotected soil is carried into streams and rivers, eventually being transported to the ocean, where it suffocates coral reefs and other marine ecosystems.

GOJ policies must encourage appropriate land use, by providing to farmers technical assistance in conservation farming. Incentives can be provided to encourage conversion to soil-protecting permanent crops, in the form of agricultural credit, marketing assistance and land titling programs.

Freshwater wetland and mangroves are under constant threat of conversion to other uses. Wetlands have been drained for conversion to agriculture, and mangroves are cut for charcoal production and filled for industrial and tourist development. GOJ policies should be adopted to protect these ecosystems, not only to conserve biological diversity, but because they are natural settling basins for turbid streams and rivers, and as such can help to conserve coastal resources so important for tourism and fisheries.

D. Wildlife

The most crucial need for conserving Jamaica's wildlife diversity is the protection of habitat. While existing Forest Reserves are also Game Sanctuaries, many ecotypes are not well represented in this reserve system. A comprehensive study of Jamaica's major plant and animal associations is needed, coupled with a review of how well they are represented in existing Forest Reserves and proposed National Parks.

Legislation is required, authorizing and regulating a National Parks and Protected Areas system. Mechanisms for assuring adequate funding to cover training of park personnel and recurring management costs need to be found. Since such resources would contribute to the tourist industry, it is logical that this industry participate in their funding and management. A NGO National Parks Trust would provide more opportunities for cooperating with international NGOs.

102

FSCD personnel should receive training in wildlife management. In order that Forest Reserves be meaningful Game Sanctuaries, department policies need to be drafted that consider habitat management, in addition to prohibition of hunting.

The GOJ should become a signatory of CITES. This requires acting on the draft legislation that would amend the Wild Life Protection Act to allow compliance with CITES.

E. Forests

A comprehensive National Parks and Protected Areas system would include representative samples of Jamaican forests. However, conservation implies wise use, which includes reaping of trees and other forest products in a sustainable fashion.

With the exception of a few hardwood species, Jamaica's natural forests are generally viewed as non-economic. These exploited species are utilized in a manner more akin to mining a non-renewable resource, rather than being managed in a sustainable manner. Most FSCD management in Forest Reserves is directed towards plantations of softwoods and hardwoods. Inventory, stand management and improved utilization of natural forest species are needed.

The view that natural forests are uneconomic explains in part the conversion of these forests to coffee and pine plantations. The value of these forests for wildlife habitat and watershed protection needs to be weighed against the potential economic benefit of coffee and pine production. Management techniques for these forests, and utilization of a wider range of species, should help with their conservation.

The FSCD operates a program to promote establishment of plantations on private lands. This program should be expanded, to cooperate with the existing network of agricultural extensionists to provide technical assistance to private landowners for management of natural forests in woodlots, and for management of agroforestry associations. Certain timber trees, such as cedar (*Cedrela odorata*), are commonly found growing with agricultural crops. These trees are sold to sawmills or middlemen when they attain a commercial size, and the farmer needs cash. However, since most farmers do not know how to determine the number of board feet in a tree or log, they frequently are grossly underpaid for this timber. A poor return from timber trees discourages farmers from investing land and labor in their management.

Studies should be made of the use of non-timber forest products by rural populations. The economic significance of these resources to on-farm budgets should be determined. Additionally, management guidelines should be developed to allow sustainable use of these resources.

169

Tree cutting for charcoal production has a major impact on ecosystems in an ever-widening radius around major towns. This occupation offers much potential to unskilled workers, but needs to be controlled. Management systems need to be developed to produce fuelwood from plantations and natural forests, so that a source of income is available to the rural poor.

VIII: Recommendations for Proposed Actions

Based on the above discussion, recommendations for proposed actions in order to conserve biological diversity and tropical forests for the Government of Jamaica, international development organizations and non-governmental organizations, can be summarized as follows:

A. Actions Required

1. Short Term

- a. Representative areas of the remaining forest, other terrestrial, and near-shore coastal habitat types in Jamaica need to be protected.
 - i. A system of National Parks and Protected Areas needs to be established.
 - ii. Legislation needs to be passed, and regulations need to be promulgated, to clarify the definition, criteria and objectives of protected areas.
 - iii. Management plans for protected areas need to be prepared that include an ecosystem approach to resource management.
- b. A National Conservation Strategy is needed for Jamaica.
 - i. Policy dialogue is necessary with the GOJ in support of a National Conservation Strategy.
 - ii. A National Conservation Strategy should fit into a National Environmental Policy and National Development Strategy.
 - iii. The National Conservation Strategy should form a part of the IUCN World Conservation Strategy.

2. Medium Term

- a. The diverse and often overlapping institutional framework for management of environmental affairs in Jamaica needs to be rationalized and streamlined so as to clarify responsibilities and eliminate duplication of effort.
- b. Public education is needed on the potential contribution of protected areas to the economy, especially to tourism, near shore fisheries and water system protection. Environmental education should be supported at all levels in Jamaica, to educate the public about their natural heritage.
- c. An inventory of the major Jamaican habitat types should be made. This would involve 24 person-months of field-based Technical Assistance. Candidate areas for protection, of a size that can be efficiently managed, should be nominated. Ideally, these areas would be compatible with other development in the area, by providing recreation areas for tourists and local residents, protecting watersheds for communities, etc.
- d. Systems for sustainable production on hillside farms need to be developed.
 - i. Policy dialogue is needed in order that the GOJ supports consistent policies in its land management, extension and marketing agencies.
 - ii. Sustainable technologies for farming hillsides need to be adapted to Jamaican conditions. Cost/benefit information needs to be transferred to farmers.
 - iii. Community involvement is needed to develop and promote sustainable hillside production and marketing systems.
- e. Jamaican forest land management institutions need a clear allocation of responsibilities, with legislation, regulations and sufficient budget to support them.
- f. All development projects in Jamaica should include an initial environmental examination (IEE). If the IEE shows a potential negative effect, an environmental assessment (EA) should be done to determine what negative effect, if any, the project will have on both terrestrial and near-shore coastal biological diversity.
- g. Training is needed in the planning, management and administration of Managers for protected areas.

205

3. Long Term

- a. Non-protected natural forests of Jamaica need to be productively managed.
 - i. Policy dialogue is needed, and possibly legislation, so that natural forest management activities are encouraged and recognized, protecting managed natural forests from agricultural conversion.
 - ii. Efficient natural forest management technologies need to be transferred to public and private-sector land managers. This should include multiple-use management.
 - iii. Appropriate technology to utilize a larger number of native tree species for house construction, furniture, artisanry and other uses is needed.
 - iv. Rural farmers need to receive more economic benefit from timber trees, as an incentive to manage them.
- b. Jamaican forest plantations need to be managed under consistent economic guidelines.
 - i. Costs for reforestation should be taken directly from the sale of timber.
 - ii. Appropriate technology needs to be adapted to increase the level of utilization of Jamaican hardwood plantations.
 - iii. Methods to more economically and successfully establish timber plantations, especially hardwoods, are needed.
 - iv. Methods and incentives for economic participation of small farmers in timber plantation management need to be developed.

B. Actions Required by USAID

In order to achieve the maximum effectiveness for limited funds available to USAID/Jamaica, efforts to conserve biological diversity and protect tropical forests should be concentrated in two areas.

1. Policy dialogue with the GOJ to promote recognition of the importance of biological diversity and the role of forests in the Jamaican economy. Discussions should focus on the rationalization of the institutional framework for environmental management as a top priority.

206

2. A critical need exists for protection of representative habitat types in Jamaica. USAID has begun to address this and related issues in the Protected Areas Resources Conservation Project (PARC) described below. As National Parks, these areas could attract tourists, help protect watersheds, serve as a resource for environmental education and protect Jamaica's national biological heritage.

C. The PARC Project

USAID/Jamaica is in the process of finalizing the Protected Areas Resources Conservation (PARC) Project (532-0148) for FY 89 funding. The project is aimed directly at the conservation of representative areas of Jamaica's natural habitat.

The goal of the PARC Project is to integrate conservation of biological diversity with sustainable economic development. The purpose of the Project is to lay the foundation for a new National Park and Protected Area System, and to plan and implement two pilot parks. These pilot parks will develop local management experience and expertise, as well as demonstrate the biological, ecological, social, and economic benefits of protecting upland, coastal, and marine environments.

The PARC Project will be the first major initiative in the protection of natural habitats in Jamaica in many years. The GOJ, Jamaican PVO's and NGO's, as well as USAID/Jamaica do not have much experience in efforts to protect natural habitat. It is for this reason that a two track approach will be taken to implementation. On the one hand, it is necessary to begin the process of taking a systematic look at the establishment of national parks, and the institutional structure for financing and managing them. On the other hand, it is equally necessary to act quickly to preserve specific habitats before they are lost forever, and to gain Jamaican experience in park design and management.

The Project is conceived of as the beginning of a long-term commitment on the part of USAID. The Project will be implemented in two or more phases. Phase One will be carried out over an estimated 36 month period. Prior to the end of Phase I, an assessment will be carried out to examine accomplishments to date and lay out objectives for a follow-on Phase II.

207

Phase I will establish the basis for a broader national program for integrating conservation of biodiversity and sustainable development by building local capacity and developing experience in protection and management of Jamaica's prime habitat and natural resource areas. This Phase will consist of two components: (1) the building of the conceptual, legal, financial, and institutional foundation for a National Park and Protected Area System, and (2) the immediate initiation of park or protected area activities in two pilot areas.

Phase II will emphasize support to a National Parks Management Authority (NPMA) and the incorporation of new areas into the park system. The establishment of a Trust Fund with sufficient resources to fund recurrent costs will be a precondition to the establishment of the NPMA. However, it is expected that USAID funds will continue to be required to finance capital costs and training activities. These are likely to include training of new NMPA staff, office and field equipment for the NPMA, boundary demarcation, and the construction of infrastructure.

Concerned Jamaicans who have sought to promote the establishment and management of national parks have been frustrated for years. They rightly point out that much can be done within the current institutional and legislative framework. Too often there has been a willingness to study problems and potential, but little activity to initiate on-the-ground management. What has been lacking has been the financing, on the one hand, and the trained personnel to implement, on the other. All of these aspects will be addressed by the PARC Project.

By the end of Phase One, two pilot parks will be established. These parks will have management plans and implementation mechanisms in place, trained staff, legal status, gazetted boundaries, and financing to cover the recurrent costs. It is expected that these pilot parks will serve as models for the benefits of sound environmental protection for Jamaica, and rallying points for other activities relative to environmental management.

In the long run, implementation of a National Parks and Protected Areas System in Jamaica will require the existence of a single management authority with the requisite legal, financial, and technical backing. While it is not expected that this management authority will be fully in place at the end of Phase One, the Project will be instrumental in setting the activities in motion that will lead to the establishment of this entity. These activities consist of: the development of a National Parks and Protected Areas System Plan; the establishment and capitalization of a National Parks Trust Fund; and the drafting and adoption of organic national park legislation. These three activities are intimately linked and must be carried out in concert. If these aspects of the Project cannot be achieved, an expanded National Park and Protected Areas System will not be attainable in the long run.

-20-

APPENDIX ONE

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APPENDIX TWO

Biographical Sketch

Loren Bennett Ford was born in Columbus, Ohio, in 1950. He grew up in Vermont and New Hampshire, graduating from the Phillips Exeter Academy in 1968. University studies were pursued at the University of Washington, Seattle, where the degree of Bachelor of Sciences (Forest Sciences) was conferred in 1976, Master of Sciences (Forestry) in 1977 and Doctor of Philosophy (Forestry) in 1986.

He served as a Peace Corps Volunteer in Costa Rica from 1978-80, where he carried out a survey of pests of plantations of fast-growing trees for the Tropical Agriculture Center for Research and Training (CATIE) in Turrialba.

After Peace Corps, he continued to work in Costa Rica for three years, as a professor and researcher in forestry at the Costa Rican Technological Institute (ITCR). During this time, he also gave technical training two groups of forestry Peace Corps Volunteers, and carried out two short-term consultations for USAID/San Jose.

Dr. Ford currently works for the USDA Forest Service, on an interagency agreement as Regional Forestry Advisor for the Caribbean to USAID. He is stationed at the Caribbean National Forest, in Rio Piedras, Puerto Rico.

210

APPENDIX THREE

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211

FY 1990/91 ACTION PLAN [: JAMAICA]

PD-ABC-004

1 OF 3 (24X)

**JAMAICA
ACTION PLAN**

1989

FY 1990/91 ACTION PLAN [: JAMAICA]

PD-ABC-004

2 OF 3 (24X)

**JAMAICA
ACTION PLAN**

1989

FY 1990/91 ACTION PLAN [: JAMAICA]

PD-ABC-004

3 OF 3 (24X)

**JAMAICA
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